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

12 MICHAEL ANDERSON, an individual, on
13 behalf of himself, the State of California, as a
14 private attorney general, and on behalf of all
others similarly situated,

15 Plaintiff,

16 v.

17 R.F. WHITE CO., INC., a California Company;
18 and DOES 1 TO 100,

19 Defendants.
20

Case No.: CIVDS2018670

**Settlement Agreement and Release of Class
Action**

1 **TUNDIS & LESTER ATTORNEYS AT LAW**

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10 Attorneys for Defendant R.F. White Co., Inc.

1 **SETTLEMENT AGREEMENT AND RELEASE OF CLASS ACTION**

2 This Settlement Agreement and Release of Class Action (“Settlement Agreement”) is made and entered
3 into by: **(1)** Plaintiff Michael Anderson (“Plaintiff”), individually and in his representative capacity on
4 behalf of the Settlement Class, as defined below, and as a private attorney general on behalf of the State
5 of California; and **(2)** Defendant R.F. White Co., Inc. (“Defendant”). Plaintiff and Defendant are
6 collectively referred to herein as the “Parties.” This Settlement Agreement is subject to the approval of
7 the Court, pursuant to California Rules of Court, rule 3.769, subdivisions (c), (d), and (e), and is made
8 for the sole purpose of attempting to consummate settlement of the action on a class-wide basis subject
9 to the following terms and conditions. As detailed below, if the Court does not enter an order granting
10 final approval of this Settlement Agreement or the conditions precedent are not met for any reason, this
11 Settlement Agreement is void and of no force or effect whatsoever.

12 **1. DEFINITIONS**

13 As used in this Settlement Agreement, the following terms shall have the meanings specified below.
14 To the extent terms or phrases used in this Settlement Agreement are not specifically defined below,
15 but are defined elsewhere in this Settlement Agreement, they are incorporated by reference into this
16 definition section.

17 **1.1. ACTION**

18 “Action” shall mean the following civil action: Michael Anderson v. R.F. White Co., Inc., case number
19 CIVDS2018670, currently pending before the Superior Court of the State of California for the County
20 of San Bernadino.

21 **1.2. ADMINISTRATIVE EXPENSES**

22 “Administrative Expenses” shall include all costs and expenses associated with and paid to the third-
23 party settlement administrator, which are estimated not to exceed \$10,000.

24 **1.3. APPLICABLE WAGE ORDER**

25 “Applicable Wage Order” shall mean the California Industrial Welfare Commission (“IWC”) Wage
26 Order applicable to the facts of this case, including IWC Wage Order 9-2001 and others that may be
27 applicable. (Cal. Code of Regs., tit. 8, § 11090.)

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1 **1.4. CLAIMS**

2 “Claims” shall mean the claims asserted in the Action.

3 **1.5. CLASS ATTORNEY FEES AND EXPENSES**

4 “Class Attorney Fees and Expenses” shall mean the portion of the Gross Settlement Amount
5 attributable to attorney fees and litigation expenses. The Parties agree that the fee-portion of the Class
6 Attorney Fees and Expenses shall be up to 33.33% of the Gross Settlement Amount (i.e., \$91,657.50),
7 as approved by the Court, and the award of costs and expenses shall be up to an additional \$15,000.00.
8 If the Escalator Provision described below is triggered so as to increase the Gross Settlement Amount,
9 the Parties agree that the fee portion of the Class Attorney Fees and Expenses will increase
10 proportionally such that the total amount of attorneys’ fees remains 33.33% of the Gross Settlement
11 Amount *after* the upward adjustment required by the Escalator Provision is implemented.

12 **1.6. CLASS COUNSEL**

13 “Class Counsel” shall mean Jonathan Melmed and Megan E. Ross of Melmed Law Group P.C.

14 **1.7. CLASS MEMBER**

15 “Class Member” shall mean any person who is a prospective member of the Settlement Class, or, if
16 such person is incompetent or deceased, the person’s legal guardian, executor, heir, or successor-in-
17 interest.

18 **1.8. CLASS NOTICE**

19 “Class Notice” shall mean the *Notice of Proposed Class Action Settlement*, as set forth in the form of
20 **Exhibit 1** attached hereto, or as otherwise approved by the Court, which is to be mailed to Class
21 Members along with the Share Form.

22 **1.9. CLASS PARTICIPANTS**

23 “Class Participants” shall mean all Class Members who do not timely request exclusion from the Class
24 Settlement.

25 **1.10. CLASS PERIOD**

26 “Class Period” shall mean the period from September 11, 2016, through June 30, 2022.

27 **1.11. CLASS REPRESENTATIVE**

28 “Class Representative” shall mean Plaintiff Michael Anderson.

1 **1.12. CLASS SETTLEMENT**

2 “Class Settlement” shall mean the settlement embodied in this Settlement Agreement, which is subject
3 to Court approval.

4 **1.13. COMPLAINT**

5 “Complaint” shall mean the currently-operative complaint in the Action.

6 **1.14. COURT**

7 “Court” shall mean the Superior Court of the State of California for the County of San Bernadino.

8 **1.15. DEFENDANT**

9 “Defendant” shall mean Defendant R.F. White Co., Inc.

10 **1.16. DEFENSE COUNSEL**

11 “Defense Counsel” shall mean the attorneys representing Defendant.

12 **1.17. EFFECTIVE DATE**

13 “Effective Date” shall be the date when all of the following events have occurred: **(a)** this Settlement
14 Agreement has been executed by all Parties and by Class Counsel and Defense Counsel; **(b)** the Court
15 has given preliminary approval to the Class Settlement; **(c)** notice has been given to the Settlement
16 Class providing them with an opportunity to request exclusion from the Class Settlement; **(d)** the Court
17 has held a Final Approval and Fairness Hearing and entered a final order and judgment certifying the
18 Settlement Class and approving this Settlement Agreement; and **(e)** the later of the following events:
19 **(i)** the expiration of the period for filing any appeal, writ, or other appellate proceeding opposing the
20 Class Settlement has elapsed without any appeal, writ, or other appellate proceeding having been filed;
21 **(ii)** the dismissal of any appeal, writ, or other appellate proceeding opposing the Class Settlement with
22 no right to pursue further remedies or relief; or **(iii)** any appeal, writ, or the issuance of such other final
23 appellate order upholding the Court’s final order with no right to pursue further remedies or relief. In
24 this regard, it is the intention of the Parties that the Class Settlement shall not become effective until
25 the Court’s order approving the Class Settlement is completely final and there is no further recourse by
26 an appellant or objector who seeks to contest the Class Settlement. If no objections are filed, the
27 Effective Date shall be after steps (a) through (d) are completed (i.e., the date that the court has entered
28 a final order and judgment certifying the Settlement Class and approving this Settlement Agreement).

1 **1.18. EMPLOYEE’S TAXES AND REQUIRED WITHHOLDING**

2 “Employee’s Taxes and Required Withholding” shall mean the employee’s share of any and all
3 applicable federal, state, or local payroll taxes, including those collected under authority of the Federal
4 Insurance Contributions Act (FICA), the Federal Unemployment Tax Act (FUTA), and/or the State
5 Unemployment Tax Act (SUTA) on the portion of any Class Participant’s Individual Settlement
6 Amount that constitutes wages. The Employee’s Taxes and Required Withholdings will be withheld
7 from and paid out of the Individual Settlement Amounts paid from the Net Settlement Amount.

8 **1.19. EMPLOYER’S TAXES**

9 “Employer’s Taxes” shall mean and refer to Defendant’s share of payroll taxes (e.g., Unemployment
10 Insurance, Employment Training Tax, Social Security, and Medicare taxes) that is owed on the portion
11 of any Class Participant’s Individual Settlement Amount that constitutes wages. The Employer’s Taxes
12 will be paid from the Net Settlement Amount.

13 **1.20. FINAL APPROVAL AND FAIRNESS HEARING**

14 “Final Approval and Fairness Hearing” shall mean the final hearing held to ascertain the fairness,
15 reasonableness, and adequacy of the Class Settlement.

16 **1.21. FINAL JUDGMENT**

17 “Final Judgment” shall mean the Court’s final order granting final approval of the Class Settlement at
18 or after the Final Approval and Fairness Hearing.

19 **1.22. GROSS SETTLEMENT AMOUNT**

20 “Gross Settlement Amount” is the agreed upon non-reversionary settlement amount totaling
21 \$275,000.00 to be paid by Defendant in full settlement of the Released Claims asserted in this case,
22 inclusive of the Administrative Expenses, the Employee’s Taxes and Required Withholdings, the
23 Employer’s Taxes, the Class Attorney Fees and Expenses, the Incentive Award, and PAGA Payment.

24 **1.23. HEARING ON PRELIMINARY APPROVAL**

25 “Hearing on Preliminary Approval” shall mean the hearing held on the motion for preliminary approval
26 of the Class Settlement.

27 **1.24. INCENTIVE AWARD**

28 “Incentive Award” shall mean any additional monetary payment provided to the Class Representative

1 for his efforts and risks on behalf of the Settlement Class in this Action.

