

JACKSON LEWIS P.C.
PETER P. WOO (SBN 306083)
200 Spectrum Center Drive, Suite 500
Irvine, CA 92618
Telephone: (949) 885-1360
Facsimile: (949) 885-1380
Email: Peter.Woo@jacksonlewis.com

JACKSON LEWIS P.C.
ANDREW J. KOZLOW (SBN 252295)
LIAM N. GAARDER-FEINGOLD (SBN 345747)
50 California St., Floor 9
San Francisco, CA 94111
Email: Andrew.Kozlow@jacksonlewis.com
Liam.Gaarderfeingold@jacksonlewis.com

Counsel for Defendant COMPASS FOODS, INC.

[Additional counsel listed on next page]

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF STANISLAUS**

BLANCA CATANO, individually and on
behalf of all others similarly situated,

Plaintiff,

vs.

COMPASS FOODS, INC., a corporation;
AVITEK RECRUIT, INC., a corporation;
HUMAN BEES, INC., a corporation; and
DOES 1 to 50, inclusive,

Defendants.

CASE NO. CV-21-001610

Hon. J. Freeland
Dept. 23

STIPULATION OF CLASS AND
REPRESENTATIVE ACTION SETTLEMENT
AND RELEASE

MATERN LAW GROUP, PC
Matthew J. Matern (SBN 159798)
Matthew W. Gordon (SBN 267971)
Nora Katz (SBN 353333)
1230 Rosecrans Ave., Suite 200
Manhattan Beach, CA 90266
Email: mmatern@maternlawgroup.com
mgordon@maternlawgroup.com
nkatz@maternlawgroup.com

Counsel for Plaintiffs Blanca Cantano and
Putative Class Member Silvia Urbieto

BUCHALTER, P.C.
Charles Whitman (SBN 299779)
Matthew Drenan (SBN 302477)
Alicia A. Belock (SBN 306558)
655 W. Broadway, Suite 1600
San Diego, CA 92101
Email: cwhitman@buchalter.com
mdrenan@buchalter.com
abelock@buchalter.com

Counsel for Defendant Human Bees f/k/a Avitek Recruit, Inc.

**STIPULATION OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AND
RELEASE**

This Stipulation of Class and Representative Action Settlement and Release (“Settlement” or “Settlement Agreement”) is made and entered into by and between Plaintiff Blanca Catano and Putative Class Member Silvia Urbieto (together “Plaintiffs” or “Class Representatives”), as individuals and on behalf of all others similarly situated and aggrieved, and Defendants Compass Foods, Inc. (“Compass”) and Human Bees, Inc. f/k/a Avitek Recruit, Inc. (“Human Bees”) (collectively “Defendants”) (together with Plaintiffs, the “Parties”).

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. “Action” means the civil lawsuit styled *Blanca Catano. v. Compass Foods, Inc. et al.*, Stanislaus County Superior Court Case No. CV-21-001610.

1 2. “Appeal” means a timely appeal by a Class Member, defined below, to the Order
2 and Judgment approving the Settlement, or an appeal by one of the Parties to an order that
3 materially alters the Settlement.

4 3. “Attorney’s Fees and Costs” means attorney’s fees for Class Counsel’s, defined
5 below, litigation and resolution of the Action, and all costs incurred and to be incurred by Class
6 Counsel in the Action, including but not limited to, costs associated with documenting the
7 Settlement, providing any notices required as part of the Settlement or Court order, securing the
8 Court’s approval of the Settlement, administering the Settlement, obtaining entry of an Order and
9 Judgment approving the Settlement, and expenses for any experts. Class Counsel will request not
10 more than one-third of the Gross Settlement Fund, or Two Hundred and Thirty-Three Thousand
11 and Three Hundred and Thirty-Three Dollars and Thirty-Three Cents (\$233,333.33) in attorney’s
12 fees and not more than Forty-Eight Thousand Dollars (\$48,000.00) in litigation costs. The Court-
13 approved attorneys’ fees and costs are part of, and to be deducted from, the Gross Settlement
14 Fund. Any portion of the Attorney’s Fees and Costs not awarded by the Court shall be added to
15 the Net Settlement Amount.

16 4. “Class Counsel” means Matern Law Group, PC.

17 5. “Class List” means a complete list of all Class Members, defined below, that
18 Defendants will diligently and in good faith compile from their records and provide to the
19 Settlement Administrator as provided herein. The Class List will be formatted in Microsoft
20 Office Excel and will include each Class Member’s full name; most recent mailing address and
21 telephone number; Social Security Number; job position(s) held as a nonexempt employee in
22 California; dates of employment as a nonexempt employee in California; and for Class Members
23 with more than one job position, the dates they held each position as a nonexempt employee in
24 California during the Class Period, defined below.

25 6. “Class Member(s)” or “Settlement Class” will include (1) all non-exempt persons
26 employed directly by Compass in California at any time from March 25, 2017 through September
27 16, 2023 and (2) all non-exempt persons employed by Human Bees in California and assigned to
28

1 work at Compass's facility in California at any time from March 25, 2017 through September 16,
2 2023.

3 7. "Class Notice" means the Notice of Class Action Settlement substantially in the
4 form attached hereto as Exhibit A, and approved by the Court.

5 8. "Class Period" means the period from March 25, 2017 through September 16,
6 2023.

7 9. "Class Representatives" means Blanca Catano and Silvia Urbieto.

8 10. "Gross Settlement Fund" means the Maximum Settlement Amount, defined below.
9 The Gross Settlement Fund is an all-in common fund settlement. There will be no reversion of
10 any portion of the Gross Settlement Fund to Defendants.

11 11. "Court" means the Stanislaus County Superior Court.

12 12. "Effective Date" means the date when all of the following events have occurred:
13 (1) the Settlement Agreement has been executed by all Parties, Class Counsel and Defendants'
14 counsel; (2) the court has given preliminary approval to the Settlement Agreement; (3) the Class
15 Notice has been given to the Settlement Class, providing Class Members with an opportunity to
16 object to the terms of the Settlement or to opt out of the Released Class Claims, defined below;
17 (4) the Court has held a formal fairness hearing and entered a final order and judgment certifying
18 the Settlement Class, approving the Settlement Agreement, and entering judgment on the
19 Settlement Agreement (the "Final Order and Judgment"); and (5) in the event there are written
20 objections filed prior to the final fairness hearing which are not later withdrawn or denied, the
21 later of the following events: (a) five business days after the period for filing any appeal, writ or
22 other appellate proceeding opposing the Court's final order approving the Settlement Agreement
23 has elapsed without any appeal, writ or other appellate proceeding having been filed; or, (b) if any
24 appeal, writ or other appellate proceeding opposing the Court's final order approving the
25 Settlement Agreement has been filed, five (5) business days after any appeal, writ or other
26 appellate proceedings opposing the Settlement Agreement has been finally and conclusively
27 dismissed with no right to pursue further remedies or relief.
28

1 13. “Final Approval” means the Court’s Order granting final approval of the
2 Settlement and entering judgment thereon.

