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19 Attorneys for Defendants
20 PROSPECT INTERNATIONAL AIRPORT
21 SERVICES CORPORATION and PROSPECT
22 AIRPORT SERVICES, INC.

23 SUPERIOR COURT OF CALIFORNIA
24 COUNTY OF SAN MATEO

25 LUIS R. CHAVARRIA RAMIREZ,
26 individually, and on behalf of other members
27 of the general public similarly situated;

28 Plaintiffs,

v.

PROSPECT INTERNATIONAL AIRPORT
SERVICES CORPORATION, a Nevada
corporation; PROSPECT AIRPORT
SERVICES, INC., an unknown business entity;
and DOES 1 through 100, inclusive,

Defendants.

Case No.: 21-CIV-03392

Assigned for all purposes to the Hon. Nancy
L. Fineman

[Consolidated with 21-CIV-03393]

**JOINT STIPULATION OF
SETTLEMENT**

Complaint Filed: June 18, 2021

Consolidated FAC filed: Jan. 10, 2024, ~~2023~~

JOINT STIPULATION OF SETTLEMENT

Luis R. Chavarria Ramirez v. Prospect International Airport Services Corporation, et al. – Case No.: 21-CIV03392
#48840738v1<FP> - Ramirez v. Prospect Air - Stipulation for Settlement

1 It is stipulated and agreed by and among the undersigned Parties, subject to the approval of the
2 Court pursuant to the California Rules of Civil Procedure, Rules of Court, and applicable case law,
3 that the Settlement of this Consolidated Action shall be effectuated upon and subject to the following
4 terms and conditions. Capitalized terms used herein shall have the meanings set forth in Article I or
5 as defined elsewhere in this Joint Stipulation of Settlement ("Agreement" or "Settlement").

6 This Agreement is made by and between Named Plaintiff Luis R. Chavarria Ramirez ("Named
7 Plaintiff"), on the one hand, and Defendants Prospect International Airport Services Corporation and
8 Prospect Airport Services, Inc. ("Defendants"), on the other hand. Named Plaintiff and Defendants
9 collectively are referred to in this Agreement as "the Parties."

10 The Parties agree that the Consolidated Action shall be, and hereby is, ended, settled, resolved,
11 and concluded by agreement of Defendants to pay the gross settlement amount of Two Million Five
12 Hundred Thousand Dollars (\$2,500,000.00) as provided in Section 3.06(a) below ("Gross Settlement
13 Amount") pursuant to the terms and conditions of this Agreement and for the consideration set forth
14 herein, including but not limited to, a release of all claims by Plaintiff and the Participating Class
15 Members as set forth herein.

16 ARTICLE 1

17 DEFINITIONS

18 Unless otherwise defined herein, the following terms used in this Agreement shall have the
19 meanings ascribed to them as set forth below:

20 a. "Consolidated Action" means the consolidated action described as follows: *Luis R.*
21 *Chavarria Ramirez, individually and on behalf of other members of the general public similarly*
22 *situated v. Prospect International Airport Services Corporation, Prospect Airport Services, Inc., and*
23 *DOES 1 through 100, inclusive,*" Case No. 21-civ-03392, commenced on June 18, 2021, together with
24 the related action that has been consolidated with this proceeding, entitled *Ramirez v. Prospect*
25 *International Airport Services Corporation, et al.,* San Mateo Superior Court, Case No. 21-CIV-
26 03393.

27 b. "Agreement" means this Joint Stipulation of Settlement, including the attached
28 Exhibit(s).

1 c. “Class” means all current and former non-exempt employees in the state of California
2 who are or were employed by Defendants in California at any time during the Class Period.

3 d. “Class Counsel” means the attorneys for the Class and the Class Members, who are:
4 Carolyn H. Cottrell
5 Esther L. Bylsma
6 SCHNEIDER WALLACE
7 COTTRELL KONECKY LLP
8 2000 Powell Street, Suite 1400
9 Emeryville, California 94608
10 Tel: (415) 421-7100
11 Fax: (415) 421-7105

12 e. “Class List” means a list based on Defendants’ business records that identifies each
13 Class Member’s name, last known home or mailing address, Social Security number or, as applicable,
14 other taxpayer identification number, dates of employment, and the number of Qualifying Workweeks
15 worked during the Class Period.

16 f. “Class Member(s)” means all members of the Class.

17 g. “Class Period” means June 18, 2017 through January 19, 2024.

18 h. “Court” means the California Superior Court for the County of San Mateo, where the
19 Consolidated Action is currently pending.

20 i. “Defendants” means Defendant Prospect International Airport Services Corporation
21 and Defendant Prospect Airport Services, Inc., in the collective.

22 j. “Defense Counsel” means counsel for Defendants:

23 Jason A. Geller
24 Andrew E. Saxon
25 FISHER & PHILLIPS LLP
26 1 Montgomery Street, Suite 3400
27 San Francisco, California 94104
28 Telephone: (415) 490-9000
Facsimile: (415) 490-9001

k. “Disposition” means the method by which the Court approves the terms of the
Settlement and retains jurisdiction over its enforcement, implementation, construction, administration,
and interpretation.

1 l. “Effective Date” means the date of the Final Order Approving Settlement of Class
2 Action, if there are no objections to this Stipulation. If there is any objection to this Stipulation at final
3 approval, “Effective Date” means the date on which the Court’s order granting Final Order Approving
4 Settlement of Class Action is no longer appealable or the final resolution of any appeal in any favor
5 of approving the settlement. Thus, this date is the later of the following: (i) the date the Final Order
6 Approving Settlement of Class Action is entered by the Court if no objections are filed to the
7 Settlement; (ii) if objections are filed and overruled, and no appeal is taken of the Final Order
8 Approving Settlement of Class Action, sixty-five (65) calendar days after Final Order Approving
9 Settlement of Class Action is entered by the Court; or (iii) if an appeal is taken from the Court’s
10 overruling of objections to the Settlement, ten (10) calendar days after the appeal is withdrawn or after
11 an appellate decision affirming the Final Order becomes final.

12 m. “Final Order Approving Settlement of Class Action” or “Final Order” means the final
13 formal court order signed by the Court following the Final Fairness and Approval Hearing in
14 accordance with the terms herein, approving this Agreement.

15 n. “Gross Settlement Amount” means Two Million Five Hundred Thousand Dollars and
16 Zero Cents (\$2,500,000.00) to be paid by Defendants as provided by this Agreement to settle this
17 Consolidated Action. All payments to the Class, administration costs, attorney’s fees and costs, and
18 Incentive Award, pursuant to Section 3.06 below, shall be paid out of the Gross Settlement Amount.
19 The employer’s share of payroll taxes arising from the payments made under this settlement shall be
20 paid by Defendants separate from and in addition to the Gross Settlement Amount. The Gross
21 Settlement Amount is subject to a pro rata increase pursuant to Section 3.04(e) below. No part of the
22 Gross Settlement Amount shall revert to Defendants.

23 o. “Incentive Award” means a monetary amount of up to Fifteen Thousand Dollars
24 (\$15,000.00) for the Named Plaintiff, subject to Court approval, in recognition of his effort and work
25 in prosecuting the Consolidated Action on behalf of Class Members, and for his general release of
26 claims.

1 p. "Individual Settlement Payment(s)" means each Participating Class Member's
2 respective share of the Net Settlement Amount. Individual Settlement Payments will be determined
3 by the calculations provided in this Agreement.

4 q. "LWDA" means The State of California Labor and Workforce Development Agency.

5 r. "LWDA Payment" means 75% of the \$100,000 allocated to the settlement of PAGA
6 claims which, subject to Court approval, will be paid to the LWDA pursuant to Section 3.06(e) of this
7 Agreement, as provided for below.

8 s. "Motion for Final Approval" means Plaintiff's submission of a written motion,
9 including any evidence as may be required for the Court to conduct an inquiry into the fairness of the
10 Settlement as set forth in this Agreement, to conduct a Final Fairness and Approval Hearing, and to
11 enter a Final Order in this Action.

12 t. "Motion for Preliminary Approval" means Plaintiff's submission of a written motion,
13 including any evidence as may be required for the Court to grant preliminary approval of the
14 Settlement as required by Rule 3.769 of the California Rules of Court.

15 u. "Named Plaintiff" means Luis R. Chavarria Ramirez.

16 v. "Net Settlement Amount" means the Gross Settlement Amount less Court-approved
17 administration costs, Class Counsel's attorney's fees and costs, Incentive Award, pursuant to Section
18 3.06(a)-(e) below.

19 w. "Non-Participating Class Member(s)" means any Class Member(s) who submit to the
20 Settlement Administrator a valid and timely written request to be excluded from the Class pursuant to
21 Section 3.04(b) below.