2 **1.25. INDIVIDUAL SETTLEMENT AMOUNT**

3 “Individual Settlement Amount” shall mean the amount which is ultimately distributed to each Class
4 Participant, less any Employee’s Taxes and Required Withholdings. The Individual Settlement Amount
5 does not include any portion of the PAGA Payment.

6 **1.26. NET SETTLEMENT AMOUNT**

7 “Net Settlement Amount” shall mean the Gross Settlement Amount minus: Administrative Expenses;
8 Class Attorney Fees and Expenses; 75% of the share of the Gross Settlement Amount allocated toward
9 penalties pursuant to the Labor Code Private Attorney General Act of 2004 (“PAGA”), codified at
10 Labor Code sections 2698 through 2699.6, which are payable to the California Labor and Workforce
11 Development Agency (“LWDA”); and Plaintiff’s Incentive Award.

12 **1.27. OPT OUT**

13 “Opt Out” shall refer to the process of submitting a timely and valid request for exclusion from the
14 Class Settlement in accordance with the terms of the Class Notice and no later than the Response
15 Deadline.

16 **1.28. OPT-OUTS**

17 “Opt-Outs” shall mean all persons who timely and validly request exclusion from the Class Settlement
18 in accordance with the terms of the Class Notice and no later than the Response Deadline.

19 **1.29. PAGA PAYMENT**

20 “PAGA Payment” means the penalties pursuant to PAGA that the Parties have agreed is a reasonable
21 sum to be paid in settlement of the PAGA claims included in the Action, which is \$7,000.00. The
22 PAGA Payment is to be approved by the Court pursuant to Labor Code section 2699 and is to be
23 distributed as follows: seventy-five percent (75%) (i.e., \$5,250.00) to the LWDA and twenty-five
24 percent (25%) (i.e., \$1,750.00) to the PAGA Settlement Class. Class Counsel shall give timely notice
25 of this Settlement Agreement to the LWDA pursuant to Labor Code section 2699, subdivision (1)(2).

26 **1.30. PAGA PERIOD**

27 “PAGA Period” shall mean the period from December 14, 2019, through June 30, 2022.

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1 **1.31. PAGA SETTLEMENT CLASS**

2 “PAGA Settlement Class” shall mean All California residents who are or were employed by
3 Defendants as truck drivers or in any other similar capacity, and who worked at least one shift in
4 California during the PAGA Period. Defendant represents that the PAGA Settlement Class consists of
5 approximately 97 employees that worked a total of approximately 6,863 pay periods during the PAGA
6 Period.

7 **1.32. PARTIES**

8 “Parties” shall mean Plaintiff and Defendant.

9 **1.33. PLAINTIFF**

10 “Plaintiff” shall mean Plaintiff Michael Anderson.

11 **1.34. PRELIMINARY APPROVAL DATE**

12 “Preliminary Approval Date” shall mean the date upon which the Court enters an order preliminarily
13 approving this Settlement Agreement.

14 **1.35. RELEASED CLAIMS**

15 “Released Claims” shall mean any and all claims, debts, liabilities, demands, obligations, guarantees,
16 costs, expenses, attorneys’ fees, damages, compensatory damages, punitive damages, liquidated
17 damages, interest, penalties, waiting time penalties, injunctive relief, and actions or causes of action of
18 whatever kind or nature, under federal or state law including, but not limited to, those claims arising
19 out of, related to, connected to, or in any way involving the facts and allegations set forth in the
20 Complaint and/or PAGA notice to the LWDA, which arose during the Class Period, including claims
21 for: **(1)** failure to pay proper overtime wages in violation of Labor Code sections 510, 1197, and 1198,
22 and the Applicable Wage Order; **(2)** failure to provide compliant rest periods and pay missed rest break
23 premiums in violation of Labor Code section 226.7 and the Applicable Wage Order; **(3)** failure to
24 provide compliant meal periods and pay missed meal period premiums in violation of Labor Code
25 sections 226.7 and 512, and the Applicable Wage Order; **(4)** failure to pay all wages due and owing at
26 separation in violation of Labor Code sections 201, 202, and 203; **(5)** failure to reimburse business
27 expenses in violation of Labor Code sections 2802 and 2804; **(6)** failure to provide complete and
28 accurate wage statements in violation of Labor Code sections 226 and 226.3; **(7)** deceptive, fraudulent,

1 or otherwise unlawful business practices based on the foregoing in violation of California’s Unfair
2 Competition Law (Bus. & Prof. Code, §§ 17200–17210); **(8)** statutory penalties based on the foregoing
3 and pursuant to PAGA (Lab. Code, §§ 2698–2699.6); and **(9)** all claims for liquidated damages,
4 penalties, interest, fees, and costs based on the foregoing.

5 No other claims are released other than those claims specifically plead in the Complaint or otherwise
6 identified herein. This Settlement Agreement will not release any person, party, or entity from claims,
7 if any, by Class Members for workers compensation, unemployment, or disability benefits of any
8 nature. Nor does it release any claims, actions, or causes of action which may be possessed by Class
9 Members under state or federal discrimination statutes, including, without limitation, the California
10 Fair Employment and Housing Act (Gov. Code, §§ 12900–12996); the Unruh Civil Rights Act (Civ.
11 Code, § 51); the California Constitution; Title VII of the Civil Rights Act of 1964 (42 U.S.C. § 2000,
12 et seq.); the Americans with Disabilities Act (42 U.S.C. § 12101, et seq.); the Employee Retirement
13 Income Security Act of 1974 (29 U.S.C. § 1001 et seq.); and all of their implementing regulations and
14 interpretive guidelines.

15 **1.36. RELEASED PARTIES**

16 “Released Parties” shall mean Defendant and all of Defendant’s parents, subsidiaries, affiliates,
17 shareholders, officers, directors, members, employees, agents, insurers, predecessors, successors, and
18 assigns.

19 **1.37. RELEASING PARTIES**

20 “Releasing Parties” shall mean every Class Participant and all persons purporting to act on their behalf
21 or purporting to assert a claim under or through them, including, but not limited to, their dependents,
22 heirs, assigns, beneficiaries, devisees, legatees, executors, administrators, agents, trustees,
23 conservators, guardians, personal representatives, and successors-in-interest, whether individual, class,
24 representative, legal, equitable, direct or indirect, or any other type or in any other capacity.

25 **1.38. RESPONSE DEADLINE**

26 “Response Deadline” shall mean the date forty-five (45) days following the date on which the
27 Settlement Administrator first mails Class Notice to the Class Members and the last day on which Class
28 Members may submit a request for exclusion and/or objection to Class Settlement.

1 **1.39. SETTLEMENT ADMINISTRATOR**

2 “Settlement Administrator” shall mean ILYM Group, Inc. (or other administrator agreed on by the
3 parties) which the Parties have agreed will be responsible for administration of the Class Settlement
4 and related matters.

5 **1.40. SETTLEMENT CLASS**

6 “Settlement Class” shall mean All California residents who are or were employed by Defendants as
7 truck drivers or in any other similar capacity, and who worked at least one shift in California during
8 the Class Period. Defendant represents that the Settlement Class consists of approximately 157 Class
9 Members that worked a total of approximately 16,332 workweeks during the Class Period.

10 **1.41. SHARE FORM**

11 “Share Form” shall mean the *Class Action Settlement Share Form*, as set forth in the form of **Exhibit**
12 **2** attached hereto, or as otherwise approved by the Court, which is to be mailed to Class Members along
13 with the Class Notice.

14 **2. FACTUAL AND PROCEDURAL BACKGROUND**

15 **2.1. PLAINTIFF’S CLAIMS**

16 Plaintiff, individually and in his representative capacity on behalf of the Settlement Class, and as a
17 private attorney general on behalf of the State of California, has alleged the following violations:
18 **(1)** failure to pay proper overtime wages in violation of Labor Code sections 510, 1197, and 1198, and
19 the Applicable Wage Order; **(2)** failure to provide compliant rest periods and pay missed rest break
20 premiums in violation of Labor Code section 226.7 and the Applicable Wage Order; **(3)** failure to
21 provide compliant meal periods and pay missed meal period premiums in violation of Labor Code
22 sections 226.7 and 512, and the Applicable Wage Order; **(4)** failure to pay all wages due and owing at
23 separation in violation of Labor Code sections 201, 202, and 203; **(5)** failure to reimburse business
24 expenses in violation of Labor Code sections 2802 and 2804; **(6)** failure to provide complete and
25 accurate wage statements in violation of Labor Code sections 226 and 226.3; **(7)** deceptive, fraudulent,
26 or otherwise unlawful business practices based on the foregoing in violation of California’s Unfair
27 Competition Law (Bus. & Prof. Code, §§ 17200–17210); and **(8)** statutory penalties based on the
28 foregoing pursuant to PAGA (Lab. Code, §§ 2698–2699.6).

