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Attorneys for Plaintiff ANGEL CHAPPARO

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SAN BERNARDINO

ANGEL CHAPPARO, individually and on
behalf of all persons similarly situated

PLAINTIFFS,

vs.

IMMANUEL BAPTIST CHURCH OF SAN
BERNADINO AND HIGHLAND,
CALIFORNIA, a California non-profit
corporation; IMMANUEL BAPTIST
CHURCH, a California non-profit corporation,
and Does 1 through 50, Inclusive,

DEFENDANTS.

Case No. CIVSB2101240

**[PROPOSED] ORDER GRANTING
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
AND PAGA ACTION SETTLEMENT**

Date: June 27, 2022

Time: 9:00 a.m.

Judge: Hon. David Cohn

Dept.: S-26

1 This matter having come before the Honorable Judge David Cohn of the Superior Court of the
2 State of California, in and for the County of San Bernardino, at 9:00 a.m. on June 27, 2022, with Jean-
3 Claude Lapuyade, Esq., of the JCL Law Firm, APC and Shani O. Zakay, Esq. of the ZLG Law Group,
4 APLC as counsel for plaintiff ANGEL CHAPPARO (“Plaintiff”), and Jeffrey A. Berman and Andrew
5 M. McNaught of Seyfarth Shaw LLP appearing for defendants IBC IMMANUEL BAPTIST CHURCH
6 OF SAN BERNARDINO AND HIGHLAND, CALIFORNIA, and IMMANUEL BAPTIST CHURCH
7 (hereinafter collectively “Defendants” of “IBC”). The Court, having carefully considered the briefs,
8 argument of counsel and all the matters presented to the Court, and good cause appearing, hereby
9 GRANTS Plaintiff’s Motion for Preliminary Approval of Class Action Settlement.

10 **IT IS HEREBY ORDERED:**

11 1. The Court preliminarily approves the Class and Representative Action Settlement
12 Agreement and Release of Claims (“Settlement Agreement” or “Agreement”), a true and correct copy
13 of which is attached hereto as **Exhibit “1”**. This is based on the Court’s determination that the
14 Settlement Agreement is within the range of possible final approval, pursuant to the provisions of
15 Section 382 of the California Code of Civil Procedure and California Rules of Court, rule 3.769.

16 2. This Order incorporates by reference the definitions in the Agreement, and all terms
17 defined therein shall have the same meaning in this Order as set forth in the Agreement.

18 3. Subject to the terms of the Settlement Agreement, the Gross Settlement Amount that
19 Defendants shall pay is Two Hundred Ten Thousand Dollars and Zero Cents (\$210,00.00). It appears
20 to the Court on a preliminary basis that the settlement amount and terms are fair, adequate, and
21 reasonable as to all Class Members when balanced against the probable outcome of further litigation
22 relating to certification, liability, and damages issues. It further appears that investigation and research
23 have been conducted such that counsel for the Parties are able to reasonably evaluate their respective
24 positions. It further appears to the Court that settlement at this time will avoid substantial additional
25 costs by all Parties, as well as avoid the delay and risks that would be presented by the further
26 prosecution of the litigation. It further appears that the Settlement has been reached as the result of
27 intensive, serious, and non-collusive arms-length negotiations.

4. The Court preliminarily finds that the Settlement appears to be within the range of reasonableness of a settlement that could ultimately be given final approval by this Court. The Court has reviewed the monetary recovery that is being granted as part of the Settlement and preliminarily finds that the monetary settlement awards made available to the Class Members are fair, adequate, and reasonable when balanced against the probable outcome of further litigation relating to certification, liability, and damages issues.

5. Plaintiff seeks Class Counsel Payment in the amount of up-to one-third of the Gross Settlement Amount for attorneys' fees, currently estimated at Seventy Thousand Dollars (\$70,000), an award of litigation expenses incurred not to exceed Fifteen Thousand Dollars (\$15,000), and proposed Class Representative Service Award to the Class Representative, Angel Chapparo, in an amount not to exceed Five Thousand Dollars (\$5,000). While these awards appear to be within the range of reasonableness, the Court will not approve the Class Counsel Payment or Class Representative Service Award until the Final Approval Hearing.

6. The Court recognizes that Plaintiff and Defendants stipulate and agree to certification of a class for settlement purposes only. This stipulation will not be deemed admissible in this, or any other proceeding should this Settlement not become final. For settlement purposes only, the Court conditionally certifies the following Class:

“All current and former non-exempt employees of IBC in California during the time period from January 22, 2017, through December 22, 2021.”

7. The Court concludes that, for settlement purposes only, the Class meets the requirements for certification under section 382 of the California Code of Civil Procedure in that: (a) the Class is ascertainable and so numerous that joinder of all members of the Class Members is impracticable; (b) common questions of law and fact predominate, and there is a well-defined community of interest amongst the Class Members with respect to the subject matter of the litigation; (c) the claims of the Class Representative are typical of the claims of the Class Members; (d) the Class Representative will fairly and adequately protect the interests of the Class Members; (e) a class action is superior to other available methods for the efficient adjudication of this controversy; and (f) Class Counsel are qualified

1 to act as counsel for the Class Representative in her individual capacity and as the representative of the
2 Class Members.

3 8. The Court provisionally appoints plaintiff ANGEL CHAPPARO as the representative of
4 the Class.

5 9. The Court provisionally appoints Jean-Claude Lapuyade, Esq., of the JCL Law Firm,
6 A.P.C., and Shani Zakay, of the Zakay Law Group, APLC, as Class Counsel for the Class Members.

7 10. The Court hereby approves, as to form and content, the Proposed Notice of Class Action
8 Settlement (“Class Notice”) attached to the Agreement as Exhibit “A”. The Court finds that both
9 notices appear to fully and accurately inform the Class Members and Aggrieved Employees of all
10 material elements of the proposed Settlement, including the right of any Class Member to be excluded
11 from the Class by submitting a written request for exclusion, and of each Class Member’s right and
12 opportunity to object to the Settlement. The Court further finds that the distribution of the notices
13 substantially in the manner and form set forth in the Agreement and this Order meets the requirements
14 of due process, is the most reasonable notice under the circumstances, and shall constitute due and
15 sufficient notice to all persons entitled thereto. The Court orders the mailing of the notices by first class
16 mail, pursuant to the terms set forth in the Agreement.

17 11. The Court hereby appoints ILYM Group, Inc. as Settlement Administrator. Within
18 fourteen (14) calendar days of the later of preliminary approval or court approval of Settlement notice
19 to the class, Defendants shall provide to the Settlement Administrator the Class Data, including
20 information regarding Class Members that Defendants will in good faith compile from its records,
21 including each Class Member’s full name; last known address; Social Security Number; start dates and
22 end dates of employment or work at Defendants’ church campuses in California during the Settlement
23 Period, the number of Workweeks for each Class Members and the number of PAGA Workweeks.
24 Within seven (7) business days after receiving the Class Data from Defendants, the Settlement
25 Administrator shall mail the Class Notice to all identified, potential Class Members via first class U.S.
26 Mail using the most current mailing address information available.

27 12. The Court hereby preliminarily approves the proposed procedure for exclusion from the
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1 Settlement. Any Class Member may individually choose to opt out of and be excluded from the
2 Settlement as provided in the Notice by following the instructions for requesting exclusion from the
3 Settlement of the Released Claims that are set forth in the Notice. All requests for exclusion must be
4 postmarked or received by the Response Deadline which is forty-five (45) calendar days after the date
5 the Class Notice is mailed to the Class Members or, in the case of a re-mailed Notice, not more than
6 fifteen (15) calendar days from the date of re-mailing of the Notices. Any such person who chooses to
7 opt out of and be excluded from the Settlement will not be entitled to an Individual Settlement Payment
8 under the Settlement and will not be bound by the Settlement, or have any right to object, appeal or
9 comment thereon. Class Members who have not requested exclusion shall be bound by all
10 determinations of the Court, the Agreement and Judgment. A request for exclusion may only opt out
11 that particular individual, and any attempt to affect an opt-out of a group, class, or subclass of
12 individuals is not permitted and will be deemed invalid.

