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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

LETICIA PALMA BOLANOS, individually,
and on behalf of all others similarly situated,

Plaintiff,

vs.

FREUDENBERG-NOK GENERAL
PARTNERSHIP, a general partnership;
FREUDENBERG HOUSEHOLD
PRODUCTS, LP., a Delaware limited
partnership; FREUDENBERG NORTH
AMERICA LIMITED PARTNERSHIP, a
Michigan limited partnership;
FREUDENBERG LIMITED PARTNERSHIP,
a Wisconsin limited partnership;
FREUDENBERG GROUP, a limited
partnership; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: 21STCV04351

[Honorable Amy D. Hogue, Department 7]

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

Complaint filed: January 29, 2021
Trial date: Not set

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FREUDENBERG-NOK GENERAL PARTNERSHIP,
10 erroneously sued FREUDENBERG HOUSEHOLD PRODUCTS, LP. and FREUDENBERG
NORTH AMERICA LIMITED PARTNERSHIP, and erroneously named and sued non-entity
11 FREUDENBERG GROUP
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1 **JOINT STIPULATION OF CLASS ACTION SETTLEMENT**

2 This Joint Stipulation of Class Action and PAGA Settlement (“Joint Stipulation of Settlement” or
3 “Settlement” or “Agreement”) is made and entered into by and between Plaintiff Leticia Palma Bolanos,
4 individually, and on behalf of all others similarly situated, (“Plaintiff” or “Class Representative”), and
5 Defendants Freudenberg-NOK General Partnership (“Defendant”). Plaintiff and Defendant are
6 sometimes referred to individually as a “Party” or collectively referred to herein as “the Parties.” THE
7 PARTIES STIPULATE AND AGREE as follows:

8 **DEFINITIONS**

9 1. For purposes of this Settlement, “Complaint” refers to the First Amended Complaint filed in
10 the Action.

11 2. For purposes of this Settlement, the “Action” refers to the above-captioned action entitled
12 *Leticia Palma Bolanos v. Freudenberg-NOK General Partnership, et al*, Los Angeles Superior Court Case
13 No. 21STCV04351.

14 3. For purposes of this Settlement, the “Class Period” is January 29, 2017 through the earlier of
15 preliminary approval or February 10, 2022.

16 4. For purposes of this Settlement, the “Class” or “Class Members” consist of: All non-exempt
17 employees of Defendants who worked for Defendant in California during the Class Period. The
18 “Settlement Class” or “Settlement Class Members” are those Class Members who do not submit timely
19 and compliant exclusion requests to the Settlement Administrator. The Parties’ estimate that the Class
20 includes approximately 161 Class Members who worked approximately 25,000 workweeks as of
21 November 12, 2021.

22 5. For purposes of this Settlement, “Class Counsel” means MOON & YANG, APC.

23 6. For purposes of this Settlement, “Covered Workweeks” means the number of weeks a Class
24 Member worked at Defendant’s locations in California during the Class Period.

25 7. For purposes of this Settlement, “Response Deadline” means the date sixty (60) days after the
26 Settlement Administrator initially mails the Notice to Settlement Class Members (“Notice”) and the last
27 date on which Class Members may submit a request for exclusion or written objection to the Settlement.
28 In the case of a re-mailed Notice, the Response Deadline will be the later of 60 calendar days after initial

1 mailing or 14 calendar days from re-mailing. The Response Deadline may be extended only as expressly
2 described herein.

3 8. For purposes of the Settlement, “Defendant’s Counsel” means SEYFARTH SHAW LLP.

4 9. For purposes of this Settlement, “PAGA” means the Labor Code Private Attorneys General
5 Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*).

6 10. For purposes of this Settlement, “PAGA Allocation” means the portion of the Gross
7 Settlement Amount that the Parties have agreed to allocate to resolution of the Released PAGA Claims.
8 The Parties have agreed that the PAGA Allocation will be \$97,500 from the Gross Settlement Amount.
9 Pursuant to PAGA, Seventy-Five Percent (75%), or \$73,125, of the PAGA Allocation will be paid to the
10 Labor and Workforce Development Agency (“LWDA”) (“PAGA Penalty Payment”), and Twenty-Five
11 Percent (25%), or \$24,375, of the PAGA Allocation will be paid to the PAGA Employees (“PAGA
12 Settlement Payment”).

13 11. For purposes of this Settlement, “PAGA Period” means the period from January 29, 2020
14 through the earlier of the date of preliminary approval, or February 10, 2022.

15 12. For purposes of this Settlement, “PAGA Employee” means all non-exempt employees of
16 Defendant who worked for Defendant in California that worked during the PAGA Period. It is stipulated
17 by the Parties that, for purposes of this Settlement only, all PAGA Employees are “aggrieved employees”
18 as defined pursuant to PAGA.

19 13. For purposes of this Settlement, “PAGA Pay Periods” means the number of pay periods each
20 PAGA Employee worked during the PAGA Period.

21 14. For purposes of this Settlement, “PAGA Representative” means Plaintiff.

22 15. For purposes of this Settlement, “Released PAGA Claims” means all claims for penalties and
23 any other available relief pursuant to PAGA, to the extent asserted in Plaintiff’s administrative exhaustion
24 letter submitted to the LWDA in this Action on January 27, 2021, or in Plaintiff’s First Amended
25 Complaint, arising during the PAGA Period.

26 16. For purposes of this Settlement, “Settlement Payments” means all of the payments to
27 Settlement Class Members (the “Settlement Class Payments”) and all of the payments to PAGA
28 Employees (the “PAGA Settlement Payments”).

1 **STIPULATED BACKGROUND**

2 17. On January 29, 2021, Plaintiff filed a putative Class Action alleging the following labelled
3 causes of action: (1) Failure to Pay Minimum Wage and Straight Time Wages [Cal. Lab. Code §§ 204,
4 1194, 1194.2, 1197, and the Industrial Welfare Commission Wage Orders]; (2) Failure to Pay Overtime
5 Compensation [Cal. Lab. Code §§ 1194 and 1198, and the Industrial Welfare Commission Wage Orders];
6 (3) Failure to Provide Meal Periods [Cal. Lab. Code §§ 226.7, 512, and the Industrial Welfare
7 Commission Wage Orders]; (4) Failure to Authorize and Permit Rest Breaks [Cal. Lab. Code §§ 226.7,
8 and the Industrial Welfare Commission Wage Orders]; (5) Failure to Timely Pay Final Wages at
9 Termination [Cal. Lab. Code §§ 201-203]; (6) Failure to Provide Accurate Itemized Wage Statements
10 [Cal. Lab. Code § 226, and the Industrial Welfare Commission Wage Orders]; and (7) Unfair Business
11 Practices [Cal. Bus. & Prof. Code §§ 17200, *et seq.*]. (The “Action.”) In the Complaint, Plaintiff sought
12 to represent all persons that worked for Defendant in California as an hourly-paid, non-exempt employee
13 at any time during the period beginning four years before the filing of the initial complaint and ending
14 when Notice to the Class is sent.