22 x. "Notice Packet" means the Notice of Proposed Class Action Settlement in a form
23 substantially similar to the Notice attached hereto as **Exhibit A**, subject to Court approval.

24 y. "PAGA" means the California Private Attorneys General Act of 2004, which is
25 codified in California Labor Code §§ 2698 *et seq.*

26 z. "Participating Class Member(s)" is defined as a Class Member who does not timely
27 exclude himself or herself from the Settlement and will therefore receive his or her share of the Net
28

1 Settlement Amount automatically without the need to return a claim form. Each Participating Class
2 Member will be paid his/her Individual Settlement Payment.

3 aa. “PAGA Group Members” means all Class Members employed by Defendants at any
4 time between June 18, 2020 through January 19, 2024 (“PAGA Period”).

5 bb. “Preliminary Approval Date” means the date the Court preliminarily approves the
6 Settlement embodied in this Agreement.

7 cc. “Qualified Settlement Fund” or “QSF” means a fund within the meaning of Treasury
8 Regulation § 1.468B-1, 26 CFR § 1.468B-1 *et seq.*, that is established by the Settlement Administrator
9 for the benefit of Participating Class Members.

10 dd. “Qualifying Workweeks” means the number of weeks that Class Members worked for
11 Defendants as non-exempt employees during the Class Period.

12 ee. “Released Parties” includes Defendants Prospect International Airport Services
13 Corporation and Prospect Airport Services, Inc., and their parents, subsidiaries, affiliates, insurers,
14 related entities and divisions, and their respective: (i) predecessors, successors, and assigns, and (ii)
15 current and former agents, heirs, executors, administrators, principals, officers, directors,
16 shareholders, founders, members, assigns, insurers, attorneys, and all others claiming through or by
17 any of them.

18 ff. “Response Deadline” means the deadline by which Class Members must postmark or
19 fax to the Settlement Administrator requests for exclusion or written notices of objection. The
20 Response Deadline will be forty-five (45) calendar days after the initial mailing of the Notice Packet
21 by the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a Sunday or federal
22 holiday, in which case the Response Deadline will be extended to the next day on which the U.S.
23 Postal Service is open. The Response Deadline will be extended as set forth herein if there is a re-
24 mailing.

25 gg. “Settlement Administration Costs” means all costs incurred by the Settlement
26 Administrator in administration of the Settlement, including, but not limited to, mailing of notice to
27 the class, calculation of Individual Settlement Payments, generation of Individual Settlement Payment
28 checks and related tax reporting forms, administration of unclaimed checks, and generation of checks

1 to Class Counsel for attorneys' fees and costs, to Named Plaintiffs for their Incentive Awards, and to
2 the LWDA. The Settlement Administration Costs shall be paid from the Gross Settlement Amount.

3 hh. "Settlement Administrator" means _____, which the Parties have
4 agreed will be responsible for the administration of the Individual Settlement Payments to be made
5 by Defendants from the Gross Settlement Amount and related matters under this Agreement.

6 ARTICLE II

7 CONTINGENT NATURE OF THE STIPULATION OF CLASS CERTIFICATION

8 **Section 2.01: Stipulation of Class Certification for Settlement Purposes**

9 Because the Parties have stipulated to the certification of the Class with respect to all causes
10 of action alleged in the Consolidated Action for settlement purposes only, this Agreement requires
11 preliminary and final approval by the Court. Accordingly, the Parties enter into this Agreement on a
12 conditional basis. This Agreement is contingent upon the approval and certification by the Court. If
13 the Effective Date does not occur, the fact that the Parties were willing to stipulate for the purposes of
14 this Agreement to a Class shall have no bearing on, nor be admissible in connection with, the issue of
15 certification of the Class with respect to all causes of action alleged in the Consolidated Action.
16 Defendants do not consent to certification of the Class for any purpose other than to effectuate
17 settlement of the Consolidated Action. If the Effective Date does not occur, or if Disposition of this
18 Consolidated Action is not effectuated, any certification of the Class as to Defendants will be vacated
19 and Named Plaintiff, Defendants, and the Class will be returned to their positions with respect to the
20 Consolidated Action as if the Agreement had not been entered into. In the event that the Effective Date
21 does not occur: (a) any Court orders preliminarily or finally approving certification of any class
22 contemplated by this Agreement shall be null, void, and vacated, and shall not be used or cited
23 thereafter by any person or entity; and (b) the fact of the settlement reflected in this Agreement, the
24 fact that Defendants did not oppose the certification of a Class under this Agreement, or that the Court
25 preliminarily approved the certification of the Class, shall not be used or cited thereafter by any of the
26 Parties or their respective counsel, including in any manner whatsoever, including without limitation
27 any contested proceeding relating to the certification of any class. If the Effective Date does not occur,
28 this Agreement shall be deemed null and void, shall be of no force or effect whatsoever, and shall not

1 be referred to or used for any purpose whatsoever. Defendants expressly reserve the right to challenge
2 the propriety of class certification in the Consolidated Action for any purpose, if the Effective Date
3 does not occur.

4 The Parties and their respective counsel shall take all steps that may be requested by the Court
5 relating to the approval and implementation of this Agreement, and shall otherwise use their respective
6 best efforts to obtain Court approval and implement this Agreement. If the Court does not grant the
7 Motion for Preliminary Approval and/or the Motion for Final Approval, the Parties agree to meet and
8 confer to address the Court's concerns. If the Parties are unable to agree upon a resolution, the Parties
9 agree to seek the assistance of mediator Steve Pearl to resolve the dispute.

10 **ARTICLE III**

11 **PROCEDURE FOR APPROVAL AND IMPLEMENTATION OF THE SETTLEMENT**

12 The procedure for obtaining Court approval of and implementing this Agreement shall be as
13 follows:

14 **Section 3.01: Motion for Conditional Class Certification and Preliminary Approval**

15 Named Plaintiff will bring a motion before the Court for an order conditionally certifying the
16 Class to include all claims pled in the Consolidated Action based on the preliminary approval of this
17 Agreement. The date that the Court grants preliminary approval of this Agreement will be the
18 "Preliminary Approval Date."

19 **Section 3.02: The Settlement Administrator**

20 The Parties have chosen [REDACTED] to administer this Settlement and to act as the
21 Settlement Administrator, including but not limited to distributing and responding to inquiries about
22 the Notice Packet, determining the validity of exclusions/opt-outs, calculating the Net Settlement
23 Amount and the Individual Settlement Payments, issuing the Individual Settlement Payment checks
24 and distributing them to Participating Class Members, establishing and maintaining the QSF, and
25 issuing the payment to Class Counsel for attorneys' fees and costs, the Incentive Award check to
26 Named Plaintiff, and the employer payroll taxes to the appropriate taxing authorities. The Settlement
27 Administrator shall expressly agree to all of the terms and conditions of this Agreement.

1 All costs of administering the Settlement, including but not limited to all costs and fees
2 associated with preparing, issuing and mailing any and all notices to Class Members and/or
3 Participating Class Members, all costs and fees associated with computing, processing, reviewing, and
4 mailing the Individual Settlement Payments, all costs and fees associated with preparing any tax
5 returns and any other filings required by any governmental taxing authority or agency, all costs and
6 fees associated with preparing any other checks, notices, reports, or filings to be prepared in the course
7 of administering disbursements from the Net Settlement Amount, and any other costs and fees incurred
8 and/or charged by the Settlement Administrator in connection with the execution of its duties under
9 this Agreement (“Settlement Administration Costs”), shall be paid to the Settlement Administrator
10 from the Gross Settlement Amount.

11 **Section 3.03: Notice to Class Members**

12 No later than ten (10) business days after the Preliminary Approval Date, Defendants will
13 provide the Settlement Administrator with a “Class List” in electronic format based on its business
14 records, identifying the names of the Class Members, their last known home addresses, Social Security
15 numbers or, as applicable, other taxpayer identification number, their dates of employment and weeks
16 worked during the Class Period.

17 Within ten (10) business days of receiving a Class List from Defendants, the Settlement
18 Administrator will send Class Members, by first-class mail, at their last known address, the Court
19 approved Notice Packet, including notice of this Settlement and of the opportunity to opt out of the
20 Settlement Class. The Notice Packet will include a calculation of the Class Member’s approximate
21 share of the Net Settlement Amount. Class Members will have forty-five (45) calendar days from the
22 date of mailing in which to postmark written objections or requests for exclusion. Prior to the initial
23 mailing, the Settlement Administrator will check all Class Member addresses against the National
24 Change of Address database and shall update any addresses before mailing. The Settlement
25 Administrator will skip trace and re-mail all returned, undelivered mail within five (5) days of
26 receiving notice that a Notice Packet was undeliverable. If a Class Member’s notice is re-mailed, the
27 Class Member shall have fifteen (15) calendar days from the re-mailing, or forty-five (45) calendar
28 days from the date of the initial mailing, whichever is later, in which to postmark objections or requests

1 for exclusion. Class Members shall not be required to submit claim forms in order to receive a
2 proportional share of the Net Settlement Amount.