13 13. Any Class Member who has not opted out may appear at the final approval hearing and
14 may object or express the Class Member's views regarding the Settlement and may present evidence
15 and file briefs or other papers that may be proper and relevant to the issues to be heard and determined
16 by the Court as provided in the Notice. Class Members will have forty-five (45) calendar days from the
17 date the Settlement Administrator mails the Class Notice to postmark their written objections to the
18 Settlement Administrator.

19 14. A final approval hearing shall be held before this Court on _____ at
20 _____ AM in Department S-26 of the San Bernardino County Superior Court to determine all
21 necessary matters concerning the Settlement, including: whether the proposed settlement of the Action
22 on the terms and conditions provided for in the Agreement is fair, adequate and reasonable and should
23 be finally approved by the Court; whether an Order Granting Final Approval should be entered herein;
24 whether the plan of allocation contained in the Agreement should be approved as fair, adequate and
25 reasonable to the Class; and to finally approve the Class Counsel Payment, Class Representative
26 Service Award, and the Settlement Administration Costs. All papers in support of the motion for final
27 approval and the motion for Attorneys' Fee and Costs and Class Representative Service Award shall
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1 be filed with the Court and served on all counsel no later than sixteen (16) court days before the hearing.

2 15. Neither the Settlement nor any exhibit, document, or instrument delivered thereunder
3 shall be construed as a concession or admission by Defendants in any way, and shall not be used as
4 evidence of, or used against Defendants as an admission or indication in any way, including with
5 respect to any claim of any liability, wrongdoing, fault, or omission by Defendants or with respect to
6 the truth of any allegation asserted by any person. Whether or not the Settlement is finally approved,
7 neither the Settlement, nor any exhibit, document, statement, proceeding or conduct related to the
8 Settlement, nor any reports or accounts thereof, shall in any event be construed as, offered or admitted
9 in evidence as received as or deemed to be evidence for any purpose adverse to the Defendants,
10 including, but not limited to, evidence of a presumption, concession, indication or admission by
11 Defendants of any liability, fault, wrongdoing, omission, concession or damage.

12 16. In the event the Settlement does not become effective in accordance with the terms of the
13 Agreement, or the Settlement is not finally approved, or is terminated, canceled, or fails to become
14 effective for any reason, this Order shall be rendered null and void and shall be vacated, and the Parties
15 shall revert to their respective positions as of before entering into the Agreement. In such an event, the
16 Court's orders regarding the Settlement, including this Preliminary Approval Order, shall not be used
17 or referred to in litigation for any purpose. Nothing in this paragraph is intended to alter the terms of
18 the Settlement Agreement with respect to the effect of the Settlement Agreement if it is not approved.

19 17. Pending final determination of whether the Settlement should be approved, Class
20 Representative and all Class Members are barred and enjoined from filing, commencing, prosecuting,
21 intervening in, instigating or in any way participating in the commencement or prosecution of any
22 lawsuit, action or administrative, regulatory, arbitration or other proceeding, in any forum, asserting
23 any claims that are, or relate in any way to, the Released Claims, unless and until they submit a timely
24 request for exclusion pursuant to the Agreement.

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18. The Court reserves the right to adjourn or continue the date of the final approval hearing and all dates provided for in the Agreement without further notice to Class Members and retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

Dated: _____

JUDGE OF THE SUPERIOR COURT

EXHIBIT 1

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Attorneys for IBC IMMANUEL BAPTIST CHURCH OF
SAN BERNARDINO AND HIGHLAND, CALIFORNIA,
and IMMANUEL BAPTIST CHURCH

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SAN BERNARDINO

ANGEL CHAPPARO, an individual, on behalf of
herself, and on behalf of all persons similarly
situated,

Plaintiff,

v.

IMMANUEL BAPTIST CHURCH OF SAN
BERNARDINO AND HIGHLAND,
CALIFORNIA, a California non-profit corporation;
IMMANUEL BAPTIST CHURCH, a California
non-profit corporation, and DOES 1 through 50,
Inclusive,

Defendants.

Case No. CIVSB 2101240

*ASSIGNED FOR ALL PURPOSES TO THE
HONORABLE DAVID COHN, DEPT. S26*

**CLASS AND REPRESENTATIVE ACTION
SETTLEMENT AGREEMENT AND
RELEASE OF CLAIMS**

Complaint Filed: January 22, 2021

1 This Class Action Settlement Agreement and Release of Claims (“Agreement”) is between (1)
2 plaintiff ANGEL CHAPPARO (“Plaintiff”), on the one hand; and (2) defendants IMMANUEL BAPTIST
3 CHURCH OF SAN BERNARDINO AND HIGHLAND, CALIFORNIA, and IMMANUEL BAPTIST
4 CHURCH (collectively, “IBC”), and its affiliates and subsidiaries, on the other hand.

5 Subject to judicial approval, and as provided below, Plaintiff and IBC, (collectively, the “Parties.”)
6 intend to settle the Action (defined below) and to fully, finally, and forever resolve, discharge, and settle
7 the Released Claims (defined below). If this Agreement is not finally approved, or is otherwise nullified,
8 then the Parties shall return to their positions preceding this Agreement and IBC shall retain all rights to
9 challenge the Plaintiff’s claims and the certification of any class.

10 **1. DEFINITIONS**

11 For the purposes of this Agreement, the Parties define the following terms. Each defined term
12 appears throughout in initial capital letters.

13 **1.1. “Action”** refers to the following case: *Chapparo v. Immanuel Baptist Church of*
14 *San Bernardino and Highland, California, et.al.*, San Bernardino County Superior Court Case Number
15 CIVSB 2101240.

16 **1.2. “Administrative Costs”** refers to all costs associated with administration of the
17 settlement contemplated by this Agreement. Administrative Costs include all fees and costs for, among
18 other things, printing, copying, formatting, postage, envelopes, computer searches to locate addresses,
19 calculation of payments to individual class members, calculation of applicable payroll withholdings and
20 payroll taxes, preparation and filing of appropriate IRS Forms, any cost associated with the process for
21 any uncashed settlement checks, provision of weekly reports, and any other expenses the Settlement
22 Administrator incurs to complete the settlement process according to the terms of this Agreement.
23 Administrative Costs are borne in the first instance by the Settlement Administrator.

24 **1.3. “Agreement”** refers to this Class and Representative Action Settlement Agreement
25 and Release of Claims, which includes all its Recitals herein and all the attached Exhibits.

26 **1.4. “Class Action Complaint”** refers to the operative complaint containing class
27 allegations in the Action.
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1 **1.5. “Class Counsel”** refers to JCL LAW FIRM, APC, 5440 Morehouse Drive, Suite
2 3600, San Diego, CA 92121; Telephone: (619)599-8292; Facsimile: (619) 599-8291; [jlapuyade@jcl-](mailto:jlapuyade@jcl-lawfirm.com)
3 [lawfirm.com](mailto:jlapuyade@jcl-lawfirm.com) and ZAKAY LAW GROUP, APLC, 5440 Morehouse Drive, Suite 3600, San Diego, CA
4 92121; Telephone: (619)255-9047; Facsimile: (858) 404-9203; shani@zakaylaw.com.

5 **1.6. “Class Counsel Payment”** refers to the amount of attorney’s fees and costs that
6 the Court awards to Class Counsel in connection with the resolution of the Action in accordance with this
7 Agreement. The attorney’s fees portion of Class Counsel Payment shall be allocated equally 50/50
8 between JCL LAW FIRM, APC and ZAKAY LAW GROUP, APLC.

9 **1.7. “Class Member”** refers to all current or former non-exempt employees of IBC in
10 California during the Settlement Period.

11 **1.8. “Class Representative”** refers to Plaintiff Angel Chapparo.

12 **1.9. “Class Representative Service Award”** refers to any payment that the Court
13 awards to the Class Representative for efforts in prosecuting the Action on behalf of the Class Members.