3 14. “Individual PAGA Payment” means each PAGA Member’s, defined below,
4 respective share of the PAGA Payment, defined below.

5 15. “Individual Settlement Payment” means each Participating Class Member’s,
6 defined below, respective share of the Net Settlement Amount, defined below.

7 16. “Labor & Workforce Development Agency Payment” means the payment of
8 Fifteen Thousand Dollars and No Cents (\$15,000.00) from the PAGA Settlement, defined below,
9 to the California Labor & Workforce Development Agency for its portion of the civil penalties
10 paid under the Private Attorneys General Act of 2004, California Labor Code §§ 2698, *et seq.*
11 (PAGA).

12 17. “Maximum Settlement Amount” means the amount of Seven Hundred Thousand
13 Dollars and No Cents (\$700,000.00), to be paid by Defendants which is inclusive of attorneys’
14 fees, costs, enhancement awards, settlement administration expenses, Individual Settlement
15 Payments, Individual PAGA Payments, and the Labor & Workforce Development Agency
16 Payment. Defendants shall pay employer portion of any payroll taxes (including but not limited to
17 FICA and FUTA) in addition to the Maximum Settlement Amount, on a pro rata basis,
18 proportionate to Defendants’ respective payment contributions to the Maximum Settlement
19 Amount. Defendants’ settlement payment shall not exceed the Maximum Settlement Amount
20 except as provided in this Paragraph and Paragraph 44. Of the Maximum Settlement Amount,
21 Defendant Compass will pay Five Hundred and Sixty Thousand Dollars and No Cents
22 (\$560,000.00), and Defendant Human Bees will pay the remaining One Hundred and Forty
23 Thousand Dollars and No Cents (\$140,000.00).

24 18. “Net Settlement Amount” means the portion of the Maximum Settlement Amount
25 remaining after deducting the Class Representative Enhancement Payments, the PAGA
26 Settlement, Attorney’s Fees and Costs, and Settlement Administration Costs, from the Gross
27 Settlement Fund. The entire Net Settlement Amount will be distributed to the Participating Class
28

1 Members, defined below. There will be no reversion of any portion of the Net Settlement
2 Amount to Defendants.

3 19. "Notice of Entry of Judgment" means a Notice of Entry of Judgment pursuant to
4 section 664.5(c) of the California Code of Civil Procedure filed and served by Plaintiffs.

5 20. "Objection" means a Class Member's valid and timely written objection to the
6 Settlement Agreement. For an Objection to be valid, it must include: (i) the objector's full name,
7 signature, address, and telephone number; (ii) a written statement of all grounds for the objection
8 accompanied by any legal support for such objection; (iii) copies of papers, briefs, or other
9 documents upon which the objection is based, if any; and (v) be postmarked on or before the
10 Response Deadline, defined below. Alternatively, any Class Member may object by appearing at
11 the Final Approval Hearing either with or without submitting a written Objection. There is no
12 right to object to the PAGA Settlement, defined below.

13 21. "PAGA Members" means (1) all non-exempt persons employed directly by
14 Compass in California at any time from January 19, 2020 through September 16, 2023 and (2) all
15 non-exempt persons employed by Human Bees in California and assigned to work at Compass's
16 facility in California at any time from January 19, 2020 through September 16, 2023.

17 22. "PAGA Payment" means the payment of Five Thousand Dollars and No Cents
18 (\$5,000.00) from PAGA Settlement, defined below, to be distributed to the PAGA Members for
19 civil penalties paid under the Private Attorneys General Act of 2004, California Labor Code §§
20 2698, *et seq.* PAGA Members cannot opt out of the PAGA Payment under any circumstances.

21 23. "PAGA Period" means the period from January 19, 2020 through September 16,
22 2023

23 24. "PAGA Settlement" means Twenty Thousand Dollars and No Cents (\$20,000.00)
24 payable from the Gross Settlement Fund for civil penalties under PAGA, which includes the
25 Labor & Workforce Development Agency Payment and the PAGA Payment.

26 25. "Parties" means Plaintiffs and Defendants collectively.

27 26. "Participating Class Member" means any Class Member who does not submit a
28

1 timely and valid Request for Exclusion, defined below.

2 27. "Pay Period" means each weekly time period, or portion thereof, for which a
3 PAGA Member received a wage statement from Defendant.

4 28. "Plaintiffs" mean Blanca Catano and Silvia Urbieto.

5 29. "Plaintiffs' Counsel" means Matthew J. Matern, Matthew W. Gordon, and Nora
6 Katz of Matern Law Group, PC.

7 30. "Preliminary Approval" means the Court order granting preliminary approval of
8 the Settlement.

9 31. "Workweek(s)" means each seven-day period(s) commencing on Sunday at 12:00
10 a.m. and ending on a Saturday at 11:59 p.m. in which a Class Member was employed by
11 Defendants in California during the Class Period.

12 32. "Released Class Claims" means any and all claims arising during the Class Period
13 under state, federal or local law, whether statutory, common law or administrative law, alleged in
14 the operative complaint in the Action, or that could have been alleged based on the factual
15 allegations in the operative complaint in the Action, including: (1) Failure to Provide Required
16 Meal Periods; (2) Failure to Provide Required Rest Periods; (3) Failure to Pay Overtime Wages; (4)
17 Failure to Pay Minimum Wages; (5) Failure to Pay All Wages Due to Discharged and Quitting
18 Employees; (6) Failure to Timely Pay All Wages Earned; (7) Failure to Maintain Required Records;
19 (8) Failure to Furnish Accurate Itemized Wage Statements; (9) Failure to Indemnify Employees for
20 Necessary Expenditures Incurred in Discharge of Duties; (10) Unfair and Unlawful Business
21 Practices, including, but not limited to, claims for injunctive relief; punitive damages; liquidated
22 damages; penalties; interest; fees; costs; and all other claims and allegations made or which could
23 have been made based on the allegations in the operative complaint. The Released Class Claims
24 do not include any claims for civil penalties under PAGA.

25 33. "Released PAGA Claims" means any and all claims arising during the PAGA
26 Period for civil penalties under Labor Code 2698 *et seq.* that were or could have been asserted in
27 in the Action based on the factual allegations in the operative complaint in the Action and in the
28

1 PAGA notice letter, including claims for civil penalties under PAGA for alleged violations of
2 Labor Code §§ 200, 201, 202, 203, 204, 210, 218.6, 221, 223, 224, 225.5, 225, 226.3, 226.7, 510,
3 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 199, and 2802.

