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*[Counsel for Additional Parties Listed on Subsequent Page]*

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SAN BERNARDINO – CIVIL UNLIMITED**

ANGELICA CRUZ RODRIGUEZ;  
and MARIA MAGDALENA NAVARRETE,  
individuals and class representatives on  
behalf of themselves and all other similarly  
situated non-exempt former and current  
employees,

Plaintiffs,

vs.

DELTA CHILDREN'S PRODUCTS CORP.,  
a foreign Corporation; DELTA  
ENTERPRISE CORP, a foreign  
Corporation, NEXT LEVEL STAFFING,  
a California Corporation; and DOES 1  
through 100, inclusive,

Defendants.

Case No.: CIVSB2105679

CLASS ACTION

[Assigned to the Hon. Judge Jessica Morgan,  
Dept. S26, for all purposes]

**JOINT STIPULATION OF CLASS  
ACTION SETTLEMENT**

Trial Date: None  
Complaint Filed: February 18, 2021

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*Attorneys for Defendant NEXT LEVEL STAFFING*

This Joint Stipulation of Class Action Settlement (“Joint Stipulation” or “Settlement”) is made and entered by and between Plaintiffs ANGELICA CRUZ RODRIGUEZ and MARIA MAGDALENA NAVARRETE in their individual capacities, as class representatives, and as private attorneys general (collectively referred to as “Plaintiffs”) on one hand, and Defendants NEXT LEVEL STAFFING (“Defendant NLS”) and DISTRIBUTION SERVICES OF CALIFORNIA, LLC (“Defendant DSC”) (collectively, “Defendants”), on the other hand. This Joint Stipulation will be binding on Plaintiffs and the class purported to be represented thereby, and Defendants, subject to the terms and conditions set forth below and the approval of the Court.

**I. DEFINITIONS**

To the extent any terms or phrases used in this Joint Stipulation are not specifically defined in this section (i.e., Section I), but are defined elsewhere in this Joint Stipulation, they are incorporated herein by reference. “Action” means the class action filed by the above-referenced Plaintiffs against Defendants, pending in the Superior Court of the State of California, County of San Bernardino: *Angelica Cruz Rodriguez; and Maria Magdalena Navarrette v. Distribution Services of California, LLC; and Next Level Staffing*, San Bernardino County Superior Court, Case No. CIVSB2105679.

“Aggrieved Employees” or “PAGA Employees” means all individuals who are or were previously employed (1) in California; (2) by Defendants (inclusive of the previously dismissed entity, Delta Enterprise Corp. d/b/a/ Delta Children’s Product Corp.) (3) as hourly and/or non-exempt employees; and (4) at any point between February 19, 2020 to the end date of the Class Period (the “PAGA Period”).

“Class” or “Class Members” means the following: all individuals who are or were previously employed (1) in California; (2) by Defendants (inclusive of the previously dismissed entity, Delta Enterprise Corp. d/b/a/ Delta Children’s Product Corp.) (3) as hourly and/or non-



exempt employees; and (4) at any time between January 1, 2018, and the earlier of: the date of preliminary approval of this settlement; or the date that the total workweeks are at or exceed 19,233 (the “Class Period”).

“Class Counsel” means counsel for the Plaintiffs, Grant Joseph Savoy and Shoham J. Solouki of Solouki & Savoy, LLP.

“Class Period” means the time between January 1, 2018, and the earlier of: (1) the date of preliminary approval of this settlement; or (2) the date that the total workweeks are at or exceed 19,233.

“Complaint” means the operative complaint(s) filed by Plaintiffs in the Action and all amendments thereto titled *Angelica Cruz Rodriguez; and Maria Magdalena Navarrette v. Distribution Services of California, LLC; and Next Level Staffing* (San Bernardino Superior Court Case No. CIVSB2105679.)

“Defendants” means Distribution Services of California, LLC, (“DSC”) and Next Level Staffing (“NLS”) (collectively, “Defendants”).

“Effective Date” means the date by which the Court’s order granting Final Approval of this Joint Stipulation becomes final. Such order becomes final upon the following events: (i) upon the Court issuing an order granting Final Approval of this Joint Stipulation if no objections to the Settlement are filed, or if an objection is filed but is withdrawn prior to the Court’s Final Approval Hearing; or (ii) in the event there are written objections filed prior to the final approval hearing which are not thereafter withdrawn prior to the hearing, the later of the following events: (a) the day after the last day by which a notice of appeal of the order may be timely filed with the California Court of Appeal, and none is filed; (b) if an appeal is filed and is finally disposed of by ruling, dismissal, denial, or otherwise, the day after the last date for filing a request for further review of the Court of Appeal’s decision passes and no further review is requested, and if the terms



1 of this Settlement are not materially modified by the Court of Appeal, except that a decrease in the  
2 amount of attorneys' fees' or costs awarded shall not be deemed a "material modification" as  
3 provided herein; (c) if an appeal is filed and there is a final disposition by ruling, dismissal, denial,  
4 or otherwise by the Court of Appeal, and further review of the Court of Appeal's decision is  
5 requested, the day after the request for review is denied with prejudice and/or no further review of  
6 the order can be requested, and if the terms of this Settlement are not materially modified by the  
7 Court of Appeal, except that a decrease in the amount of attorneys' fees' or costs awarded shall not  
8 be deemed a "material modification" as provided herein; or (d) if review is accepted, the day the  
9 Supreme Court of the State of California affirms the Settlement, provided that it does not  
10 materially modify any terms of this Settlement, except that a decrease in the amount of attorneys'  
11 fees' or costs awarded shall not be deemed a "material modification" as provided herein.  
12

13  
14 "Final Approval" means the date upon which the Court enters an order granting approval of  
15 this Joint Stipulation, after having determined that the Settlement is fair, adequate, and reasonable  
16 to the Class following notice to the Class and a hearing on the fairness of the Settlement.

17 "Final Approval Hearing" means the final hearing held to ascertain the fairness,  
18 reasonableness, and adequacy of the Joint Stipulation, after which the Court will enter its order  
19 approving the Joint Stipulation finally.  
20

21 "Opt-Out" means all persons who timely and validly request exclusion from the Class.  
22 Class Members who Opt-Out will still release PAGA claims.

23 "PAGA Period" means period from February 19, 2020 to the end date of the Class Period.

24 "PAGA Payment" means the \$20,000.00 allocated from the Gross Settlement Amount for  
25 release of penalties under PAGA, 75% (\$15,000.00) of which will be paid to the California Labor  
26 & Workforce Development Agency ["LWDA"] and 25% (\$5,000.00) will be paid to Aggrieved  
27 Employees.  
28

1 “PAGA Released Claims” means all claims which Plaintiffs, and Aggrieved Employees  
2 have, as disclosed in the LWDA letter sent on February 18, 2021, August 24, 2021, and the  
3 Complaint. These include claims under Labor Code Sections 201-203, 226, 226.2, 226.3, 204, 210,  
4 226.7, 403, 404, 510, 512, 558, 1102.5, 1174, 1174.5, 1194, 1197, 1197.1, 1198, and 2802.

5 “Parties” means Plaintiffs and Defendants.

6 “Preliminary Approval” means the date upon which the Court enters an order granting  
7 preliminary approval of this Joint Stipulation.

8 “Preliminary Approval Hearing” means the hearing held on the Motion for Preliminary  
9 Approval of the Joint Stipulation.