14 **1.10. “Consideration Period”** refers to the 45 calendar days following the date when
15 the Settlement Administrator mails the Notice of Class Action Settlement. The Consideration Period is
16 the period in which a Class Member can submit an Objection or a Request for Exclusion.

17 **1.11. “Court”** refers to the Judge presiding over the Class Action and PAGA Action.

18 **1.12. “IBC”** refers to Immanuel Baptist Church of San Bernardino and Highland,
19 California, and each of its affiliates and subsidiaries.

20 **1.13. “Defense Counsel”** refers to Seyfarth Shaw LLP. For purposes of providing any
21 notices required under this Agreement, Defense Counsel shall refer to Andrew McNaught, Seyfarth Shaw
22 LLP, 560 Mission Street, Suite 3100, San Francisco, California 94105.

23 **1.14. “Effective Date”** means the date of an order granting final approval and entry of
24 judgment, if no objections are filed to the settlement. If objections are filed and overruled, and no appeal
25 is taken of the final approval order and judgment, then the Effective Date will be thirty (30) days after the
26 trial court enters final approval and judgment. If an appeal is taken from the Court’s overruling of
27 objections to the settlement, then the Effective Date will be twenty (20) days after the appeal is withdrawn
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1 or after an appellate decision affirming the final approval decision becomes final. No money will be
2 distributed to the settlement administrator, and then from the settlement administrator to the Settlement
3 Class, unless and until the Effective Date occurs.

4 **1.15. “Eligible Workweek”** refers to a workweek in which a Class Member was
5 employed by IBC during the Settlement Period (defined below), and received any regular pay. Any
6 workweek in which the Class Member did not receive any regular pay will not be an Eligible Workweek,
7 even if the Class Member received other pay (such as Paid Time Off, for example). The Settlement Period
8 includes no more than 20,000 total Eligible Workweeks.

9 **1.16. “Fairness Hearing”** refers to the hearing at which the Court decides whether the
10 terms of the Agreement are fair, reasonable, and adequate for the Class Members and meet all
11 requirements for final approval.

12 **1.17. “Final Approval Order”** refers to the final order by the Court approving the
13 Settlement following the Fairness Hearing.

14 **1.18. “Gross Settlement Amount”** refers to the payment IBC are obligated to make in
15 connection with the Agreement: Two Hundred Ten Thousand Dollars and Zero cents (\$210,00.00), plus
16 any employer-side payroll taxes. In no event shall IBC be obligated to pay more than this amount, except
17 as set forth in Section 5.5.1, below. This sum includes all Individual Settlement Payments (including any
18 employee share of payroll taxes), any Class Representative Service Award, the PAGA Payment,
19 Administrative Costs, and the Class Counsel Payment. IBC shall be responsible for paying any
20 appropriate and legally-required employer payroll taxes.

21 **1.19. “Individual Settlement Payment”** refers to the amount calculated by the
22 Settlement Administrator to distribute to each Settlement Class Member. The Individual Settlement
23 Payment shall be paid from the Net Settlement Amount.

24 **1.20. “Judgment”** refers to the final judgment entered by the Court in this Class Action
25 following the Fairness Hearing.

1 **1.21. “LWDA”** refers to the California Labor & Workforce Development Agency,
2 which helps to enforce the Private Attorney General Act (“PAGA”), and which will receive the LWDA
3 portion of the PAGA Payment.

4 **1.22. “Net Settlement Amount”** refers to the portion of the Gross Settlement Amount
5 that remains after accounting for any Class Representative Service Award, the PAGA Payment,
6 Administrative Costs, and the Class Counsel Payment. The Net Settlement Amount shall include all
7 Individual Settlement Payments, including each Class Member’s share of payroll taxes.

8 **1.23. “Notice of Class Action Settlement”** refers to the Notice of Class Action
9 Settlement, substantially in the form attached as Exhibit A.

10 **1.24. “Objection”** refers to a written statement submitted timely by a Class Member to
11 the Settlement Administrator that contains (1) the name and case number of the Action (or reasonable
12 portion thereof), (2) the full name, last four digits of their social security number, and current address of
13 the Class Member making the Objection, (3) the specific reason(s) for the Objection, and (4) all evidence
14 and supporting papers (including, without limitation, all briefs, written evidence, and declarations) for the
15 Court to consider.

16 **1.25. “Objector”** refers to a Settlement Class Member who has submitted Objection or
17 attends the Fairness Hearing to object without having submitted a written Objection.

18 **1.26. “PAGA Payment”** refers to a Ten Thousand Dollars And No Cents (\$10,000.00)
19 payment that shall be set aside from the Gross Settlement Amount in settlement of claims for civil
20 penalties under the Private Attorneys General Act of 2004. Of the PAGA Payment, Seven Thousand Five
21 Hundred Dollars And No Cents (\$7,500.00), representing 75% of the PAGA Payment, shall be payable to
22 the LWDA. The remaining Two Thousand, Five Hundred Dollars And No Cents (\$2,500.00),
23 representing 25% of the PAGA Payment, shall be distributed to the Aggrieved Employees. Aggrieved
24 Employees will receive their PAGA Payment on a pro-rata basis based on the number of Pay Periods they
25 worked during the PAGA Period compared to the total number of Pay Periods all of the Aggrieved
26 Employees worked during the PAGA Period. Aggrieved Employees will receive their PAGA Payment
27 regardless of whether or not they file a Request for Exclusion from the class portion of the Settlement.
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1 **1.27. “Parties”** refers collectively to (1) Plaintiff Angel Chapparo, individually and on
2 behalf of the Class, and (2) Immanuel Baptist Church of San Bernardino and Highland California, and its
3 affiliates and subsidiaries.

4 **1.28. “Plaintiff”** refers to Class Representative Angel Chapparo, individually and on
5 behalf of the Class.

6 **1.29. “Preliminary Approval Order”** refers to the order entered by the Court following
7 a Motion for Preliminary Approval of the Agreement.

8 **1.30. “Qualified Settlement Fund (QSF)”** refers to a Qualified Settlement Fund
9 pursuant to U.S. Treasury Regulation Section 468B-1.

10 **1.31. “Released Claims”** refers to all claims that will be extinguished by operation of
11 this Agreement and the events it provides for. The Released Claims shall apply to all Class Members who
12 do not timely file a Request for Exclusion. The Released Claims are defined in Section 6.1, below.

13 **1.32. “Released Parties”** refers to IBC, its affiliates and subsidiaries, and their
14 predecessors, successors, subsidiaries, parent companies, other corporate affiliates, and assigns, and each
15 and all of their current or former subsidiaries, parents, affiliates, predecessors, insurers, agents, servants,
16 employees, successors, assigns, officers, officials, directors, attorneys, personal representatives, registered
17 representatives, executors, and shareholders, including their respective pension, profit sharing, savings,
18 health, and other employee benefits plans of any nature, the successors of such plans, and those plans’
19 respective current or former trustees and administrators, agents, employees, and fiduciaries, and any other
20 persons acting by, through, under or in concert with any of them.

21 **1.33. “Request for Exclusion”** refers to a timely, written, opt-out request signed by a
22 Class Member who thereby elects to be excluded from this Agreement.

23 **1.34. “Settlement Administrator”** refers to ILYM Group, Inc., the third-party
24 administrator the Parties have selected, subject to Court approval.

25 **1.35. “Settlement Class”** refers to all Class Members who do not file a timely and valid
26 Request for Exclusion.

27 .

1 **1.36. “Settlement Payment”** refers to payments made to Settlement Class Members.

2 **1.42. “Settlement Period”** refers to the time period from January 22, 2017 through
3 December 22, 2021.

4 **1.43. “PAGA Period”** refers to the time period from November 16, 2019 through
5 December 22, 2021.

6 **1.44. “Aggrieved Employees”** refers to Class Members who were employed by
7 Defendant during the PAGA Period.