15 18. On January 27, 2021, Plaintiff satisfied the administrative exhaustion requirement that is a
16 prerequisite to filing a claim for Civil Penalties under PAGA. Plaintiff filed a First Amended Complaint to
17 add a single cause of action for Civil Penalties under PAGA on or about May 24, 2021.

18 19. Solely for purposes of settling the Action, the Parties and their respective counsel stipulate and
19 agree that the requisites for establishing class certification with respect to the Class Members have been
20 met and are met. More specifically for settlement purposes only, the Parties stipulate and agree that:

- 21 (a) The Class is ascertainable and so numerous as to make it impracticable to join all
22 Class Members.
- 23 (b) There are common questions of law and fact including, but not limited to, the
24 following:
- 25 1) Whether or not Defendant paid proper wages to the Class;
- 26 2) Whether or not Defendant provided meal periods to the Class;
- 27 3) Whether or not Defendant provided rest periods to the Class;
- 28 4) Whether or not Defendant paid proper compensation timely upon

1 separation of employment to former Class Members;

2 5) Whether or not Defendant paid proper compensation timely throughout
3 Class Members' employment;

4 6) Whether or not Defendant provided accurate and complete itemized wage
5 statements to the Class;

6 7) Whether or not waiting-time penalties are available to Class Members who
7 are no longer employed by Defendant for violation of California Labor
8 Code § 203;

9 8) Whether or not Defendant maintained adequate and requisite records;

10 9) Whether or not Defendant paid proper meal period pay or rest period pay to
11 the Class; and,

12 10) Whether or not Defendant engaged in unlawful or unfair business practices
13 affecting the Class in violation of California Business and Professions
14 Code §§ 17200-17208.

15 (c) Plaintiff's claims are typical of the claims of the Class Members.

16 (d) Plaintiff and Class Counsel will fairly and adequately protect the interests of the
17 Class.

18 (e) The prosecution of separate actions by individual members of the Class would
19 create the risk of inconsistent or varying adjudications, which would establish
20 incompatible standards of conduct.

21 (f) With respect to the Class, questions of law and fact common to the members of the
22 Class predominate over any questions affecting any individual member in such
23 Class, and that a class action is superior to other available means for the fair and
24 efficient adjudication of the controversy.

25 20. Should, for whatever reason, the Settlement not become effective, the fact that the Parties were
26 willing to stipulate to class certification as part of the Settlement shall have no bearing on, and shall not be
27 admissible in connection with, the issue of whether the Class Members and/or the Class Claims should be
28 certified in a non-Settlement context in this Action or in any other lawsuit. Defendant expressly reserves

1 its right to oppose claim or class certification in this or any other action should this Settlement not become
2 effective.

3 21. Defendant denies any liability or wrongdoing of any kind whatsoever associated with the
4 claims alleged or which could have been alleged in the Complaint, and Defendant further denies that, for
5 any purpose other than settling this lawsuit, that the Action is appropriate for class or representative
6 treatment. With respect to Plaintiff's claims, Defendant contends, among other things, that Plaintiff and
7 the Class Members have been paid proper wages, have been provided meal periods or they have been
8 made available as required, have been provided rest periods or they have been authorized and permitted as
9 required, have been paid timely and proper wages upon separation of employment, and have been
10 provided with accurate and complete itemized wage statements. Defendant contends, among other things,
11 that it has complied at all times with the California Labor Code and the applicable Wage Orders of the
12 Industrial Welfare Commission. Furthermore, with respect to all claims, Defendant contends that it has
13 complied at all times with the California Business and Professions Code.

14 22. It is the desire of the Parties to fully, finally, and forever settle, compromise, and discharge all
15 disputes and claims arising from or related to the Complaint.

16 23. Class Counsel has conducted a thorough investigation into the facts of this Action, including
17 an extensive review of relevant documents, and has diligently pursued an investigation of the claims of the
18 Class against Defendant. Based on its own independent investigation and evaluation, Class Counsel is of
19 the opinion that the Settlement with Defendant for the consideration and on the terms set forth in this Joint
20 Stipulation of Settlement is fair, reasonable, and adequate and is in the best interest of the Class in light of
21 all known facts and circumstances, including the risk of significant delay, the risk the Class will not be
22 certified by the Court, defenses asserted by Defendant, and numerous potential appellate issues.
23 Defendant and Defendant's Counsel also agree that the Settlement is fair, adequate and reasonable and in
24 the best interest of the Class.

25 24. The Parties agree to cooperate and take all steps necessary and appropriate to obtain
26 preliminary and final approval of this Settlement.

27 25. The Parties agree to stay all proceedings in the Action, except such proceedings necessary to
28 implement and complete the Settlement, pending the Final Approval hearing to be conducted by the Court.

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26. NOW THEREFORE, in consideration of the mutual covenants, promises and agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

(a) It is agreed by and among Plaintiff (on behalf of herself and the Class) and Defendant that this Action and any claims, damages, or causes of action arising out of the disputes which are the subject of this Action, be settled and compromised as between the Class and Defendant, subject to the terms and conditions set forth in this Settlement and the approval of the Court.

(b) Effective Date: The terms of settlement embodied in this Settlement shall become effective when all of the following events have occurred: (i) this Joint Stipulation of Settlement has been executed by all Parties and their respective counsel; (ii) the Court has given preliminary approval to the Settlement; (iii) the Notice has been given to the Class, providing them with an opportunity to dispute information contained in the Notice, to opt out of the Settlement, or to object to the Settlement; (iv) the Court has held a final approval hearing and entered a final order and judgment certifying the Class and approving this Settlement; and (v) the later of the following events: (a) the day final approval is granted if there are no objections to the settlement; (b) sixty-five (65) days following notice of entry of the Court's final order approving the Settlement if there are any objections by any Class Member; (c) or if any appeal, writ or other appellate proceeding opposing this Settlement has been filed within sixty-five (65) days following notice of entry of the Court's final order approving the Settlement, then twenty (20) days after when any appeal, writ or other appellate proceeding opposing the Settlement has been resolved finally and conclusively with no right to pursue further remedies or relief. In this regard, it is the intention of the Parties that the Settlement shall not become effective until the Court's order approving the Settlement is completely final, and there is no further recourse by an appellant or objector who seeks to contest the Settlement.