10 “Class Released Claims” means all claims which Plaintiffs, the Class, and/or any Class  
11 Member had, may claim to have, or could have asserted against any of the Released Parties, for any  
12 and all federal, state and local demands, rights, liabilities, claims and/or causes of action of every  
13 nature and description whatsoever, known or unknown, that are alleged in the Action, or could  
14 have been alleged in the Action based upon the facts alleged prior to the Court’s approval of this  
15 Settlement, arising out of, relating to, or in connection with any act or omission by or on the part of  
16 any or all of the Defendants, including but not limited to Defendants’ alleged failure to provide  
17 meal and rest breaks or pay premium pay in lieu thereof, pay overtime wages, pay minimum  
18 wages, pay all wages during employment, pay all wages due to discharged employees, furnish  
19 accurate itemized wage statements, maintain required employee records, and indemnify employees  
20 for business expenses, and any and all federal, state, and local laws, statutes, regulations,  
21 ordinances, codes, including any and all violations of Labor Code sections 201-204, 210, 226,  
22 226.2, 226.7, 403, 404, 510, 512, 558, 1102.5, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198,  
23 1198.5, 1198.12, and 2802, Cal. Bus. & Prof. Code Section 17200 et. seq, any provision of the  
24 Industrial Welfare Commissions Orders and any provision of COVID-19 temperature check related  
25  
26  
27  
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Executive Orders, California Department of Public Health Orders, county orders, city orders or municipality orders to the extent permitted by law, or California's Unfair Competition Law.

"Released Parties" means Defendants, and each of its parent companies, subsidiaries, related companies, affiliates, dbas, current and former management companies, shareholders, and any past, present or future officers, directors and employees, predecessors, successors, and assigns.

"Settlement Administrator" means CPT Group, Inc.

"Settlement Administrator's Fees" means all fees, costs, and expenses relating to the administration of the settlement in this Action, including without limitation, printing and mailing Class Notice Forms, receiving and processing Opt-Outs, calculating and determining payments and percentages, regularly updating counsel on the status of administration, and the accounting and maintenance of the Settlement Fund Account.

"Settlement Fund Account" means the bank account established under this Joint Stipulation from which all monies payable under this Joint Stipulation shall be paid, as set forth herein.

"Gross Settlement Amount" means \$625,000.00 that Defendants will pay in the aggregate to resolve this Action, on a non-claims-made and non-reversionary basis. The Gross Settlement Amount is all-inclusive. The employer's portion of the payroll taxes will be paid outside of and in addition to the Gross Settlement Amount. The following costs will be deducted from the Gross Settlement Amount: (1) attorney fees and costs (Defendants will not oppose Class Counsel's request for attorney fees amounting to 33.33% of the Gross Settlement Amount, or \$208,333.00, and reasonable litigation costs as documented in the attorney's declaration substantiating the costs); (2) settlement administration fees (up to \$12,500.00); (3) Incentive Awards to Plaintiffs, as class representatives, in the amount of \$7,500.00 each, or \$15,000.00 total; and (4) \$20,000.00 for penalties under PAGA 75% (\$15,000.00) of which will be paid to the California Labor & Workforce Development Agency ["LWDA"] and 25% (\$5,000.00) will be paid to Aggrieved



1 Employees. Any deductions from the above allocations will be deposited into the Settlement Fund  
2 Account and will be included in the Net Settlement Amount for distribution to the Class.

3 “Net Settlement Amount” means the net amount available for payment of claims to Class  
4 Members and Aggrieved Employees after deducting the above-referenced costs from the Gross  
5 Settlement Amount. If the Court approves a lesser amount of any of the above-referenced costs, the  
6 Net Settlement Amount will increase proportionately. In other words, any reductions from the  
7 above-referenced costs will increase the Net Settlement Amount proportionally – also referred to  
8 herein as the “Payout Fund.”  
9

## 10 **II. RECITALS**

11 On February 19, 2021, Plaintiffs commenced this Action by filing a class complaint against  
12 Defendants alleging class claims and causes of action for: (1) failure to provide required meal  
13 periods; (2) failure to provide required rest periods; (3) failure to pay overtime wages; (4) failure to  
14 pay minimum wage; (5) failure to timely pay wages; (6) failure to pay all wages due to discharged  
15 and quitting employees; (7) failure to maintain required records; (8) failure to furnish accurate  
16 itemized statements; (9) failure to indemnify employees for necessary expenditures incurred in  
17 discharge of duties; (10) unfair and unlawful business practices; and (11) Private Attorneys  
18 General Act of 2004. On October 25, 2021, Plaintiffs amended their complaint to include a PAGA  
19 claim seeking penalties pursuant to the Private Attorneys General Act for the class claims. The  
20 amended complaint is the Operative Complaint in the Action.  
21  
22

23 Defendants deny the allegations in the Operative Complaint, deny any failure to comply  
24 with the laws identified in the Operative Complaint and deny any and all liability for the causes of  
25 action alleged.

26 On January 9, 2024, the Parties participated in an all-day mediation presided over by Chris  
27 Barnes, Esq. the Mediation resulted in a settlement.  
28

1 Prior to mediation, Plaintiffs obtained, through informal discovery, documents and  
2 information.

3 The Court has not granted class certification or otherwise evaluated the merits of the case or  
4 the claims asserted therein.

5  
6 **III. PRE-TRIAL PROCEEDINGS AND NEGOTIATIONS**

7 **A. Discovery, Investigation, and Research**

8 The Parties investigated facts and law throughout the Action. Investigation included the  
9 exchange of information under informal discovery. It also included preparing for and attending a  
10 full-day mediation with esteemed mediator Chris Barnes, Esq. Specifically, the Parties fully  
11 briefed their legal and factual positions in confidential mediation briefs submitted to mediator  
12 Chris Barnes, Esq. in advance of the mediation and further engaged in lengthy discussions with the  
13 mediator prior to the day of mediation. The Parties eventually reached a settlement after a full day  
14 of mediation.

15  
16 The Parties investigated relevant law as applied to the facts of the case, potential defenses,  
17 and damages claimed by Plaintiffs on behalf of themselves and the Class. Discovery largely  
18 focused on Plaintiffs' allegations that Class Members were not paid all wages owed, including  
19 overtime wages, were not provided with all meal and rest breaks under California law, received  
20 improper wage statements, and were not paid all owed and due wages upon separation of  
21 employment. In addition, the Parties exchanged information pertaining to number of employees  
22 and pay periods for the relevant periods. Information and data exchanges included information  
23 necessary to evaluate the claims as detailed in Class Counsel's declarations. The Parties conducted  
24 their own evaluations of the potential recoveries based on the claims alleged in the Action and the  
25 defenses at play, in addition to assessing ongoing developments in the case law and relevant legal  
26 landscape.  
27  
28



1           B.     Allegations of the Class Representatives and Benefits of Settlement

2           The Parties entered into this Joint Stipulation after arm's length bargaining by the Parties  
3 with the assistance of a very experienced mediator and after Class Counsel thoroughly reviewed all  
4 available evidence. The information exchanged between the Parties allowed them to assess the  
5 merits of the claims and defenses, and to reach a compromise of the issues.  
6

7           Plaintiffs and Class Counsel all contend the claims asserted in the Action have merit.  
8 However, they also acknowledge the expense and delay of continued litigation. Class Counsel  
9 considered the uncertain outcome and risk of litigation, and the difficulties and delays inherent in  
10 such litigation. Class Counsel also considered potential difficulty maintaining the Action as a class  
11 action, and the likelihood of appeals. In addition, Class Counsel considered Defendants' numerous  
12 defenses. The Parties understand that their risks associated with the case and the potential claims  
13 and defenses.  
14