2.2. DISCOVERY, INVESTIGATION, RESEARCH, AND MEDIATION

Class Counsel has conducted significant informal discovery during the prosecution of the Action. This discovery, investigation, and prosecution has included, among other things, **(a)** over a dozen telephonic conferences with Plaintiff; **(b)** inspection and analysis of thousands of pages of documents and other information produced by Plaintiff and Defendant; **(c)** analysis of employment data from a sample of Class Members; **(d)** an analysis of the legal positions taken by Defendant; **(d)** investigation into the viability of class treatment of the claims asserted in the Action; **(e)** analysis of potential class-wide damages, including information sufficient to understand Defendant's potential defenses to Plaintiff's claims; **(f)** research of the applicable law with respect to the claims asserted in the Complaint and the potential defenses thereto; and **(g)** assembling and analyzing of data for calculating damages.

Class Counsel and the Class Representative have vigorously prosecuted this case, and Defendant has vigorously contested it. The Parties have engaged in sufficient investigation and discovery to assess the relative merits of the claims of the Class Representative and of the defenses to them. After such discovery, investigation, and prosecution, the Parties attended a full-day mediation with an experienced employment law mediator, which culminated in a settlement in principle, the terms of which are elaborated in this Settlement Agreement.

2.3. ALLEGATIONS OF THE CLASS REPRESENTATIVE AND BENEFITS OF CLASS SETTLEMENT

The document and data exchange in this matter, as well as discussions between counsel, have been adequate to give the Class Representative and Class Counsel a sound understanding of the merits of their positions and to evaluate the value of the claims of the Settlement Class. The informal discovery conducted in this Action and the information exchanged by the Parties through pre-mediation discussions are sufficient to reliably assess the merits of the Parties' respective positions and to compromise the issues on a fair and equitable basis.

The Class Representative and Class Counsel believe that the claims, causes of action, allegations, and contentions asserted in the Action have merit. However, the Class Representative and Class Counsel recognize and acknowledge the expense and delay of continued lengthy proceedings necessary to prosecute the Action against Defendant through trial and through appeals. Class Counsel has taken into

1 account the uncertain outcome of the litigation, the risk of continued litigation in complex actions such
2 as this, as well as the difficulties and delays inherent in such litigation, and the potential difficulty of
3 obtaining certification of the Settlement Class as well as trying the claims of the class. Class Counsel
4 is mindful of the potential problems of proof under, and possible defenses to, the claims alleged in the
5 Action.

6 The Class Representative and Class Counsel believe that the settlement set forth in this Settlement
7 Agreement confers substantial benefits upon Plaintiff and the Settlement Class and that an independent
8 review of this Settlement Agreement by the Court in the approval process will confirm this conclusion.
9 Based on their own independent investigation and evaluation, Class Counsel has determined that the
10 settlement set forth in this Settlement Agreement is in the best interests of Plaintiff and the Class
11 Members.

12 **2.4. DEFENDANT'S DENIALS OF WRONGDOING AND LIABILITY**

13 Defendant has denied and continues to deny all allegations, claims, and contentions alleged by Plaintiff
14 in the Action. Defendant has expressly denied and continues to deny all charges of wrongdoing or
15 liability against it arising out of any of the conduct, statements, acts, or omissions alleged in the Action.
16 Defendant contends that it complied with California and federal wage and hour laws and has dealt
17 legally and fairly with Plaintiff and the Class Members.

18 Defendant further denies that, for any purpose other than settling this Action, these claims are
19 appropriate for class or representative treatment. Nonetheless, Defendant has concluded that further
20 proceedings in the Action would be protracted and expensive and that it is desirable that the Action be
21 fully and finally settled in the manner and upon the terms and conditions set forth in this Settlement
22 Agreement to dispose of burdensome and protracted litigation, to permit the operation of Defendant's
23 respective businesses without further expensive litigation and the distraction and diversion of their
24 personnel with respect to matters at issue in the Action. Defendant has also taken into account the
25 uncertainty and risks inherent in any litigation, especially in complex cases such as the Action.
26 Defendant has, therefore, determined that it is desirable and beneficial to it that the Action be settled
27 in the manner and upon the terms and conditions set forth in this Settlement Agreement.

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1 **2.5. INTENT OF THE CLASS SETTLEMENT**

2 The Class Settlement set forth herein intends to achieve the following: **(1)** entry of an order approving
3 the Class Settlement; **(2)** entry of judgment of the Action; **(3)** discharge of the Released Parties from
4 liability for any and all of the Released Claims; and **(4)** discharge of Defendant from liability for any
5 and all claims arising out of the Action.

6 **3. CONDITIONAL CERTIFICATION OF THE SETTLEMENT CLASS**

7 For the purposes of this Settlement Agreement and the Class Settlement of this Action only, the Parties
8 agree to conditional class certification of the Settlement Class. Defense Counsel believes this
9 conditional certification is appropriate because the Released Claims are being compromised without
10 need to establish the elements of those claims on which liability turns. The certification of the
11 Settlement Class shall not constitute, in this or any other proceeding, an admission of any kind by
12 Defendant, including without limitation, that certification of a class for trial purposes is or would be
13 warranted, appropriate or proper; or that Plaintiff could establish any of the requisite elements for class
14 treatment of any of the claims in the Action.

15 If the Settlement Agreement is not finally approved by the Court, the Effective Date is not achieved,
16 or the Class Settlement is rejected, terminated, or otherwise rendered null and void as set forth herein,
17 then certification of the Settlement Class shall be automatically vacated, shall be void *ab initio*, of no
18 force or effect, and shall not constitute evidence or a binding determination that the requirements for
19 certification of a class for trial purposes in this Action, or in any other action, have been, are, or can be
20 satisfied. Further, if the Agreement does not reach the Effective Date, Plaintiff agrees that Plaintiff will
21 not argue, claim, reference, or otherwise raise any preliminary approval of the Settlement Class in
22 connection with any later proceeding before the Court.

23 **4. APPOINTMENT OF CLASS COUNSEL**

24 For purposes of this Settlement Agreement and subject to the Court's approval, the Parties agree to the
25 appointment of Class Counsel as counsel for the Settlement Class and the effectuation of the Class
26 Settlement pursuant to this Settlement Agreement.

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1 **5. CONSIDERATION**

2 **5.1. SETTLEMENT AMOUNT**

3 The Parties agree to settle this Action for the Gross Settlement Amount of \$275,000.00. There shall be
4 no reversion to Defendant. Defendant shall pay the Gross Settlement Amount in full. The Gross
5 Settlement Amount and other actions and forbearances taken by Defendant shall constitute adequate
6 consideration for the Class Settlement and will be made in full and final settlement of: the Released
7 Claims, the Class Attorney Fees and Expenses, Administrative Expenses, the Incentive Award, the
8 PAGA Payment (and any payments to individual PAGA Class Members resulting from the PAGA
9 Payment), and any other obligation of Defendant under this Settlement Agreement.

10 After the Court issues an order preliminarily approving this Class Settlement, the Settlement
11 Administrator will distribute the Class Notice to the Class Members, which shall describe the terms of
12 the Class Settlement and procedures to Opt Out, object, or participate in the Class Settlement as well
13 as the Share Form, which shall identify the Class Member, the number of workweeks worked by each
14 Class Member (“Workweeks”), as well as the estimated amount of the Individual Settlement Amount
15 the Class Member can expect to receive once the Class Settlement becomes effective on the Effective
16 Date. Class Members shall be given the opportunity to challenge their Workweeks information.

17 **5.2. INCENTIVE AWARD FOR PLAINTIFF**

18 Plaintiff may petition the Court to approve an Incentive Award in an amount up to \$10,000.00 for
19 Michael Anderson to acknowledge his efforts on behalf of the Settlement Class in this Action, including
20 assisting in the investigation and consulting with Class Counsel and providing crucial documents to
21 Class Counsel. Defendant shall not oppose any request by Plaintiff for an Incentive Award in such an
22 amount. Any Incentive Award approved by the Court shall be paid to Plaintiff from the Gross
23 Settlement Amount and shall be in addition to any distribution to which he may otherwise be entitled
24 as a Class Participant. Any Incentive Award approved by the Court shall not be considered wages, and
25 the Settlement Administrator shall issue to Plaintiff an IRS Form 1099 reflecting such payment.
26 Plaintiff shall be responsible for the payment of all taxes with respect to any Incentive Award approved
27 by the Court and shall hold Defendant harmless from all liability with regard thereto.

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1 **5.3. PAYMENT TO CLASS PARTICIPANTS**

2 Each Class Participant shall be eligible to receive payment of the Individual Settlement Amount, which
3 is a share of the Net Settlement Amount based on the pro rata number of weeks worked by the Class
4 Members during the Class Period as a proportion of all weeks worked by all Class Members. Each
5 Class Participant, including Plaintiff, shall be responsible for the payment of the Employee's Taxes
6 and Required Withholding with respect to his or her Individual Settlement Amount and shall hold
7 Defendant harmless from any and all liability with regard thereto.

8 **5.4. PAYMENT TO PAGA SETTLEMENT CLASS**

9 Each member of the PAGA Settlement Class shall be entitled to receive a portion of the PAGA
10 Payment. The PAGA Payment shall consist of the penalties pursuant to PAGA that the Parties have
11 agreed is a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which
12 is \$7,000.00. The PAGA Payment must be approved by the Court pursuant to Labor Code section 2699
13 and is to be distributed as follows: seventy-five percent (75%) (i.e., \$5,250.00) to the LWDA and
14 twenty-five percent (25%) (i.e., \$1,750.00) to the PAGA Settlement Class. The portion of the PAGA
15 Payment allocated to the PAGA Settlement Class shall be distributed to the PAGA Settlement Class
16 based on the pro rata number of pay periods worked by each particular PAGA Settlement Class member
17 during the PAGA Period as a proportion of all pay periods worked by all members of the PAGA
18 Settlement Class.