8 **2. RECITALS AND PROCEDURAL HISTORY**

9 **2.1. Allegations in Class Action Complaint.** On January 22, 2021, Plaintiff Angel
10 Chapparo filed a class action and PAGA complaint intending to represent all hourly-paid, non-exempt
11 employees employed by IBC in California since January 22, 2017. Plaintiff alleges claims for: (1) failure
12 to pay overtime wages under Cal. Lab. Code §§ 510, 1194, and 1199; (2) failure to pay minimum wages
13 in violation of Cal. Lab. Code §§ 1194, 1194.2, 1197 and IWC No. 5; (3) failure to provide meal breaks
14 under Cal. Lab. Code §§ 512, 226.7 and IWC No. 5; (4) failure to provide rest breaks under Cal. Lab.
15 Code §§ 512, 226.7 and IWC No. 5; (5) failure to pay wages upon termination in violation of Cal. Lab.
16 Code §§ 201-203; (6) failure to provide accurate wage statements in violation of Cal. Lab. Code §226; (7)
17 failure to reimburse business expenses under Cal. Lab. Code § 2802; (8) a cause of action for Civil
18 Penalties under Labor Code § 2699; and (9) violating Cal. Bus. & Prof. Code §17200 et seq.

19 **2.2. IBC’S Denials.** IBC denies (1) all the material allegations in the Action, (2) that it
20 violated any applicable laws, (3) that it is liable for damages, penalties, interest, restitution, attorneys’
21 fees, or costs, or for any other compensation or remedy with respect to anyone on account of the claims
22 asserted in the Action, and (4) that class certification or representative treatment is appropriate as to any
23 claim in the Action. IBC contends that its policies, procedures, and practices comply with all applicable
24 laws asserted in the Action. Nonetheless, without admitting any liability or wrongdoing whatsoever and
25 without admitting that class or representative treatment is appropriate for any purpose other than for
26 settlement purposes alone, IBC has agreed to settle the Action on the terms set forth in this Agreement, to
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1 avoid the burden, expense, and uncertainty of litigation. Any statements by IBC in this Agreement are
2 made for settlement purposes only.

3 **2.3. Class Counsel's Investigation.** Class Counsel represent that they have conducted
4 a sufficiently thorough investigation into the claims of the Plaintiff Class. Based on their own independent
5 investigation and evaluation and all known facts and circumstances, including the risk of significant
6 defenses asserted by IBC, Class Counsel are of the opinion that the Settlement is fair, reasonable, and
7 adequate and is in the best interests of the Settlement Class.

8 **2.4. Negotiation of Settlement.** Class Counsel engaged in intensive negotiations with
9 IBC with a view toward achieving substantial benefits for the Class Members, while avoiding the cost,
10 delay, and uncertainty of further litigation. Plaintiff and Class Counsel advocate approval of this
11 Agreement after considering (1) the factual and legal defenses to the claims asserted, which render
12 uncertain the ultimate outcome of the Action and class certification, (2) the potential difficulties Plaintiff
13 and Class Members would encounter in establishing their claims and maintaining class or representative
14 treatment, (3) the substantial benefits that Class Members would receive under this Agreement, (4) that
15 this Agreement provides Class Members relief in an expeditious and efficient manner, compared to any
16 manner of recovery possible after litigation and potential appeal, and (5) that this Agreement allows Class
17 Members to opt out of the settlement and individually pursue the claims alleged in the Class Action.

18 **2.5. Certification of Settlement Class.** This Agreement is contingent upon the Court's
19 certification of the Settlement Class under California Code of Civil Procedure Section 382 for settlement
20 purposes only. IBC stipulates to certification of the Settlement Class for purposes of the Settlement only,
21 but does not waive, and instead expressly reserves, the right to challenge the propriety of class
22 certification, or representative treatment for any other purpose should the Court not approve the
23 Settlement.

24 Now therefore, in consideration of the agreements set forth herein, and of the release of all
25 Released Claims, the Parties agree to the terms of this Agreement, subject to the approval of the Court.
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1 **3. NOTICE TO CLASS MEMBERS**

2 **3.1. Content of Class Notice.** The Class Notice shall be substantially in the form
3 attached as **Exhibit A** and include the amount of the Settlement, a calculation of the Class Members’
4 anticipated share of the Net Settlement Amount and the Aggrieved Employees’ anticipated share of the
5 PAGA Payment and the full amounts of the Class Counsel Payment, Class Representative Service Award,
6 and Administrative Costs to be awarded, the terms of the release, the procedure to opt out of the Settlement
7 through a Request for Exclusion, notice that they may not opt out of the PAGA portion of the Settlement,
8 the procedure to submit an Objection to the Settlement, and the date of the Fairness Hearing. No claim
9 form will be required to participate in the Settlement.

10 **3.2. Settlement Administrator.** The Parties select ILYM Group, Inc. as the Settlement
11 Administrator. The duties of the Settlement Administrator shall include, without limitation, mailing
12 notices to Class Members, providing weekly updates to counsel for the Parties, establishing a QSF,
13 obtaining appropriate tax identification number(s), calculating Individual Settlement Payments (including
14 all required tax withholdings and payments), mailing Individual Settlement Payments and tax forms to
15 Settlement Class Members, remitting all tax payments and requisite reporting documentation to taxing
16 authorities, and the other duties associated with settlement administration, including specified in this
17 Agreement. Any dispute relating to the settlement administration will, after good-faith efforts by the
18 Parties to resolve the dispute, be referred to the Court.

19 **3.3. Class Data for the Settlement Administrator.** Within 14 calendar days of the
20 later of preliminary approval of this Settlement or Court approval of the Settlement notice to the Class,
21 IBC shall provide to the Settlement Administrator a confidential class list containing: (1) the names; (2)
22 employee ID numbers; (3) last known address and telephone number(s); (4) dates of active employment
23 for Settlement Class Members; (5) number of Eligible Workweeks worked during the Settlement Period
24 for Settlement Class Members; and (6) last four digits of social security numbers. This information shall
25 be used to facilitate the administration of this Agreement. The Settlement Administrator shall keep the
26 class data provided by IBC strictly confidential and shall use the class data only for the purposes described
27 in this Agreement, and shall return the class data to IBC or confirm the destruction of same upon
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1 completing the settlement administration called for by this Agreement. Under no circumstances will the
2 class data be provided to Class Counsel.

3 **3.4. Mailing Materials to Class Members.** Within seven (7) business days of the
4 receipt of the class data discussed immediately above in Section 3.3, the Settlement Administrator shall
5 send the Notice of Class Action Settlement to Class Members to their last known address via First Class
6 U.S. Mail. Any mailing returned to the Settlement Administrator as undeliverable shall be sent within
7 five calendar days via First Class U.S. Mail to any available forwarding address. If no forwarding address
8 is available, then the Settlement Administrator shall attempt to determine the correct address by using a
9 computer-based skip-trace search, and shall then perform, if feasible, a re-mailing via First Class U.S.
10 Mail within five (5) calendar days. If the last known address is not available for a Class Member, then
11 the Notice of Class Action Settlement for that Class Member will be deemed undeliverable. Only one re-
12 mailing is required. If a Class Member cannot be located within two attempts at mailing, then the Notice
13 of Class Action Settlement for that Class Member will be deemed undeliverable. It is the intent of the
14 Parties that reasonable means be used to locate Class Members.

15 **3.5. Proof of Mailing.** At least thirty (30) calendar days prior to the Fairness Hearing,
16 the Settlement Administrator shall provide a declaration of due diligence and proof of mailing with regard
17 to mailing of the Notice of Class Action Settlement to Class Counsel and Defense Counsel, which they
18 shall in turn provide to the Court.

19 **4. CLASS MEMBERS' OPTIONS TO RESPOND**

20 **4.1. Consideration Period.**

21 **4.1.1. Submission of Objections and Requests for Exclusion.** Class Members
22 will have forty-five (45) calendar days from the date of the mailing or fifteen (15) days from the date of
23 re-mailing of the Notices to postmark their objections or written requests for exclusion to the Settlement
24 Administrator. Requests for exclusion must state, in effect, that the Class Member does not wish to
25 participate in the Settlement. In addition, any request must include the Class Member's first and last
26 name, signature, address, phone number, and last four digits of the Class Member's Social Security
27 number for verification purposes. A Class Member who excludes himself or herself from the Settlement
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1 shall lose standing to object. Except as specifically provided herein, no Class Member response of any
2 kind that is postmarked after the Consideration Period shall be considered absent agreement of the Parties.