15           Class Counsel determined this Joint Stipulation confers substantial benefit to the Class and  
16 respectfully submits an independent review by the Court will confirm this conclusion. Class  
17 Counsel has determined that this Joint Stipulation is in the best interests of Plaintiffs and the Class  
18 Members.  
19

20           C.     Defendants' Denial of Wrongdoing, Defenses, and Benefits of Settlement

21           Defendants generally deny all claims alleged in the Action and further deny class or  
22 representative treatment is appropriate for any purpose other than this settlement. Defendants  
23 contend they complied with all applicable laws, regulations, Executive Orders, and guidelines,  
24 whether California or federal authorities and rules. It is therefore also Defendants' position that if  
25 litigation continued, class certification would not be granted, or if it were, that it would be reversed,  
26 and would not result in any liability on the merits in any event. Defendants contend Plaintiffs are  
27 not adequate class representatives, that Plaintiffs' claims are not typical of the Class, and that  
28



1 individual issues predominate over common ones, rendering any proposed class action or  
2 representative action trial unmanageable. Plaintiffs disagreed with all of Defendants defenses and  
3 other contentions. However, Defendants have concluded further litigation would be protracted and  
4 expensive. Thus, Defendants determined it is desirable to settle the Action in the manner and upon  
5 the terms and conditions herein.

6  
7 D. Intent of the Settlement

8 This Joint Stipulation intends to achieve the following: (1) entry of an order approving the  
9 Joint Stipulation, conditionally certifying the Class for purposes of settlement, and granting the  
10 monetary relief set forth herein; (2) entry of judgment on Plaintiffs' alleged claims pursuant to the  
11 terms of the Joint Stipulation; and (3) discharge of Released Parties from liability for all Class  
12 Released Claims. The Parties agree to cooperate fully with one another to accomplish and  
13 implement the terms of this Stipulation. Such cooperation shall include, but not be limited to,  
14 execution of such other documents and the taking of such other actions as may reasonably be  
15 necessary to fulfill the terms of this Class Settlement unless the Court denies the Proposed  
16 Settlement with prejudice.

17  
18 **IV. MOTION FOR PRELIMINARY APPROVAL**

19 A. Plaintiffs' Responsibilities

20 Class Counsel will submit this Joint Stipulation to the Court with a Motion for Preliminary  
21 Approval of Class Action Settlement. Defendants will not oppose the Motion, but Plaintiffs will  
22 provide Defendants with copies of the proposed Motion reasonably in advance of its filing for  
23 comment and feedback.

24  
25 Plaintiffs will prepare and deliver to Defendants all documents necessary for obtaining  
26 Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the  
27 Motion for Preliminary Approval that includes a request for approval of the PAGA Settlement  
28

1 under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary  
2 Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed  
3 declaration from the Administrator attaching its “not to exceed” bid for administering the  
4 Settlement and attesting to its willingness to serve; competency; operative procedures for  
5 protecting the security of Class Data; amounts of insurance coverage for any data breach,  
6 defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of  
7 interest with Class Members; and the nature and extent of any financial relationship with Plaintiff,  
8 Class Counsel or Defense counsel; (v) signed declarations from Plaintiffs confirming willingness  
9 and competency to serve and disclosing all facts relevant to any actual or potential conflicts of  
10 interest with Class Members; (vi) a signed declaration from Class Counsel attesting to its  
11 competency to represent the Class Members; its timely transmission to the LWDA of all necessary  
12 PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative  
13 Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699,  
14 subd. (l)(2)); (vii) all facts relevant to any actual or potential conflict of interest with Class  
15 Members.  
16  
17

18 **B. Responsibilities of Counsel**

19 Class Counsel and Defense counsel are jointly responsible for expeditiously finalizing and  
20 filing the Motion for Preliminary Approval no later than 30 days after the full execution of this  
21 Joint Stipulation; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for  
22 appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is  
23 responsible for delivering the Court’s Preliminary Approval to the Administrator.  
24

25 **V. SETTLEMENT ADMINISTRATION**

26 **A. Settlement Administrator**

27 The Settlement Administrator will handle: (1) preparing, printing, and mailing  
28



1 simultaneously the Notice of Settlement , which will include Notice of Class Action and PAGA  
2 Settlement, in substantially the same form as the attached **Exhibit 1** (the “Class Notice”) in both  
3 English and Spanish; (2) receiving and reviewing any Opt-Outs; (3) calculating payments under the  
4 settlement; (4) handling inquiries from Class Members and PAGA Employees concerning the  
5 Notice Packet; (5) resolving any Pay Period disputes; (6) providing weekly status reports to  
6 Defendants’ counsel and Class Counsel regarding the mailings, Opt-Outs, and settlement  
7 payments; (7) distributing settlement payments to Class Members, PAGA Employees and payment  
8 to other parties under the terms of this Joint Stipulation; (8) providing due diligence declarations  
9 for submission to the Court, as needed; (9) printing and providing Class Members and Plaintiffs  
10 with tax forms as required under this Joint Stipulation and applicable law, and providing copies of  
11 the same to Defendants; (10) translating the Notice Packet to Spanish; (11) sending, and/or  
12 responding to submissions of Opt-Outs, or contact information updates; and (12) such other tasks  
13 as the Parties mutually agree or the Court orders the Settlement Administrator to perform.  
14

15  
16 The Settlement Administrator will skip trace and re-mail all returned, undeliverable mail  
17 within seven (7) days of receiving notice the mailing was undeliverable. The Settlement  
18 Administrator will also handle payments to Plaintiffs for their Incentive Awards, payment of Class  
19 Counsel’s attorney fees and costs as approved by the Court, and payment of PAGA penalties to the  
20 LWDA. The Settlement Administrator will also handle the distribution of any remaining amounts  
21 from uncashed checks in accordance with the procedures set forth below. (*See* Section IV.F.)  
22 Settlement Administrator’s Fees are to be paid from the Gross Settlement Amount.  
23

24 **B. Notice to Class Members**

25 Notice will be provided to Class Members as follows:

26 Within 30 calendar days of Preliminary Approval, Defendants will provide the Settlement  
27 Administrator with the following information about each Class Member and PAGA Employee: (1)  
28

1 name; (2) last known mailing address and telephone number; (3) Social Security Number; (4) dates  
2 of employment; and (5) total pay periods worked during the Class Period (collectively, “Class  
3 Data”).

4       Within 14 calendar days after the Settlement Administrator’s receipt of the Class Data, the  
5 Settlement Administrator will calculate the estimated payout to the individual Class Members and  
6 PAGA Employees based on the assumption that all Class Members and PAGA Employees  
7 participate in the Settlement, and it will mail the Notice Packet to such Class Members and PAGA  
8 Employees via first-class regular U.S. mail.

9  
10       Prior to mailing, the Settlement Administrator will perform a search based on the National  
11 Change of Address Database for information to update and correct any known or identifiable  
12 address changes. It will be conclusively presumed that the Class Member or PAGA Employee  
13 received the Notice Packet if the Notice Packet has not been returned within 30 days of mailing. If  
14 a new address is obtained by way of a returned Notice Packet or otherwise, then the Settlement  
15 Administrator will promptly forward the original Notice Packet to the updated address via first-  
16 class regular U.S. mail, along with a cover letter advising the class member that their opt out period  
17 (as described below) has been extended an additional fourteen (14) days from the remailing.

18  
19       Upon completion of these steps by the Settlement Administrator, the Parties will be deemed  
20 to have satisfied their obligation to provide notice of the settlement to Class Members and PAGA  
21 Employees and the requirements of due process. Such persons will be bound by all terms of the  
22 Joint Stipulation (including the release) and the Court’s order and final judgment, unless they  
23 validly Opt-Out of the Class.