3 If the Notice Packet is returned with a forwarding address, the Settlement Administrator shall
4 re-mail the Notice Packet to the forwarding address. With respect to those Class Members whose
5 Notice Packet is returned to the Settlement Administrator as undeliverable, the Settlement
6 Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace or
7 mass search on LexisNexis or comparable databases based on set criteria and, if another address is
8 identified, shall mail the Notice Packet to the newly identified address. It is the intent of the parties
9 that reasonable means be used to locate Class Members and that the Settlement Administrator be given
10 discretion to take steps in order to facilitate notice of the Settlement and delivery of the Individual
11 Settlement Payments to all Participating Class Members.

12 If the Notice Packet is re-mailed, the Settlement Administrator will note for its own records
13 and notify Class Counsel and Defense Counsel of the date of each such re-mailing as part of a weekly
14 status report provided to the Parties.

15 In the event a Class Member's Notice Packet remains undeliverable forty-five (45) calendar
16 days after the Notice Packet was initially mailed, the Settlement Administrator will not mail the Class
17 Member's Individual Settlement Payment. The Settlement Administrator will hold the Class
18 Member's Individual Settlement Payment during the check cashing period on behalf of the Class
19 Member. If at the conclusion of the check cashing period the Class Member's Notice Packet and
20 Individual Settlement Payment remain undeliverable and/or unclaimed and uncashed, the Settlement
21 Administrator will distribute the funds from unclaimed/uncashed checks in accordance with the
22 procedures set forth in Section 3.06(f) below.

23 No later than twenty (20) business days prior to the Final Fairness and Approval Hearing, the
24 Settlement Administrator shall provide Defense Counsel and Class Counsel with a declaration
25 attesting to completion of the notice process, including any attempts to obtain valid mailing addresses
26 for and re-sending of any returned Notice Packets, as well as the number of valid requests for exclusion
27 and objections that the Settlement Administrator received.

28

1 **Section 3.04: Responses to Notice**

2 **a. Class Member Disputes**

3 If any Class Member disagrees with Defendants' records as to his or her Qualifying
4 Workweeks during the Class Period as reflected in the Notice Packet, the Class Member shall set forth
5 in writing the Qualifying Workweeks he/she claims to have worked during the Class Period and submit
6 such writing to the Settlement Administrator by the Response Deadline, along with any supporting
7 documentation. The Notice will also provide a method for the Class Member to challenge the
8 employment data on which his or her Individual Settlement Payment is based. The Settlement
9 Administrator shall contact the Parties regarding the dispute. Defendants will have fourteen (14)
10 calendar days from the date upon which the Settlement Administrator sends any inquiries regarding
11 disputes from group members or any requests for approvals regarding forms, calculations and timing
12 to review and respond to any such inquiries. Failure to respond within the fourteen (14) calendar days
13 will constitute an approval of the issue. The Parties will work in good faith to resolve any dispute, but
14 if the Parties are unable to resolve the dispute, the Court is the final arbiter of disputes. Plaintiff will
15 file with the Court all disputes submitted by class members, the evidence submitted, and the resolution
16 of those disputes.

17 **b. Requests for Exclusion from Class**

18 In order for any Class Member to validly exclude himself or herself from the Class and this
19 Settlement (*i.e.*, to validly opt out), a written request for exclusion must be signed by the Class Member
20 or his or her authorized representative, and must be sent to the Settlement Administrator, postmarked
21 no later than the Response Deadline (or fifteen (15) days after the Settlement Administrator re-mails
22 the Notice to the Class Member, whichever is later), or based on any other timeline or requirements
23 provided by the Court. The Notice Packet shall contain instructions on how to validly exclude himself
24 or herself from the Class and this Settlement (*i.e.*, opt out), including the language to be used in a
25 request for exclusion. The date of the initial mailing of the Notice Packet, and the date the signed
26 request for exclusion was postmarked, shall be conclusively determined according to the records of
27 the Settlement Administrator. Any Class Member who timely and validly requests exclusion from the
28 Class and this Settlement will not be entitled to any Individual Settlement Payment, will not be bound

1 by the terms and conditions of this Agreement, and will not have any right to object, appeal, or
2 comment thereon.

3 Any Class Member who fails to timely submit a request for exclusion shall automatically be
4 deemed a Class Member whose rights and claims with respect to the issues raised in the Consolidated
5 Action are determined by the Court's Final Order Approving Settlement of Class Action, and by the
6 other rulings in the Consolidated Action. Thus, said Class Member's rights to pursue any claims
7 covered by the Consolidated Action and/or released in this Agreement will be extinguished.

8 **c. Objections to Settlement**

9 For any Class Member to object to this Agreement, or any term of it, the person making the
10 objection must not submit a request for exclusion (*i.e.*, must not opt out), and should send to the
11 Settlement Administrator, postmarked no later than the Response Deadline (or fifteen (15) calendar
12 days after the Settlement Administrator re-mails the Notice to the Class Member, whichever is later),
13 a written statement of the grounds of objection, signed by the objecting Class Member or his or her
14 attorney, along with all supporting papers, if any. The date of the initial mailing of the Notice Packet,
15 and the date the signed objection was postmarked, shall be conclusively determined according to the
16 records of the Settlement Administrator. The Settlement Administrator shall send any objections it
17 receives to Defense Counsel and Class Counsel within three (3) business days of receipt. Class
18 Members may also appear at the final approval hearing to object. Class Counsel shall be responsible
19 for filing all objections with the Court, prior to the Motion for Final Approval, or in such other matter
20 as the Court directs. The Court retains final authority with respect to the consideration and
21 admissibility of any Class Member objections.

22 **d. Encouragement of Class Members**

23 The Parties to this Agreement and the counsel representing such Parties shall not, directly or
24 indirectly, through any person, encourage or solicit any Class Member to exclude him or herself from
25 this Settlement (opt out), or to object to it. However, Class Counsel may respond to inquiries from
26 Class Members.

1 **e. Right of Plaintiff to Adjust Gross Settlement Amount**

2 Defendants have estimated the number of Class Members as 998 and the number of work
3 weeks as 139,252 between the beginning of the Class Period through the date of mediation on July 17,
4 2023. If the actual number of work weeks from the beginning of the Class Period through July 17,
5 2023 is determined from Defendants' business records to be 12.5% or more than 139,252 workweeks
6 (i.e., more than 156,658 workweeks), then Defendants will increase the GSA on a proportionate basis
7 (i.e., if there was a 17.5% increase in workweeks during the period from June 18, 2017 through the
8 date of mediation on July 17, 202, Defendants would increase the GSA by an additional 5%), or, at
9 Defendants' option, the release period will be shortened to end at the time the workweek numbers
10 reach 12.5% more than 139,252 workweeks.

11 **Section 3.05: Final Fairness and Approval Hearing**

12 On the date set forth in the Order for Preliminary Approval and Notice Packet, a Final Fairness
13 and Approval Hearing shall be held before the Court in order to (1) review this Agreement and
14 determine whether the Court should give it final approval, and (2) consider any objections made and
15 all responses by the Parties to such objections. At the Final Fairness and Approval Hearing, the Parties
16 shall ask the Court to grant final approval to this Agreement and shall submit to the Court a Proposed
17 Final Order Approving Settlement of Class Action.

18 **Section 3.06: Settlement Payment Procedures**

19 **a. Settlement Amount**

20 In exchange for the Released Claims set forth in this Agreement, Defendants agree to pay the
21 Gross Settlement Amount in the amount of Two Million Five Hundred Dollars (\$2,500,000.00),
22 subject to a pro rata increase under the condition set forth in Section 3.04(e). The Gross Settlement
23 Amount includes all Individual Settlement Amounts to Participating Class Members, all
24 administration costs, Class Counsel's attorney's fees and costs, PAGA Settlement Amount, and the
25 Incentive Payment.

26 Defendants will fund the settlement ten (10) calendar days after the Effective Date. Defendants
27 shall transfer the \$2,500,000.00, as set forth herein, into a QSF established by the Settlement
28 Administrator either directly or by sending the funds to the Settlement Administer to be deposited and

1 distributed plus Defendants' share of employer-side payroll taxes. The Settlement Administrator will
2 use these funds to fund payment of the Individual Settlement Payments to Participating Class
3 Members, Class Counsel's attorneys' fees and costs, the Incentive Award, and the Settlement
4 Administration Costs.