19 **5.5. TAX TREATMENT AND PAYMENT**

20 For the purpose of calculating Employee's Taxes, Employer's Taxes, and Required Withholding for
21 the Individual Settlement Amounts for Class Participants (including any payments to the Class
22 Representative but exclusive of his Incentive Award), the Parties agree that 10% of each Individual
23 Settlement Amount shall constitute payment in the form of wages (and each Class Participant will be
24 issued an IRS Form W-2 for such payment to him or her), and 90% of each Individual Settlement
25 Amount shall constitute penalties and interest (and each Class Participant will be issued an IRS Form
26 1099 for such payment to him or her). Prior to final distribution, the Settlement Administrator shall
27 calculate the total Employee's Taxes, Employer's Taxes, and Required Withholding due as a result of
28 the wage portion of Class Participants' anticipated Individual Settlement Amounts and such actual

1 amount will be deducted from the Net Settlement Amount. The Parties understand that Plaintiff and
2 the Class Participants who receive any payment pursuant to this Settlement Agreement shall be solely
3 responsible for all other individual tax obligations.

4 With respect to the PAGA Payment and any payments made to individual members of the PAGA
5 Settlement Class, all such payments shall be treated as payments owing for penalties and interest
6 thereon and shall not be considered wages. The Settlement Administrator shall issue to members of the
7 PAGA Settlement Class an IRS Form 1099 reflecting such payment. Members of the PAGA Settlement
8 Class shall be solely responsible for the payment of all taxes with respect to any PAGA payments made
9 to them.

10 **5.6. NO EFFECT ON EMPLOYEE BENEFIT PLANS**

11 Neither the Class Settlement nor any amounts paid under the Class Settlement will modify any
12 previously credited hours, days, or weeks of service under any employee benefit plan, policy or bonus
13 program sponsored by Defendant. Such amounts will not form the basis for additional contributions to,
14 benefits under, or any other monetary entitlement under Defendant's sponsored benefit plans, policies,
15 or bonus programs. The payments made under the terms of this Settlement Agreement shall not be
16 applied retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other
17 form of compensation for the purposes of any of Defendant's benefit plan, policy, or bonus program.
18 Defendant retains the right to modify the language of its benefits plans, policies, and bonus programs
19 to reflect this intent and to make clear that any amounts paid pursuant to this Settlement Agreement are
20 not for "weeks worked," "weeks paid," "weeks of service," or any similar measuring term as defined
21 by applicable plans, policies, and bonus programs for purpose of eligibility, vesting, benefit accrual, or
22 any other purpose, and that additional contributions or benefits are not required by this Settlement
23 Agreement. Defendant does not consider the Class Settlement payments "compensation" for purposes
24 of determining eligibility for, or benefit accrual within, any benefit plans, policies, or bonus programs,
25 or any other plan sponsored by Defendant.

26 **5.7. CLASS ATTORNEY FEES AND EXPENSES**

27 As part of the motion for final approval of the Class Settlement, Class Counsel may apply for an award
28 of Class Attorney Fees and Expenses with the fee portion not to exceed 33.33% of the Gross Settlement

Amount (i.e., \$91,657.50) and the award of costs and expenses up to an additional \$15,000.00. Defendant agrees to not object to any such fee, cost, or expense application in those amounts.

As a condition of this Class Settlement, Class Counsel has agreed to pursue fees only in the manner reflected by this subsection. Any Class Attorney Fees and Expenses awarded by the Court shall be paid from the Gross Settlement Amount prior to arriving at the Net Settlement Amount and shall not constitute payment to any Class Members. If Class Counsel voluntarily reduces the request for Class Attorney Fees and Expenses or the Court's award of Class Attorney Fees and Expenses is less than set forth above, the Net Settlement Amount shall be recalculated to reflect the actual Class Attorney Fees and Expenses awarded.

The Class Attorney Fees and Expenses approved by the Court shall reflect: **(a)** all work performed and costs and expenses incurred by, or at the direction of, any attorney purporting to represent the Settlement Class through the date of this Settlement Agreement; **(b)** all work to be performed and costs to be incurred in connection with approval by the Court of the Class Settlement; **(c)** all work to be performed and costs and expenses, if any, incurred in connection with administering the Class Settlement through the Effective Date and dismissal of the Action with prejudice; and **(d)** may be based on the "catalyst theory" and/or the "common fund doctrine."

6. SETTLEMENT ADMINISTRATION

6.1. COSTS AND EXPENSES

All costs and expenses due to the Settlement Administrator in connection with its administration of the Class Settlement, including, but not limited to, providing the Class Notice, locating Class Members, processing Opt Out requests and objections, distributing the portion of the PAGA Payment payable to the LWDA, distributing the portion of the PAGA Payment payable to the members of the PAGA Settlement Class, and calculating, administering and distributing Individual Settlement Amounts to the Class Participants and related tax forms, shall be paid from the Gross Settlement Amount, and is not expected to exceed \$10,000.

6.2. PAYMENT BY DEFENDANT

Defendant shall deposit the Gross Settlement Amount in a lump sum payment to the Settlement Administrator by June 30, 2023, or sixty (60) days after the Court has entered a Final Judgement

certifying the Settlement Class and approving this Settlement Agreement, whichever is later. In no event shall Defendant be obligated to pay or deposit with the Settlement Administrator more than \$275,000.00, except where the Escalator Provision is triggered.

7. NOTICE TO CLASS MEMBERS AND CLAIMS ADMINISTRATION PROCESS

7.1. THE SETTLEMENT ADMINISTRATOR

The Settlement Administrator will be responsible for: mailing the Class Notice and Share Form (**Exhibit 1** and **Exhibit 2**, respectively) to Class Members; posting notice of entry of final order and judgment certifying the Class Settlement and approving this Settlement Agreement; handling inquiries from Class Members concerning the Class Notice; determining Individual Settlement Amounts; determining individual payments to members of the PAGA Settlement Class; maintaining the settlement funds in an appropriate interest-bearing account; preparing, administering, and distributing Individual Settlement Amounts to Class Participants; preparing, administering, and distributing individual payments to members of the PAGA Settlement Class; distributing the portion of the PAGA Payment payable to the LWDA; issuing a final report and performing such other duties as the Parties may direct. Additionally, the Settlement Administrator will handle all tax document preparation and reporting, including state and federal tax forms, if any.

On a weekly basis, the Settlement Administrator will provide reports to Class Counsel and Defense Counsel with summary information updating them as to the number of validated and timely objections and Opt Out requests. The Settlement Administrator will serve on Class Counsel and Defense Counsel via e-mail date-stamped copies of the original Opt Out requests and objections no later than seven (7) days after their receipt. The Settlement Administrator will provide Class Counsel with proof of mailing of the Class Notice, without listing individual Class Member names which the Settlement Administrator will file with the Court at the time Class Counsel files its motion in support of the Court's Final Approval and Fairness Hearing.

No later than thirty (30) days prior to the Final Approval and Fairness Hearing, the Settlement Administrator will compile and deliver to Class Counsel and Defense Counsel a report with summary information regarding: **(a)** the total amount of final Individual Settlement Amounts of each Class Participant, without any identifying personal information; **(b)** the number of Class Participants to

1 receive such payments, and (c) the final number of Opt-Outs and objections.

2 Administrative Expenses are not anticipated to exceed \$10,000. Prior to the calculation and distribution
3 of the Individual Settlement Amounts, the Settlement Administrator shall calculate the total
4 Administrative Expenses through the conclusion of their services and such actual amount will be
5 deducted from the Gross Settlement Amount prior to the final calculation of the Individual Settlement
6 Amounts.

7 **7.2. NOTICE TO CLASS MEMBERS**

8 Notice shall be provided to Class Members in the following manner: Within fourteen (14) days after
9 the Preliminary Approval Date, Defendant shall provide the Settlement Administrator with an updated
10 list of Class Members and members of the PAGA Settlement Class containing names, social security
11 numbers, dates of employment, last-known addresses, and phone numbers (the “Database”). The
12 Database shall be marked “Confidential – Settlement Administrator’s Eyes Only.” Class Counsel shall
13 not receive a copy of this list.

14 Within twenty-eight (28) days following the Preliminary Approval Date, the Settlement Administrator
15 shall determine the number of workweeks worked by each Class Member, populate the data for each
16 Class Member accordingly, and send each Class Member the Class Notice via first-class, United States
17 mail. The Class Notice shall also contain an easily-understood statement alerting the Class Members
18 that, unless they elect to Opt Out of the Class Settlement, the Class Member is releasing and waiving
19 all Released Claims against the Released Parties.