24  
25       Class Members who receive a re-mailed Notice Packet shall have his/her opt out period  
26 extended an additional 14 days. All re-mailed Notice Packets shall be accompanied by a cover  
27 letter advising the Class Member that his/her “opt-out” period has been extended 14 days on  
28



1 account of the re-mailing.

2 C. Procedure for Opting-Out of Class

3 Class Members who wish to exclude themselves from the Class must mail the Settlement  
4 Administrator a signed and dated document requesting exclusion from the Class within 60 calendar  
5 days after the date the Notice Packet was mailed (the "Class Member Exclusion Deadline"), or as  
6 extended in the case of a re-mailed Notice Packets (i.e., an additional fourteen (14) days), unless  
7 the Court orders otherwise. Requests for exclusion should be made in writing, indicate the Class  
8 Member's first and last name, and employee identification number or last four digits of the Class  
9 Member's social security number, and indicate "I WISH TO BE EXCLUDED FROM THE  
10 SETTLEMENT," or words to that effect. Requests for exclusion must also be signed by the Class  
11 Member, and must be submitted by postal mail. The delivery date is the date the Class Member's  
12 request for exclusion is deposited in the U.S. Mail as evidenced by the postmark and shall govern  
13 the timeliness of the request for exclusion  
14  
15

16 Absent a good cause finding by the Court, a request to be excluded from the Class will be  
17 deemed valid only if the Class Member completed, dated, and signed the Opt-Out Form by the  
18 Class Member Exclusion Deadline.

19 Any Class Member who timely submits a valid Opt-Out Form will not be entitled to  
20 recovery from the settlement (aside from their share of PAGA penalties if they are also a PAGA  
21 Employee) and will not be bound by the settlement, judgment, or order in this Action. Nor will  
22 they be able to object, appeal, or comment on the settlement. Class Members who fail to properly  
23 submit an Opt-Out Form will be bound by all the terms of this Joint Stipulation, and any judgment  
24 and order entered in the Action. The Settlement Administrator will provide counsel for the Parties  
25 with weekly updates about Class Members who submit Opt-Out Forms.  
26

27 Class Members who Opt-Out shall still release PAGA claims if they are a PAGA Employee  
28

1 and will be entitled to their share of PAGA penalties.

2 D. Procedure for Disputing Pay Periods

3 The Settlement Administrator's determination of eligibility for, and the amounts of, any  
4 settlement payment under this Joint Stipulation will be conclusive, final, and binding on all Parties,  
5 including all Class Members and PAGA Employees. To dispute the number of pay periods with  
6 which he or she has been credited, a Class Member must timely produce evidence to the Settlement  
7 Administrator showing that the pay period information is inaccurate by the Class Member  
8 Exclusion Deadline. The delivery date is deemed to be the date the dispute is deposited in the U.S.  
9 Mail as evidenced by the postmark. Class Members and PAGA Employees shall have sixty (60)  
10 calendar days to dispute the pay period information, or as extended in the case of a re-mailed  
11 Notice Packet (i.e., an additional fourteen (14) days). The Settlement Administrator shall decide  
12 the dispute after notifying Class Counsel and Defendants' counsel of the dispute. Defendants'  
13 records will be presumed correct, but the Settlement Administrator will evaluate the evidence  
14 submitted by the Class Member and will make the final decision on the merits of the dispute. The  
15 Settlement Administrator may ask Defendants to produce documents pertaining to the Class  
16 Member disputing his or her credited pay periods in order for the Settlement Administrator to  
17 resolve the dispute.

21 E. Procedure for Objecting to Settlement

22 Any Class Member who seeks to object to the settlement may serve a copy of the objection  
23 to the Settlement Administrator. Any Class Member may also object by appearing either in person  
24 or by attorney at the Final Approval Hearing. All written objections must be served within sixty  
25 (60) calendar days of mailing of the Class Notice, or as extended in the case of a re-mailed Notice  
26 Packet (i.e., an additional fourteen (14) days). Neither the Parties nor their respective counsel will  
27 solicit or otherwise encourage any Class Member, directly or indirectly, to object to the Settlement,  
28



1 or appeal from the Judgment. The Settlement Administrator will provide counsel for the Parties  
2 with weekly updates about Class Members who object to the settlement.

3 F. Final Approval

4 At the Final Approval Hearing, Class Counsel will move the Court for the entry of  
5 judgment, incorporating the Joint Stipulation. Class Counsel will seek approval of the Joint  
6 Stipulation as being fair, adequate, and reasonable to the Class Members. Class Counsel and  
7 Defendants' counsel will submit to the Court such pleadings and evidence as required for the  
8 Court's determination.  
9

10 No later than thirty (30) calendar days before the Final Approval Hearing, the Settlement  
11 Administrator will serve on Class Counsel and Defendants' counsel, for filing with the Court in  
12 support of Plaintiffs' motion for final approval of the settlement, a declaration of due diligence  
13 setting forth its compliance with its obligations under this Joint Stipulation, including, but not  
14 limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of  
15 Class Notices, attempts to locate Class Members, the total number of requests for exclusion from  
16 settlement it received (opt-out requests, both valid or invalid), and the number of written  
17 objections. The Administrator will supplement its declaration as needed or requested by the Parties  
18 and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in  
19 Court.  
20

21 G. Final Report by Settlement Administrator

22 Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount,  
23 the Administrator will provide Class Counsel and Defense counsel with a final report detailing its  
24 disbursements by employee identification number only of all payments made under this  
25 Agreement. At least 14 days before any deadline set by the Court, the Administrator will prepare,  
26 and submit to Class Counsel and Defense counsel, a signed declaration suitable for filing in Court  
27  
28

1 attesting to its disbursement of all payments required by this Joint Stipulation. Class Counsel is  
2 responsible for filing the Administrator's declaration in Court.

3 **VI. SETTLEMENT TERMS**

4 A. Gross Settlement Amount and Settlement Payments

5 To settle the Class and PAGA Released Claims in the Action, Defendants will pay its  
6 portion of the Gross Settlement Amount on an all-inclusive, non-reversionary basis. Except as  
7 otherwise required herein, Defendants will not be required to contribute additional sums to fund the  
8 settlement or otherwise resolve this action. All Class Members and PAGA Employees will be  
9 eligible to participate in the settlement. Class Members and PAGA Employees will receive a pro-  
10 rata share of the Net Settlement Amount under a pay period formula, as set forth below.  
11

12 B. Increase in Gross Settlement Amount

13 In advance of mediation, Defendants disclosed there were 16,724 workweeks through  
14 January 9, 2024. If the figures provided by Defendants increases by greater than 15%, Defendants  
15 may, at their discretion, end the Class Period on the date the workweeks meet or exceed 19,233 or  
16 may increase the settlement fund proportionally (i.e., if the total aggregated work weeks increases  
17 by 16%, Defendants will be required to increase the Settlement Sum by 1%).  
18

19 C. Establishment of Settlement Fund Account

20 Within seven (7) days of Final Approval, the Settlement Administrator will establish the  
21 Settlement Fund Account in a non-interest bearing transaction account at a FDIC-insured  
22 institution designated by Defendants with at least one branch in California.  
23

24 D. Allocation of Settlement Proceeds

25 The Gross Settlement Amount is inclusive of and will be allocated as follows:

26 i. The Fee Award, which is the amount the Court awards to Class Counsel for their  
27 attorney fees, in an amount not exceeding 33 and 1/3% (\$208,333.00) of the Gross Settlement  
28



Amount;

ii. The Cost Award is the amount the Court awards to Class Counsel for their reasonable litigation costs, provided that Plaintiffs' counsel submits a declaration substantiating the costs.

iii. The Incentive Award, which comprises the amount the Court awards to the named Plaintiffs as class representatives, in an amount not exceeding \$7,500.00 each, or \$15,000.00 total;

iv. The Settlement Administrator's Fees, as approved by the Court, estimated at \$12,500.00;

v. PAGA penalties in an amount not to exceed \$20,000.00 (75% [\$15,000.00] of which will go to the LWDA and 25% [\$5,000.00] to PAGA Employees.);

vi. The Payout Fund, which is the total money available for payout to Class Members who do not Opt Out, after deducting the above amounts;

vii. Payment to Class Members who do not Opt Out shall be allocated as follows: 20% of each payment allocated to wages and 40% to interest and 40% penalties;

viii. If the Court approves a lesser amount of any of the above-referenced costs or penalties, the Payout Fund will increase proportionately.