4 34. "Released Parties" means Compass and Human Bees, each of their respective
5 present and former parent companies, subsidiaries, divisions, concepts, related or affiliated
6 companies, and each of their present and former shareholders, officers, directors, employees,
7 agents, attorneys, insurers, reinsurers, successors and assigns, and any individual or entity that
8 could be liable for any of the Released Claims.

9 35. "Request for Exclusion" means a timely letter submitted by a Class Member
10 indicating a request to be excluded from the Settlement. The Request for Exclusion must: (i) set
11 forth the name, address, and telephone number of the Class Member requesting exclusion; (ii) be
12 signed by the Class Member; (iii) be returned to the Settlement Administrator; (iv) clearly state
13 that the Class Member does not wish to be included in the Settlement; and (v) be postmarked on
14 or before the Response Deadline, defined below.

15 36. "Response Deadline" means the deadline by which Class Members must postmark
16 to the Settlement Administrator Requests for Exclusion, or postmark Objections to the Settlement
17 Administrator. The Response Deadline will be forty-five (45) calendar days from the initial
18 mailing of the Class Notice by the Settlement Administrator, unless the 45th day falls on a
19 Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day
20 on which the U.S. Postal Service is open. The Response Deadline will be extended by fifteen
21 days for any Class Member whose Class Notice is re-mailed by the Settlement Administrator.

22 37. "Settlement Administration Costs" means the costs to the Settlement
23 Administrator for administering this Settlement, including, but not limited to, printing,
24 distributing, and tracking documents for this Settlement, translating the Class Notice into Spanish,
25 creating and maintaining a web site and toll-free telephone number, tax reporting, distributing the
26 Gross Settlement Fund, and providing necessary reports and declarations, as requested by the
27 Parties or the Court.
28

1 38. “Settlement Administrator” means CPT Group, Inc. The Parties each represent
2 that they do not have any financial interest in the Settlement Administrator or otherwise have a
3 relationship with the Settlement Administrator that could create a conflict of interest.

4 **TERMS OF AGREEMENT**

5 The Plaintiffs, on behalf of themselves, the Settlement Class and the PAGA Members, and
6 Defendants agree as follows:

7 39. Class Certification. For settlement purposes only, the Parties agree that the
8 Settlement Class shall be certified, and this Settlement Agreement is contingent upon the
9 approval and certification by the Court of the Settlement Class for settlement purposes only.
10 Defendants does not waive, and instead expressly reserve, all rights to challenge the propriety of
11 certification of the class defined in this Settlement Agreement for any purpose should the Court
12 not approve the Settlement. In connection with the proposed certification of the Settlement Class,
13 the Parties shall cooperate and present to the Court for its consideration competent evidence, as
14 may be requested by the Court, under the applicable due process requirements and standards for
15 class certification. In the event either preliminary or final approval of the Settlement is not
16 obtained or, if obtained, is reversed upon appeal, the Parties shall be returned to their respective
17 positions in the Action as they existed immediately prior to the execution of this Settlement
18 Agreement. Furthermore, nothing said or represented in connection with obtaining approval of
19 the Court with respect to this settlement, either on a preliminary or final basis, shall be admissible
20 for any purpose other than to obtain approval by the Court of this Settlement.

21 40. Class Counsel. The Parties agree to the designation of Matern Law Group, PC as
22 counsel for the Settlement Class and the PAGA Members for all purposes in the Actions (“Class
23 Counsel”).

24 41. Amended Complaint. For purposes of this Settlement only, the Parties agree to
25 stipulate to the filing of an amended complaint to include Urbietta as a named Plaintiff. This
26 amended complaint will be filed either before or concurrently with submission of the motion
27 seeking preliminary approval of the Settlement. The Settlement approval process and the
28

1 administration of the Settlement will be before the Superior Court of California, County of
2 Stanislaus. The Parties agree to work cooperatively to achieve these purposes.

3 42. Maximum Settlement Amount. Defendants agree to pay on an all-in basis a total
4 sum of seven hundred thousand dollars and no cents (\$700,000.00) which is inclusive of
5 attorneys' fees, costs, enhancement awards, settlement administration expenses, the PAGA
6 Payment, and the Labor & Workforce Development Agency Payment to the State of California.
7 Defendants shall pay the employer portion of any payroll taxes (including but not limited to FICA
8 and FUTA) in addition to the Maximum Settlement Amount, on a pro rata basis, proportionate to
9 Defendants' respective payment contributions to the Maximum Settlement Amount.

10 43. Funding of the Maximum Settlement Amount. Defendants will deposit their
11 respective portions of Maximum Settlement Amount via wire transfer into a Qualified Settlement
12 Account ("QSA") to be established by the Settlement Administrator within thirty (30) calendar
13 days of the Effective Date. Compass's portion of the Maximum Settlement Amount is five
14 hundred sixty thousand dollars and no cents (\$560,000.00). Human Bees' portion of the
15 Maximum Settlement Amount is one hundred forty thousand dollars and no cents (\$140,000.00).

16 44. Escalation of Maximum Settlement Amount.

17 If the total number of workweeks in the Class Period exceeds 24,907, which Defendants
18 represent was the total number of workweeks in the Class Period at the time of mediation, by
19 more than 15%, the Maximum Settlement Amount shall increase proportionately by the
20 percentage amount above 15% (e.g., if the total number of workweeks in the Class Period
21 exceeds 24,907 by 17%, then Defendants shall increase the Maximum Settlement Amount by
22 2%). Each Defendant's share of this escalation will be based on the proportionate increase in the
23 number of workweeks for each Defendant at the end of the Class Period.

24 45. Attorney's Fees and Costs. Defendants agree not to oppose or impede any
25 application or motion by Class Counsel for Attorney's Fees and Costs. Class Counsel will seek an
26 award of Attorney's Fees not to exceed one-third (1/3) of the Gross Settlement Fund, or Two
27 Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents
28

1 (\$233,333.33) in attorney's fees. Class Counsel will seek reimbursement of litigations costs not to
2 exceed Forty-Eight Thousand Dollars (\$48,000.00). Any funds allocated to Attorney's Fees and
3 Costs but not awarded by the Court will be included in the Net Settlement Amount and
4 distributed pro rata to the Participating Class Members. The Settlement Administrator will issue
5 IRS Forms 1099 to Class Counsel for the Attorney's Fees and Costs.