5 Within ten (10) business days after receiving Defendants' final payment, funding the Gross
6 Settlement Amount in full, the Settlement Administrator will pay the Individual Settlement Payments
7 to Participating Class Members, Class Counsel's attorneys' fees and costs, LWDA Payment, the
8 Incentive Award, and employer and employee tax withholdings applicable to the Net Settlement
9 Amount allocated to wages. Prior to this distribution, the Settlement Administrator will perform a
10 search based on the National Change of Address Database to update and correct for any known or
11 identifiable address changes.

12 **b. Payment of Attorneys' Fees and Costs**

13 Class Counsel shall submit an application for an award of attorneys' fees of up to thirty-five
14 percent (35%) of the Gross Settlement Amount, which, based on the current Gross Settlement Amount,
15 is Eight Hundred Seventy-Five Thousand Dollars and No Cents (\$875,000). Class Counsel shall
16 submit an application for an award of costs not to exceed Thirty Thousand Dollars (\$30,000.00). Such
17 application for attorneys' fees and costs shall be heard by the Court at the Final Fairness and Approval
18 Hearing. Defendants shall not object to or oppose any such application in these amounts. Class
19 Counsel shall serve Defendants with copies of all documents submitted in support of their application
20 for an award of attorneys' fees and costs.

21 Any attorneys' fees and costs awarded to Class Counsel by the Court shall be paid from the
22 Gross Settlement Amount and shall not constitute payment to any Class Member(s). The attorneys'
23 fees and costs for Class Counsel approved by the Court shall encompass all work performed, costs,
24 and expenses related to the investigation, prosecution, and settlement of the Consolidated Action
25 incurred through the Effective Date. To the extent that the Court approves less than the amount of
26 attorney's fees and/or costs that Class Counsel requests, the difference between the requested and
27 awarded amounts will be reallocated to the Net Settlement Amount.

28 **c. Payment of Settlement Administration Costs**

1 The Settlement Administration Costs shall be paid out of the Gross Settlement Amount and
2 shall not constitute payment to any Participating Class Member(s). The amount shall not exceed Ten
3 Thousand Dollars (\$10,000.00).

4 **d. Payment of Incentive Award to Named Plaintiff**

5 Subject to Court approval, the Named Plaintiff shall receive an Incentive Award of up to
6 Fifteen Thousand Dollars (\$15,000.00), the request for which Defendants will not object to or oppose.
7 The Incentive Award shall be paid out of the Gross Settlement Amount and shall not constitute
8 payment to any Participating Class Member(s) other than Named Plaintiff. To the extent that the Court
9 approves less than the amount of incentive award that Class Counsel request, the difference between
10 the requested and awarded amounts will be reallocated to the Net Settlement Amount.

11 Because it is the intent of the Parties that the Incentive Award represents payment to Named
12 Plaintiff for his service to the Class Members, and not wages, the Settlement Administrator will not
13 withhold any taxes from the Incentive Award. The Incentive Award will be reported on a Form 1099,
14 which the Settlement Administrator will provide to Named Plaintiff and to the pertinent taxing
15 authorities as required by law.

16 **e. Payment to the Labor and Workforce Development Agency**

17 In consideration of claims made under PAGA, Class Counsel will request that the Court
18 approve allocation of One Hundred Thousand Dollars (\$100,000) of the Gross Settlement Amount to
19 these claims. Seventy-five percent (75%) of this payment will be paid to the California Labor and
20 Workforce Development Agency ("LWDA Payment"), and twenty-five percent (25%) will be paid to
21 the Net Settlement Amount for distribution to PAGA Group Members. Defendants will not oppose
22 this request. The entire PAGA Settlement Amount will be paid out of the Gross Settlement Amount.
23 The Court's adjustment, if any, of the amount allocated to Named Plaintiff's PAGA claim in the
24 Consolidated Action, will not invalidate this Agreement.

25 **f. Payment of Individual Settlement Payments to Participating Class Members**

26 The Parties agree that the Net Settlement Amount shall be used to fund Individual Settlement
27 Payments. The Parties agree that the Net Settlement Amount shall be divided between all Participating
28 Class Members in proportion to the number of individual Qualifying Workweeks for each Class

1 Member. To calculate the minimum amount each Class Member will receive based on their individual
2 Qualifying Workweeks, the Net Settlement Amount will be divided by the total number of Qualifying
3 Workweeks by all Class Members during the Class Period and then allocated on a pro rata basis.
4 Qualifying Workweeks will be rounded up to the next whole integer. Each Class Member's
5 approximate Individual Settlement Payment amount will be included in his or her Notice Packet. After
6 final approval by the Court, the Net Settlement Amount will be dispersed to Participating Class
7 Members (those who did not exclude themselves) on a pro rata basis based on the individual
8 Qualifying Workweeks worked during the Class Period by each Participating Class Member.

9 Each Individual Settlement Payment will represent wages and penalties allocated using the
10 following formula: 10% allocated to wages and 90% allocated to penalties and interest. The amounts
11 paid as wages shall be subject to all tax withholdings customarily made from an employee's wages
12 and all other authorized and required withholdings and shall be reported by W-2 forms. The employer-
13 side taxes will be paid separate from and in addition to the Gross Settlement Amount. The amounts
14 paid as penalties and interest shall be subject to all authorized and required withholdings other than
15 the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099
16 forms.

17 Neither Class Counsel nor Defense Counsel intend anything contained in this Settlement to
18 constitute advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as
19 such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as
20 amended) or otherwise.

21 No later than ten (10) business days after receiving the Gross Settlement Amount from
22 Defendants, the Settlement Administrator shall prepare and mail the checks for the Individual
23 Settlement Payments to Participating Class Members. Individual Settlement Payments paid from the
24 Net Settlement Amount allocated to wages will be reduced by applicable employer and employee tax
25 withholdings, and the Settlement Administrator will issue a Form W-2 for the wage portion of the
26 Individual Settlement Payments. The Settlement Administrator will issue a Form 1099 to the extent
27 required by law for the interest and penalty portions of the Individual Settlement Payments.
28 Participating Class Members shall have 180 days from the date their Individual Settlement Payment

1 checks are dated to cash their Settlement checks. Any checks that are not cashed upon the expiration
2 of that 180-day time period will be void, and the uncashed funds shall be paid to the State Controller
3 Unclaimed Property Fund or to a cy pres chosen by the Parties in the name of the Class Member for
4 whom the funds are designated.

5 If a check is returned to the Settlement Administrator as undeliverable, the Settlement
6 Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace or
7 a mass search on LexisNexis or a comparable database based on set criteria and, if another address is
8 identified, the Settlement Administrator shall mail the check to the newly identified address. If the
9 Settlement Administrator is unable to obtain a valid mailing address through this process, the
10 Settlement Administrator will tender the funds from the undeliverable checks to the State Controller
11 Unclaimed Property Fund in the name of the Class Member for whom the funds are designated.

12 **g. Default on Payment.**

13 In the event Defendants make a late payment or do not pay any portion of the Gross Settlement
14 Amount, it shall be considered a default. In the event Defendants fail to make any payment on the date
15 it is due, under Section 3.06(a), the Settlement Administrator will provide notice to Class Counsel and
16 Defendant's counsel within three (3) business days of the missed payment. Thereafter, Defendants
17 will have seven (7) calendar days to cure the default and tender payment to the Settlement
18 Administrator.

19 **h. No Credit Toward Benefit Plans.**

20 The Individual Settlement Payments made to Participating Class Members under this
21 Agreement, as well as any other payments made pursuant to this Agreement, will not be utilized to
22 calculate any additional benefits under any benefit plans to which any Class Members may be eligible,
23 including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans,
24 vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties'
25 intention that this Agreement will not affect any rights, contributions, or amounts to which any Class
26 Members may be entitled under any benefit plans.

1 **ARTICLE IV**

2 **LIMITATIONS ON USE OF THIS SETTLEMENT**

3 **Section 4.01: No Admission**

4 Defendants dispute all the allegations in the Consolidated Action and disputes that, but for this
5 Settlement, a Class should not have been certified in the Consolidated Action. This Agreement is
6 entered into solely for the purpose of settling highly disputed claims. Nothing in this Agreement is
7 intended nor will be construed as an admission of liability or wrongdoing by Defendants.