(c) Gross Settlement Amount: Defendant's maximum total payment under the

Settlement, including all attorney's fees and costs, the Service Payment to the named Plaintiff, the costs of settlement administration, the PAGA Allocation, and any other payments provided by this Settlement, is \$975,000.00 ("Gross Settlement Amount"), subject to the Escalator Clause and except that, to the extent that any portions of the Settlement Class Payments constitute wages, Defendant will be separately responsible for any employer payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions.

(d) Escalator Clause: Defendant represents that Class Members worked approximately 25,000 Covered Workweeks up to the date of mediation (November 12, 2021), and the Parties agree that in the event the actual number of Covered Workweeks turns out to exceed the original estimate by more than ten (10) percent, Defendant shall increase the Gross Settlement Amount by the percentage that that actual number of Covered Workweeks exceeds 27,500 (the "Escalator Clause"), or, in the alternative, Defendant shall have the option of cutting off the release period and settlement to the point in time that the workweeks exceed 27,500. The Gross Settlement Amount will not be reduced for any reason.

(e) Non-reversionary Settlement: No portion of the Gross Settlement Amount will revert to Defendant.

(f) No Claims Required: Class Members will not be required to submit a claim to receive their Settlement payment.

(g) Net Settlement Amount: The Net Settlement Amount shall be calculated by deducting from the Gross Settlement Amount (\$975,000.00) the following sums, subject to approval by the Court: (1) attorney's fees (not to exceed 33 1/3% of the Gross Settlement Amount, or \$325,000.00); (2) reasonable litigation costs (not to exceed \$25,000.00); (3) the Service Payment (not to exceed \$7,500.00 to the named Plaintiff); (4) the PAGA Allocation; and (5) costs of settlement administration (estimated not to exceed \$25,000). Settlement Class Payments will be calculated by the Settlement Administrator and paid out of the Net Settlement

Amount as set forth below.

- (h) Payroll Taxes and Required Withholdings: To the extent that any portions of the Settlement Class Payments constitute wages, Defendant will be separately responsible for any **employer** payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions. The Settlement Administrator will calculate and submit the Defendant's employer share of payroll taxes after advising Defendant of the total amount owed, in aggregate, as employer-side payroll taxes and receiving a lump sum payment from Defendant in that amount when the Gross Settlement Amount is delivered to the Settlement Administrator.
- (i) Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS

1 NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR
2 DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER
3 PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED
4 ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR
5 ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY
6 LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY
7 SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES
8 (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY
9 BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING
10 PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
11 TRANSACTION, INCLUDING ANY TRANSACTION
12 CONTEMPLATED BY THIS AGREEMENT.

13 (j) Settlement Class Payments (Excludes PAGA Payments): Settlement Class
14 Payments will be paid out of the Net Settlement Amount. Each Settlement Class
15 Member will be paid a pro-rata share of the Net Settlement Amount as calculated
16 by the Settlement Administrator. The pro-rata share will be determined by
17 comparing the individual Settlement Class Member's Covered Workweeks
18 employed during the Class Period in California to the total Covered Workweeks of
19 all the Settlement Class Members during the Class Period as follows: [Covered
20 Workweeks worked by a Settlement Class Member] ÷ [Sum of all Covered
21 Workweeks worked by all Settlement Class Members] × [Net Settlement Amount]
22 = individual Settlement Payment for a Settlement Class Member. Settlement Class
23 Payments in the appropriate amounts will be distributed by the Settlement
24 Administrator by mail to the Settlement Class Members. Uncashed, unclaimed or
25 abandoned checks, shall be transmitted by the Settlement Administrator to the
26 California Controller's Office, as set forth below.

27 (k) PAGA Payments: PAGA Settlement Payments will be paid out of the PAGA
28 Allocation deducted from the Gross Settlement Amount after the PAGA Penalty

Amount (75 percent of the PAGA Allocation) is paid to the LWDA. Each PAGA Employee will be paid a pro-rata share of the PAGA Settlement Payment, as calculated by the Settlement Administrator. Class Members who are PAGA Employees will not be permitted to exclude themselves from this portion of the Settlement. Each PAGA Employee's pro-rata share will be determined by comparing the individual PAGA Employees' PAGA Pay Periods during the PAGA Period to the total PAGA Pay Periods of all the PAGA Employees during the PAGA Period as follows:
$$\frac{[\text{PAGA Pay Periods worked by a PAGA Employee}]}{[\text{Sum of all PAGA Pay Periods worked by all PAGA Employees}]} \times [\text{PAGA Settlement Payment}] = \text{individual PAGA Employee's portion of the PAGA Settlement Payment.}$$
 PAGA Settlement Payments to PAGA Employees in the appropriate amounts will be distributed by the Settlement Administrator by mail to the PAGA Employees at the same time Settlement Class Payments issue to the Settlement Class. Uncashed, unclaimed or abandoned checks, shall be transmitted by the Settlement Administrator to the California Controller's Office, as set forth below. The Settlement Administrator will send the PAGA Penalty Payment to the LWDA at the same time the Settlement Administrator send Settlement Payments to the Settlement Class and PAGA Settlement Payments to the PAGA Employees.

- (l) Allocation of Settlement Payments: The Parties have agreed that Settlement Class Payments will be allocated as follows: 33 1/3% to wages, 33 1/3% to penalties, and 33 1/3% to interest. The PAGA Settlement Payments will be entirely allocated to penalties. Appropriate federal, state and local withholding taxes will be taken out of the wage allocations, and each Settlement Class Member will receive an IRS Form W-2 with respect to this portion of the Settlement Class Payment. The Settlement Class Member's share of payroll taxes and other required withholdings will be remitted by the Settlement Administrator to the appropriate taxing authorities as set forth above, along with Defendants' employer portion of FICA and FUTA contributions, based on the payment of claims to the Settlement Class

Members. IRS Forms 1099 will be issued by the Settlement Administrator to each Settlement Class Member and/or PAGA Employee reflecting the payments for penalties and interest. Settlement Class Members and PAGA Employees are responsible to pay appropriate taxes due on the Settlement Class Payments and PAGA Settlement Payments they receive. To the extent required by law, IRS Forms 1099 and W-2 will be issued to each Settlement Class Member and PAGA Employee with respect to such payments.

(m) Settlement Payments Do Not Give Rise to Additional Benefits: All Settlement Payments to individual Settlement Class Members and PAGA Employees shall be deemed to be paid to such Settlement Class Member or PAGA Employee solely in the year in which such payments actually are received by the Settlement Class Member or PAGA Employee. It is expressly understood and agreed that the receipt of such Settlement Payments will not entitle any Settlement Class Member or PAGA Employee to additional wages, compensation or benefits under any company bonus, contest or other compensation or benefit plan or agreement in place during the period covered by the Settlement up to and including the date the Settlement becomes effective, nor will it entitle any Settlement Class Member or PAGA Employee to any increased retirement, 401(k) benefits or matching benefits or deferred compensation benefits. It is the intent of all Parties that the Settlement Payments provided for in this Settlement are the sole payments to be made by Defendants to the Settlement Class Members and PAGA Employees, and that the Settlement Class Members and PAGA Employees are not entitled to any new or additional compensation or benefits as a result of having received the Settlement Payments (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Settlement).