6 46. Class Representative Enhancement Payments. The Parties agree to the designation
7 of the Plaintiffs as Class Representatives in the Action. In exchange for general releases that
8 includes a release of all claims arising out of and relating to their employment with either Human
9 Bees or with Compass, and specifically for Catano, including any claim that she may have that
10 Compass was her joint employer while she was directly employed by Human Bees, and as well as
11 all known and unknown claims pursuant to California Civil Code section 1542, and in recognition
12 of their efforts and work in prosecuting the Action on behalf of the Class Members, Defendants
13 agree not to oppose or impede any application or motion for Class Representative Enhancement
14 Payments not to exceed Ten Thousand Dollars and No Cents (\$10,000.00) to each Plaintiff. The
15 Class Representative Enhancement Payments will be paid from the Gross Settlement Fund and
16 will be in addition to each Plaintiff's Individual Settlement Payment. Any funds allocated to the
17 Class Representative Enhancement Payments but not awarded by the Court will be included in
18 the Net Settlement Amount and distributed pro rata to the Participating Class Members. Plaintiffs
19 will be solely responsible to pay any and all applicable taxes on the payments made pursuant to
20 this paragraph, and the Settlement Administrator will issue IRS Forms 1099 to Plaintiffs for the
21 Class Representative Enhancement Payments.

22 47. Settlement Administration Costs. The Settlement Administrator will be paid for
23 the reasonable costs of administration of the Settlement and distribution of payments from the
24 Gross Settlement Fund, not to exceed \$15,000.00. These costs, will include, *inter alia*, the
25 required tax reporting on the Individual Settlement Payments and Individual PAGA Payments,
26 the issuing of 1099 and W-2 IRS Forms, translating and distributing Class Notices, creating and
27 maintaining a web site and toll-free telephone number, calculating Individual Settlement
28

1 Payments and Individual PAGA Payments, and distributing the Gross Settlement Fund as set
2 forth herein, and providing necessary reports and declarations. These costs shall be paid from the
3 Gross Settlement Fund. Any funds allocated to Settlement Administration Costs but not incurred
4 by or otherwise paid to the Settlement Administrator will be included in the Net Settlement
5 Amount and distributed pro rata to the Participating Class Members.

6 48. PAGA Settlement. The Parties agree to allocate Twenty Thousand Dollars and No
7 Cents (\$20,000.00) from the Gross Settlement Fund to the resolution of all claims related to the
8 PAGA Members arising under the California Private Attorneys General Act of 2004. Pursuant to
9 PAGA, Seventy-Five Percent (75%) of the PAGA Settlement, or Fifteen Thousand Dollars and
10 No Cents (\$15,000.00), will be paid to the California Labor & Workforce Development Agency
11 as the Labor & Workforce Development Agency Payment, and the remaining Twenty Five
12 Percent (25%) of the PAGA Settlement, or Five Thousand Dollars and No Cents (\$5,000.00), will
13 be allocated to the PAGA Payment for pro rata distribution of Individual PAGA Payments to the
14 PAGA Members.

15 49. Individual Settlement Payment Calculations: The Individual Settlement Payment
16 for each Participating Class Member shall be based upon a workweek formula set forth below.

17 50. The Settlement Administrator will calculate the number of workweeks worked by
18 the Participating Class Members during the Class Period and the number of pay periods worked
19 by the PAGA Members during the PAGA Period based upon the records in Defendant's
20 possession, custody or control, the amount to be paid per workweek and pay period as applicable,
21 and the individual settlement awards to eligible Participating Class Members. The workweeks
22 and pay periods will be calculated by the Settlement Administrator for each Participating Class
23 Member and PAGA Member. A partial workweek and a partial pay period will be counted as a
24 full workweek and a full pay period unless the pay period is the last week or pay period worked
25 as a Class Member or PAGA Member. In such instances, the partial workweek and/or pay period
26 will be prorated. However, all Class Members and PAGA Members will be credited with at least
27 one full workweek and one full pay period. The Net Settlement Amount shall be divided by the
28

1 total number of workweeks for all Participating Class members, and the result of this division is
2 referred to as the "Workweek Rate." The amount of each Participating Class Member's
3 Individual Settlement Payment shall be the result of multiplying each Participating Class
4 Member's number of workweeks during the Class Period by the Workweek Rate. Defendants'
5 workweek and pay period data will be presumed to be correct, unless a particular Class Member
6 or PAGA Member proves otherwise to the Settlement Administrator by credible evidence. The
7 Parties and Settlement Administrator will cooperate in an attempt to resolve all workweek and
8 pay period disputes.

9 51. PAGA Payment Calculations: The Individual PAGA Payment for each PAGA
10 Member shall be determined as follows: The PAGA Payment shall be divided by the total number
11 of Pay Periods for all PAGA Members, and the result of this division is referred to as the "Pay
12 Period Rate." The amount of each PAGA Member's Individual PAGA Payment shall be the
13 result of multiplying each PAGA Member's number of Pay Periods during the PAGA Period by
14 the Pay Period Rate. The Settlement Administrator will perform all calculations necessary to
15 determine the Individual PAGA Payments based upon information provided by Defendants with
16 the Class List. The Settlement Administrator shall be responsible for reducing each Individual
17 Settlement Payment based on any required deductions for each Participating Class Member as
18 specifically set forth herein, including employee-side tax withholdings or deductions. No
19 withholdings or deductions will be made from the Individual PAGA Payments.

20 52. The entire Net Settlement Amount will be disbursed to all Class Members who do
21 not submit timely and valid Requests for Exclusion. If there are any timely and valid Requests
22 for Exclusion from members of the Settlement Class, the Settlement Administrator shall not
23 include any workweeks attributable to such individuals as part of the calculation of the total class-
24 wide qualifying workweeks for all Participating Class Members under paragraphs 50 and 51
25 above, so that the amount available for distribution to the Participating Class Members equals
26 100% of the Net Settlement Amount. The entire PAGA Payment will be distributed to the PAGA
27 Members, and the PAGA Members have no right to opt out of the PAGA Payment.

1 53. No Credit To Benefit Plans. The Individual Settlement Payments and Individual
2 PAGA Payments made to Participating Class Members and PAGA Members shall be deemed to
3 be paid to such Participating Class Members and PAGA Members solely in the year in which
4 such payments actually are received by the Participating Class Members and PAGA Members. It
5 is expressly understood and agreed that such Individual Settlement Payments and Individual
6 PAGA Payments will not be utilized to calculate any additional compensation or any additional
7 benefits under any compensation or benefit plans to which any Class Member or PAGA Member
8 may be eligible, including, but not limited to: bonus, contest or commissions plans; profit-
9 sharing plans, bonus plans, 401(k) plans, stock purchase plans, deferred compensation plans;
10 vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties'
11 intention that this Settlement Agreement will not affect any rights, contributions, or amounts to
12 which any Class Members or PAGA Members may be entitled under any compensation or benefit
13 plans.

14 SETTLEMENT ADMINISTRATION

15 54. Administration Process. The Parties agree to cooperate in the administration of the
16 settlement and to make all reasonable efforts to control and minimize the costs and expenses
17 incurred in administration of the Settlement.

18 55. Delivery of the Class List. Within thirty (30) calendar days of Preliminary
19 Approval, Defendants will provide the Class List to the Settlement Administrator.