20 The Class Notice will inform Class Members of their estimated share of the settlement and the number
21 of workweeks they worked during the Class Period. Class Members may dispute their workweeks if
22 they believe they worked more weeks in the Class Period than Defendant’s records show by submitting
23 information to the Settlement Administrator no later than forty-five (45) days after being mailed the
24 Class Notice and Share Form by the Settlement Administrator, which is the defined Response Deadline.
25 The Settlement Administrator will jointly work with Plaintiff and Defendant to resolve the dispute in
26 good faith. If Plaintiff and Defendant cannot agree over the workweeks to be credited, the Settlement
27 Administrator shall make the final decision based on the information presented by the Class Member
28 and Defendant.

7.3. OPT OUT PROCEDURE

Class Members who do not timely Opt Out of the Class Settlement will be deemed to participate in the Class Settlement and shall become Class Participants without having to submit a claim form or take any other action. To Opt Out of the Class Settlement, the Class Member must return a signed and completed copy of the *Request for Exclusion Form* attached hereto as **Exhibit 3** to the Settlement Administrator by the Response Deadline.

Any Opt Out request that is not postmarked by the Response Deadline will be invalid. If prior to the Response Deadline any Class Notice mailed to a Class Member is returned as having been undelivered by the United States Postal Service, the Settlement Administrator shall perform a skip trace search and seek an address correction for such Class Members, and a second Class Notice will be sent to any new or different address obtained. Such Class Members shall have an additional fourteen (14) days from the date of the mailing of the second Class Notice in which to Opt Out, object, or dispute the information provided in the Share Form if the Response Deadline would have otherwise passed prior to fourteen (14) days from the date of the mailing of the second Class Notice.

It will be presumed that, if an envelope containing the Class Notice has not been returned within thirty (30) days of the mailing, the Class Member received the Class Notice. At least twenty-one (21) days prior to the Final Approval and Fairness Hearing, the Settlement Administrator shall provide Class Counsel and Defense Counsel with a Declaration of Due Diligence and Proof of Mailing with regard to the mailing of the Class Notice and its attempts to locate Class Members. The declaration shall specify the number of Class Members to whom the Class Notice was sent and the number of Class Members to whom the Class Notice was not delivered, as well as information relating to the number of Opt-Outs and objectors. Class Counsel shall file this declaration with the Court.

If the Settlement Administrator determines that an Opt Out request returned by a Class Member before the Response Deadline is deficient, then the Settlement Administrator shall mail a deficiency letter to that Class Member identifying the problem. If a Class Member submits both a dispute and an Opt Out request, the Settlement Administrator shall make reasonable attempts to clarify as if the Opt Out request were deficient. If the Class Member fails to cure the deficiency, the Opt Out request shall be disregarded and the claim will be paid, and the Class Member will become bound by the judgment.

1 Class Participants will be bound by the Release of Released Claims set forth in the definition of
2 “Released Claims” provided in this Settlement Agreement.

3 A request to Opt Out of the Class Settlement shall **not** serve to exclude the Class Member from
4 participation in the PAGA Settlement Class. Opt-Outs shall still be entitled to their share of the PAGA
5 Payment. Class Members who are also members of the PAGA Settlement Class shall have no right or
6 ability to opt out of the portion of this Settlement Agreement releasing PAGA claims.

7 **7.4. OBJECTION PROCEDURE**

8 The Class Notice shall inform the Class Members of their right to object to the Class Settlement if they
9 do not Opt Out. Any Class Participants who wish to object to the Class Settlement may submit a written
10 objection to the Settlement Administrator no later than the Response Deadline. Only Class Participants
11 may object to the Settlement. The objection should include the case name and number and must set
12 forth, in clear and concise terms, a statement of the reasons why the objector believes that the Court
13 should find that the proposed Class Settlement is not in the best interest of the Settlement Class and the
14 reasons why the Class Settlement should not be approved, including the legal and factual arguments
15 supporting the objection. If an objector also wishes to appear at the Final Approval and Fairness
16 Hearing, in person or through an attorney, they may do so. The Settlement Administrator will promptly
17 serve copies of any objection or notice of intention to appear on Class Counsel and Defense Counsel.
18 Class Members wishing to make an objection may appear at the Final Approval and Fairness Hearing,
19 either in person or through a lawyer retained at their own expense.

20 **7.5. NOTICE OF FINAL JUDGMENT**

21 Within seven (7) days after the Court has held a Final Fairness and Approval Hearing and entered a
22 final order certifying the Class for settlement purposes only and approving the Class Settlement, the
23 Settlement Administrator will give notice of judgment to Class Members pursuant to rule 3.771(b) of
24 the California Rules of Court, by posting a copy of said order and Final Judgment on its website at a
25 web address to be included in the Class Notice.

26 **8. CLASS SETTLEMENT FUNDING AND DISTRIBUTION**

27 **8.1. ALLOCATION OF THE GROSS SETTLEMENT AMOUNT**

28 The claims of all Class Members are settled for the Gross Settlement Amount of \$275,000.00, which

will be allocated as follows:

1. The Administrative Expenses, estimated not to exceed \$10,000;
2. Class Counsel's attorney fees not to exceed \$91,657.50;
3. Class Counsel's litigation costs and expenses not to exceed \$15,000.00;
4. The Incentive Award, not to exceed \$10,000.00; and
5. PAGA Payment to LWDA of \$5,250.00.

For purposes of calculating the estimated Individual Settlement Amounts, the Settlement Administrator shall calculate the estimated Net Settlement Amount based on the estimated values provided above prior to sending Notice to the Class Members. Prior to final distribution, the Settlement Administrator shall recalculate the final Net Settlement Amount based on the actual values of the amounts in each category.

8.2. CALCULATION OF THE INDIVIDUAL SETTLEMENT AMOUNTS FOR CLASS PARTICIPANTS

Individual Settlement Amounts to be paid to Class Participants shall be paid from the Net Settlement Amount. The portion of the Net Settlement Amount shall be distributed pro rata on a "checks cashed" basis based on the proportional number of weeks worked by each Class Member during the Class Period.

Defendant will provide the Settlement Administrator with any information reasonably necessary to perform the calculation of number of workweeks for each Class Member, and any other reasonably required information the Settlement Administrator requests to perform the calculations required under this Settlement Agreement. Defendant shall have no responsibility for deciding the validity of the Individual Settlement Amounts or any other payments made pursuant to this Settlement Agreement, shall have no involvement in or responsibility for the determination or payment of Employee's Taxes and Required Withholding, Employer's Taxes, and shall have no liability for any errors made with respect to such Employee's Taxes and Required Withholding or Employer's Taxes. Although the Settlement Administrator will calculate and pay the standard Employee's Taxes and Required Withholding and the Employer's Taxes on the portion of the Individual Settlement Amounts constituting wages on their behalf, Plaintiff and Class Participants represent and understand that they

1 shall be solely responsible for any and all tax obligation associated with their respective Individual
2 Settlement Amounts and Incentive Awards.

3 **8.3. CALCULATION OF THE PAYMENTS FOR INDIVIDUAL MEMBERS OF**
4 **THE PAGA SETTLEMENT CLASS**

5 Each member of the PAGA Settlement Class shall be entitled to receive a portion of the PAGA
6 Payment. The PAGA Payment shall consist of the penalties pursuant to PAGA that the Parties have
7 agreed is a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which
8 is \$7,000.00. The PAGA Payment is to be approved by the Court pursuant to Labor Code section 2699
9 and is to be distributed as follows: seventy-five percent (75%) (i.e., \$5,250.00) to the LWDA and
10 twenty-five percent (25%) (i.e., \$1,750.00) to the PAGA Settlement Class.

11 The portion of the PAGA Payment allocated to the PAGA Settlement Class shall be distributed to the
12 PAGA Settlement Class based on the pro rata number of pay periods worked by each particular PAGA
13 Settlement Class member during the PAGA Period as a proportion of all pay periods worked by all
14 PAGA Settlement Class members during the PAGA Period. Each member of the PAGA Settlement
15 Class, including Plaintiff, shall be responsible for the payment of the Employee's Taxes and Required
16 Withholding and the Employer's Taxes with respect to their share of the PAGA Payment and shall hold
17 Defendant harmless from any and all liability with regard thereto.

18 Defendant will provide the Settlement Administrator with any information reasonably necessary to
19 perform the calculation of number of pay periods worked for each PAGA Settlement Class member,
20 and any other reasonably required information the Settlement Administrator requests to perform the
21 calculations required under this Settlement Agreement. Defendant shall have no responsibility for
22 deciding the validity of the individual payment amounts allocated to each member of the PAGA
23 Settlement Class or any other payments made pursuant to this Settlement Agreement, shall have no
24 involvement in or responsibility for the determination or payment of Employee's Taxes and Required
25 Withholding, and Employer's Taxes, and shall have no liability for any errors made with respect to
26 such Employee's Taxes and Required Withholding or Employer's Taxes.

27 The members of the PAGA Settlement Class shall be solely responsible for any and all tax obligation
28 associated with their respective shares of the PAGA Payment.

1 **8.4. TIME FOR PAYMENT OF ATTORNEY FEES AND EXPENSES**

2 The Settlement Administrator shall distribute to Class Counsel any attorney fees and expenses
3 approved by the Court no later than fourteen (14) days after receipt by the Settlement Administrator of
4 the Gross Settlement Amount.