(n) Attorney's Fees and Costs: Subject to approval by the Court, Defendant will not object to Class Counsel's application for attorney's fees not to exceed 33 1/3% of

the Gross Settlement Amount (\$325,000.00) and reimbursement of litigation costs and expenses not to exceed \$25,000.00.

(o) Service Payment: Subject to Court approval, and in exchange for a general release, Defendant will not object to Class Counsel's application for an additional payment of up to \$7,500.00 to Plaintiff for service as a Class Representative ("Service Payment"). It is understood that the Service Payment is in addition to the individual Settlement Payment to which the Plaintiff and Class Representative is entitled along with the other Settlement Class Members.

(p) The Settlement Administrator will issue an IRS Form 1099 for the Service Payment to the Plaintiff. The Plaintiff will be individually responsible for correctly characterizing this compensation on personal income tax returns for tax purposes and for paying any taxes on the amounts received. Should the Court approve a Service Payment in an amount less than that set forth above, the difference between the lesser amount(s) approved by the Court and the Service Payment amount(s) set forth above shall be added to the Net Settlement Amount. Plaintiff agrees not to opt out or object to the Service Payment as the Class Representative.

(q) Settlement Administrator: The Settlement Administrator will be ILYM Group, Inc., or such Settlement Administrator as may be mutually agreeable to the Parties and approved by the Court. Settlement Administration Costs are estimated not to exceed \$15,000. The costs of the Settlement Administrator for work done shall be paid regardless of the outcome of this Settlement. If the Settlement does not become final and effective, the cost of the Settlement Administrator will be shared equally by Plaintiff and Defendant.

(r) Funding of Settlement Account: Defendant will fund the settlement account 14 business days after the Effective Date.

(s) Mailing of Settlement Payments: The Settlement Administrator shall cause the Settlement Payments to be mailed to the Class Members within 14 calendar days of the receipt of funding.

- (t) Notice of Settlement: Each Class Member will be mailed a notice setting forth the material terms of the proposed Settlement, along with instructions about how to object or request exclusion from the proposed class action Settlement (“Notice”). For each Class Member, there will be pre-printed information on the mailed Notice, based on Defendant’s records, stating the Class Member’s Covered Workweeks during the Class Period, PAGA Workweeks during the PAGA Period, and the estimated total Settlement Payment under the Settlement, including the Settlement Class Payment and the PAGA Settlement Payment. As discussed below, the PAGA Settlement Payment will be distributed irrespective of any exclusion request. The pre-printed information based on Defendant’s records shall be presumed to be correct. A Class Member may dispute the pre-printed information on the Notice as to his or her Covered Workweeks during the Class Period or PAGA Workweeks during the PAGA Period. Class Members must submit any dispute regarding the information on the Notice as to his or her Covered Workweeks or PAGA Workweeks within the Response Deadline. Unless a disputing Class Member submits documentary evidence in support of his or her dispute, the records of the Defendant will be determinative.
- (u) Settlement Notice Language: The Notice will issue in English and Spanish. If there is any ambiguity between the English and Spanish translation, the English version will be controlling.
- (v) Class Members Cannot Exclude Themselves from the Released PAGA Claims: Class Members submitting a Request for Exclusion will nevertheless receive their pro-rata share of the PAGA Settlement Payment. If the Court approves the compromise of the PAGA Claim, all Class Members are bound by the Court’s resolution of that Claim. Plaintiff shall serve a notice of settlement on the California Labor and Workforce Development Agency at or before the time Plaintiff files the motion for preliminary approval.
- (w) Resolution of Workweek Disputes: If a Class Member disputes the accuracy of

Defendant's records used to calculate Covered Workweeks or PAGA Workweeks, and the Parties' counsel cannot resolve the dispute informally, the matter will be referred to the Settlement Administrator. The Settlement Administrator will review Defendant's records and any information or documents submitted by the Class Member and issue a non-appealable decision regarding the dispute. The Class Member must submit information or documents supporting his or her position to the Settlement Administrator prior to the expiration of the Response Deadline. Information or documents submitted after the expiration of the Response Deadline will not be considered by the Settlement Administrator, unless otherwise agreed to by the Parties.

(x) Right of Class Member to Request Exclusion from the Settlement: Any Class Member may request to be excluded from the Settlement Class by mailing a "Request for Exclusion" from the Settlement within the Response Deadline. Any Request for Exclusion must include the name, address, telephone number, last four digits of the Class Member's Social Security Number, and the signature of the Class Member requesting exclusion. Any such request must be made in accordance with the terms of the Notice, and the Notice will advise Class Members of these requirements. Any Class Member who timely requests exclusion in compliance with these requirements (i) shall not have any rights under this Settlement other than a right to receive a pro-rata share of the PAGA Settlement Payment if the Class Member is also PAGA Employee; (ii) shall not be entitled to receive any Settlement Payments under this Settlement other than as stated herein; and (iii) shall not be bound by this Settlement or the Court's Order and Final Judgment other than as it applies to the PAGA Claim.

(y) Right of Settlement Class Member to Object to The Settlement: Any Settlement Class Member may object to the Settlement. To object, the Settlement Class Member may (1) appear at the Final Approval Hearing, remotely or in person, to explain any objection, (2) have an attorney object for the Settlement Class

Member, or (3) submit a simple written brief or statement of objection to the Settlement Administrator. If any Settlement Class Member chooses to submit a written objection, the written objection should contain sufficient information to confirm the identity of the objector and the basis of the objection, including (1) the full name of the Settlement Class Member; (2) the signature of the Settlement Class Member; (3) the grounds for the objection; and (4) be postmarked within the Response Deadline to permit adequate time for processing and review by the Parties of the written statement or objection. Class Counsel shall ensure that any written objections are transmitted to the Court for the Court's review (either by Class Counsel or as an attachment to a declaration from the Settlement Administrator). Regardless of the form, an objection alone will not satisfy the requirement that a Settlement Class Member must either make a timely complaint in intervention before final judgment or by filing a motion to set aside and vacate the class judgment under Code of Civil Procedure §663, to have standing to appeal entry of judgment approving this Settlement, as is required under the California Supreme Court decision of *Hernandez v. Restoration Hardware*, 4 Cal. 5th 260 (2018). A Settlement Class Member who does not object prior to or at the Final Approval Hearing, will be deemed to have waived any objections and will be foreclosed from making any objections (whether at the Final Approval Hearing, by appeal, or otherwise) to the Settlement. If the objecting Settlement Class Member does not formally intervene in the action or move to set aside any judgment and/or the Court rejects the Settlement Class Member's objection, the Settlement Class Member will still be bound by the terms of this Agreement and the Settlement. Class Counsel and Defendant's Counsel may, at least five (5) calendar days (or some other number of days as the Court shall specify) before the final approval hearing, file responses to any written objections submitted to the Court. Class counsel will not represent any Class Members with respect to any objections to the Settlement.