8 **Section 4.02: Non-Evidentiary Use**

9 Whether or not the Effective Date occurs, neither this Agreement, nor any of its terms, nor the
10 Settlement itself, will be: (a) construed as, offered, or admitted in evidence as, received as, or deemed
11 to be evidence for any purpose adverse to the Parties or any other of the Released Parties, including
12 but not limited to, evidence of a presumption, concession, indication, or admission by any of the
13 Released Parties of any liability, fault, wrongdoing, omission, concession, or damage, or (b) disclosed,
14 referred to, or offered in evidence against any of the Parties or Released Parties in any further
15 proceeding in the Consolidated Action, except for the purposes of effectuating the Settlement pursuant
16 to this Agreement or for Defendants to establish that a Class Member has resolved any of his or her
17 claims released through this Agreement.

18 **Section 4.03: Nullification**

19 The Parties have agreed to the certification of the Class encompassing all claims alleged in the
20 Consolidated Action for the sole purpose of effectuating this Agreement. If (a) the Court should for
21 any reason fail to certify this Class for settlement, or (b) the Court should for any reason fail to approve
22 this Settlement, or (c) the Court should for any reason fail to enter the Final Order, or (d) the Final
23 Order is reversed, or declared or rendered void, or (e) the Court should for any reason fail to dispose
24 of the Consolidated Action in its entirety, or (f) Defendants elect to exercise its right to terminate this
25 Agreement pursuant to Section 4.04, then (i) this Agreement shall be considered null and void;
26 (ii) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or
27 effect; (iii) all Parties to this Agreement shall stand in the same position, without prejudice, as if the
28 Agreement had been neither entered into nor filed with the Court; and (iv) the fact that the Parties

1 were willing to stipulate to class certification of all causes of action pled in the Consolidated Action
2 as part of the Settlement will have no bearing on, and will not be admissible in connection with, the
3 issue of whether the Class should be certified by the Court in a non-settlement context in this
4 Consolidated Action or any other action, and in any of those events, Defendants expressly reserve the
5 right to oppose certification of the Class.

6 In the event of a timely appeal from the Final Order, the Final Order shall be stayed and the
7 Gross Settlement Amount shall not be distributed pending the completion of the appeal.

8 **Section 4.04: Defendant's Right to Terminate**

9 If ten percent (10%) or more members of the Class exercise their rights to exclude themselves
10 and opt out of the Settlement pursuant to section 3.04(b), Defendants may, in their sole discretion,
11 unilaterally withdraw from and terminate the Settlement. In the event of Defendants' withdrawal, no
12 party may use the terms of this Agreement, the MOU, or the fact that the Parties had agreed to the
13 MOU or the Agreement for any purpose.

14 **ARTICLE V**

15 **RELEASES**

16 **Section 5.01: Released Claims by Participating Class Members**

17 Upon the Effective Date, Named Plaintiff and Participating Class Members who do not opt out
18 of the Settlement, fully and finally release all claims, demands, liabilities, damages, attorney's fees,
19 costs, and penalties against the Released Parties, relating to any and all facts and claims asserted in
20 the Consolidated Action or any other claims that could have been asserted in the Consolidated Action
21 based on the facts alleged in the complaints filed in the Consolidated Action, including but not limited
22 to claims arising from alleged unpaid wages, minimum wages, regular wages, overtime and double
23 time wages; meal and rest period violations; unpaid reimbursements and expenses; untimely payment
24 of wages; wage statement violations; and separation pay violations during the Class Period.
25 Participating Class Members do not release claims or actions to enforce the settlement, claims for
26 vested benefits, wrongful termination, violation of the Fair Employment and Housing Act,
27 unemployment insurance, disability, social security, workers' compensation, or claims based on facts
28 occurring outside the Class Period.

1 **Section 5.02: Release of PAGA Claims**

2 Upon the Effective Date, the State of California and PAGA Group Members shall fully and
3 finally release and discharge the Released Parties from all claims, demands, liabilities, damages,
4 attorney's fees, costs, and penalties against Releasees (defined below), relating to any and all facts and
5 claims asserted in the Consolidated Action or any other PAGA claims that could have been asserted
6 in the Consolidated Action based on the facts alleged in the complaints filed in the Consolidated Action
7 as well as the allegations set forth in the LWDA letter, including but not limited to claims for PAGA
8 penalties arising from alleged unpaid wages, minimum wages, regular wages, overtime and double
9 time wages; meal and rest period violations; unpaid reimbursements and expenses; untimely payment
10 of wages; wage statement violations; and separation pay violations during the PAGA Period.

11 **Section 5.03: Named Plaintiff's Release of Unknown Claims**

12 Upon the Effective Date, Named Plaintiff releases the Released Parties from any and all
13 charges, complaints, claims, causes of action, demands, disputes, damages, business expenses,
14 attorneys' fees, costs, losses, and liabilities of any kind or nature whatsoever, known or unknown,
15 suspected or unsuspected, asserted or unasserted, which Plaintiff, at any time, had, claimed to have,
16 or Plaintiff may have, including but not limited to any and all claims arising out of, relating to, or
17 resulting from his employment with and separation of employment with Released Parties, including
18 any claims arising under any federal, state, or local law relating to employment, including, but in no
19 way limited to, any claim under Title VII of the Civil Rights Act of 1964, as amended ("Title VII"),
20 42 U.S.C. § 1981; the Americans with Disabilities Act ("ADA"); the Family and Medical Leave Act
21 ("FMLA"); the Employee Retirement Income Security Act ("ERISA"); the California Family Rights
22 Act ("CFRA"); the California Fair Employment and Housing Act ("FEHA"); all claims for wages or
23 penalties under the Fair Labor Standards Act ("FLSA"); all claims for wages or penalties under the
24 California Labor Code; Business and Professions Code §§ 17200 et seq.; all laws relating to violation
25 of public policy, retaliation, or interference with legal rights; any and all other employment or
26 discrimination laws; whistleblower claims; any tort, fraud, or constitutional claims; and any breach of
27 contract claims or claims of promissory estoppel. It is agreed that this is a general release and is to be
28 broadly construed as a release of all claims; provided that, notwithstanding the foregoing, this

1 paragraph expressly does not include a release of any claims that cannot be released hereunder by law.
2 Nothing in this Agreement prohibits Plaintiff from filing a charge or complaint or communicating with
3 a government agency where, as a matter of law, Defendants may not restrict Plaintiff's ability to do
4 so. However, Plaintiff hereby waives his rights to any monetary benefits or recovery in connection
5 with any such claim, charge or proceeding, except this Agreement does not limit Plaintiff's right to
6 receive an award for information provided to any government agencies. Nothing in this Agreement
7 waives Plaintiff's right to testify or prohibits him from testifying in an administrative, legislative, or
8 judicial proceeding concerning alleged criminal conduct or alleged sexual harassment when he has
9 been required or requested to attend the proceeding pursuant to a court order, subpoena or written
10 request from an administrative agency or the California state legislature. Plaintiff understands and
11 expressly agrees that this Agreement extends to any and all claims that he has against Released Parties,
12 of whatever nature and kind, known or unknown, suspected or unsuspected, vested or contingent, past,
13 present, or future, arising from or attributable to an incident or event, occurring in whole or in part, on
14 or before the Effective Satisfaction of Judgment Date of this Agreement. Any and all rights granted
15 under any state or federal law or regulation limiting the effect of this Settlement Agreement, including
16 the provisions of section 1542 of the California Civil Code, are hereby expressly waived. Section 1542
17 of the California Civil Code reads as follows:

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

22 Plaintiff's general release provided herein is made with an express waiver and relinquishment
23 of any claim, right, or benefit under California Civil Code § 1542.

24 ARTICLE VI

25 MISCELLANEOUS PROVISIONS

26 **Section 6.01: Amendments or Modification**

27 The terms and provisions of this Agreement may be amended or modified only by an express
28 written agreement that is signed by all the Parties (or their successors-in-interest) and their counsel.

1 **Section 6.02: Assignment**

2 None of the rights, commitments, or obligations recognized under this Agreement may be
3 assigned by any Party, Class Member, Class Counsel, or Defense Counsel without the express written
4 consent of each other Party and their respective counsel. The representations, warranties, covenants,
5 and agreements contained in this Agreement are for the sole benefit of the Parties under this Agreement
6 and shall not be construed to confer any right or to avail any remedy to any other person.

7 **Section 6.03: Governing Law**

8 This Agreement shall be governed, construed, and interpreted, and the rights of the Parties
9 shall be determined, in accordance with the laws of the State of California, without regard to conflicts
10 of laws.