5 **8.5. TIME FOR PAYMENT OF INCENTIVE AWARD**

6 The Settlement Administrator shall distribute to Plaintiff the Incentive Award approved by the Court
7 no later than fourteen (14) days after receipt by the Settlement Administrator of the Gross Settlement
8 Amount.

9 **8.6. TIME FOR PAYMENT OF PAGA PAYMENT TO THE LWDA**

10 The Settlement Administrator shall distribute to the LWDA the portion of the PAGA Payment due to
11 it and approved by the Court no later than fourteen (14) days after receipt by the Settlement
12 Administrator of the Gross Settlement Amount.

13 **8.7. TIME FOR PAYMENT OF TAXES AND REQUIRED WITHHOLDING AND**
14 **INDIVIDUAL SETTLEMENT AMOUNTS**

15 The Settlement Administrator shall make every effort to pay the Employee's Taxes and Required
16 Withholding and the Employer's Taxes associated with each Class Participant's Individual Settlement
17 Amount and mail the Individual Settlement Amount to each Class Participant, by first-class United
18 States mail, to the last-known address no later than fourteen (14) days after receipt by the Settlement
19 Administrator of the Gross Settlement Amount. If the Settlement Administrator is not able to do so
20 within the time period set forth above, it shall so inform Class Counsel and Defense Counsel and
21 provide an approximate date by which the Employee's Taxes and Required Withholding and the
22 Employer's Taxes shall be paid and the Individual Settlement Amounts will be mailed. Under no
23 circumstances shall the Settlement Administrator distribute checks to Class Participants until all
24 Individual Settlement Amounts have been considered, calculated, and accounted for, and all of the
25 remaining monetary obligations have been calculated and accounted for.

26 Within two hundred ten (210) days of mailing the Individual Settlement Amounts to Class Participants,
27 the Settlement Administrator shall file with the Court and provide to Class Counsel a declaration of
28 payment. If any Class Participant is deceased, payment shall be made payable to the estate of that Class

1 Member and delivered to the executor or administrator of that estate, unless the Settlement
2 Administrator has received an affidavit or declaration pursuant to California Probate Code section
3 13101, in which case payment shall be made to the affiant(s) or declarant(s).

4 **8.8. NON-CASHED SETTLEMENT CHECKS**

5 Any funds associated with checks that have not been cashed within one hundred eighty (180) days, will
6 become void and the Individual Settlement Amount associated with the uncashed check will be
7 remitted pursuant to Code of Civil Procedure section 384 to the California State Controller for deposit
8 in the Unclaimed Property Fund in the name of the individual whose check was uncashed. The Parties
9 agree that this disposition results in no “unpaid residue” within the meaning of California Civil
10 Procedure Code section 384, as the entire Net Settlement Amount will be paid out to Class Participants,
11 whether or not they all cash their Individual Settlement Amount checks. Therefore, Defendant shall not
12 be required to pay any interest on said amount. For the purposes of determining whether Defendant has
13 met their financial obligation to pay the Individual Settlement Payment, Defendant will be deemed to
14 have fulfilled its obligation upon the mailing of the check for or deposit of the Gross Settlement Amount
15 to the Settlement Administrator, regardless of whether any such Class Member subsequently negotiates
16 the check for their Individual Settlement Amount.

17 **8.9. DISPUTES REGARDING CLASS MEMBER WORKWEEKS DATA OR** 18 **PAYMENT OF INDIVIDUAL SETTLEMENT SHARES**

19 Class Member Workweeks and the corresponding Individual Settlement Amount shall be calculated
20 using the employment and payroll records of Defendant, which presumptively shall be deemed to be
21 full, complete, and accurate for purposes of this Settlement Agreement. To overcome that presumption,
22 any Class Member objecting to the accuracy of the number of Workweeks or amount of the Individual
23 Settlement Amount must submit documentary evidence, such as pay stubs or other written employment
24 records, to the Settlement Administrator. Each Class Member may dispute the number of Workweeks
25 or their estimated Individual Settlement Amount contained on their Class Notice (“Workweeks
26 Dispute”). Any such Workweeks Dispute must be mailed or faxed to the Settlement Administrator by
27 the Class Member, postmarked or fax-stamped on or before the Response Deadline. The Settlement
28 Administrator shall immediately provide copies of all disputes to counsel for Defendant, shall inform

1 Class Counsel of the dispute without disclosing the identity of the Class Member making the dispute,
2 and shall immediately attempt to resolve all such disputes directly with relevant Class Members with
3 the assistance of Defendant, Defense Counsel, and Class Counsel. If the dispute cannot be resolved, it
4 shall be submitted to the Settlement Administrator for its final, non-appealable decision. The
5 Settlement Administrator shall use its best efforts to resolve all such disputes prior to the Effective
6 Date. If, however, a dispute arises or is not resolved until after the Settlement Amount has been
7 distributed, the initial calculation shall stand (as Defendant shall be under no obligation to pay any
8 amounts in excess of the Gross Settlement Amount under this Settlement Agreement).

9 **9. NULLIFICATION OF THIS SETTLEMENT AGREEMENT**

10 **9.1. NON-APPROVAL OF THIS SETTLEMENT AGREEMENT**

11 The Class Settlement and conditional class certification shall be considered null and void, and neither
12 the Class Settlement, conditional class certification, nor any of the related negotiations or proceedings,
13 shall be of any force or effect, and all Parties to the Class Settlement shall stand in the same position,
14 without prejudice, as if the Class Settlement had been neither entered into nor filed with the Court, if
15 any of the following occur: **(a)** the Court should for any reason fail to approve this Settlement
16 Agreement in the form agreed to by the Parties; **(b)** the Court should for any reason fail to enter a
17 judgment with prejudice of the Action, or **(c)** the approval of the Class Settlement and judgment is
18 reversed, modified, or declared or rendered void. Notwithstanding the foregoing, the Parties may
19 attempt in good faith to cure any perceived defects in this Settlement Agreement to facilitate approval.

20 **9.2. PARTIES' RIGHTS TO VOID CLASS SETTLEMENT; ESCALATOR**
21 **PROVISION**

22 If 10% or more members of the Settlement Class timely submit Opt Out
23 requests, Defendant(s) shall have the right (but not the obligation) to void
24 the settlement described in this MOU. If the number of workweeks is greater
25 than 17,743 workweeks than the GSA shall be increased
26 proportionately for each additional week worked above 17,743.

27 **9.3. INVALIDATION**

28 Invalidation of any material portion of this Settlement Agreement shall invalidate the Class Settlement

1 in its entirety, unless the Parties subsequently agree in writing that the remaining provisions of the
2 Class Settlement are to remain in full force and effect.

3 **9.4. STAY ON APPEAL**

4 If a timely appeal from the approval of the Class Settlement and judgment, the judgment shall be stayed,
5 and Defendant shall not be obligated to fund the Gross Settlement Amount or take any other actions
6 required by this Settlement Agreement until all appeal rights have been exhausted by operation of law.

7 **10. MOTIONS FOR COURT APPROVAL**

8 **10.1. PRELIMINARY APPROVAL**

9 As soon as practicable after execution of this Settlement Agreement, Class Counsel will submit this
10 Settlement Agreement to the Court along with a Motion for Preliminary Approval of the Class
11 Settlement. Each party shall cooperate to present the Class Settlement to the Court for preliminary
12 approval in a timely fashion.

13 **10.2. FINAL APPROVAL**

14 The Final Approval and Fairness Hearing shall be held before the Court. At the Final Approval and
15 Fairness Hearing, Plaintiff shall move the Court for the entry of the final order certifying the Settlement
16 Class for settlement purposes only and approving the Class Settlement as being fair, reasonable, and
17 adequate to the Class Participants within the meaning of California Rules of Court, Rule 3.769,
18 subdivisions (c), (d) and (e) of the California Rules of Court, and for the entry of a Final Judgment of
19 the Action consistent with the terms of the Class Settlement and rule 3.769, subdivision (h), of the
20 California Rules of Court. Class Counsel and Defense Counsel shall submit to the Court such pleadings
21 and/or evidence as may be required for the Court's determination.