3 **4.1.2. Deficiency Notices.** Within five (5) calendar days after receipt by the
4 Settlement Administrator of each timely-submitted request for exclusion, the Settlement Administrator
5 will send a deficiency notice to the Class Members addressing any irregularities in the request for
6 exclusion (such as failure to sign or include last four digits of Social Security Number). The deficiency
7 notice will provide the Class Members ten (10) days from the mailing of the deficiency notice to postmark
8 a written response to cure all deficiencies. The failure of a Class Member to cure all deficiencies in a
9 timely manner shall invalidate a request for exclusion and will not be subject to cure.

10 **4.2. Requests for Exclusion and Opt Out Rights.** Class Members shall be given the
11 opportunity to opt out of the Settlement.

12 **4.2.1. Opt Out Procedure.** Class Members may opt out of this Settlement by
13 mailing the Settlement Administrator a Request for Exclusion. A Request for Exclusion, to be valid, must
14 include the Class Member's name, current address, current telephone number, and the last four digits of
15 the Class Member's Social Security number. Any Request for Exclusion that does not include all of the
16 required information or that is not submitted in a timely manner will be deemed ineffective. If there is a
17 dispute regarding the timeliness or validity of a Request for Exclusion, then the Settlement Administrator
18 shall make the determination, after consultation with Class Counsel and Defense Counsel.

19 **4.2.2. Effect of Exclusion Through Opting Out.** Any Class Member who opts
20 out of this Settlement may not submit an Objection and shall not receive any Individual Settlement
21 Payment, and shall not be bound by the releases set forth in this Agreement, however, if the Class Member
22 is also an Aggrieved Employee he/she shall still receive his/her portion of the PAGA Payment and will
23 remain bound by the PAGA Release in this Agreement. If a Class Member submits both a Request for
24 Exclusion and an Objection, then the Request for Exclusion will be valid and will invalidate the Objection.
25 Each Class Member who does not submit a timely, valid Request for Exclusion shall be bound by the
26 releases for which this Agreement provides.

1 **4.2.3. Tolerance of Opt-Outs—Defendant’s Right to Withdraw.** If the number
2 of Class Members who opt out by submitting Requests for Exclusion exceeds ten percent (10%) of the
3 total number of Class Members, then IBC may, in the exercise of its sole discretion, abrogate this
4 Agreement. IBC’s right expires 15 calendar days after the expiration of the Consideration Period. All
5 signatories and their counsel agree not to encourage opt-outs. In the event IBC exercises this option, the
6 costs of administration shall be borne by IBC.

7 **4.3. Objections.** Class Members who do not submit a Request for Exclusion shall be
8 entitled to object to the terms of the Agreement.

9 **4.3.1. Objection Procedures.** Any written objection to this Agreement must
10 contain (1) the name and case number of this Action (or reasonable portion thereof), (2) the full name, last
11 four digits of their social security number, and current address of the Settlement Class member making
12 the Objection, and (3) the specific reason(s) for the Objection. Settlement Class members who submit an
13 Objection remain bound by this Agreement if it is approved by the Court. Class Counsel shall file any
14 and all written Objections with the Court. Settlement Class members may also appear in Court at the
15 Fairness Hearing to make their Objection orally, without submitting a written Objection.

16 **4.3.2. Waiver of Objection Rights.** Settlement Class members who fail to submit
17 an Objection in the manner specified in the Notice of Class Action Settlement shall be deemed to have
18 waived any objection and shall be foreclosed from objecting to this Agreement, whether by appeal or
19 otherwise.

20 **4.4. Proof of Class Members’ Responses.** At least thirty (30) calendar days prior to
21 the Fairness Hearing, the Settlement Administrator will prepare a declaration to submit to the Court
22 regarding the mailing of the Notice of Class Action Settlement, the inability to deliver any mailing due to
23 invalid addresses, the number of any Requests for Exclusion, and the number of any Objections and the
24 contents of the Objections.

25 **4.5. Binding Effect of Settlement.** Although a Settlement Class member might not
26 receive the Notice of Class Action Settlement, and might not timely submit an Objection or a Request for
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1 Exclusion because of inability to locate the Settlement Class member's current address, that Settlement
2 Class member shall nonetheless be bound by this Agreement.

3 **4.6. No Interference with Class Member Responses.** Each Party agrees not to
4 encourage any Class Member to submit an Objection or a Request for Exclusion and agrees not to retaliate
5 against any Class Member for participating or not participating in the settlement that this Agreement
6 contemplates.

7 **5. DISTRIBUTION OF SETTLEMENT PROCEEDS**

8 **5.1. Administrative Costs.** The Parties agree to obtain a reasonable estimate of
9 Administrative Costs of up to Eight Thousand, Five Hundred Dollars and No Cents (\$8,500.00), and seek
10 approval of Administrative Costs to be drawn from the Gross Settlement Amount. If the Court approves
11 only a lesser amount, then the other terms of this Agreement shall still remain in effect. The amount of
12 Administrative Costs is not a material term of this Agreement. If this Agreement is not finally effectuated,
13 then any Administrative Costs incurred to date will be paid in equal parts by IBC and Plaintiff, except if
14 IBC exercises its right to abrogate the Agreement under Section 4.2.3, IBC shall be solely responsible for
15 payment of all Administrative Costs incurred.

16 **5.2. Class Counsel Payment.** Class Counsel intend to request—and IBC agrees not to
17 oppose—that the Court award a Class Counsel Payment, to be drawn from the Gross Settlement Amount,
18 for (a) attorneys' fees of 1/3 of the Gross Settlement Amount (currently Seventy Thousand Dollars
19 (\$70,000)), and (b) litigation costs actually incurred in representing the interests of the Class Members,
20 supported by adequate documentation, in an amount not to exceed Fifteen Thousand Dollars (\$15,000.00).
21 IBC shall have no liability for any other attorneys' fees or costs. To the extent that the Court approves
22 less than the amount of Class Counsel Payment that Class Counsel request, the difference between the
23 requested and awarded amounts will be distributed to Settlement Class Members on a proportional basis
24 relative to the size of their claims as set forth in Sections 5.5.1 and 5.5.2, below.

25 **5.2.1. Approval of Class Counsel Payment Not Material.** The Court's approval
26 of the Class Counsel Payment in the amount requested is not a material term of this Agreement. If the
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1 Court approves only a lesser amount, then the other terms of this Agreement shall still remain in effect
2 and the difference will remain part of the Net Settlement Amount.

3 **5.2.2. Timing of Class Counsel Payment.** The Settlement Administrator shall
4 issue the Class Counsel Payment within twenty-five (25) calendar days after the Effective Date. Within
5 five (5) calendar days after the Effective Date, Class Counsel shall transmit instructions to the Settlement
6 Administrator as to how any approved attorneys' fees and costs shall be paid. The Settlement
7 Administrator shall issue appropriate Internal Revenue Service Forms 1099 to Class Counsel. Class
8 Counsel shall be solely responsible for paying all applicable taxes on any Class Counsel payment and
9 shall indemnify and hold harmless IBC from any claim or liability for taxes, penalties, or interest arising
10 as a result of the Class Counsel payment.

11 **5.3. Class Representative Service Award.** Class Counsel intends to request—and IBC
12 agree not to oppose—that the Court award a Class Representative Service Award to the Class
13 Representative Angel Chapparo in an amount of Five Thousand Dollars And No Cents (\$5,00.00), to be
14 drawn from the Gross Settlement Amount. Any Class Representative Service Award shall be in addition
15 to the Class Representative's Individual Settlement Payment. To the extent that the Court approves less
16 than the amount of Class Representative Service Award that Class Counsel request, the difference between
17 the requested and awarded amounts will be distributed to Settlement Class Members on a proportional
18 basis relative to the size of their claims as set forth in Sections 5.5.1 and 5.5.2, below.