20 56. Notice by First-Class U.S. Mail. Within fifteen (15) calendar days after receiving
21 the Class List from Defendant, the Settlement Administrator will mail a Class Notice to all Class
22 Members via regular First-Class U.S. Mail, using the most current, known mailing addresses
23 identified in the Class List.

24 57. Confirmation of Contact Information in the Class List. Prior to mailing, the
25 Settlement Administrator will perform a search based on the National Change of Address
26 Database for information to update and correct for any known or identifiable address changes.
27 Any Class Notices returned to the Settlement Administrator as non-deliverable on or before the
28

1 Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding
2 address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing
3 on the Class Notice. If no forwarding address is provided, the Settlement Administrator will
4 promptly attempt to determine the correct address using a skip-trace or other search using the
5 name, address and/or Social Security Number of the Class Member involved, and will then
6 perform a single re-mailing. The Response Deadline will be extended for fifteen (15) calendar
7 days for all re-mailed Notices.

8 58. Class Notices. All Class Members will be mailed a Class Notice via First Class
9 U.S. Mail. Each Class Notice will provide: (i) information regarding the nature of the Action; (ii)
10 a summary of the Settlement's principal terms; (iii) the Settlement Class definition; (iv) the
11 PAGA Member definition; (v) the total number of qualifying workweeks worked by each
12 respective Class Member during the Class Period; (vi) the total number of Pay Periods worked by
13 each respective PAGA Member during the PAGA Period; (vii) each Class Member's estimated
14 Individual Settlement Payment and the formula for calculating Individual Settlement Payments;
15 (viii) each PAGA Member's estimated Individual PAGA Payment and the formula for calculating
16 Individual PAGA Payments; (ix) the procedure for a Class Member to dispute the calculation of
17 their estimated Individual Settlement Payments; (x) the dates that comprise the Class Period and
18 PAGA Period; (xi) instructions on how to submit a Request for Exclusion or Objection; (xii) the
19 deadlines by which the Class Member must postmark a Request for Exclusion, and the deadlines
20 by which the Class Members must postmark Objections to the Settlement; and (xiii) the claims to
21 be released. The Class Notice shall be in substantially the same form as Exhibit A hereto, as
22 approved by the Court.

23 59. The Settlement Administrator will set up and maintain a toll-free telephone
24 number for Class Members and PAGA Members to contact the Settlement Administrator
25 regarding the Settlement, and the toll-free telephone number will be identified in the Class
26 Notice. The Settlement Administrator will also set up a dedicated page on its website that Class
27 Members and PAGA Members may access regarding the Settlement, and the web page URL will
28

1 be identified in the Class Notice. The web page URL will be limited to the name of the instant
2 action and the contents of the website will be: (1) the First Amended Complaint; (2) Class Notice;
3 (3) the Order of Preliminary Approval; and (4) the Order of Final Approval.

4 60. Disputed Information on Class Notices. Class Members will have an opportunity
5 to dispute the information provided in their Class Notices. To the extent Class Members dispute
6 their total qualifying workweeks while working for Defendants as non-exempt employees during
7 the Class Period, Class Members may produce evidence to the Settlement Administrator showing
8 that such information in the Class Notice is inaccurate. The Settlement Administrator will decide
9 the dispute. Defendants' records will be presumed correct, but the Settlement Administrator will
10 evaluate the evidence submitted by the Class Member and will make the final decision as to the
11 merits of the dispute, which decision shall be final and not appealable by any Party or Class
12 Member. All disputes will be resolved within ten (10) business days of the Response Deadline.

13 61. Request for Exclusion Procedures. Any Class Member wishing to opt-out from
14 the Settlement Agreement must sign and postmark a written Request for Exclusion to the
15 Settlement Administrator within the Response Deadline. The postmark date will be the exclusive
16 means to determine whether a Request for Exclusion has been timely submitted.

17 62. Defective Submissions. If a Class Member's Request for Exclusion is defective as
18 to the requirements listed herein, that Class Member will be given an opportunity to cure the
19 defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3)
20 business days of receiving the defective submission to advise the Class Member that his, her, or
21 their submission is defective and that the defect must be cured to render the Request for
22 Exclusion valid. The Class Member will have until the later of (i) the Response Deadline or (ii)
23 seven (7) calendar days from the date of the cure letter to postmark a revised Request for
24 Exclusion. If the revised Request for Exclusion is not postmarked within that period, it will be
25 deemed untimely.

26 63. Option to Rescind the Settlement Agreement. Defendants have the right in its sole
27 and exclusive discretion to terminate and withdraw from the Settlement at any time prior to the
28

1 date the Court enters final approval of this Settlement if more than Five Percent (5%) of Class
2 Members timely and validly opt out of the Settlement or if the Court fails to approve material
3 terms of the Settlement, including the scope of the releases. Compass or Human Bees must make
4 such election within ten (10) business days of being notified by the Settlement Administrator of a
5 greater than 5% opt-out rate or the Court's denial of the Settlement with prejudice. If Defendants
6 exercise the conditional right to rescind, they must do so by written communication to Class
7 Counsel. In the event the Settlement Agreement is rescinded, Defendants shall pay all incurred
8 Settlement Administrator Costs and split the costs evenly among themselves.

9 64. Settlement Terms Bind All Class Members Who Do Not Opt-Out, and All PAGA
10 Members. Any Class Member who does not affirmatively opt-out of the Settlement Agreement
11 by submitting a timely and valid Request for Exclusion will be bound by all of its terms,
12 including those pertaining to the Released Class Claims, and all PAGA Members will be bound
13 by all of the Settlement Agreement's terms pertaining to the Released PAGA Claims, as well as
14 any Judgment that may be entered by the Court if it grants final approval to the Settlement.

15 65. Objection Procedures. To object to the Settlement Agreement, a Class Member
16 must timely submit to the Settlement Administrator a written Objection. Any written Objection
17 must be signed by the Class Member and contain all information required by this Settlement
18 Agreement, and as specified in the Class Notice. Written Objections must be mailed to the
19 Settlement Administrator as explained in the Class Notice. The Settlement Administrator will
20 forward copies of all written Objections to both Class Counsel and counsel for the Defendants
21 within three (3) calendar days of receipt. The postmark date will be deemed the exclusive means
22 for determining whether a written Objection is timely. Class Members who fail to object in the
23 manner specified above will be deemed to have waived all objections to the Settlement and will
24 be foreclosed from making any objections, whether by appeal or otherwise, to the Settlement
25 Agreement. Alternatively, any Class Member may appear at the Final Approval Hearing,
26 personally or through their own counsel, in order to have their objections heard by the Court,
27 regardless of whether such Class Member submits a written Objection. Only those Class
28

1 Members who do not submit a Request for Exclusion may object to the Settlement. At no time
2 will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to
3 submit written or oral objections to the Settlement Agreement or appeal from the Order and
4 Judgment. Class Counsel will not represent any Class Members with respect to any such
5 objections to this Settlement.