22 **11. RELEASES AND WAIVERS**

23 **11.1. RELEASE OF CLAIMS BY THE SETTLEMENT CLASS**

24 Upon the Effective Date, the Releasing Parties shall be deemed to each release the Released Parties,
25 and each of them, of and from any and all Released Claims arising during the Class Period. It is the
26 desire of the Parties and the Releasing Parties to fully, finally, and forever settle, compromise, and
27 discharge the Released Claims. Each of the Releasing Parties, including each Class Participant, will be
28 bound by the release of Released Claims as a result of the Class Settlement and to the terms of the Final

1 Judgment and the satisfaction of such judgment.

2 Class Participants will be deemed to have acknowledged and agreed that their claims for wages and/or
3 penalties in the Action are disputed, and that their Individual Settlement Amount constitutes payment
4 of all sums allegedly due to them. Class Participants will be deemed to have acknowledged and agreed
5 that California Labor Code section 206.5 is not applicable to the Individual Settlement Amount. That
6 section provides in pertinent part as follows:

7 “An employer shall not require the execution of a release of a claim or right on account
8 of wages due, or to become due, or made as an advance on wages to be earned, unless
9 payment of those wages has been made.”
10

11 **11.2. RELEASE OF CLAIMS BY PLAINTIFF**

12 Plaintiff, on behalf of himself and his dependents, heirs and assigns, beneficiaries, devisees, legatees,
13 executors, administrators, agents, trustees, conservators, guardians, personal representatives, and
14 successors-in-interest, whether individual, class, representative, legal, equitable, direct or indirect, or
15 any other type or in any other capacity, shall and does hereby forever release, discharge and agree to
16 hold harmless the Released Parties from any and all charges, complaints, claims, liabilities, obligations,
17 promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs,
18 losses, debts and expenses (including attorney fees and costs), known or unknown, at law or in equity,
19 which he may now have or may have after the signing of this Settlement Agreement, arising out of or
20 in any way connected with his employment with Defendant including, the Released Claims, claims that
21 were asserted or could have been asserted in the Complaint, and any and all transactions, occurrences,
22 or matters between the Parties occurring prior to the date this Settlement Agreement is fully executed.
23 Without limiting the generality of the foregoing, this release shall include, but not be limited to, any
24 and all claims under: **(a)** the Americans with Disabilities Act; **(b)** Title VII of the Civil Rights Act of
25 1964; **(c)** the Civil Rights Act of 1991; **(d)** 42 U.S.C. § 1981; **(e)** the Age Discrimination in
26 Employment Act; **(f)** the Fair Labor Standards Act; **(g)** the Equal Pay Act; **(h)** the Employee
27 Retirement Income Security Act, as amended; **(i)** the Consolidated Omnibus Budget Reconciliation
28 Act; **(j)** the Rehabilitation Act of 1973; **(k)** the Family and Medical Leave Act; **(l)** the Civil Rights Act

1 of 1966; **(m)** the California Fair Employment and Housing Act; **(n)** the California Constitution; **(o)** the
2 California Labor Code; **(p)** the California Government Code; **(q)** the California Civil Code; and **(r)** any
3 and all other federal, state, and local statutes, ordinances, regulations, rules, and other laws, and any
4 and all claims based on constitutional, statutory, common law, or regulatory grounds as well as any
5 other claims based on theories of wrongful or constructive discharge, breach of contract or implied
6 contract, fraud, misrepresentation, promissory estoppel, or intentional infliction of emotional distress,
7 negligent infliction of emotional distress, or damages under any other federal, state, or local statutes,
8 ordinances, regulations, rules, or laws. This release is for any and all relief, no matter how denominated,
9 including, but not limited to, back pay, front pay, vacation pay, bonuses, compensatory damages,
10 tortious damages, liquidated damages, punitive damages, damages for pain and suffering, and attorney
11 fees and costs, and Plaintiff hereby forever releases, discharges and agrees to hold harmless Defendant
12 and the Released Parties from any and all claims for attorney fees and costs arising out of the matters
13 released in this Settlement Agreement.

14 Plaintiff specifically acknowledges that he is aware of and familiar with the provisions of California
15 Civil Code section 1542, which provides as follows:

16 “A general release does not extend to claims that the creditor or releasing party does not
17 know or suspect to exist in his or her favor at the time of executing the release and that,
18 if known by him or her, would have materially affected his or her settlement with the
19 debtor or released party.”
20

21 Plaintiff, being aware of California Civil Code section 1542, hereby expressly waives and relinquishes
22 all rights and benefits he may have under section 1542 as well as any other statutes or common law
23 principles of a similar effect. Plaintiff may hereafter discover facts in addition to or different from those
24 which he now knows or believes to be true with respect to the subject matter of all the claims referenced
25 herein, but agrees that, upon the Effective Date, Plaintiff shall and hereby does fully, finally, and
26 forever settle and release any and all claims against the Released Parties, known or unknown, suspected
27 or unsuspected, contingent or non-contingent, that were asserted or could have been asserted upon any
28 theory of law or equity without regard to the subsequent discovery or existence of such different or

1 additional facts.

2 **11.3. CIRCULAR 230 DISCLAIMER**

3 Each party to this Settlement Agreement (for purposes of this section, the “Acknowledging Party”; and
4 each party to this Agreement other than the Acknowledging Party, an “Other Party”) acknowledges
5 and agrees that **(1)** no provision of this Settlement Agreement, and no written communication or
6 disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be,
7 nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax
8 advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10);
9 **(2)** the Acknowledging Party **(a)** has relied exclusively upon her or its own independent legal and tax
10 advisers for advice (including tax advice) in connection with this Settlement Agreement, **(b)** has not
11 entered into this Settlement Agreement based upon the recommendation of any Other Party or any
12 attorney or advisor to any Other Party, and **(c)** is not entitled to rely upon any communication or
13 disclosure by any attorney or adviser to any Other Party to avoid any tax penalty that may be imposed
14 on the Acknowledging Party; and **(3)** no attorney or adviser to any Other Party has imposed any
15 limitation that protects the confidentiality of any such attorney’s or adviser’s tax strategies (regardless
16 of whether such limitation is legally binding) upon disclosure by the Acknowledging Party of the tax
17 treatment or tax structure of any transaction, including any transaction contemplated by this Settlement
18 Agreement.

19 **12. DUTIES OF THE PARTIES**

20 **12.1. MUTUAL FULL COOPERATION**

21 The Parties agree to cooperate fully with one another to accomplish and implement the terms of this
22 Settlement Agreement. Such cooperation shall include, but not be limited to, execution of such other
23 documents and the taking of such other actions as may reasonably be necessary to fulfill the terms of
24 this Settlement Agreement. The Parties shall use their best efforts, including all efforts contemplated
25 by this Settlement Agreement and any other efforts that may become necessary by court order or
26 otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable
27 after execution of this Settlement Agreement, Class Counsel, with the cooperation of Defendant and
28 Defense Counsel, shall take all necessary and reasonable steps to secure the Court’s final approval of

1 this Settlement Agreement.

2 **12.2. DUTY TO SUPPORT AND DEFEND THE CLASS SETTLEMENT**

3 The Parties agree to abide by all of the terms of this Settlement Agreement in good faith and to support
4 the Class Settlement fully and to use their best efforts to defend this Class Settlement from any legal
5 challenge, whether by appeal or collateral attack.

6 **12.3. DUTIES PRIOR TO COURT APPROVAL**

7 Class Counsel shall promptly submit this Settlement Agreement to the Court for preliminary approval
8 and determination by the Court as to its fairness, adequacy, and reasonableness. Promptly upon
9 execution of this Settlement Agreement, Class Counsel shall apply to the Court for the entry of a
10 preliminary order scheduling a hearing on the question of whether the proposed Class Settlement
11 should be approved as fair, reasonable, and adequate as to the Class Members, approving as to form
12 and content the proposed Class Notice and Share Form attached hereto as **Exhibit 1** and **Exhibit 2**,
13 respectively, and directing the mailing of the Class Notice to Class Members. While Defendant can
14 reserve its right to object to facts or assertions made in the moving papers, Defense Counsel shall file
15 a notice of non-opposition to the granting of the motion for preliminary approval or join in the motion.

16 **13. MISCELLANEOUS PROVISIONS**

17 **13.1. DIFFERENT FACTS**

18 The Parties acknowledge that, except for matters expressly represented herein, the facts in relation to
19 the dispute and all claims released by the terms of this Settlement Agreement may turn out to be
20 different from the facts now known by each party and/or its counsel, or believed by such Party or
21 counsel to be true, and each Party therefore expressly assumes the risk of the existence of different or
22 presently unknown facts, and agrees that this Settlement Agreement shall be in all respects effective
23 and binding despite such difference.

24 **13.2. NO PRIOR ASSIGNMENTS**

25 The Parties represent, covenant, and warrant that they have not directly or indirectly assigned,
26 transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any
27 portion of any liability, claim, demand, action, cause of action, or right herein released and discharged
28 except as set forth herein.

1 **13.3. NON-ADMISSION**

2 Nothing in this Settlement Agreement shall be construed as or deemed to be an admission by any Party
3 of any liability, culpability, negligence, or wrongdoing toward any other Party, or any other person,
4 and the Parties specifically disclaim any liability, culpability, negligence, or wrongdoing toward each
5 other or any other person. Each of the Parties has entered into this Settlement Agreement with the
6 intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and
7 contingencies. Nothing herein shall constitute any admission by Defendant of wrongdoing or liability,
8 or of the truth of any factual allegations in the Action. Nothing herein shall constitute any admission
9 by Defendant regarding the merits of the Claims in this Action, including but not limited to claims for
10 unpaid wages or violations under California or federal law. Nothing herein shall constitute an
11 admission by Defendant that the Action was properly brought as a class or representative action other
12 than for settlement purposes. To the contrary, Defendant has denied and continues to deny each and
13 every material factual allegation and all Claims. To this end, the Class Settlement of the Action, the
14 negotiation and execution of this Settlement Agreement, and all acts performed or documents executed
15 pursuant to or in furtherance of this Settlement Agreement or the Class Settlement are not, shall not be
16 deemed to be, and may not be used as, an admission or evidence of any wrongdoing or liability on the
17 part of Defendant or of the truth of any of the factual allegations in the Complaint in the Action; and
18 are not, shall not be deemed to be, and may not be used as, an admission or evidence of any fault or
19 omission on the part of Defendant in any civil, criminal, or administrative proceeding in any court,
20 administrative agency, or other tribunal.