1 **THE SETTLEMENT ADMINISTRATOR’S PRIMARY DUTIES**

2 27. Subject to the Court’s approval, and subject to reconsideration by the Parties after a
3 competitive bidding process, the Parties have agreed to the appointment of ILYM Group, Inc. to perform
4 the customary duties of Settlement Administrator. The Settlement Administrator will mail the Notice,
5 both in English and Spanish, to the Class Members.

6 28. The Settlement Administrator will independently review the Covered Workweeks and PAGA
7 Workweeks attributed to each Class Member and PAGA Employee and will calculate the estimated
8 amounts due to each Class Member and the actual amounts due to each Settlement Class Member and
9 PAGA Employee in accordance with this Settlement. The Settlement Administrator shall report, in
10 summary or narrative form, the substance of its findings. The Settlement Administrator shall be granted
11 reasonable access to Defendant’s records in order to perform its duties. The Settlement Administrator will
12 provide Defendant’s counsel and Class Counsel a weekly report which certifies: (i) the number of Class
13 Members who have submitted valid Requests for Exclusion; (ii) the number of any deficient Requests for
14 Exclusion and (iii) whether a Class Member has submitted a challenge to information contained in their
15 Notice Packet. Additionally, the Settlement Administrator will provide to counsel for both Parties any
16 updated reports regarding the administration of the Settlement Agreement as needed or requested.

17 29. In accordance with the terms of this Settlement, and upon receipt of Gross Settlement Amount
18 from Defendant, the Settlement Administrator will issue and send out the Settlement Payment checks to
19 the Settlement Class Members and the PAGA Settlement Payments to the PAGA Employees. Tax
20 treatment of the Class Settlement Payments and PAGA Settlement Payments will be as set forth herein,
21 and in accordance with state and federal tax laws. The Settlement Administrator will also issue a payment
22 to Class Counsel and itself for Court-approved services performed in connection with the settlement.

23 30. All disputes relating to the Settlement Administrator’s performance of its duties shall be
24 referred to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions of
25 this Settlement until all payments and obligations contemplated by this Settlement have been fully carried
26 out.

27 **ATTORNEY’S FEES AND COSTS**

28 31. In consideration for resolving this matter and in exchange for the release of all claims by the

1 Settlement Class Members, including Plaintiff, and subject to approval by the Court, Defendant will not
2 object to Class Counsel's application for attorney's fees not to exceed 33 1/3% of the Gross Settlement
3 Amount (\$325,000.00 of \$975,000.00) and litigation costs not to exceed \$25,000.00. The amounts set
4 forth above will cover all work performed and all fees and costs incurred to date, and all work to be
5 performed and all fees and costs to be incurred in connection with the approval by the Court of this
6 Settlement and administration of the Settlement. Should Class Counsel request a lesser amount and/or the
7 Court approve a lesser amount(s) of attorney's fees and/or attorneys' costs, the difference between the
8 lesser amount(s) and the maximum amount set forth above shall be added to the Net Settlement Amount.
9 The Parties agree that there is no prevailing party, and the Class and Class Counsel shall not be entitled to
10 any fees or costs other than those awarded out of and deducted from the Gross Settlement Amount. As
11 with the Class Settlement Payments to the Settlement Class, the attorney's fees and costs approved by the
12 Court shall be distributed by the Settlement Administrator to Class Counsel within 14 calendar days of the
13 receipt of settlement funds by the Settlement Administrator. In the event that the Court awards less than
14 25% of the Gross Settlement Amount for attorney's fees, Class Counsel shall retain the right to appeal that
15 portion of any Final Approval Order and Judgment.

16 **THE NOTICE PROCESS**

17 32. A Notice in approximately the form attached hereto as Exhibit "A," and as approved by the
18 Court, shall be sent by the Settlement Administrator to the Class Members by first class mail. The Notice
19 shall be translated into Spanish so that Spanish and English language versions of the Notice are included in
20 the mailing.

- 21 (a) Within 14 calendar days from the date of preliminary approval of this Settlement
22 by the Court, Defendant shall provide to the Settlement Administrator a class
23 database containing the following information for each Class Member: (1) name;
24 (2) last known address; (3) social security number; and (4) dates of employment at
25 Defendant's locations in California. This database shall be based on Defendant's
26 payroll and other business records and shall be provided in a reasonable format to
27 the Settlement Administrator. Defendant agrees to consult with the Settlement
28 Administrator prior to the production date to ensure that the format will be

1 acceptable to the Settlement Administrator. The Settlement Administrator will run
2 a check of the Class Members' addresses against those on file with the U.S. Postal
3 Service's National Change of Address List; this check will be performed only once
4 per Class Member by the Settlement Administrator. Absent mutual written
5 agreement of counsel for the Parties or Court order, the Settlement Administrator
6 will keep this database confidential and secure and use it only for the purposes
7 described herein, and will return this database to Defendant upon final approval of
8 the settlement or destroy electronic records containing the database after the
9 Settlement is final and all payments are distributed as required under this
10 Agreement.

- 11 (b) Within 14 calendar days after the Class database is provided to the Settlement
12 Administrator, the Settlement Administrator will mail the Notices to the Class
13 Members by First Class United States mail.
- 14 (c) Notices returned to the Settlement Administrator as non-deliverable on or before
15 the initial Response Deadline shall be resent to the forwarding address, if any, on
16 the returned envelope. A returned Notice will be forwarded by the Settlement
17 Administrator any time that a forwarding address is provided with the returned
18 mail. If there is no forwarding address, the Settlement Administrator will do a
19 computer search for a new address using the Class Member's social security
20 number or other information. In any instance where a Notice is re-mailed, that
21 Class Member will have until the extended Response Deadline as described above
22 to submit objections or request exclusion. A letter prepared by the Settlement
23 Administrator will be included in the re-mailed Notice in that instance, stating the
24 extended Response Deadline. Upon completion of these steps by the Settlement
25 Administrator, Defendants and the Settlement Administrator shall be deemed to
26 have satisfied their obligations to provide the Notice to the affected Class Member.
27 The affected Class Member shall remain a member of the Settlement Class and
28 shall be bound by all the terms of the Settlement and the Court's Order and Final

Judgment.