6 66. Certification Reports. The Settlement Administrator will provide all counsel with
7 a weekly report that certifies the number of Class Members who have submitted valid Requests
8 for Exclusion, and whether any Class Member has submitted a challenge to any information
9 contained in their Class Notice. Additionally, the Settlement Administrator will provide to
10 counsel for both Parties any updated reports regarding the administration of the Settlement
11 Agreement as needed or requested.

12 67. Distribution of Settlement Payments. Within fifteen (15) calendar days of
13 Defendants depositing the Gross Settlement Amount as set forth above, the Settlement
14 Administrator will issue all Court-approved payments to: (i) the Participating Class Members; (ii)
15 the PAGA Members; (iii) the Labor & Workforce Development Agency; (iv) Plaintiffs; (v) Class
16 Counsel, and (vi) itself. Payments to Class Counsel shall be sent by wire transfer to wire
17 information to be provided by Class Counsel, which the Settlement Administrator shall confirm
18 orally with Class Counsel prior to sending any wire transfer.

19 68. Un-cashed Settlement Checks. If a Participating Class Member's Individual
20 Settlement Payment and/or Individual PAGA Payment check is not cashed within 120 days after
21 mailing to the Participating Class Member or PAGA Member, the Settlement Administrator will
22 send the Participating Class Member or PAGA Member a letter informing him or her that unless
23 the check is cashed in the next 60 days, it will expire and become non-negotiable, and offer to
24 replace the check if it was lost or misplaced. All funds represented by uncashed checks and funds
25 represented by Individual Settlement Payments and Individual PAGA Payments returned as
26 undeliverable from the distributions will be added back into the Net Settlement Amount and
27 PAGA Payment, and distributed pro rata to the Participating Class Members and PAGA
28

1 Members. If any checks remain uncashed 180 days following distribution, the funds represented
2 by those checks and funds represented by Individual Settlement Payment and Individual PAGA
3 Payment checks returned as undeliverable will be sent to the Unclaimed Property Fund of the
4 California State Controller in the name of each respective Class Member to whom the checks
5 were payable.

6 69. Certification of Completion. Upon completion of administration of the Settlement,
7 the Settlement Administrator will provide a written declaration under oath to certify such
8 completion to the Court and counsel for all Parties.

9 70. Treatment of Individual Settlement and PAGA Payments. The Individual
10 Settlement Payment from the Net Settlement Amount payable to eligible Class Members will be
11 allocated as follows: Twenty Percent (20%) as payment for alleged unpaid wages, Forty Percent
12 (40%) as alleged unpaid interest, and Forty Percent (40%) as alleged unpaid civil and statutory
13 penalties. IRS Forms W-2 will be issued for alleged unpaid wages and IRS Forms 1099 will be
14 issued for alleged unpaid interest and unpaid civil penalties. One Hundred Percent (100%) of the
15 Individual PAGA Payments will be allocated to penalties and included on IRS Forms 1099-
16 MISC.

17 71. Administration of Taxes by the Settlement Administrator. The Settlement
18 Administrator will be responsible for issuing to Plaintiffs, Participating Class Members, PAGA
19 Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all
20 amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible
21 for forwarding all payroll taxes and penalties to the appropriate government authorities.

22 72. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR
23 PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY
24 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER
25 PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
26 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
27 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS
28

1 INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE
2 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN
3 THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31
4 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED
5 EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX
6 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS
7 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE
8 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
9 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
10 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
11 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
12 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
13 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
14 OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF
15 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
16 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
17 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
18 AGREEMENT.

19 73. No Prior Assignments. The Parties and their counsel represent, covenant, and
20 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported
21 to assign, transfer, or encumber to any person or entity, including, without limitation, to any third-
22 party funding source, any portion of any liability, claim, demand, action, cause of action,
23 recovery, or right herein released and discharged.

24 74. If for any reason the Settlement is not approved, including, without limitation, at
25 the preliminary approval or final approval stage, the Parties agree to address any concerns raised
26 by the Court by using best efforts and working together in good faith to obtain approval; among
27 other things, if the Court does not grant the Parties' motion(s) for preliminary and/or final
28

1 approval, the Parties agree that they will file further motions for approval if necessary. However,
2 if the Parties are unable to obtain final approval, they agree that the actions shall return to the
3 status quo pre-execution of the September 29, 2023 Memorandum of Understanding in the
4 Action.

5 75. Preliminary Approval Hearing. Plaintiffs will obtain a hearing before the Court to
6 request the Preliminary Approval of the Settlement, and the entry of a Preliminary Approval
7 Order for (a) conditional certification of the Settlement Class for settlement purposes only, (b)
8 Preliminary Approval of the proposed Settlement Agreement, and (c) setting a date for the Final
9 Approval Hearing. The Preliminary Approval Order will provide for the Class Notice to be sent
10 to all Class Members as specified herein. In conjunction with the Preliminary Approval hearing,
11 Plaintiffs will submit this Settlement Agreement, which sets forth the terms of this Settlement,
12 and will include the proposed Class Notice, which is attached hereto as Exhibit A. Plaintiffs shall
13 also timely provide all necessary notices to the Labor & Workforce Development Agency,
14 including notice of the Settlement and Preliminary Approval Hearing to the Labor & Workforce
15 Development Agency as required by PAGA.

16 76. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the
17 deadline to postmark Requests for Exclusion and Objections, and with the Court's permission, a
18 Final Approval Hearing will be conducted to determine the Final Approval of the Settlement,
19 along with the amounts properly payable for: (i) Individual Settlement and PAGA Payments; (ii)
20 the Labor & Workforce Development Agency Payment; (iii) the Class Representative
21 Enhancement Payments; (iv) Attorney's Fees and Costs; and (v) all Settlement Administration
22 Costs. The Final Approval Hearing will not be held earlier than thirty (30) calendar days after the
23 Response Deadline. Class Counsel will be responsible for drafting all documents necessary to
24 obtain final approval. Class Counsel will also be responsible for drafting the application for the
25 Class Representative Enhancement Payments and Attorney's Fees and Costs, and a request for
26 approval of the Settlement Administration Costs, to be heard at the Final Approval Hearing.