19 **5.3.1. Class Representative Service Awards Not Material.** The Court's
20 approval of the Class Representative Service Award is not a material term of this Agreement. If the Court
21 does not approve or approves only a lesser amount than that requested for a Class Representative Service
22 Award, then the other terms of this Agreement shall still remain in effect.

23 **5.3.2. Timing of Class Representative Service Awards.** The Settlement
24 Administrator shall pay any Class Representative Service Award within twenty-five (25) calendar days
25 after the Effective Date, and shall issue an IRS Form 1099 to the Class Representatives. The Class
26 Representative shall be solely responsible for paying all applicable taxes on any Class Representative
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1 Service Award and shall indemnify and hold harmless IBC from any claim or liability for taxes, penalties,
2 or interest arising as a result of the Class Representative Service Award.

3 **5.4. PAGA Payment.** The Parties will seek approval for PAGA Payment of Ten
4 Thousand Dollars And No Cents (\$10,000.00). Seven Thousand, Five Hundred Dollars And No Cents
5 (\$7,500.00), representing 75% of the PAGA Payment, will be drawn from the Gross Settlement Amount
6 and paid to the LWDA. The remaining Two Thousand, Five Hundred Dollars And No Cents (\$2,500.00),
7 representing 25% will be allocated to the Aggrieved Employees on a pro-rata basis based on the number
8 of Pay Periods they worked during the PAGA Period compared to the total number of Pay Periods all of
9 the Aggrieved Employees worked during the PAGA Period.

10 **5.4.1. Amount of PAGA Payment Not Material.** Any change in the requested
11 PAGA Payment is not a material term of this Agreement. If the Court approves a lesser or greater amount
12 than that requested, the other terms of this Agreement shall still remain in effect. However, some approval
13 of a PAGA Payment is a material term of the Settlement and this Agreement. If the Court does not approve
14 a PAGA Payment, then the entire Agreement will be, at IBC's sole discretion, void and unenforceable. In
15 the event IBC exercises this option, the costs of administration shall be borne by IBC.

16 **5.4.2. Timing of PAGA Payment.** The Settlement Administrator shall pay 75
17 percent of any approved PAGA Payment to the LWDA and 25 percent of any approved PAGA Payment
18 to the Aggrieved Employees within twenty-five (25) calendar days after the Effective Date.

19 **5.5. Individual Settlement Payments.** Each Settlement Class Member shall be entitled
20 to an Individual Settlement Payment consisting of a share of the Net Settlement Amount, as set forth
21 below.

22 **5.5.1. Calculation of Individual Settlement Share.** Each Settlement Class
23 member will be eligible to receive a portion of the Net Settlement Amount based on the following formula:

24 The individual Settlement Share payment to a Settlement Class Member will be calculated
25 by dividing the number of Eligible Workweeks attributed to the Settlement Class Member
26 by all Eligible Workweeks attributed to members of the Settlement Class, multiplied by
27 the Net Settlement Amount. Otherwise stated, the formula for a Class Member is:
28 (individual's Eligible Workweeks ÷ total Settlement Class Eligible Workweeks) x Net
Settlement Amount.

1 IBC's time records regarding the number of Eligible Workweeks worked for each Settlement Class
2 member shall be used for purposes of calculating Individual Settlement Payments. The Class Notice will
3 include information for each Class Member showing how much the individual Class Member is expected
4 to receive based on this formula and their number of eligible workweeks. The Class Notice will also
5 provide the Class Members an opportunity to dispute the number of Workweeks indicated on the Class
6 Notice. Such dispute must be made no later than thirty (30) calendar days from the date of the mailing or
7 ten (10) calendar days after re-mailing of the Class Notices. IBC and/or the Settlement Administrator
8 shall review any documentation provided by the Class Member to determine whether there was an error
9 in the number of Eligible Workweeks calculated, and adjust any payment to be allocated if necessary.

10 It is estimated that there are approximately 150 Class Members who worked approximately 20,000
11 workweeks during the Settlement Period. Defendant will provide a declaration under penalty of perjury
12 confirming the number of applicable Class Members and workweeks they worked during the applicable
13 Settlement Period. If the workweek number increases by more than 15% of the estimate stated, the Gross
14 Settlement Amount will increase proportionally for the number of workweeks over 115% of 20,000
15 (23,300), and Class Counsel shall be permitted to request and recover attorney's fees equal to 1/3 of the
16 increased Gross Settlement Amount.

17 **5.5.2. Timing of Individual Settlement Payments.** The Settlement
18 Administrator shall issue Individual Settlement Payments no later than twenty-five (25) calendar days
19 after the Effective Date. Any checks from this distribution that are not cashed within one-hundred-eighty
20 (180) calendar days from the date of the mailing of the checks shall be cancelled and said cancellation
21 shall not affect the validity of the Release of claims provided for herein and the Settlement Class member
22 shall be deemed to, nevertheless, be bound by the Release of claims provided herein. As soon as
23 practicable after the 180-day check cashing period, the Settlement Administrator shall prepare for the
24 Parties a Final Report—a document summarizing relevant events to date and advising the total dollar
25 amount paid to Settlement Class members, the status of any uncashed checks, and any amount remaining
26 in the QSF. The Parties will request the Court to order that all funds represented by uncashed settlement
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1 checks, plus any accrued interest, be tendered to The Interdisciplinary Center for Healthy Workplaces, as
2 a *cypres* recipient.

3 **5.5.3. Tax Allocation of Individual Settlement Payments.** Each individual
4 Settlement Share Payment will be allocated as one-third to wages and two-thirds to interest and penalties,
5 which represents the Parties' good faith allocation based on the claims asserted and potential damages
6 related to wages and interest and penalties. In accordance with law, the Settlement Administrator will
7 make required tax withholdings from each individual Settlement Payment on the portion designated as
8 wages and will remit the withholding to the appropriate taxing authorities. The Settlement Administrator
9 shall issue any necessary Form W-2 and 1099 statements to Settlement Class members for their respective
10 individual Settlement Payments. Settlement Class members shall be solely responsible for paying all other
11 applicable taxes on their respective individual Settlement Payments and shall indemnify and hold harmless
12 IBC and the Released Parties from any claim or liability for taxes, penalties, or interest arising as a result
13 of individual Settlement Payments. PAGA Payments to the Aggrieved Employees shall be allocated 100%
14 to penalties, and the Settlement Administrator shall issue any necessary 1099 statement to the Aggrieved
15 Employees for their respective PAGA Payments.

16 **5.5.4. Tax Allocations of Individual Settlement Payments Not Material.** The
17 Court's approval of the allocation of Individual Settlement Payments set forth above is not a material term
18 of this Agreement. If the Court does not approve or approves a different allocation of the Individual
19 Settlement Payments, then the other terms of this Agreement shall still remain in effect.

20 **5.6. Funding of Gross Settlement Amount.** By fifteen (15) days after the Effective
21 Date, IBC will deposit all of the Gross Settlement Amount, into the QSF established by the Settlement
22 Administrator, as well as any employer side payroll taxes.

23 **6. RELEASES**

24 **6.1. Release by Settlement Class Members.** Upon the Court's entry of the Final
25 Approval Order and Judgment, and upon funding of the Gross Settlement Amount, and except as to rights
26 this Agreement creates, Plaintiff and each member of the Settlement Class shall release the Released
27 Parties from any and all claims, debts, liabilities, demands, obligations, penalties, premium pay,
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1 guarantees, costs, expenses, attorney's fees, damages, actions or causes of action of whatever kind or
2 nature, whether known or unknown, contingent or accrued, under any legal theory under federal and state
3 law during the Class Period for any alleged failure to pay all wages due (including minimum wage and
4 overtime wages), failure to pay for all hours worked (including off-the clock and on-call work), failure to
5 provide meal and authorize and permit rest periods, short/late meal and rest periods, failure to relieve of
6 all duties during meal and rest periods, failure to reimburse business expenses, failure to timely pay wages
7 and final wages, failure to pay wages and final wages, failure to furnish accurate wage statements
8 including claims derivative and/or related to these claims, liquidated damages, and conversion of wages.
9 This Release shall include, claims that were raised, or that reasonably could have been raised based on the
10 facts and allegations in the operative complaint at the time of the Court's entry of the Final Approval
11 Order and Judgement. This Release shall include all claims and theories arising under the applicable
12 regulations, Wage Orders and Labor Code, as well as claims under Business and Professions Code section
13 17200 et seq., based on violations of the above Labor Code provisions. This release shall apply to all
14 claims, as described above, arising at any point during the Settlement Period.