11 **Section 6.04: Entire Agreement**

12 This Agreement, including the Exhibits referred to herein, which form an integral part hereof,
13 contains the entire understanding of the Parties with respect to the subject matter contained herein. In
14 case of any conflict between text contained in Articles I through VI of this Agreement and text
15 contained in the Exhibits to this Agreement, the former (*i.e.*, Articles I through VI) shall be controlling,
16 unless the Exhibits are changed by or in response to a Court order. There are no restrictions, promises,
17 representations, warranties, covenants, or undertakings governing the subject matter of this Agreement
18 other than those expressly set forth or referred to herein. This Agreement supersedes all prior
19 agreements and understandings among the Parties with respect to the settlement of the Consolidated
20 Action, including correspondence between Class Counsel and Defense Counsel, memorandums of
21 understanding, and drafts of prior agreements or proposals.

22 **Section 6.05: Waiver of Compliance**

23 Any failure of any Party, Defense Counsel, or Class Counsel hereto to comply with any
24 obligation, covenant, agreement, or condition set forth in this Agreement may be expressly waived in
25 writing, to the extent permitted under applicable law, by the Party or Parties and their respective
26 counsel entitled to the benefit of such obligation, covenant, agreement, or condition. A waiver or
27 failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or
28 condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

1 **Section 6.06: Counterparts and Fax/PDF Signatures**

2 This Agreement, and any amendments hereto, may be executed in any number of counterparts
3 and any Party and/or their respective counsel may execute any such counterpart, each of which when
4 executed and delivered shall be deemed to be an original. All counterparts taken together shall
5 constitute one instrument. A fax or PDF signature on this Agreement shall be as valid as an original
6 signature.

7 **Section 6.07: Meet and Confer Regarding Disputes**

8 Should any dispute arise among the Parties or their respective counsel regarding the
9 implementation or interpretation of this Agreement, a representative of Class Counsel and a
10 representative of Defense Counsel shall meet and confer, in person or via telephone, in an attempt to
11 resolve such disputes prior to submitting such disputes to the Court.

12 **Section 6.08: Agreement Binding on Successors**

13 This Agreement will be binding upon, and inure to the benefit of, the successors in interest of
14 each of the Parties.

15 **Section 6.09: Cooperation in Drafting**

16 The Parties have cooperated in the negotiation and preparation of this Agreement. This
17 Agreement will not be construed against any Party on the basis that the Party, or the Party's counsel,
18 was the drafter or participated in the drafting of this Agreement.

19 **Section 6.10: Fair and Reasonable Settlement**

20 The Parties believe that this Agreement reflects a fair, reasonable, and adequate settlement of
21 the Consolidated Action and have arrived at this Agreement through arm's-length negotiation and in
22 the context of adversarial litigation, taking into account all relevant factors, current and potential. The
23 Parties further believe that the Settlement is and is consistent with public policy, and fully complies
24 with applicable law.

25 **Section 6.11: Headings**

26 The descriptive heading of any section or paragraph of this Agreement is inserted for
27 convenience of reference only and does not constitute a part of this Agreement and shall not be
28 considered in interpreting this Agreement.

1 **Section 6.12: Notice**

2 Except as otherwise expressly provided in the Agreement, all notices, demands, and other
3 communications under this Agreement must be in writing and addressed as follows:

4 *To Named Plaintiff and the Class:*

5 Carolyn H. Cottrell
6 Esther L. Bylsma
7 SCHNEIDER WALLACE
8 COTTRELL KONECKY LLP
9 2000 Powell Street, Suite 1400
 Emeryville, California 94608
 Tel: (415) 421-7100
 Fax: (415) 421-7105

10 And

11 *To Defendants:*

12 Jason Geller
13 Andrew Saxon
14 FISHER & PHILLIPS LLP
15 1 Montgomery Street, Suite 3400
 San Francisco, CA 94104
 Ph: (415) 490-9000
 Fax: (415) 490-9001

16 **Section 6.13: Enforcement of Settlement and Continuing Court Jurisdiction**

17 To the extent consistent with class action procedure, this Agreement shall be enforceable by
18 the Court pursuant to California Code of Civil Procedure section 664.6 and California Rule of Court
19 3.769(h). The Final Order entered by the Court will not adjudicate the merits of the Consolidated
20 Action or the liability of the Parties resulting from the allegations of the Consolidated Action. Its sole
21 purpose is to adopt the terms of the Settlement and to retain jurisdiction over its enforcement. To that
22 end, the Court shall retain continuing jurisdiction over this Consolidated Action and over all Parties
23 and Class Members, to the fullest extent to enforce and effectuate the terms and intent of this
24 Agreement. In the event that one or more of the Parties institutes any legal action or other proceeding
25 against any other Party or Parties to enforce the provisions of this Settlement, the successful Party or
26 Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and
27 costs, including expert witness fees incurred in connection with any enforcement actions.

1 **Section 6.14: Mutual Full Cooperation**

2 The Parties agree fully to cooperate with each other to accomplish the terms of this Agreement,
3 including but not limited to the execution of such documents, and the taking of such other action, as
4 may reasonably be necessary to implement the terms of this Agreement. The Parties to this Agreement
5 shall use their best efforts, to effectuate and implement this Agreement and its terms. In the event the
6 Parties are unable to reach agreement on the form or content of any document needed to implement
7 the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms
8 of the Settlement, the Parties agree to seek the assistance of the Court.

9 **Section 6.15: Authorization to Act**

10 Class Counsel warrants and represents that they are authorized by Named Plaintiff, and
11 Defense Counsel warrants that they are authorized by Defendants, to take all appropriate action
12 required to effectuate the terms of this Agreement, except for signing documents, including but not
13 limited to this Agreement, that are required to be signed by the Parties themselves. Defendants
14 represent and warrant that the individual(s) executing this Agreement on their behalf have the full
15 right, power, and authority to enter into this Agreement and to carry out the transactions contemplated
16 herein.

17 **Section 6.16: No Reliance on Representations**

18 The Parties have made such investigation of the facts and the law pertaining to the matters
19 described herein and to this Agreement as they deem necessary, and have not relied, and do not rely,
20 on any statement, promise, or representation of fact or law, made by any of the other parties, or any of
21 their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted
22 rights, or with regard to the advisability of entering into and executing this Agreement, or with respect
23 to any other matters. No representations, warranties, or inducements, except as expressly set forth
24 herein, have been made to any party concerning this Agreement.

25 **Section 6.17: Confidentiality**

26 The Parties and their respective counsel will keep this Settlement confidential through preliminary
27 approval. Thereafter, the Parties will agree to make no comments to the media or otherwise publicize the
28 terms of the Settlement. However, Class Counsel shall be allowed to discuss the administration of this

1 Settlement with Class Members and to disclose the Settlement to any Court for any matter for the
2 determining of Class Counsel's adequacy as counsel. In response to any media inquiries, Named Plaintiff
3 and Class Counsel will state that "the case was resolved with Court approval." Class Counsel shall not
4 report the Settlement or its content in any medium or in any publication, shall not post or report anything
5 regarding the claims of Named Plaintiff or the Settlement Class on their website, and shall not contact any
6 reporters or media regarding the settlement, the Consolidated Action, or their content. However, Class
7 Counsel shall be permitted to post or report anything which would not identify Defendants by name or in
8 a manner which would not identify Defendants on their website. Nothing in this provision is intended to
9 prohibit: (i) Named Plaintiff from discussing this settlement with his spouse, attorneys, or tax advisors; (ii)
10 Class Counsel from citing the Settlement in this case as evidence supporting their competence as counsel
11 in wage/hour and/or class action matters in public court filings; or (iii) Class Counsel from communicating
12 with the Plaintiff in this case, discussions with Class Members regarding the settlement, the LWDA, or
13 with the court in which this action is pending.

14 **EXECUTION BY PARTIES AND COUNSEL**

15 The Parties and their counsel hereby execute this Agreement.

16 Dated: January 10, 2024

LUIS R. CHAVARRIA RAMIREZ

17
18 By: 

Luis R. Chavarria Ramirez

19
20
21 Dated: January 5th, 2024

**PROSPECT INTERNATIONAL AIRPORT
SERVICES CORPORATION**

22
23 By: 

Vicki Strobel, President & CEO

24
25 Dated: January 5th, 2024

PROSPECT AIRPORT SERVICES, INC.

26
27 By: 

Vicki Strobel, President & CEO

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APPROVED AS TO FORM ONLY:

Dated: January 10, 2024

**SCHNEIDER WALLACE COTTRELL
KONECKY LLP**

By: Esther L. Bylsma
Carolyn H. Cottrell
Esther L. Bylsma

Attorneys for Named Plaintiff Luis R.
Chavarria Ramirez

Dated: January 5, 2024

FISHER & PHILLIPS LLP

By: Andrew Saxon
Jason Geller
Andrew Saxon

Attorneys for Defendants Prospect
International Airport Services Corporation
and Prospect Airport Services, Inc.