No funds will revert to Defendants.

#### E. Distribution of Settlement Proceeds

The Settlement Administrator will keep Defendants' counsel and Class Counsel apprised of all distributions from the Settlement Fund Account. No person will have any claim against Defendants, Defendants' counsel, Plaintiffs, Class Counsel, or the Settlement Administrator based on distributions and payments made under this Joint Stipulation. Distribution of the Gross Settlement Amount will be as follows:

1                   1.       Initial Payment

2           Fourteen (14) calendar days after the Effective Date, Defendants shall provide the  
3 Settlement Administrator with the Gross Settlement Amount. Within seven (7) calendar days after  
4 receiving the Gross Settlement Amount from Defendants, the Settlement Administrator will pay  
5 the Fee Award, the Cost Award, the Incentive Award, the payment to the LWDA, and the  
6 Settlement Administrator's Fees, based on how the Court rules at the Final Approval Hearing. The  
7 remainder of the Gross Settlement Amount, known as the Payout Fund or the Net Settlement  
8 Amount, will be calculated and distributed as set forth below.

10                   2.       Payout to Class Members and PAGA Employees

11           The Settlement Administrator will calculate the individual settlement payments to Class  
12 Members who do not submit valid Opt-Outs. These payments will be calculated by assigning a  
13 certain dollar value to each pay period Class Members worked during the Class Period. The dollar  
14 value of each pay period will be calculated by dividing the aggregate value of the Net Settlement  
15 Amount by the total number of pay periods worked by the Class Members who do not submit valid  
16 Opt-Outs during the Class Period. Partial pay periods will be rounded up to the nearest full pay  
17 period. A Class Member who does not submit a valid Opt-Out will receive an individual settlement  
18 payment determined by dividing the Net Settlement Amount by the total number of pay periods  
19 worked by all Class Members. Each Class Member's individual settlement payment shall be  
20 determined by the number of pay periods he or she worked on a pro rata basis. In other words, the  
21 Class Members shall receive a proportional amount of the Net Settlement Amount for each pay  
22 period that they worked during the statutory periods applicable to the Actions.

25           The Settlement Administrator will calculate the PAGA payments to PAGA Employees  
26 separately. These payments will be calculated by assigning a certain dollar value to each pay period  
27 the Aggrieved Employee worked during the PAGA Period (from February 19, 2020 to the end date  
28



1 of the Class Period). The dollar value of each pay period will be calculated by dividing the  
2 employees 25% portion of the PAGA Payment by the total number of pay periods worked by all  
3 PAGA Employees during the PAGA Period. Partial pay periods will be rounded up to the nearest  
4 full pay period. All PAGA Employees will receive an individual settlement payment determined by  
5 multiplying the number of pay periods worked during the PAGA Period by the dollar value of each  
6 pay period worked during the PAGA Period.  
7

8 The Class Members' settlement payments will be apportioned as follows: 20% of each  
9 payment allocated to wages and 40% to interest and 40% penalties. The amounts paid as wages  
10 shall be subject to all tax withholdings customarily made from employee's wages and all other  
11 authorized and required withholdings and shall be reported by W-2 forms. Payment to Class  
12 Members who do Opt Out shall still be made for their portion of the PAGA Payment if they are  
13 also an Aggrieved Employee, which shall be allocated 100% to penalties. The Settlement  
14 Administrator will issue the appropriate federal and state tax forms.  
15

16 The Class Members and PAGA Employees acknowledge and agree that Defendants and  
17 their attorneys have made no representations or warranties regarding the tax consequences of  
18 payment of the individual settlement payments, and Class Members and PAGA Employees have  
19 not relied on any such representations or warranties. Class Members and PAGA Employees further  
20 agree to pay and bear sole responsibility for all taxes, liens, levies, encumbrances, interest, and  
21 penalties that may be due or payable to any taxing authority as a result of payment of the individual  
22 settlement payments. Furthermore, Class Members and PAGA Employees agree to defend and  
23 indemnify Defendants in connection with any taxes, fines, interest, or penalties incurred as a result  
24 of any failure by Class Members and PAGA Employees, to pay taxes due, if any, on the individual  
25 settlement payments.  
26

27 The settlement payments to Class Members and PAGA Employees will be paid within  
28

1 twenty-one (21) calendar days after the Effective Date. It is expressly understood and agreed that  
2 the receipt of settlement payments will not entitle any Class Member or PAGA Employee to  
3 additional or derivative compensation or benefits under any company bonus, contest, or other  
4 compensation or benefit plan or agreement in place during the Class Period, nor will it entitle any  
5 Class Member or PAGA Employee to any increased retirement, 401k benefits or matching  
6 benefits, or deferred compensation benefits. It is the intent of the Parties that the settlement  
7 payments provided for in this Joint Stipulation are the sole payments to be made by Defendants to  
8 the Class Members and PAGA Employees for the Released Claims, and that the Class Members  
9 and PAGA Employees are not entitled to any additional or derivative compensation or benefits as a  
10 result of having received the settlement payments (notwithstanding any contrary language or  
11 agreement in any benefit or compensation plan document that might have been in effect during the  
12 period covered by this Settlement).

13  
14  
15 F. Uncashed Checks

16 Settlement checks issued to Class Members and PAGA Employees will expire one hundred  
17 and eighty (180) days from the date they are issued by the Settlement Administrator. Any check  
18 not cashed within 180 calendar days will be void. The Settlement Administrator will provide the  
19 Parties with a report of uncashed checks. The money from the uncashed checks, plus any interest  
20 accrued thereon, shall be submitted to the State Controller's Unclaimed Property Fund, such that  
21 there is no remainder.  
22

23 The Settlement Administrator shall post the Order and Judgment on the Settlement  
24 Administrator's website within seven (7) calendar days after entry of Order and Judgment. The  
25 Settlement Administrator shall post a copy of the signed judgment for one hundred eighty (180)  
26 calendar days on its website in compliance with Rule 3.771(b) of the California Rules of Court in  
27 order to provide notice to the Class Members of this Judgment.  
28



1           G.     Fee Award

2           Defendants will not oppose a request for attorney fees up to one-third (\$208,333.00) of the  
3 Gross Settlement Amount. Defendants will not be obligated to pay any attorney fees of Class  
4 Counsel, Plaintiffs, or Class Members or PAGA Employees above this amount. Class Counsels'  
5 attorney fee application will be submitted and heard during the Final Approval Hearing. The Court  
6 will determine the Fee Award. If the Court believes the Fee Award should be reduced, the other  
7 terms of the settlement will remain in effect and any such reduction will not affect the remaining  
8 terms, other than adjusting the Net Settlement Amount.  
9