15 **6.2. Release by the Aggrieved Employees.** Upon the Court's entry of Final Approval
16 Order and Judgement, and funding of the Gross Settlement Amount, the Defendant shall receive a release
17 from the Aggrieved Employees of all PAGA claims alleged in the operative complaint at the time of the
18 Court's entry of the Final Approval Order and Judgement and Plaintiff's PAGA notice to the LWDA
19 which occurred during the PAGA Period.

20 **6.3. Class Representative's Individual Release.** In addition to the release given by
21 each member of the Settlement Class, Class Representative Angel Chapparo also generally releases claims
22 against each Released Party. This general release includes all claims arising from Plaintiff's relationship
23 with IBC, but expressly excludes only the individual claims asserted in Plaintiff's DFEH Charge filed
24 against IBC on August 3, 2021, which are the subject of a separate confidential settlement agreement and
25 release. This general release by the Class Representative also includes a waiver of rights under California
26 Civil Code Section 1542, which states:

27 A general release does not extend to claims that the creditor or releasing party does not
28 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.

This general release from the Class Representative is effective only upon the Court granting final approval of the Settlement, entry of Judgment, and payment by IBC to the Settlement Administrator and applies only to claims that may be released as a matter of law.

6.4. Settlement is Contingent Upon Release of Claims. This Agreement is conditioned upon the releases by the Settlement Class and Class Representative as described herein, and upon covenants by the Settlement Class Members and Class Representative that they will not participate in any action, lawsuits, proceedings, complaints, or charges in any court or before any administrative body related to any claims they have released under this Settlement.

6.5. Inadmissibility of Settlement Documents. The Parties agree that this Agreement and all exhibits thereto shall be inadmissible in any proceeding, except an action or proceeding to approve, interpret, or enforce this Agreement. The Parties agree that, to the extent permitted by law, this Agreement will operate as a complete defense to—and may be used as the basis for an injunction against—any action, suit, or other proceeding attempted in breach of this Agreement.

7. SETTLEMENT APPROVAL PROCEDURE

7.1. Preliminary Approval. Plaintiff shall submit to the Court a Motion for Preliminary Approval of Class Action Settlement. This motion shall seek an order to preliminarily approve this Agreement according to the terms in this Agreement and provide for the Notice of Class Action Settlement to be sent to Class Members as specified in this Agreement, substantially in the form attached hereto as **Exhibit A**. This motion shall include the bases for demonstrating that settlement amounts are reasonable in light of the facts and controlling authorities pertaining to the claims alleged. The motion shall also be accompanied by a declaration of Class Counsel discussing the risks of continued litigation and the decision that the best interests of the Class Members are served by the terms of this Agreement. Defense counsel shall have the opportunity to review and comment on a draft of the motion before it is filed.

7.2. Final Approval. Plaintiff shall submit to the Court a Motion for Final Approval Order, which shall include findings and orders (a) approving the Agreement, (b) adjudging the terms to

1 be fair, reasonable, and adequate, (c) reciting the Released Claims in full, (d) directing that the terms of
2 the Agreement be carried out, and (e) retaining jurisdiction to oversee enforcement of this Agreement and
3 the Court's orders. Defense counsel shall have the opportunity to review and comment on a draft of the
4 motion before it is filed.

5 **7.3. Motion for Class Counsel Payment.** Along with the Motion for Final Approval,
6 Class Counsel may file a motion for Court approval of an attorneys' fees and costs award in the amount
7 of (a) 1/3 of the Gross Settlement Amount (currently Seventy Thousand Dollars (\$70,000)), and (b)
8 litigation costs actually incurred in representing the interests of the Class, supported by adequate
9 documentation, in an amount not to exceed Fifteen Thousand Dollars (\$15,000).

10 **7.4. Motion for Class Representative Service Award.** Along with the Motion for
11 Final Approval, Class Counsel may file a motion for Court approval of Class Representative Service
12 Award in the amount of Five Thousand Dollars (\$5,000) to Class Representative Angel Chapparo.

13 **7.5. Timing of Judgment.** After the Final Approval Order, Plaintiff shall request that
14 the Court enter Judgment in accordance with this Agreement, without further fees or costs.

15 **7.6. Appeal Rights.** Only an Objector has the right to appeal the Judgment, if the
16 Judgment is in accord with this Agreement. Each Class Representative and Class Counsel hereby waive
17 any right to appeal any judgment, ruling, or order in this Action, including, without limitation, any Final
18 Approval Order and any Judgment in the Action. This waiver includes all rights to any post-judgment
19 proceeding and appellate proceeding, such as, but not limited to, a motion to vacate judgment, a motion
20 for new trial, and any extraordinary writ, and the Judgment therefore will become non-appealable at the
21 time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal,
22 appellate proceedings, or post-judgment proceedings.

23 **7.7. Schedule of contemplated events.** By way of review, the events contemplated by
24 the settlement approval procedure are as follows:

25 Deadline for IBC to provide current class list to 26 Settlement Administrator	Within 14 calendar days of the later of preliminary approval of this Settlement or court 27 approval of Settlement notice to the class
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Deadline for Settlement Administrator to mail Notice of Class Action Settlement	Within 7 business days of receipt of the class data from IBC
Settlement Administrator to report to Defense and Class Counsel on Requests for Exclusion, Objections and other results of class notice	30 calendar days from date that Notice of Class Action Settlement is mailed
Last day for class members to dispute their number of Eligible Workweeks	30 calendar days from date that Notice of Class Action Settlement is mailed
Last day for class members to submit Requests for Exclusion or Objections	45 calendar days from date that Notice of Class Action Settlement is mailed or re-mailed
Deadline for Class Counsel to move for Final Approval, attorneys' fees and costs, and Class Representative Service Awards	To be set by the Court
Hearing on Final Approval and on motion for Class Counsel Payment and Class Representative Service Award	To be set by the Court [the Parties request a date to be set that is 120 days after the Court grants preliminary approval of this Settlement or court approval of Settlement notice to the class]

8. MISCELLANEOUS

8.1. Materiality of Terms. Except as otherwise stated herein, each substantive term of this Agreement is material and has been relied upon by the Parties in entering into this Agreement. If the Court does not approve any substantive term, or if the Court effects a material change to the Agreement—such as increasing any amount that IBC must pay—then the entire Agreement will be, at IBC's sole discretion, void and unenforceable. Where this Agreement states that a term is not material, then the Court's refusal to approve that term leaves all the other terms of the Agreement in effect, and does not give Class Counsel or any Class Member any basis to abrogate this Agreement.

8.2. No Tax Advice. Neither Class Counsel nor Defense Counsel intend anything contained in this Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Agreement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended) or otherwise.

8.3. No Impact on Employee Benefits. No payment made under this Agreement shall be considered as compensation or hours worked or hours paid for purposes of determining eligibility,

1 vesting, participation, or contributions with respect to any employee benefit plan. For purposes of this
2 Agreement, the term “benefit plan” means every ERISA “employee benefit plan,” as defined in the
3 Employee Retirement and Income Security Act of 1974 (“ERISA”), 29 U.S.C. section 1002(3). The term
4 also includes any 401(k) plan, bonus, pension, stock option, stock purchase, stock appreciation, welfare,
5 profit sharing, retirement, disability, vacation, severance, hospitalization, insurance, incentive, deferred
6 compensation, or any other similar benefit plan, practice, program, or policy, regardless of whether any
7 such plan is considered an ERISA employee benefit plan.

8 **8.4. Language of Settlement Documents.** All Settlement-related documents to be
9 filed with the Court or sent to Class Members must be approved by all Parties before being filed or sent.