(d) Class Counsel shall provide to the Court, at least five calendar days prior to the Final Approval Hearing, or such other date as set by the Court, a declaration by the Settlement Administrator of due diligence and confirming mailing of the Notices.

(e) In the event the Final Approval Hearing date is continued, the Settlement Administrator will post the new hearing date on its website, which it will provide the Class upon administration of the Notice. The Settlement Administrator will also post an update of the Final Judgment on its website.

DISPOSITION OF SETTLEMENT PAYMENTS AND UNCASHED CHECKS

33. As set forth above, each Settlement Class Member will have until the expiration of the applicable Response Deadline to submit to the Settlement Administrator any challenge or dispute to the Settlement Class Member's Covered Workweek information on the Notice. No disputes will be honored if they are submitted after the Response Deadline unless the Parties mutually agree to accept the untimely dispute. Each Settlement Class Member is responsible to maintain a copy of any documents sent to the Settlement Administrator and a record of proof of mailing.

34. The Settlement Administrator shall cause the Settlement Payments to be mailed to the Settlement Class Members and PAGA Employees as provided herein. Settlement Class Payments and PAGA Settlement Payments may be combined into one check. Settlement Payment checks shall remain valid and negotiable for 180 calendar days from the date of their issuance. Settlement Payment checks will automatically be cancelled by the Settlement Administrator if they are not cashed by the Settlement Class Member within that time, and the Settlement Class Member's relevant claims will remain released by the Settlement. Settlement Payment checks which have expired will not be reissued.

35. Funds from uncashed or abandoned Settlement Class Payment checks or PAGA Settlement Checks, based on a 180-day void date, shall be transmitted by the Settlement Administrator to the California State Controller's Office for Unclaimed Property in the name of each Settlement Class Member and/or PAGA Employee who failed to cash their Settlement Payment check prior to the void date.

36. Upon completion of its calculation of Settlement Class Payments and PAGA Settlement Payments, the Settlement Administrator shall provide Class Counsel and Defendant's Counsel with a

report listing the amounts of all payments to be made to Class Members (to be identified anonymously by employee number or other identifier). A Declaration attesting to completion of all payment obligations will be provided to Class Counsel and Defendant's Counsel and filed with the Court by Class Counsel.

RELEASE BY THE PLAINTIFF AND BY THE CLASS AND PAGA EMPLOYEES

37. Release by Class and PAGA Employees. Upon the final approval by the Court of this Settlement and Defendant's payment of all sums due pursuant to this Settlement, and except as to such rights or claims as may be created by this Settlement, the Class Representatives, the Class and each Class Member who has not submitted a valid and timely request for exclusion as to claims other than the PAGA claim, and each PAGA Employee, regardless of whether they have requested exclusion from the Settlement of Class claims, will release claims as follows:

- (a) **Identity of Released Parties.** The released parties are Defendant, and each of its former and present direct and/or indirect owners, dba's, affiliates, parents, subsidiaries, co-employers, brother and sister corporations, divisions, related companies, successors and predecessors, and current and former employees, officers, directors, shareholders, members, owners, trustees, attorneys, fiduciaries, beneficiaries, subrogees, executors, partners, privies, agents, employees, servants, insurers, representatives, administrators, employee benefit plans, and assigns of said entities (collectively "Releasees").
- (b) **Date Release Becomes Active.** The Released Claims and Released PAGA Claims will be released upon the later of (1) the Settlement's Effective Date, or (2) the satisfaction of Defendant's obligation to provide to the Settlement Administrator a sum in the amount required to satisfy all required payments and distributions pursuant to this Settlement and the Order and Judgment of final approval. Class Members will not release the Released Claims or Released PAGA Claims until both the Effective Date of the Settlement has occurred, **and** Defendant has paid all amounts owing under the Settlement.
- (c) **Claims Released by Settlement Class Members.** Each and every Class Member, on behalf of himself or herself and his or her heirs and assigns, unless he or she has

submitted a timely and valid Request for Exclusion (which will not effectuate an opt-out from the release of Released PAGA Claims), hereby releases Releasees from the following claims for the entire Class Period:

1) any and all claims stated in the First Amended Complaint, or that could have been stated based on the facts alleged therein, including but not limited to all wage and hour claims (including all claims under the California Labor Code) for unpaid wages, minimum wage, overtime, off-the-clock work, meal periods, rest periods, wage statement violations, interest, civil or statutory penalties, and attorneys' fees and costs, waiting time penalties, expense reimbursements, withholding from wages and the related provisions of the Labor Code including but limited to Labor Code §§ 201-204, 210, 216, 218.6, 226, 226.2, 226.3, 226.7, 510, 512, 512.5, 558, 1174, 1194, 1194.2, 1197, 1198, 2699, derivative claims under California Business & Professions Code §§ 17200 et seq., and all claims under the governing Industrial Welfare Commission Wage Order ("Released Claims");

(d) **Claims Released by the Class, Including PAGA Employees.** All Class Members, including all PAGA Employees, release the Released PAGA Claims, regardless of whether they have requested exclusion from the Settlement as to Class claims.

38. Release by Plaintiff and Class Representative. Upon the final approval by the Court of this Settlement and Defendants' payment of all sums due pursuant to this Settlement, and except as to such rights or claims as may be created by this Settlement, the Plaintiff and Class Representative, will release claims as follows:

(a) The Plaintiff and Class Representative hereby fully and finally releases and discharges the Releasees (defined above) from any and all of the released claims (defined above) and from any and all other claims, charges, complaints, liens, demands, agreements, contracts, covenants, actions, suits, causes of action,

1 penalties, wages, obligations, debts, expenses, damages, attorneys' fees, costs,
2 judgments, orders, and liabilities of whatever kind or nature in law, equity, or
3 otherwise, known or unknown, suspected or unsuspected, that the Plaintiff and
4 Class Representative had, now has, or may hereafter claim to have against the
5 Released Parties arising out of, or relating in any way to, the Plaintiff and Class
6 Representative's hiring by, employment with, separation of employment with, or
7 any other transactions, occurrences, acts or omissions or any loss, damage or injury
8 whatsoever, known or unknown, suspected or unsuspected, resulting from any act
9 or omission by or on the part of any Released Party (the "Class Representative's
10 Released Claims"), arising or accruing from the beginning of time up through the
11 Final Approval Date Order Date ("Class Representative's Released Period"). The
12 Class Representative's Released Claims include, but are not limited to, claims
13 arising from or dependent on the California Labor Code; the Wage Orders of the
14 California Industrial Welfare Commission; California Business and Professions
15 Code section 17200 et seq.; the California Fair Employment and Housing Act, Cal.
16 Gov't Code § 12900 et seq.; the California Healthy Workplaces, Healthy Families
17 Act, Cal. Labor Code § 245 et seq., the California common law of contract and
18 tort; Title VII of the Civil Rights Act of 1964; the Americans with Disabilities Act,
19 42 U.S.C. § 12101 et seq.; the Employee Retirement Income Security Act of 1974,
20 29 U.S.C. § 1001 et seq.; the Fair Labor Standards Act, 29 U.S.C. § 201 et seq., the
21 Portal to Portal Act, 29 U.S.C. § 251 et seq., and the Families First Coronavirus
22 Response Act.