Carolyn H. Cottrell (SBN 166977)
Esther L. Bylsma (SBN 264208)
SCHNEIDER WALLACE
COTTRELL KONECKY LLP
2000 Powell Street, Suite 1400
Emeryville, California 94608
Tel: (415) 421-7100
Fax: (415) 421-7105

Attorneys for Plaintiff and the Putative Class

Jason A. Geller (SBN 168149)
E-Mail: jgeller@fisherphillips.com
Andrew E. Saxon (SBN 227344)
E-Mail: asaxon@fisherphillips.com
FISHER & PHILLIPS LLP
1 Montgomery Street, Suite 3400
San Francisco, California 94104
Telephone: (415) 490-9000
Facsimile: (415) 490-9001

Attorneys for Defendants
PROSPECT INTERNATIONAL AIRPORT
SERVICES CORPORATION and PROSPECT
AIRPORT SERVICES, INC.

SUPERIOR COURT OF CALIFORNIA

COUNTY OF SAN MATEO

LUIS R. CHAVARRIA RAMIREZ,
individually, and on behalf of other members
of the general public similarly situated;

Plaintiffs,

v.

PROSPECT INTERNATIONAL AIRPORT
SERVICES CORPORATION, a Nevada
corporation; PROSPECT AIRPORT
SERVICES, INC., an unknown business entity;
and DOES 1 through 100, inclusive,

Defendants.

Case No.: 21-CIV-03392

Assigned for all purposes to the Hon. Nancy
L. Fineman

[Consolidated with 21-CIV-03393]

**ADDENDUM TO JOINT STIPULATION
OF SETTLEMENT**

Complaint Filed: June 18, 2021
Consolidated FAC filed: January 10, 2024

ADDENDUM TO JOINT STIPULATION OF SETTLEMENT

Luis R. Chavarria Ramirez v. Prospect International Airport Services Corporation, et al. – Case No.: 21-CIV03392
#48840738v1<FP> - Ramirez v. Prospect Air - Stipulation for Settlement

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2. Paragraph "hh" in the Definitions section is hereby modified to state as follows:

"Settlement Administrator" means Phoenix Class Action Administration Solutions, which the Parties have agreed will be responsible for the administration of the Individual Settlement Payments to be made by Defendants from the Gross Settlement Amount and related matters under this Agreement.

3. The first sentence of Section 3.02 is hereby modified to state as follows:

The Parties have chosen Phoenix Class Action Administration Solutions to administer this Settlement and to act as the Settlement Administrator, including but not limited to distributing and responding to inquiries about the Notice Packet, determining the validity of exclusions/opt-outs, calculating the Net Settlement Amount and the Individual Settlement Payments, issuing the Individual Settlement Payment checks and distributing them to Participating Class Members, establishing and maintaining the QSF, and issuing the payment to Class Counsel for attorneys' fees and costs, the Incentive Award check to Named Plaintiff, and the employer payroll taxes to the appropriate taxing authorities.

4. Section 3.06.c is hereby modified to state as follows:

The Settlement Administration Costs shall be paid out of the Gross Settlement Amount and shall not constitute payment to any Participating Class Member(s). The amount shall not exceed Thirteen Thousand Nine Hundred Fifty Dollars (\$13,950.00).

Other than as set forth herein, the Parties understand and agree that all other terms and provisions set forth in the Original Stipulation remain unchanged and are enforceable.

Dated: May 8, 2024

LUIS R. CHAVARRIA RAMIREZ

By:



Luis R. Chavarria Ramirez

Dated: May __, 2024

**PROSPECT INTERNATIONAL AIRPORT
SERVICES CORPORATION**

By:

Vicki Strobel, President & CEO

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Dated: May __, 2024

LUIS R. CHAVARRIA RAMIREZ

By: _____
Luis R. Chavarria Ramirez

Dated: May 10, 2024

**PROSPECT INTERNATIONAL AIRPORT
SERVICES CORPORATION**

By:  _____
Matthew D. Westerman
Deputy General Counsel

///

PROSPECT AIRPORT SERVICES, INC.

Dated: May 10, 2024

By: _____



Matthew D. Westerman
Deputy General Counsel

APPROVED AS TO FORM ONLY:

**SCHNEIDER WALLACE COTTRELL
KONECKY LLP**

Dated: May __, 2024

By: _____

Carolyn H. Cottrell
Esther L. Bylsma

Attorneys for Named Plaintiff Luis R.
Chavarria Ramirez

LAWYERS for JUSTICE, PC

Dated: May __, 2024

By: _____

Edwin Aiwarzian
Arby Aiwarzian
Joanna Ghosh
Vartan Madoyan

Attorneys for Named Plaintiff Luis R.
Chavarria Ramirez

Dated: May 10, 2024

FISHER & PHILLIPS LLP

By: _____


Jason Geller
Andrew Saxon

Attorneys for Defendants Prospect
International Airport Services Corporation
and Prospect Airport Services, Inc.

PROSPECT AIRPORT SERVICES, INC.

Dated: May __, 2024

By: _____
Vicki Strobel, President & CEO

APPROVED AS TO FORM ONLY:

Dated: May 8, 2024

**SCHNEIDER WALLACE COTTRELL
KONECKY LLP**

By: Esther L. Bylsma
Carolyn H. Cottrell
Esther L. Bylsma

Attorneys for Named Plaintiff Luis R.
Chavarria Ramirez

Dated: May 8, 2024

LAWYERS for JUSTICE, PC

By: Edwin Aiwazian
Edwin Aiwazian
Arby Aiwazian
Joanna Ghosh
Vartan Madoyan

Attorneys for Named Plaintiff Luis R.
Chavarria Ramirez

Dated: May __, 2024

FISHER & PHILLIPS LLP

By: _____
Jason Geller
Andrew Saxon

Attorneys for Defendants Prospect
International Airport Services Corporation
and Prospect Airport Services, Inc.

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Ramirez v. Prospect International Airport Services Corporation et al.
(San Mateo Superior Court, Case No. 21-CIV-03392)

Please read this Notice carefully. This Notice relates to a proposed settlement of class action litigation. If you are a Class Member, it contains important information about your right to receive a payment from the Settlement fund.

You have received this Notice of Class Action Settlement because either Prospect International Airport Services Corporation (“Prospect IAS Corp.”) or Prospect Airport Services, Inc. (collectively, “Defendants”) records show you were an employee in the state of California who was employed by Defendants in California at some time between June 18, 2017 through January 19, 2024 (the “Class Period”) and are therefore entitled to a payment from this class action Settlement. The settlement resolves two lawsuits that were consolidated into one action, entitled *Ramirez v. Prospect International Airport Services Corporation et al.* (the “Consolidated Action”), which alleges that Defendants: (i) failed to pay overtime wages; (ii) failed to authorize and permit and/or make available meal periods or pay premium wages in lieu thereof; (iii) failed to authorize and permit and/or make available rest periods or pay premium wages in lieu thereof; (iv) failed to pay minimum wages; (v) failed to pay wages at separation; (vi) failed to timely pay earned wages during employment; (vii) failed to provide accurate itemized wage statements; (viii) failed to keep requisite payroll records; (ix) failed to reimburse business expenses; (x) violation of the California Business and Professions Code (“UCL”); and (xi) violations under the Private Attorneys General Act (“PAGA”).

On _____, the San Mateo County Superior Court granted preliminary approval of this class action Settlement and ordered that all Class Members be notified of the Settlement. **The Court has not made any determination of the validity of the claims in the Consolidated Action. In other words, the Court has not determined whether any laws have been violated, nor has it decided in favor of Plaintiff or Defendants.** Defendants expressly deny that they did anything wrong or that they violated the law, and Defendants further deny any liability whatsoever to Plaintiffs or to the Class.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE PAYMENT	Get a payment, and give up your legal rights to pursue claims released by the settlement of the Consolidated Action.
OPT OUT OF THE SETTLEMENT	Exclude yourself from the Settlement, get no payment other than your share of PAGA civil penalties as described below, and retain your legal rights to pursue claims that would otherwise be released by the settlement of the Consolidated Action.
OBJECT TO THE SETTLEMENT	If you do not opt out, you may write to the Settlement Administrator about why you object to the settlement and they will forward your concerns to counsel which will then be provided to the Court. If the Court approves the Settlement despite your objection, you will still be bound by the Settlement. You or your attorney may also address the Court during the Final Approval hearing scheduled for _____, at _____ a.m./p.m. in Dept. 4, Courtroom G, 800 North Humboldt Street, San Mateo, CA 94401. You are not required to attend the Hearing, but you are welcome to do so whether or not you have submitted a written objection.