10 **8.5. Parties’ Authority.** The signatories hereto represent that they are fully authorized
11 to bind the Parties to all the terms of this Agreement. The Parties agree that Class Members are so
12 numerous that it is impossible or impractical to have each Class Member execute this Agreement. This
13 Agreement may be executed on behalf of Class Members by the proposed Class Representatives and by
14 Class Counsel.

15 **8.6. Entire Agreement.** This Agreement, which includes its Definitions, Recitals, and
16 all Exhibits attached hereto, constitutes the entire agreement on its subject matter, and supersedes all prior
17 and contemporaneous negotiations and understandings between the Parties.

18 **8.7. Counterparts.** This Agreement may be executed in counterparts, and each
19 counterpart signed and delivered shall be deemed an original, and when taken together with other signed
20 counterparts, signed and delivered shall constitute one signed Agreement, which shall be binding upon
21 and effective as to all Parties.

22 **8.8. Facsimile or Scanned Signatures.** A Party may sign and deliver this Agreement
23 by signing on the designated signature block and transmitting that signature page via facsimile or as an
24 attachment to an email to counsel for the other Party. Any such signature shall be deemed an original for
25 purposes of this Agreement and shall be binding upon the Party who transmits the signature page.

26 **8.9. Waivers and Modifications to Be in Writing.** No waiver, modification, or
27 amendment of this Agreement—whether purportedly made before or after the Court’s approval of this
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1 Agreement—shall be valid unless it appears in a writing signed by or on behalf of all Parties, and then
2 shall be valid subject to any required Court approval. Any failure by any Party to insist upon the strict
3 performance by the other Party of any provision of this Agreement shall not be deemed a waiver of future
4 performance of the same provisions or of any other provision of this Agreement, and such Party,
5 notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any
6 provision of this Agreement. The time periods and dates provided in this Agreement with respect to giving
7 of notices and hearings are subject to Court approval and modification by the Court or by written
8 stipulation of Class Counsel and Defense Counsel.

9 **8.10. Construction.** Each Party participated jointly in the drafting of this Agreement,
10 and its terms are not intended to be, and shall not be, construed against any party by virtue of
11 draftsmanship.

12 **8.10.1. Exhibits Incorporated by Reference.** This Agreement includes the terms
13 set forth in any attached exhibit. Any exhibit to this Agreement is an integral part of it.

14 **8.10.2. Headings.** The headings within this Agreement appear for convenience of
15 reference only and shall have no effect upon the construction or interpretation of any part of this
16 Agreement.

17 **8.10.3. Invalidity of Any Provision.** Before declaring any provision of this
18 Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent
19 possible so as to render all provisions of this Agreement enforceable.

20 **8.11. Duty to Cooperate.** Each Party, upon the request of another, agrees to perform
21 such acts and to execute and to deliver such documents as are reasonably necessary to carry out this
22 Agreement. In the same spirit, the Parties agree to make all reasonable efforts to avoid unnecessary
23 Administrative Costs.

24 **8.12. No Prior Assignments or Undisclosed Liens.** The Class Representative and Class
25 Counsel represent that they have not assigned, transferred, conveyed, or otherwise disposed of any
26 Released Claim or claim to attorneys' fees and costs award to be paid under this Agreement. The Class
27 Representative and Class Counsel further represent and warrant that there are not any liens or claims
28

1 against any amount that IBC is to pay under this Agreement. The Class Representative and Class Counsel
2 agree to defend, to indemnify, and to hold IBC harmless from any liability, losses, claims, damages, costs,
3 or expenses, including reasonable attorneys' fees, resulting from a breach of these representations or from
4 any lien or assignment.

5 **8.13. Waiver of Right to Request Exclusion by Class Representatives.** The Class
6 Representative, by signing this Agreement, agrees not to request exclusion from the Settlement. The Class
7 Representative, by signing this Agreement, further represent that she has no objection to the terms of the
8 Agreement and believes the terms to be fair, reasonable and adequate.

9 **8.14. Confidential Information.** Class Counsel will destroy all confidential documents
10 and information provided by IBC within 60 calendar days after the completion of the administration of
11 this Agreement. Class Counsel further agree that none of the information provided by IBC shall be used
12 for any purpose other than prosecution of this Action.

13 **8.15. Publicity.** Neither Plaintiff nor Class Counsel will publicize the Settlement in any
14 way that identifies IBC, except as follows: Nothing in this Agreement shall preclude Class Counsel from
15 communicating with members of the Settlement Class after preliminary approval, and after preliminary
16 approval Class Counsel is permitted to post Court-filed documents on their website(s) for viewing by the
17 Settlement Class members. Further, Class Counsel shall be permitted to disclose their approval as Class
18 Counsel in this Settlement in declarations filed with any court in support of Class Counsel's adequacy.

19 **8.16. Continuing Jurisdiction.** The Court shall retain jurisdiction over the
20 implementation of this Agreement as well as any matter arising out of, or related to, the implementation
21 of this Agreement. The Court shall not have jurisdiction to modify the terms of this Agreement without
22 the consent of all Parties.

23 **8.17. Disputes.** If the Parties dispute the interpretation of this Agreement, they shall first
24 attempt to resolve the dispute informally through good faith negotiations and with the help of the mediator
25 (Tripper Ortman) if necessary, and, if those efforts are unsuccessful, they agree to mediate any such
26 dispute. The Parties will split the costs of the mediator, and all parties will bear their own fees and costs.
27
28

1 **8.18. Governing Law.** All terms of this Agreement shall be governed by and interpreted
2 according to California law.

3
4 SO AGREED:

5
6 Dated: February 9¹, 2022

Angel Chapparo

Angel Chapparo (Feb 19, 2022 12:51 PST)

Plaintiff And Class Representative ANGEL
CHAPPARO

7
8
9 Dated: February __, 2022

10
11 By _____
12 For IMMANUEL BAPTIST CHURCH OF SAN
13 BERNARDINO AND HIGHLAND,
14 CALIFORNIA and IMMANUEL BAPTIST
15 CHURCH

16 Approval As To Form and Content By Counsel:

17 Dated: February 22, 2022

18 JCL LAW FIRM, APC

19
20 By



Jean-Claude Lapuyade
Attorney for Plaintiff ANGEL CHAPPARO and the
Settlement Class.

21
22 Dated: February 22, 2022

23 ZAKAY LAW GROUP APCAL

24
25 By



Shani Zakay
Attorney for Plaintiff ANGEL CHAPPARO and the
Settlement Class

1 **8.18. Governing Law.** All terms of this Agreement shall be governed by and interpreted
2 according to California law.

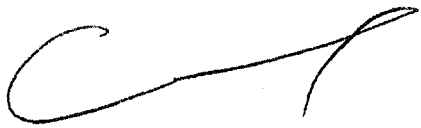
3
4 SO AGREED:

5
6 Dated: February __, 2022

Plaintiff And Class Representative ANGEL
CHAPPARO

7
8
9 Dated: February 23, 2022

10
11 By



For IMMANUEL BAPTIST CHURCH OF SAN
BERNARDINO AND HIGHLAND,
CALIFORNIA and IMMANUEL BAPTIST
CHURCH

12
13
14 Approval As To Form and Content By Counsel:

15
16 Dated: February __, 2022

17
18 JCL LAW FIRM, APC

19
20 By

Jean-Claude Lapuyade
Attorney for Plaintiff ANGEL CHAPPARO and the
Settlement Class.

21
22 Dated: February __, 2022

23
24 ZAKAY LAW GROUP APCAL

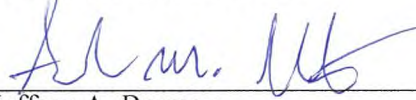
25
26 By

Shani Zakay
Attorney for Plaintiff ANGEL CHAPPARO and the
Settlement Class

1
2
3 Dated: February 24th, 2022

SEYFARTH SHAW LLP

4 By



5 Jeffrey A. Berman
Andrew M. McNaught

6 Attorney for IBC IMMANUEL BAPTIST CHURCH OF
7 SAN BERNARDINO AND HIGHLAND,
8 CALIFORNIA, and IMMANUEL BAPTIST CHURCH
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