27 77. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by
28

1 the Court or after the Final Approval Hearing, the Parties will present the Judgment to the Court
2 for its approval. After entry of the Judgment, under Code of Civil Procedure section 664.6, the
3 Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and
4 enforcement of the terms of the Settlement, (ii) settlement administration matters, and (iii) such
5 post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement
6 Agreement. The Judgment shall provide that the Court retains jurisdiction for such purposes.
7

8 **CLASS AND PAGA RELEASE**

9 78. Releases by Plaintiffs, Participating Class Members, PAGA Members. Upon the
10 funding of the Maximum Settlement Amount as set forth in Paragraph 43 and 44, and conditioned
11 upon full satisfaction of the Parties' obligations under this Settlement Agreement, Plaintiffs and
12 all Participating Class Members will be deemed to have released the Released Class Claims
13 against the Released Parties, and Plaintiffs and all PAGA Members will be deemed to have
14 released the Released PAGA Claims and will be barred from bringing or prosecuting any of the
15 Released PAGA Claims against the Released Parties. No PAGA Member may pursue the
16 Released PAGA Claims in an individual or representative capacity in another action.
17

18 **INDIVIDUAL RELEASE**

19 79. Release by Plaintiffs. Upon the funding of the Maximum Settlement Amount as
20 set forth in Paragraph 43 and 44, in addition to the claims being released by all Participating Class
21 Members, Plaintiffs, for and on behalf of themselves and their agents, heirs, executors,
22 administrators and assigns, each will unconditionally release and forever discharge the Released
23 Parties, to the fullest extent permitted by law, of and from any and all claims, actions, causes of
24 action, rights, suits, debts, contracts, obligations, agreements, proceedings, damages, charges,
25 losses, and expenses (including attorneys' fees and costs) of any nature whatsoever, whether
26 based in contract, statute or the common law, relating to any matters of any kind, whether known
27 or unknown, suspected or unsuspected, that they may possess arising from any omissions, acts,
28 and any and all events or facts that have occurred up until and including the date of execution of

1 this Settlement Agreement, including but not limited to, (i) any and all claims actually alleged or
2 could have been alleged in connection with, or arising directly or indirectly out of or in any way
3 connected with Plaintiffs' employment with Defendants or any of the Released Parties or (ii) any
4 individual claims arising under PAGA.

5 80. Additional Release by Plaintiff Catano. Upon the Effective Date, in addition to
6 the claims being released by all Participating Class Members and the releases contained in
7 Paragraphs 79 and 80, Catano, for and on behalf of herself and her agents, heirs, executors,
8 administrators and assigns, each will unconditionally release and forever discharge the Released
9 Parties, to the fullest extent permitted by law, of and from any and all claims, known or
10 unknown, that Catano may have that Compass was her joint employer while she was directly
11 employed by Human Bees.

12 81. Acknowledgement of California Civil Code Section 1542. As to the General
13 Release and Catano's Additional Release set forth above, to the extent the foregoing releases are
14 releases to which Section 1542 of the California Civil Code or similar provisions of other
15 applicable law may apply, each Plaintiff expressly waives any and all rights and benefits
16 conferred upon him by the provisions of Section 1542 of the California Civil Code or similar
17 provisions of applicable law, which are as follows:

18 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE**
19 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT**
20 **TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE**
21 **RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE**
22 **MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE**
23 **DEBTOR OR RELEASED PARTY.**

24 82. Release by Defendants. Compass and Human Bees mutually agree to
25 release one another of all claims arising out of and relating to this Matter in exchange for
26 a waiver of costs and fees in this case.

27 ///

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

MISCELLANEOUS

83. Exhibit Incorporated by Reference. The terms of this Settlement Agreement include the terms set forth in the attached Exhibit, which is incorporated by this reference as though fully set forth herein. Any Exhibit to this Settlement Agreement is an integral part of the Settlement.

84. Entire Agreement. This Settlement Agreement and attached Exhibit constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or contradict the terms of this Settlement Agreement.

85. Amendment or Modification. Except as to non-material changes required by the Court, no amendment, change, or modification to this Settlement Agreement will be valid unless in writing and signed by the Parties. Concerning non-material changes required by the Court, the Parties agree that their counsel may submit stipulated amendments to this Settlement Agreement without obtaining further signatures from the Parties.

86. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

1 87. Binding on Successors and Assigns. This Settlement Agreement will be binding
2 upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously
3 defined.

4 88. California Law Governs. All terms of this Settlement Agreement and Exhibit
5 hereto will be governed by and interpreted according to the laws of the State of California.

6 89. Execution and Counterparts. This Settlement Agreement is subject only to the
7 execution of all Parties. However, the Settlement Agreement may be executed in one or more
8 counterparts. All executed counterparts and each of them, including facsimile and scanned copies
9 of the signature page, will be deemed to be one and the same instrument provided that counsel for
10 the Parties will exchange among themselves original signed counterparts. Electronic signatures
11 (e.g., DocuSign signatures) shall have the same force and legal effect as a handwritten, ink
12 signature and shall be fully enforceable.

13 90. Invalidity of Any Provision. Before declaring any provision of this Settlement
14 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest
15 extent possible consistent with applicable precedents so as to define all provisions of this
16 Settlement Agreement valid and enforceable.

17 91. Waiver of Certain Appeals. The Parties agree to waive appeals; except, however,
18 that either party may appeal any court order that materially alters the Settlement Agreement's
19 terms.

20 92. Notices. Unless otherwise specifically provided herein, all notices, demands or
21 other communications given hereunder shall be in writing and shall be deemed to have been duly
22 given as of the third business day after mailing by United States registered or certified mail,
23 return receipt requested, addressed as follows:

24 To Plaintiffs, the Settlement Class, and the PAGA Members:

25 Matthew J. Matern
26 Matthew W. Gordon
27 Nora Katz
28 MATERN LAW GROUP, PC
 1230 Rosecrans Ave., Suite 200
 Manhattan Beach, CA 90266

1
2 To Defendant Compass:

3 Peter J. Woo
4 Andrew J. Kozlow
5 Liam N. Gaarder Fiengold
6 JACKSON LEWIS P.C.
7 200 Spectrum Center Dr., Suite 500
8 Irvine, CA 92618

9 To Defendant Human Bees:

10 Charles Whitman
11 Matthew Drenan
12 Alicia A. Belock
13 BUCHALTER, P.C.
14 655 W. Broadway, Suite 1600
15 San Diego, CA 92101

16 93. Non-Admission of Liability. The Parties enter into this Settlement to resolve the
17 dispute that has arisen between them and to avoid the burden, expense and risk of continued
18 litigation. In entering into this Settlement, Defendants do not admit, and specifically deny, that
19 they violated any federal, state, or local law; violated any regulations or guidelines promulgated
20 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached
21 any contract; violated or breached any duty; engaged in any misrepresentation or deception; or
22 engaged in any other unlawful conduct with respect to their employees. Neither this Settlement
23 Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, will
24 be construed as an admission or concession by Defendants of any such violations or failures to
25 comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this
26 Settlement, this Settlement Agreement and its terms and provisions will not be offered or received
27 as evidence in any action or proceeding to establish any liability or admission on the part of
28 Defendants or to establish the existence of any condition constituting a violation of, or a non-
 compliance with, federal, state, local or other applicable law.

 94. Waiver. No waiver of any condition or covenant contained in this Settlement
Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered
to imply or constitute a further waiver by such party of the same or any other condition, covenant,
right or remedy.