Why Am I Receiving This Notice?

Questions? Contact the Settlement Claims Administrator toll free at _____

You were sent this Class Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options before the Court decides whether to finally approve the settlement. If the Court approves the settlement and then any objections and appeals are resolved, a "Settlement Administrator" appointed by the Court will make the payments described in this Notice. This Notice explains the Consolidated Action, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

What Is This Consolidated Action About?

Luis R. Chavarria Ramirez is a former employee who provided wheelchair assistance to passengers at San Francisco International Airport ("SFO"). He is the "Plaintiff" in this Consolidated Action and is suing on behalf of himself and Class Members for Defendants' alleged failure to pay overtime wages; failure to authorize and permit and/or make available meal periods or pay premium wages in lieu thereof; failure to authorize and permit and/or make available rest periods or pay premium wages in lieu thereof; failure to pay minimum wages; failure to pay wages at separation; failure to timely pay earned wages during employment; failure to provide accurate itemized wage statements; failure to keep requisite payroll records; failure to reimburse business expenses; violation of the UCL; and violation of the PAGA.

Defendants deny all of the allegations made by Plaintiff and deny that they violated any law. The Court has made no ruling on the merits of Plaintiff's claims. In other words, the Court has not determined whether any laws have been violated, nor has it decided in favor of Plaintiff or Defendants. The Court has only preliminarily approved a Class Action Settlement Agreement. The Court will decide whether to give final approval to the Settlement at the Final Fairness and Approval Hearing.

Who Are the Attorneys Representing the Parties?

The attorneys representing the parties in this Consolidated Action are:

Plaintiff's counsel: Carolyn H. Cottrell Esther L. Bylsma SCHNEIDER WALLACE COTTRELL KONECKY LLP 2000 Powell Street, Suite 1400 Emeryville, California 94608 Tel: (415) 421-7100 Fax: (415) 421-7105 Edwin Aiwazian Arby Aiwazian Joanna Ghosh Vartan Madoyan LAWYERS for JUSTICE, PC 410 West Arden Avenue, Suite 203 Glendale, California 91203 Telephone (818) 265-1020 Facsimile (818) 265-1021	Defendants' counsel: Jason Geller Andrew Saxon FISHER & PHILLIPS LLP 1 Montgomery Street, Suite 3400 San Francisco, California 94104 Telephone: (415) 490-9000 Facsimile: (415) 490-9001
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Questions? Contact the Settlement Claims Administrator toll free at _____

Summary of the Settlement Terms

Plaintiff and Defendants have agreed to settle this case on behalf of the Class for the Gross Settlement Amount of \$2,500,000.00 (“Gross Settlement Amount”). The Gross Settlement includes: (1) Administration Costs up to \$13,950; (2) a service payment to Plaintiff of up to \$15,000 for his time and effort in pursuing this case and in exchange for a general release of claims he will enter into as part of this settlement against Defendants; (3) fees of up to 35% of the Settlement Amount (or \$875,000) and up to \$30,000 in litigation costs to Class Counsel; and (4) payment allocated to PAGA penalties in the amount of \$100,000 (with \$75,000 to be paid to the Labor and Workforce Development Agency (“LWDA”) and \$25,000 paid equally to Class Members who worked during the PAGA Period (defined as June 18, 2020 to January 19, 2024). After deducting these sums, a total of approximately \$1,466,050.00 will be available for distribution to Class Members (“Net Settlement Amount”).

Distribution to Class Members

The Net Settlement Amount will be distributed as follows: \$1,466,050.00 will be allocated to the Class Members and shall be paid *pro-rata* based on number of workweeks worked by a Class Member during the Class Period in proportion to the workweeks worked by all Class Members during the Class Period. In addition, as stated above, the \$25,000 of the PAGA Penalties shall be paid equally to those Class Members who worked during the PAGA Period.

Your Estimated Settlement Award

Defendants’ records show that you <<PTAre/AreNot>> a Class Member and worked a total of: <<WorkWeeks>> during the Class Period. Your share of the Settlement allocated to the Class is \$<<Amount>>.

Finally, Defendants’ records show that <<PAGAAre/AreNot>> a member of the PAGA Class. Your share of the PAGA Payment is <<PAGAAmount>>.

If you believe that the number of workweeks listed above is incorrect and wish to dispute it, you must mail a dispute to the Settlement Administrator no later than _____. Please include any documentation you have that you contend supports your dispute.

Tax Reporting

For tax reporting purposes, the payments monies paid to the Class Members will be allotted 10% to wages and 90% to penalties and interest, and PAGA payments will be allotted 100% to penalties.

Please consult a tax advisor regarding the tax consequences of your Settlement Award. This notice is not intended to provide legal or tax advice on your Settlement Share.

Claims That You Are Releasing Under the Settlement

Class Released Claims: If finally approved by the Court, each Class Member who does not request exclusion from the Settlement will be bound by all of the terms of the Settlement, and will release Defendants from any and all claims, demands, liabilities, damages, attorneys’ fees, costs, and penalties against the Released Parties, relating to any and all facts and claims asserted in the Consolidated First Amended Class Action and Representative Action Complaint

Questions? Contact the Settlement Claims Administrator toll free at _____

(“Consolidated Complaint”) or any claims that could have been asserted in the Consolidated Complaint based on the facts alleged in the complaints filed in the Consolidated Action, including but not limited to claims arising from alleged unpaid wages, minimum wages, regular wages, overtime and double time wages; meal and rest period violations; unpaid reimbursements and expenses; untimely payment of wages; wage statement violations; and separation pay violations during the Class Period. Class Members who worked during the PAGA Period will release their claims for PAGA civil penalties based on the Class Released Claims and arising during the PAGA Period.

Your Options Under the Settlement

Option 1 – Do Nothing and Receive Your Payment

If you do not opt out, you are automatically entitled to your payment because you are a Class Member. If you do not dispute your workweek calculations and do not opt out of the settlement, you will be bound by the settlement and receive a settlement payment. **In other words, if you are a Class Member, you do not need to take any action to receive the settlement payment set forth above.**

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the Settlement, you may exclude yourself by submitting a written request to be excluded from the Class. Your written request must expressly and clearly indicate that you do not want to participate in the Settlement, and you desire to be excluded from the Settlement. The written request for exclusion must include your name, address, telephone number, case name and number, and last four digits of your Social Security Number. Sign, date, and mail your written request for exclusion by U.S. First-Class Mail to:

Ramirez v. Prospect International Airport Services Corporation
c/o Phoenix ____

The written request to be excluded from the Settlement must be postmarked or received by the Administrator not later than _____. If you exclude yourself from the Settlement then you will get no payment, other than your share of PAGA penalties, and retain your legal rights to pursue claims that would otherwise be released by the settlement of the Consolidated Action, other than your claim for PAGA civil penalties.

Option 3 – File an Objection to the Settlement

If you wish to object to the Settlement you may file an objection in writing stating why you object to the Settlement. Your objection must provide your full name, address and telephone number, case name and number, the last four digits of your Social Security Number, the case number and name, and your reasons why you think the Court should not approve the settlement. Your objection must be mailed the Administrator no later than _____. Please note that you cannot both object to the Settlement and exclude yourself. If the Court overrules your objection, you will be bound by the settlement and will receive your Settlement Share.

Final Fairness Hearing

You may, if you wish, also appear at the Final Approval hearing scheduled for _____, at _____ a.m./p.m. in Dept. 4, Courtroom G, located at 800 North Humboldt Street, San Mateo, CA 94401, and discuss your objections with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the Hearing at your own expense. You may appear and object to the Settlement whether or not you have filed a written objection.

Questions? Contact the Settlement Claims Administrator toll free at _____

Additional Information

This Notice of Class Action Settlement is only a summary of this case and the Settlement. For a more detailed statement of the matters involved in this case and the Settlement, you may visit _____.

The pleadings and other records in this Consolidated Action may be examined online on the San Mateo County Superior Court's website at <https://www.sanmateo.courts.ca.gov/online-services/online-case-access/odyssey-portals/>. After arriving at the website, select "Proceed to the Odyssey Public Portal." Once there, select "Smart Search," enter the case number (21-CIV-03392), and follow the prompts for the reCAPTCHA. Once verified through reCAPTCHA, select the hyperlinked case number (21-CIV-03392) Images of documents filed in the case are available for downloading.

All inquiries by Class Members regarding this Notice of Class Action Settlement and/or the Settlement should be directed to the Settlement Administrator or Class Counsel.

PLEASE DO NOT CONTACT THE COURT OR CLERK OF THE COURT FOR INFORMATION ABOUT THIS SETTLEMENT.

Questions? Contact the Settlement Claims Administrator toll free at _____