23 (b) The Plaintiff and Class Representative also acknowledges that she has read Section
24 1542 of the Civil Code of the State of California, which provides as follows:

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

1 39. The Plaintiff and Class Representative further warrants that she understands that Section 1542
2 gives her the right not to release existing claims of which she is not now aware, unless she voluntarily
3 chooses to waive this right. Having been so apprised, Plaintiff and Class Representative shall nevertheless
4 voluntarily waive the rights described in Section 1542, and elects to assume all risks and to release the
5 claims set forth herein, that now exist in her favor, whether known or unknown.

6 **EMPLOYMENT BY DEFENDANT**

7 40. Employment of Plaintiff by Defendant is not consideration for, or a condition of, this
8 Settlement.

9 **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

10 41. The Parties shall submit this Joint Stipulation of Class Action Settlement to the Court in
11 support of Plaintiff's unopposed motion for preliminary approval for determination by the Court as to its
12 fairness, adequacy, and reasonableness. Upon execution of this Joint Stipulation of Class Action and
13 PAGA Settlement, the Parties shall apply to the Court for the entry of an order:

- 14 (a) Scheduling a preliminary approval hearing and later final approval and fairness
15 hearing on the question of whether the proposed Settlement, including payment of
16 attorney's fees and costs, and the Class Representatives' service payment, should be
17 finally approved as fair, reasonable, and adequate as to the members of the Class;
18 (b) Conditionally certifying a Class for settlement purposes only;
19 (c) Approving as to form and content the proposed Notice;
20 (d) Directing the mailing of the Notice by the Settlement Administrator;
21 (e) Preliminarily approving the Settlement subject only to the objections of Class
22 Members and final review by the Court;
23 (f) Conditionally appointing Plaintiff and Class Counsel as representatives of the
24 proposed Class Members; and,
25 (g) Appointing ILYM Group, Inc. as the Settlement Administrator.

26 **DUTIES OF THE PARTIES FOLLOWING FINAL COURT APPROVAL**

27 42. In conjunction with the hearing of a motion for final approval by the Court of the Settlement
28 provided for in this Joint Stipulation of Settlement, Class Counsel will submit to the Court a proposed final

order and judgment containing provisions sufficient to accomplish the following:

- (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;
- (b) Approving Class Counsel's application for an award of attorney's fees and costs;
- (c) Approving the Service Payment to the Class Representatives;
- (d) Adjudging the Settlement Administrator has fulfilled its initial notice and reporting duties under the Settlement.
- (e) Adjudging Plaintiff and Class Counsel may adequately represent the Final Settlement Class for the purpose of entering into and implementing the Agreement;
- (f) Entering a final judgment in the action;
- (g) Adjudging that notwithstanding the submission of a timely request for exclusion, Class Members are still bound by the settlement and release of the Released PAGA Claims or remedies under the Judgment pursuant to *Arias v. Superior Court*, 46 Cal. 4th 969 (2009), as requests to be excluded from the Settlement do not apply to the Released PAGA Claims, and further affirming that the State's claims for civil penalties pursuant to PAGA are also extinguished;

NULLIFICATION AND TERMINATION

43. This Settlement will be null and void if any of the following occur: (a) the Court should for any reason fail to certify a Class for settlement purposes; (b) the Court should for any reason fail to preliminarily or finally approve of this Settlement in the form agreed to by the Parties, other than adjustments made to the attorney's fees and costs or granting of Service Payments; (c) the Court should for any reason fail to enter the final judgment; (d) the final judgment is reversed, modified, or declared or rendered void; or (e) the Settlement does not become final for any other reason.

44. If 5% or more of the Class Members opt out of this Settlement, then Defendant in its sole discretion may terminate, nullify and void this Settlement. The Settlement Administrator shall provide Defendant's Counsel with the information necessary to effectuate this provision on a regular basis, but no less frequently than on a weekly basis. To terminate this Settlement under this paragraph, Defendant's Counsel must give Plaintiff's Counsel written notice, by facsimile, e-mail, or mail, no later than 30

1 calendar days after the Response Deadline. If this option is exercised by Defendant, Defendant shall be
2 solely responsible for the costs incurred by the Settlement Administrator for the settlement administration.

3 45. In the event this Settlement is nullified or terminated as provided above: (i) this Settlement
4 shall be considered null and void, (ii) neither this Settlement nor any of the related negotiations or
5 proceedings shall have any force or effect and no Party shall be bound by any of its terms, and (iii) all
6 Parties to this Settlement shall stand in the same position, without prejudice, as if the Settlement had been
7 neither entered into nor filed with the Court.

8 **PARTIES' AUTHORITY**

9 46. The signatories hereto hereby represent that they are fully authorized to enter into this
10 Settlement and bind the Parties hereto to the terms and conditions thereof.

11 **MUTUAL FULL COOPERATION**

12 47. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement
13 including, but not limited to, execution of such documents and taking such other action as reasonably may
14 be necessary to implement the terms of this Settlement. The Parties to this Settlement shall use their best
15 efforts, including all efforts contemplated by this Settlement and any other efforts that may become
16 necessary by order of the Court, or otherwise, to effectuate this Settlement and the terms set forth herein.
17 As soon as practicable after execution of this Settlement, Class Counsel shall, with the assistance and
18 cooperation of Defendant and Defendant's Counsel, take all necessary steps to secure the Court's
19 preliminary and final approval of this Settlement.

20 **NO PRIOR ASSIGNMENTS**

21 48. The Parties and their respective counsel represent, covenant, and warrant that they have not
22 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to
23 any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein
24 released and discharged except as set forth herein, and that they are not on notice of any liens as to the
25 Gross Settlement Amount or any right to attorneys' fees or costs.

26 **NO ADMISSION OF LIABILITY**

27 49. Nothing contained herein, nor the consummation of this Settlement, is to be construed or
28 deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant.