10          H.     Cost Award

11          Defendants will not oppose a request for reasonable litigation expenses, provided that  
12 Plaintiffs' counsel submits a declaration substantiating the costs. Defendants will not be obligated  
13 to pay any costs of Class Counsel, Plaintiffs, or Class Members above the amount approved by the  
14 Court. Class Counsel's request for costs must be submitted with its fee application and heard  
15 during the Final Approval Hearing. The Court will determine the Cost Award. If the Court believes  
16 the Cost Award should be reduced, the other terms of the settlement will remain in effect and any  
17 such reduction will not affect the remaining terms, other than adjusting the Net Settlement Amount.  
18

19          I.     Incentive Award

20          Defendants will not object to an Incentive Award of \$7,500.00 to each Plaintiff, or  
21 \$15,000.00 total for Plaintiffs' participation in and assistance with the Litigation, and in exchange  
22 for their General Release of all claims, as set forth in section VII, below. Defendants will not be  
23 obligated to pay any Incentive Award in the Action above this amount. The Incentive Award will  
24 be considered miscellaneous income. The Settlement Administrator will issue a Form 1099, and  
25 any other tax forms, to Plaintiffs relating to this award. The Court will determine the Incentive  
26 Award. If the Court believes the Incentive Award should be reduced, the other terms of the  
27  
28

1 settlement will remain in effect and any such reduction will not affect the remaining terms, other  
2 than adjusting the Net Settlement Amount.

3 Plaintiffs acknowledge and agree that Defendants and their attorneys have made no  
4 representations or warranties regarding the tax consequences of payment of the Incentive Award,  
5 and Plaintiffs have not relied on any such representations or warranties. Plaintiffs further agree to  
6 pay and bear sole responsibility for all taxes, liens, levies, encumbrances, interest, and penalties  
7 that may be due or payable to any taxing authority as a result of payment of the Incentive Award.  
8 Furthermore, Plaintiffs agree to defend and indemnify Defendants in connection with any taxes,  
9 fines, interest, or penalties incurred as a result of any failure by Plaintiffs, to pay taxes due, if any,  
10 on the Incentive Award paid.  
11

12 J. Settlement Administrator Fees  
13

14 The Parties agree settlement administration costs will be deducted from the Gross  
15 Settlement Amount, subject to approval by the Court, in an amount up to \$12,500.00.

16 K. PAGA Penalties

17 The Parties agree to allocate \$20,000.00 of the Gross Settlement Amount to the resolution  
18 of all claims for penalties under PAGA during the PAGA Period. Under Labor Code § 2699(i),  
19 75% of that amount [\$15,000.00] will be paid to the LWDA. This amount will be paid by the  
20 Settlement Administrator within seven (7) calendar days after receiving the Gross Settlement  
21 Amount from Defendants. The other 25% [\$5,000.00] will be paid to PAGA Employees. These  
22 penalties may be paid regardless of a Class Member Opting-Out or Objecting to the Settlement if  
23 that Class Member is also an Aggrieved Employee. Plaintiffs shall be responsible for all reporting  
24 and communications to the LWDA regarding this settlement and resolution of these Actions.  
25

26 L. Defendants' Fees and Costs  
27

28 Defendants will bear their own fees and costs.



1 **VII. RELEASE OF CLAIMS**

2 Effective on the date when Defendants fully fund the entire Gross Settlement Amount and  
3 fund all employer payroll taxes owed on the individual Class Payments, Plaintiffs, participating  
4 Class Members, Aggrieved Employees, Class Counsel and the State of California will release  
5 claims against all Released Parties as follows:  
6

7 A. Release by Participating Class Members Who Are Not Aggrieved Employees

8 All participating Class Members, on behalf of themselves and their respective former and  
9 present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release  
10 Released Parties of and from all of the Class Released Claims during the Class Period as applicable  
11 and the PAGA Period, and all claims and allegations made in the Action, including all claims that  
12 are alleged or could have been alleged in the Action, including but not limited to claims for failure  
13 to provide meal and rest breaks or pay premium pay in lieu thereof, unpaid overtime wages, unpaid  
14 minimum wages, failure to pay all wages during employment, waiting time penalties, furnish  
15 accurate itemized wage statements, maintain required employee records, and indemnify employees  
16 for business expenses, and any and all federal, state, and local laws, statutes, regulations,  
17 ordinances, codes, including any and all violations of the California Labor Code including, but not  
18 limited to violations of Labor Code sections 201-204, 210, 226, 226.2, 226.7, 403, 404, 510, 512,  
19 558, 1102.5, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1198.12, and 2802, and  
20 recovery of civil penalties pursuant to PAGA (California Labor Code 2698 et seq.) as it relates to  
21 the underlying Labor Code claims referenced above, and interest, fees, and costs from March 1,  
22 2019 through the date the Court signs the preliminary approval order, Cal. Bus. & Prof. Code  
23 Section 17200 et. seq, any provision of the Industrial Welfare Commissions Orders and California  
24 Department of Public Health Orders, county orders, city orders or municipality orders to the extent  
25 permitted by law, or California's Unfair Competition Law. Released claims shall also mean any  
26  
27  
28

1 other claims that could have been brought based on the factual allegations made in the Action,  
2 whether known or unknown, suspected or unsuspected.

3 **B. Release by Non-Participating Class Members Who Are Aggrieved Employees**  
4 **and the State of California**

5 All Non-Participating Class Members who are Aggrieved Employees and the State of  
6 California are deemed to release, on behalf of itself, themselves and their respective former and  
7 present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the  
8 Released Parties from all claims for PAGA penalties from February 19, 2020 to the date of  
9 approval of the Settlement that were alleged, or reasonably could have been alleged, based on the  
10 facts stated in the Operative Complaint and/or the PAGA Notice, including without limitation  
11 PAGA claims  
12  
13 predicated on violations of the California Labor Code sections 1194, 1194.2 1197, and 1197.1.

14  
15 1. **No Right to Opt-Out or Object to PAGA Release.**

16 Because this Settlement, in part, resolves claims and actions brought pursuant to PAGA by  
17 Plaintiffs acting as a proxy and as a private attorney general of and for the State of California, the  
18 Parties agree that no Aggrieved Employee (including Plaintiffs) has the right to exclude themselves  
19 from the PAGA Release, regardless of whether: (1) the Aggrieved Employee opts-out of the Class  
20 Release; (2) the Aggrieved Employee cashes or otherwise receives any payment from this  
21 Settlement. Upon the Effective Date, this Settlement will preclude Aggrieved Employees from  
22 pursuing any of the Released Claims against the Released Parties. The Parties also agree that no  
23 Aggrieved Employee (including Plaintiffs) has the right to object to the terms of the Settlement  
24 Agreement.  
25

26  
27 **C. Release of Claims by Named Plaintiffs**

28 In addition to the release above, and in consideration of the incentive award, Plaintiffs



1 make the additional following general release of all claims, known or unknown. Plaintiffs and  
2 their respective former and present spouses, representatives, agents, attorneys, heirs,  
3 administrators, successors, and assigns generally, release and discharge the Released Parties from  
4 all claims, transactions, occurrences, demands, rights, liabilities and causes of action of every  
5 nature and description whatsoever, from the beginning of time through the Effective Date of this  
6 Settlement, known or unknown, asserted or that might have been asserted prior to the Court's  
7 approval of this Settlement, arising out of, relating to, or in connection with any act or omission by  
8 or on the part of any or all Released Parties, including but not limited to: all claims that were, or  
9 reasonably could have been, alleged by Plaintiffs, including but not limited to those based on the  
10 facts contained, in the Operative Complaint; and all PAGA claims that were, or reasonably could  
11 have been, alleged based on facts contained in the Operative Complaint, Plaintiffs' PAGA Notice,  
12 and all claims released below. (The release set forth in this section VI shall be referred to as the  
13 "General Release.")  
14