21 **13.4. NON-EVIDENTIARY USE**

22 Neither this Agreement nor any of its terms, nor any statements or conduct in the negotiation or drafting
23 of it, shall be offered or used as evidence by Plaintiff, any Class Member (including any individual
24 who requested to be excluded from the Settlement Class), Defendant, or its, her, his, or their respective
25 counsel, in the Action, except as is reasonably necessary to effectuate the Settlement Agreement's
26 purpose and terms. This Settlement Agreement may, however, be used by Defendant and the Released
27 Parties to prove or defend against any claim released herein by any Class Member in any judicial,
28 quasi-judicial, administrative, or governmental proceeding.

1 **13.5. MEDIA OR PRESS**

2 Plaintiff and Defendant, and their respective counsel, recognize, accept, and agree that the Parties to
3 this Settlement Agreement desire that the terms of this Settlement Agreement, the fact of the Class
4 Settlement embodied in this Settlement Agreement, the disposition of the Action, the Action, and all
5 matters relating to the litigation of the Action, including discovery proceedings therein, and evidence
6 obtained during the course of the Action, shall not be discussed with or presented to the media or press.

7 **13.6. NON-RETALIATION**

8 Defendant understands and acknowledges that it has a legal obligation to not retaliate against any Class
9 Member who elects to participate in the Class Settlement or elects to Opt Out of the Class Settlement.
10 Defendant will refer any inquiries regarding this Class Settlement to the Settlement Administrator or
11 Class Counsel and will not discourage Class Members who are employees, directly or indirectly, from
12 making claims, opting out, or objecting to the Class Settlement. None of the Parties, or their respective
13 attorneys or agents, shall solicit or encourage any Class Members, directly or indirectly, to Opt Out of
14 the Class Settlement.

15 **13.7. CONSTRUCTION**

16 The Parties agree that the terms and conditions of this Settlement Agreement are the result of lengthy,
17 intensive, arms-length, non-collusive negotiations between the Parties and that this Settlement
18 Agreement is not to be construed in favor of or against any party by reason of the extent to which any
19 party or its counsel participated in the drafting of this Settlement Agreement. If any of the dates in this
20 Settlement Agreement fall on a weekend, bank or court holiday, the time to act shall be extended to the
21 next business day.

22 **13.8. GOVERNING LAW**

23 This Settlement Agreement is intended to and shall be governed by the laws of the State of California,
24 without regard to conflict of law principles, in all respects, including execution, interpretation,
25 performance, and enforcement.

26 **13.9. NOTICES**

27 Except for Class Member notices required to be made by the Settlement Administrator, all notices or
28 other communications required or permitted under this Settlement Agreement shall be in writing and

1 shall be sufficiently given if delivered in person to the party or their counsel by U.S. certified mail,
2 postage prepaid, e-mail, facsimile, or overnight delivery addressed to the address of the party appearing
3 in this Settlement Agreement.

4 **13.10. CAPTIONS AND INTERPRETATIONS**

5 Section titles or captions contained herein are inserted as a matter of convenience and for reference
6 only and in no way define, limit, extend, or describe the scope of this Settlement Agreement or any
7 provision thereof.

8 **13.11. MODIFICATION**

9 This Settlement Agreement may not be changed, altered, or modified, except in writing signed by the
10 Parties or the Parties' counsel on their behalf. If preliminary or final approval of this Settlement
11 Agreement has been granted by the Court, then any such amendments or modifications to this
12 Settlement Agreement shall be approved by the Court. This Settlement Agreement may not be
13 discharged except by performance in accordance with its terms or by a writing signed by the Parties.

14 **13.12. INTEGRATION CLAUSE**

15 This Settlement Agreement contains the entire agreement between the Parties relating to the Class
16 Settlement of the Action and the transactions contemplated thereby, and all prior or contemporaneous
17 agreements, understandings, representations, and statements, whether oral or written, and whether by
18 a party or such party's legal counsel, are hereby superseded. No rights under this Settlement Agreement
19 may be waived except in writing as provided above.

20 **13.13. SUCCESSORS AND ASSIGNS**

21 This Settlement Agreement shall be binding on and inure to the benefit of the Parties and Class
22 Members (excluding only persons who timely Opt Out) and their respective present and former heirs,
23 trustees, executors, administrators, representatives, officers, directors, shareholders, agents, employees,
24 insurers, attorneys, accountants, auditors, advisors, consultants, pension plans, welfare benefit plans,
25 fiduciaries, parent companies, subsidiaries, affiliates, related companies, joint ventures, predecessors,
26 successors, and assigns.

27 **13.14. CORPORATE SIGNATORIES**

28 Any person executing this Settlement Agreement or any such related document on behalf of a corporate

1 signatory or on behalf of a partnership hereby warrants and promises, for the benefit of all Parties
2 hereto, that such person has been duly authorized by such corporation or partnership to execute this
3 Settlement Agreement or any such related document.

4 **13.15. EXECUTION IN COUNTERPARTS**

5 This Settlement Agreement shall become effective upon its execution by all of the undersigned. The
6 Parties may execute this Settlement Agreement in counterparts, and execution of counterparts shall
7 have the same force and effect as if all Settling Parties had signed the same instrument.

8 **13.16. ATTORNEY FEES, COSTS, AND EXPENSES**

9 Except as otherwise specifically provided for herein, each party shall bear her or its own attorney fees,
10 costs, and expenses, taxable or otherwise, incurred by them in or arising out of the Action and shall not
11 seek reimbursement thereof from any other party to this Settlement Agreement.

12 **13.17. ACTION TO ENFORCE AGREEMENT**

13 In any suit or court action to enforce the terms of this Agreement, the prevailing party shall be entitled
14 to recover his/her or its/their attorney fees and costs.

15 **14. EXECUTION**

16 The Parties and their counsel have executed this Settlement Agreement on the date below their
17 signatures or the signature of their representatives. The date of this Settlement Agreement shall be the
18 date of the latest signature.

19 **APPROVAL AND EXECUTION BY PARTIES**

20 **CLASS REPRESENTATIVE:**

21
22 Dated: _____

Michael Anderson
Plaintiff and Class Representative

23
24 **DEFENDANT:**

25 Dated: _____

R.F. White Co., Inc

26 _____
27 By: _____

28 Title: _____

1 signatory or on behalf of a partnership hereby warrants and promises, for the benefit of all Parties
2 hereto, that such person has been duly authorized by such corporation or partnership to execute this
3 Settlement Agreement or any such related document.

4 **13.15. EXECUTION IN COUNTERPARTS**

5 This Settlement Agreement shall become effective upon its execution by all of the undersigned. The
6 Parties may execute this Settlement Agreement in counterparts, and execution of counterparts shall
7 have the same force and effect as if all Settling Parties had signed the same instrument.

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10 costs, and expenses, taxable or otherwise, incurred by them in or arising out of the Action and shall not
11 seek reimbursement thereof from any other party to this Settlement Agreement.

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14 to recover his/her or its/their attorney fees and costs.

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17 signatures or the signature of their representatives. The date of this Settlement Agreement shall be the
18 date of the latest signature.

19 **APPROVAL AND EXECUTION BY PARTIES**

20 **CLASS REPRESENTATIVE:**

21 Dated: Jan 10, 2023

22 
Michael Anderson (Jan 10, 2023 13:33 PST)

23 Michael Anderson
24 Plaintiff and Class Representative

25 **DEFENDANT:**

26 Dated: January 10, 2023

27 R.F. White Co., Inc

28 By: 

Title: PRESIDENT

APPROVED AS TO FORM BY COUNSEL

CLASS COUNSEL:

Dated: January 10, 2023

Melmed Law Group P.C.



Megan E. Ross
Attorneys for Plaintiff

DEFENDANT'S COUNSEL:

Dated: January 10, 2023

Tundis & Lester Attorneys at Law



Mark Tundis
Alex D. Lester
Attorneys for Defendant

Final SA signed by D

Final Audit Report

2023-01-10

Created:	2023-01-10
By:	Hannah Becker (hb@melmedlaw.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAyAofsdTP6a3JEK61ewSnxROiA8UDS5eQ

"Final SA signed by D" History

-  Document created by Hannah Becker (hb@melmedlaw.com)
2023-01-10 - 9:29:59 PM GMT
-  Document emailed to tankerguy562@gmail.com for signature
2023-01-10 - 9:30:31 PM GMT
-  Email viewed by tankerguy562@gmail.com
2023-01-10 - 9:31:39 PM GMT
-  Signer tankerguy562@gmail.com entered name at signing as Michael Anderson
2023-01-10 - 9:33:09 PM GMT
-  Document e-signed by Michael Anderson (tankerguy562@gmail.com)
Signature Date: 2023-01-10 - 9:33:11 PM GMT - Time Source: server
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