1 95. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms
2 and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be
3 construed more strictly against one party than another merely by virtue of the fact that it may
4 have been prepared by counsel for one of the Parties, it being recognized that, because of the
5 arms-length negotiations between the Parties, all Parties have contributed to the preparation of
6 this Settlement Agreement.

7 96. Representation By Counsel. The Parties acknowledge that they have been
8 represented by counsel throughout all negotiations that preceded the execution of this Settlement
9 Agreement, and that this Settlement Agreement has been executed with the consent and advice of
10 counsel. Further, Plaintiffs and Plaintiffs' Counsel warrant and represent that there are no liens
11 on the Settlement Agreement.

12 97. All Terms Subject to Final Court Approval. All amounts and procedures described
13 in this Settlement Agreement herein will be subject to final Court approval.

14 98. Cooperation and Execution of Necessary Documents. All Parties will cooperate in
15 good faith and execute all documents to the extent reasonably necessary to effectuate the terms of
16 this Settlement Agreement.

17 99. Binding Agreement. The Parties warrant that they understand and have full
18 authority to enter into this Settlement Agreement, and further intend that this Settlement
19 Agreement will be fully enforceable and binding on all parties, and agree that it will be
20 admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any
21 mediation confidentiality provisions that otherwise might apply under federal or state law.

22 100. Interim Stay of Proceedings. The Parties agree to stay and hold all proceedings in
23 the Action, except such proceedings necessary to implement and complete the Settlement, in
24 abeyance pending the Final Approval Hearing to be conducted by the Court. The Parties further
25 agree that upon the execution of this Agreement, pursuant to Code of Civil Procedure §
26 583.330(a), the time within which the Action must be brought to trial under Code of Civil
27 Procedure § 583.310 shall be extended for the period between the date on which the Agreement is
28

1 fully executed to the date on which Judgment is entered. If the Court denies Preliminary
2 Approval or Final Approval of the Agreement, the Parties agree that the period of time between
3 the date on which the Agreement is fully executed through the date on which Preliminary
4 Approval or Final Approval is denied shall be excluded from the computation of the time within
5 which the Action must be brought to trial pursuant to Code of Civil Procedure § 583.310.

6 101. Other than filing any required notices of settlement in the Action, the Class
7 Representatives and Class Counsel will not make any public disclosure of the Settlement or
8 Confidential Memorandum of Understanding prior to the filing of Plaintiffs' motion for
9 preliminary approval. Class Counsel will take all steps necessary to ensure the Class
10 Representatives are aware of and will encourage the Class Representatives to adhere to, the
11 restriction against any public disclosure of the Settlement or Confidential Memorandum of
12 Understanding until the filing of Plaintiffs' motion for preliminary approval.

13 102. Following the filing of Plaintiffs' motion for preliminary approval, the Class
14 Representatives and Class Counsel will not initiate any communications with the media before
15 the Court has entered an order granting preliminary approval. If either Party is asked to comment
16 on the Settlement prior to the Court entering an order granting preliminary approval, said Party
17 will state that they are not commenting on the settlement while the Court is considering the
18 motion for preliminary approval.

19 Nothing in this Settlement Agreement shall limit Defendants' ability to fulfill disclosure
20 obligations reasonably required by law or in furtherance of business purposes, including the
21 fulfillment of obligations stated in this Settlement Agreement.

22
23 **SIGNATURES FOLLOW ON NEXT PAGE**
24
25
26
27
28

SIGNATURES

PLAINTIFFS

DEFENDANT

DATED: Aug 5, 2024

DATED:

By 
Blanca Catano (Aug 5, 2024 16:04 PDT)
Blanca Catano

By _____

Compass Foods, Inc.

DATED:

DATED:

By _____
Silvia Urbieto

By _____

Human Bees f/k/a Avitek Recruit,
Inc.

APPROVED AS TO FORM:

DATED:

DATED:

By _____
Matthew J. Matern
Matthew W. Gordon
Matern Law Group, PC
Attorneys for Plaintiffs
Blanca Catano and
Silvia Urbieto

By _____
Peter P. Woo
Andrew J. Kozlow
Liam N. Gaarder-Feingold
Jackson Lewis P.C.
Attorneys for Compass Foods, Inc.

DATED:

By _____
Charles Whitman
Matthew Drenan
Alicia A. Belock
Buchalter, P.C.
Attorneys for Human Bees f/k/a Avitek Recruit, Inc.

SIGNATURES

PLAINTIFFS

DEFENDANT

DATED:

DATED:

By Blanca Catano

By _____

Compass Foods, Inc.

DATED: Aug 6, 2024

DATED:

By 
Silvia Urbieto Sainz (Aug 6, 2024 16:07 PDT)
Silvia Urbieto

By _____

Human Bees f/k/a Avitek Recruit,
Inc.

APPROVED AS TO FORM:

DATED:

DATED:

By Matthew J. Matern
Matthew W. Gordon
Matern Law Group, PC
Attorneys for Plaintiffs
Blanca Catano and
Silvia Urbieto

By Peter P. Woo
Andrew J. Kozlow
Liam N. Gaarder-Feingold
Jackson Lewis P.C.
Attorneys for Compass Foods, Inc.

DATED:

By Charles Whitman
Matthew Drenan
Alicia A. Belock
Buchalter, P.C.
Attorneys for Human Bees f/k/a Avitek Recruit, Inc.

SIGNATURES

PLAINTIFFS

DATED:

By

Blanca Catano

DATED:

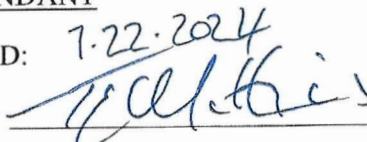
By

Silvia Urbieto

DEFENDANT

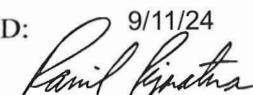
DATED:

By

7.22.2024

THOMAS MATHIAS
Compass Foods, Inc.

DATED:

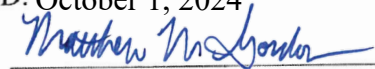
By

9/11/24

Ranil Piyaratna
Human Bees f/k/a Avitek Recruit,
Inc.

APPROVED AS TO FORM:

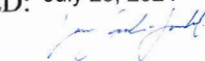
DATED: October 1, 2024

By


Matthew J. Matern
Matthew W. Gordon
Matern Law Group, PC
Attorneys for Plaintiffs
Blanca Catano and
Silvia Urbieto

DATED: July 25, 2024

By


Peter P. Woo
Andrew J. Kozlow
Liam N. Gaarder-Feingold
Jackson Lewis P.C.
Attorneys for Compass Foods, Inc.

DATED: 11 SEP 24

By


Charles Whitman
Matthew Drenan
Alicia A. Belock
Buchalter, P.C.
Attorneys for Human Bees f/k/a Avitek Recruit, Inc.