Defendant denies all the claims and contentions alleged by the Plaintiff in this case. Defendant does not admit, and specifically deny, that it has violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to its current or former employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, will be construed as an admission or concession by Defendant of any such violations or failures to comply with any applicable law. Defendant has entered into this Settlement solely with the intention to avoid further disputes and litigation with the attendant inconvenience and expenses. Except as necessary in a proceeding to enforce the terms of this Settlement Agreement, this Settlement Agreement and its terms and provisions will not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendant or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law.

ENFORCEMENT ACTIONS

50. In the event that one or more of the Parties to this Settlement institutes any legal action or other proceeding against any other party or parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful party or parties shall be entitled to recover from the unsuccessful party or parties reasonable attorney's fees and costs, including expert witness fees incurred in connection with any enforcement actions.

NOTICES

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

Class Counsel:

Kane Moon
Allen Feghali
Enzo Nabiev
MOON & YANG, APC
1055 W. Seventh St., Suite 1880

Counsel for Defendant:

SEYFARTH SHAW LLP
Brian Long (SBN 232746)
bplong@seyfarth.com
601 South Figueroa Street, Suite 3300
Los Angeles, California 90017-5793

Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125
kane.moon@moonyanglaw.com
allen.feghali@moonyanglaw.com
enzo.nabiev@moonyanglaw.com

Telephone: (213) 270-9600
Facsimile: (213) 270-9601

SEYFARTH SHAW LLP
Reiko Furuta (SBN 169206)
rfuruta@seyfarth.com
2029 Century Park East, Suite 3500
Los Angeles, California 90067-3021
Telephone: (310) 277-7200
Facsimile: (310) 201-5219

CONSTRUCTION

52. The Parties hereto agree that the terms and conditions of this Settlement are the result of lengthy, intensive arms-length negotiations between the Parties, including but not limited to an all-day mediation with Tripper Ortman, Esq., and this Settlement shall not be construed in favor of or against any Party by reason of the extent to which any Party or his, her or its counsel participated in the drafting of this Settlement.

CAPTIONS AND INTERPRETATIONS

53. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement or any provision hereof. Each term of this Settlement is contractual and not merely a recital.

MODIFICATION

54. This Settlement may not be changed, altered, or modified, except in writing and signed by the Parties hereto, and approved by the Court. This Settlement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties hereto.

CONFIDENTIALITY

55. Confidentiality Agreement. The Parties and their counsel agree that none of them will issue any marketing materials, press release, social media post, internet or website announcement, or otherwise initiate any contact with the press regarding the Settlement or the terms of this settlement. In response to any press inquiry Class Counsel shall only state that information regarding the Action can be found on the Court's website. Class Counsel will not communicate with other wage-hour plaintiffs' counsel about this settlement, nor utilize it in any way in their marketing or advertising materials or website, prior to

1 Preliminary Approval. Prior to Preliminary Approval, Plaintiff will not discuss the Settlement with
2 anyone other than her counsel, tax advisors or spouses, except as required or authorized by law.
3 Additionally, Class Counsel agree that the fact that the Actions were filed and/or settled will not be
4 included in any filing or court submission in any other case or controversy unless required to do so by
5 applicable law or done in submissions to courts or arbitrators in connection with establishing adequacy as
6 class counsel or relevant experience in wage and hour lawsuits. Nothing in this clause shall prevent
7 Plaintiff, Class Counsel, and/or Class Members from discussing the terms of the Settlement amongst
8 themselves.

9 **INTEGRATION CLAUSE**

10 56. This Settlement contains the entire agreement between the Parties relating to the Settlement
11 and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings,
12 representations, and statements, whether oral or written and whether by a Party or such Party's legal
13 counsel, are merged herein. No rights hereunder may be waived except in writing. The Parties expressly
14 recognize California Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a),
15 which provide that a written agreement is to be construed according to its terms and may not be varied or
16 contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written
17 representations or terms will modify, vary or contradict the terms of this Agreement.

18 **AMENDMENT**

19 57. This Settlement Agreement may be amended or modified only by a written instrument
20 mutually signed by counsel for all Parties or their successors-in-interest.

21 **WAIVER OF APPEALS**

22 58. Plaintiff, Class Counsel, Defendant, and Defense Counsel agree to waive appeals and to
23 stipulate to class certification for purposes of implementing this Settlement only, with the exception that
24 Class Counsel retains the right to appeal the amount awarded as attorney's fees in the event that the Court
25 awards less than twenty-five percent of the Gross Settlement Amount as attorney's fees.

26 **BINDING ON ASSIGNS**

27 59. This Settlement shall be binding upon and inure to the benefit of the Parties hereto and their
28 respective heirs, trustees, executors, administrators, successors and assigns.

CLASS COUNSEL SIGNATORIES

60. It is agreed that because the members of the Class are so numerous, it is impossible or impractical to have each member of the Class execute this Settlement. The Notice will advise all Class Members of the binding nature of the Released Claims and Released PAGA Claims, and the release shall have the same force and effect as if this Settlement were executed by each member of the Class.

COUNTERPARTS

61. This Settlement may be executed in counterparts and by electronic or facsimile signatures, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Settlement, which shall be binding upon and effective as to all Parties.

FINAL JUDGMENT

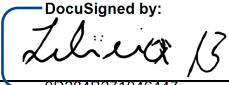
62. The Parties agree that, upon final approval of the Settlement, final judgment of this Action will be made and entered in its entirety at or following the final approval hearing. The final judgment may be included in the Order granting Final Approval of the Settlement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action Settlement between Plaintiff and Defendant as set forth below:

IT IS SO STIPULATED.

Plaintiff & Class Representative:

Dated: 7/12/2022

By: 
DocuSigned by: 0D284B271046447...
 Leticia Palma Bolanos

Plaintiff's Counsel:

Dated: July 12, 2022

MOON & YANG, APC
 By: 
 Kane Moon
 Allen Feghali
 Enzo Nabiev
 Attorneys for Plaintiff

Defendant:

Dated: July 8, 2022

FREUDENBERG-NOK GENERAL PARTNERSHIP

By: Matthew Portu

Print Name

Matthew Portu

Signature

President, Freudenberg-NOK

Title

By: _____

Print Name

Signature

Title

Defendant's Counsel:

Dated:

SEYFARTH SHAW LLP

By: _____

Brian P. Long
Attorney for Defendant

Defendant:

Dated: July 14, 2022

FREUDENBERG-NOK GENERAL PARTNERSHIP

By: _____

Print Name

Signature

Connie Sandros

Title

By: _____

Print Name

Connie Sandros

Signature

Vice President HR Americas

Title

Defendant's Counsel:

Dated: July 14, 2022

SEYFARTH SHAW LLP

By: _____

Brian P. Long
Attorney for Defendant