15  
16 Without limiting the generality of the foregoing, Plaintiffs expressly release all claims or  
17 rights against Released Parties arising out of or relating to alleged violations of any contracts,  
18 express or implied (including but not limited to any contract of employment); any contract or  
19 covenant of good faith and fair dealing (express or implied); and any tort, including any claim for  
20 improper or unauthorized wage deductions, failure to pay the applicable wage, unpaid wages,  
21 unpaid vacation benefits, penalties, liquidated damages, other damages, overtime, unreimbursed  
22 business expenses and alleged "off the clock" work under federal and state law, including  
23 California Labor Code Sections 204 and 558, waiting time penalties pursuant to California Labor  
24 Code Section 203, damages or penalties pursuant to California Labor Code Section 226, meal  
25 period and rest break payments pursuant to California Labor Code Sections 226.7 and 512, failure  
26 to provide itemized wage statements pursuant to California Labor Code Section 226, statutory or  
27  
28

1 civil penalties pursuant to California Labor Code Sections 210, unfair competition and unfair  
2 business practices pursuant to business and Professions Code Section 17200 *et seq.*, interest and  
3 costs pursuant to California Civil Code Section 3287 and California Labor Code Section 218.6,  
4 statutory or common law rights to attorneys' fees and costs, including those pursuant to California  
5 Labor Code Section 1194 *et seq.*, and the alleged violation or breach of any other state or federal  
6 statute, rule, regulation, Executive Order, and/or guideline; including all applicable Industrial  
7 Welfare Commission Wage Orders, and all similar causes of action, including but not limited to,  
8 any claim for restitution, equitable relief, interest, penalties, costs or attorneys' fees in connection  
9 with any of the foregoing, negligent infliction of emotional distress, intentional infliction of  
10 emotional distress and defamation; any "wrongful discharge," "constructive discharge," and  
11 "retaliation" claims; any claims relating to any breach of public policy; any legal restrictions on  
12 Defendants' rights to discharge employees; and any federal, state, or other governmental statute,  
13 regulation, or ordinance, including without limitation: (1) Title VII of the Civil Rights Act of 1964  
14 (race, color, religion, sex, and national origin discrimination or harassment, including retaliation  
15 for reporting discrimination or harassment); (2) 42 U.S.C. § 1981 (discrimination); (3) Equal Pay  
16 Act, 29 U.S.C. 209(d)(1) (equal pay); (4) Americans with Disabilities Act, 42 U.S.C. § 12100 *et*  
17 *seq.* (disability discrimination); (5) Family and Medical Leave Act, 29 U.S.C. § 2601 *et seq.*  
18 (family/medical leave); (6) California Fair Employment and Housing Act, Cal. Government Code  
19 § 12900 *et seq.* (discrimination or harassment in employment and/or housing, including  
20 discrimination or harassment based on race, religious creed, color, national origin, ancestry,  
21 disability, marital status, sex (including pregnancy), or age, including retaliation for reporting  
22 discrimination or harassment); (7) California Family Rights Act, Cal. Government Code § 12945  
23 *et seq.* (family/medical leave); (8) California Labor Code, or any Industrial Welfare Commission  
24 Wage Order; (9) Executive Order 11246 (race, color, religion, sex, and national origin  
25  
26  
27  
28



1 discrimination or harassment); (10) Executive Order 11141 (age discrimination); (11) the Fair  
2 Labor Standards Act; and (13) Employee Retirement Income Security Act, 29 U.S.C. § 1000 *et*  
3 *seq.*(employee benefits).

4 Plaintiffs agree that there is a risk that any harm or injury that he or she may have suffered  
5 by reason of the Released Parties might not now be known and there is a further risk that said  
6 harm or injuries, whether known or unknown at the date of this Settlement Agreement, may  
7 possibly become progressively worse, and that as a result thereof further damages may be  
8 sustained. Nevertheless, Plaintiffs agree to forever and fully release and discharge the Released  
9 Parties, and understand that by the execution of this Joint Stipulation no further claims for any  
10 such injuries that existed at the time of the execution of this Joint Stipulation may ever be asserted  
11 by Plaintiffs with respect to claims arising in the time period from the beginning of time to the  
12 Effective Date.  
13  
14

15 With respect to the General Release, Plaintiffs stipulate and agree that, upon the Effective  
16 Date, Plaintiffs shall be deemed to have expressly waived and relinquished, to the fullest extent  
17 permitted by law, all provisions, rights and benefits afforded by Section 1542 of the California  
18 Civil Code and do so understanding and acknowledging the significance of the waiver of Section  
19 1542, or any other similar provision under federal or state law, which provides:  
20

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

25 If the facts relating in any manner to this Settlement are found hereafter to be other than or  
26 different from the facts now believed to be true, the release of claims contained herein shall be  
27 effective as to all unknown claims. Thus, notwithstanding the provisions of Section 1542, and for  
28

the purpose of implementing a full and complete release and discharge of all parties, Plaintiffs expressly acknowledge that this Joint Stipulation is intended to include in its effect, without limitation, all claims that Plaintiffs know of, as well as all claims that Plaintiffs do not know or suspect to exist in their favor against Defendants, or any of them, for the time period from the beginning of time to the Effective Date, and that this Joint Stipulation contemplates the extinguishment of any such claims.

#### **VIII. NULLIFICATION OF THE JOINT STIPULATION**

If the Court denies approval of the Settlement with prejudice or if the judgment is reversed, modified, or declared or rendered void and the Parties while acting in good faith cannot make a non-material modification to the Settlement Agreement, neither this Joint Stipulation, nor any of the related negotiations or proceedings, will be of any force or effect, and all Parties will stand in the same position, without prejudice, as if the Joint Stipulation had not been entered into or filed.

If the number of Class Members who submit valid Opt-Outs exceeds 15%, Defendants may rescind this Joint Stipulation. If Defendants rescinds, they must do so in writing to Class Counsel within fourteen (14) calendar days after the Settlement Administrator notifies the Parties of the total number of valid Opt-Outs received by the Class Member Exclusion Deadline. Defendants shall pay any costs incurred by the Settlement Administrator in the event that Defendants rescind the Joint Stipulation.

#### **IX. DUTIES OF THE PARTIES**

##### **A. Mutual Full Cooperation**

The Parties shall use their best efforts, including all efforts contemplated by this Stipulation and any other efforts that may become necessary by court order or otherwise, to effectuate this Stipulation and the terms set forth herein. As soon as practicable after execution of this Stipulation, Class Counsel, with the cooperation of Defendants and Defense counsel, shall take all necessary



1 and reasonable steps to secure the Court's approval of this Stipulation. The Parties will work  
2 together to make any non-material modifications of the Settlement requested by the Court to obtain  
3 approval of the Parties' Proposed Settlement. The Parties shall first make good faith efforts to  
4 resolve any issues raised by the Court during the approval process and this Settlement may only be  
5 nullified if the Court denies approval of the Settlement with prejudice.  
6

7 B. Duty to Support and Defend the Settlement

8 The Parties agree the settlement is fair, adequate, and reasonable and will so represent to  
9 the Court. The Parties agree to abide by all terms of the Joint Stipulation in good faith and to  
10 support the Joint Stipulation fully, and to use their best efforts to defend this settlement from any  
11 legal challenge, whether by appeal or collateral attack.  
12

13 X. MISCELLANEOUS PROVISIONS

14 A. Confidentiality

15 To the extent permitted by law, all agreements made, and orders entered during Action and  
16 in this Joint Stipulation relating to the confidentiality of information shall survive the execution of  
17 this Joint Stipulation. The Parties and their counsel agree that they will not communicate with the  
18 press about the fact, amount, or terms of the Settlement. In addition, the Parties and their counsel  
19 agree that they will not engage in any advertising or distribute any marketing materials relating to  
20 the Settlement, including but not limited to any postings on any websites maintained by Class  
21 Counsel. Any communication to Class Members and/or Aggrieved Employees about the Settlement  
22 prior to Court approval of the Settlement will be limited to a statement that a settlement has been  
23 reached and the details will be communicated in a written letter to the Class Members and  
24 Aggrieved Employees. However, nothing shall prevent the Parties from informing counsel  
25 purporting to represent Class Members or Aggrieved Employees that the lawsuit has been resolved  
26 subject to the approval by the Court. Nothing herein restricts Class Counsel's required disclosures  
27  
28

1 and/or submissions of information and/or documents LWDA in conformity with the statutory  
2 requirements of PAGA and/or at the specific direction of the Court.

3 1. No Media Comments of Publicity

4 If contacted by the media, neither Defendants nor Plaintiffs shall publicize the settlement or  
5 the litigation, including but not limited to communications through any social media, unless so  
6 ordered by the Court. This provision shall not apply to any court filings made by the Parties in  
7 seeking approval of the Settlement.  
8

9 **B.** Use and Return of Class Data

10 Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies  
11 and summaries of the Class Data provided to Class Counsel by Defendants in connection with the  
12 mediation, other settlement negotiations, or in connection with the Settlement, may be used only  
13 with respect to this Settlement, and no other purpose, and may not be used in any way that violates  
14 any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date  
15 when the Court discharges the Administrator's obligation to provide a Declaration confirming the  
16 final pay out of all Settlement funds, Plaintiffs shall destroy, all paper and electronic versions of  
17 Class Data received from Defendants unless, prior to the Court's discharge of the Administrator's  
18 obligation, Defendants make a written request to Class Counsel for the return, rather than the  
19 destructions, of Class Data.  
20  
21

22 **C.** Waiver of Appeals

23 The Parties and Class Members agree to waive any appellate rights; provided, however,  
24 Plaintiffs may appeal any reduction in the attorney fees and/or cost award.

25 **D.** No Admission of Liability

26 This Joint Stipulation will not be construed as an admission by Defendants of any liability  
27 whatsoever, or as an admission by Defendants of any violations of Plaintiffs', putative class  
28



1 members', or putative aggrieved employees' rights, violation of any order, law, statute, duty or  
2 contract whatsoever. Nor may the Settlement be used to establish any liability or serve as an  
3 admission of Defendants or any Released Party to establish the existence of any condition  
4 constituting a violation of, or noncompliance with, federal, state, local or other applicable law.

5  
6 E. Construction

7 The Parties agree this Joint Stipulation resulted from lengthy, intensive, arm's-length  
8 negotiations, and it is not to be construed for or against any party for any reason.

9 F. Choice of Law

10 This Joint Stipulation is intended to and will be governed by the laws of California, without  
11 regard to conflicts of law principles. The Court will retain continuing jurisdiction to enforce the  
12 settlement.

13  
14 G. Captions and Interpretations

15 Paragraphs, titles, or captions contained herein are inserted as a matter of convenience and  
16 for reference only, and in no way define, limit, extend, or describe the scope of this Joint  
17 Stipulation or any provision thereof.

18 H. Modifications

19 This Joint Stipulation may not be changed, altered, or modified, except in writing signed by  
20 counsel for the Parties and approved by the Court. This Joint Stipulation may not be discharged  
21 except by performance under its terms or by a writing signed by the Parties.

22  
23 I. Integration Clause

24 All prior or contemporaneous agreements, understandings, representations, and statements,  
25 whether oral or written, between the Parties are merged herein. No rights under this Joint  
26 Stipulation may be waived except in writing. However, if there is a conflict between the terms of  
27

1 this Joint Stipulation and the Memorandum of Understanding entered into between the Parties, the  
2 latter shall control.

3 J. Successors and Assigns

4 This Joint Stipulation will be binding upon and inure to the benefit of the Parties and their  
5 respective officers; directors; owners; predecessors; successors; assigns; partners; shareholders;  
6 members; parents; subsidiaries; affiliates; managers; lenders; insurers; agents; representatives;  
7 parent and affiliated and related corporations, companies, subsidiaries, divisions; joint venturers;  
8 beneficiaries; grantees; vendees; transferees; heirs; executors; administrators; trustees; and estates  
9 of each of the Released Parties; employees; attorneys; or legal representatives.  
10

11 K. Class Counsel Signatories

12 Because the Class Members are so numerous, the Parties agree it is impossible or  
13 impractical to have each Class Member sign this Joint Stipulation. This Joint Stipulation may be  
14 executed on behalf of the Class by Class Counsel and Plaintiffs.  
15

16 L. Plaintiffs' Waiver of Right to be Excluded or Object

17 Plaintiffs agree not to Opt-Out of the Class and agree not to object to any terms of this Joint  
18 Stipulation. Non-compliance by Plaintiffs with this paragraph will be void and of no force or  
19 effect. Any such request for exclusion or objection by Plaintiffs will therefore be void and of no  
20 force or effect.  
21

22 M. Execution in Counterparts

23 This Joint Stipulation will become effective upon its execution by all of the undersigned  
24 and may be executed electronically (such as DocuSign). The Parties may execute this Joint  
25 Stipulation in counterparts, and execution of counterparts will have the same force and effect as if  
26 all Parties signed the same instrument.  
27  
28



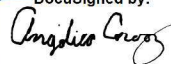
1 N. Stay of Litigation.

2 The Parties agree that upon execution of this Joint Stipulation the litigation shall be stayed,  
3 except to effectuate the terms of this Stipulation and Settlement Agreement.

4 *[Signatures on Next Page]*  
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**APPROVED AS TO FORM AND CONTENT:**

DATED: 7/26/2024, 2024

DocuSigned by:  
  
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Plaintiff Angelica Cruz Rodriguez

DATED: 7/26/2024, 2024

DocuSigned by:  
  
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Plaintiff Maria Magdalena Navarrete

**APPROVED AS TO FORM:**

**SOLOUKI SAVOY LLP**

DATED: July 26, 2024

By: 

Shoham Solouki  
Attorneys for Plaintiffs



**DISTRIBUTION SERVICES OF  
CALIFORNIA DISTRIBUTION, LLC**

By: \_\_\_\_\_

Sam Shamie

DATED: 7-31, 2024

**NEXT LEVEL STAFFING:**

DocuSigned by:

By: \_\_\_\_\_

Janine Garcia

DATED: 12/13/2024, 2024

**JACKSON LEWIS P.C.**

By: \_\_\_\_\_

Kevin Erwin, Esq.  
Kimberley L. Litzler, Esq.  
Attorneys for Defendant Distribution  
Services of California, LLC

DATED: August 12, 2024

**BUCHALTER P.C.**

By: \_\_\_\_\_

Amber S. Healy, Esq.  
Hailey N. Oberst, Esq.  
Attorneys for Defendant Next Level  
Staffing

DATED: December 16, 2024

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# EXHIBIT “1”