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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

16 LARISSA MARANTZ and MORGHAN
17 GILL, individually and on behalf of all others
similarly situated,

18 Plaintiffs,

19 vs.

20 LAGUNA COLLEGE OF ART AND
21 DESIGN, a California Non-Profit Corporation,

22 Defendant.
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Case No. 30-2021-01194814-CU-OE-CXC

**[PROPOSED] ORDER GRANTING
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT**

Date: August 26, 2022

Time: 9:00 a.m.

Dept. CX104

Reservation No. 73808713

Action Filed: April 9, 2021

Trial Date: Not Set

1 This matter is before the Honorable William D. Claster of the Superior Court of the State of
2 California, in and for the County Orange, on August 26, 2022, for the hearing on motion by Plaintiffs
3 Larissa Marantz and Morghan Gill (“Plaintiffs”) for preliminary approval of the class settlement with
4 Defendant Laguna College of Art and Design (“Defendant”). The Court, having considered the briefs,
5 argument of counsel and all matters presented to the Court and good cause appearing, hereby GRANTS
6 Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement.

7 **IT IS HEREBY ORDERED:**

8 1. The Court preliminarily approves the Class Action Settlement Agreement (“Agreement”)
9 attached as Exhibit 1 to this Proposed Order Granting Preliminary Approval of Class Action Settlement.
10 This is based on the Court’s determination that the Settlement set forth in the Agreement is within the
11 range of possible final approval, pursuant to the provisions of Section 382 of the California Code of Civil
12 Procedure and California Rules of Court, rule 3.769.

13 2. This Order incorporates by reference the definitions in the Agreement, and all terms
14 defined therein shall have the same meaning in this Order as set forth in the Agreement.

15 3. The Gross Settlement Amount to be paid by Defendant is Eight Hundred Twenty-Five
16 Thousand Dollars (\$825,000) (the “Gross Settlement Amount”) to fund the settlement of the Action. It
17 appears to the Court on a preliminary basis that the settlement amount and terms are fair, adequate and
18 reasonable as to all potential Class Members when balanced against the risks to Plaintiffs and Defendant
19 relating to certification, liability and damages issues. It further appears that investigation and research
20 have been conducted such that counsel for the Parties are able to reasonably evaluate their respective
21 positions. It further appears to the Court that settlement at this time will avoid substantial additional costs
22 by all Parties, as well as avoid the delay and risks that would be presented by the further prosecution of
23 the Action. It further appears that the Settlement has been reached as the result of serious and non-
24 collusive, arms-length negotiations. The Court therefore preliminarily finds that the Settlement is fair,
25 adequate, and reasonable when balanced against the probable outcome of further litigation and the
26 significant risks relating to certification, liability, and damages issues.

1 4. The Agreement specifies for an attorneys' fees award not to exceed one-third of the Gross
2 Settlement Amount, an award of litigation expenses incurred, not to exceed \$25,000, and proposed Class
3 Representative Service Award to the Plaintiffs in an amount not to exceed \$7,500. The Court will not
4 approve the amount of attorneys' fees and costs, nor the amount of any service award, until the Final
5 Approval Hearing. Plaintiffs will be required to present evidence supporting these requests, including
6 lodestar, prior to final approval.

7 5. The Court recognizes that Plaintiffs and Defendant stipulate and agree to certification of
8 classes for settlement purposes only. This stipulation will not be deemed admissible in this or any other
9 proceeding should this Settlement not become final. For settlement purposes only, the Court conditionally
10 certifies the following Classes: "all individuals who are currently and formerly employed by Defendant
11 as adjunct faculty in California at any time during the Adjunct Class Period" ("Adjunct Class"); and "all
12 current and former employees of Defendant in California other than Adjunct Class Members who worked
13 remotely for Defendant at any time during the Reimbursement Class Period" ("Reimbursement Class").
14 The Adjunct Class Period is April 9, 2017 to February 23, 2022. The Reimbursement Class Period is
15 March 23, 2020 to February 23, 2022. There are approximately 295 individuals in the Adjunct Class and
16 191 individuals in the Reimbursement Class.

17 6. The Court concludes that, for settlement purposes only, the Classes meet the requirements
18 for certification under section 382 of the California Code of Civil Procedure in that: (a) the Classes are
19 ascertainable and so numerous that joinder of all members of the Classes is impracticable; (b) common
20 questions of law and fact predominate, and there is a well-defined community of interest amongst the
21 members of the Classes with respect to the subject matter of the litigation; (c) the claims of the Plaintiffs
22 are typical of the claims of the members of the Classes; (d) the Plaintiffs can fairly and adequately protect
23 the interests of the members of the Classes; (e) a class action is superior to other available methods for the
24 efficient resolution of this controversy; and (f) counsel for the Classes is qualified to act as counsel for the
25 Classes and the Plaintiffs are adequate representatives of the Classes.

1 7. The Court provisionally appoints Plaintiffs as the representatives of the Classes. The Court
2 provisionally appoints Julian Hammond, Polina Brandler, and Ari Cherniak of Hammond Law, P.C. as
3 Class Counsel for the Classes.

4 8. The Court hereby approves, as to form and content, the Notice of Proposed Class Action
5 Settlement and Hearing Date for Final Court Approval (“Class Notice”) attached to the Agreement as
6 Exhibit A. The Court finds that the Class Notice appears to fully and accurately inform the Classes of all
7 material elements of the proposed Settlement, of the Class Members’ right to be excluded from the Classes
8 by submitting a written opt-out request, and of each member’s right and opportunity to object to the
9 Settlement. The Court further finds that the distribution of the Class Notice substantially in the manner
10 and form set forth in the Agreement and this Order meets the requirements of due process, is the best
11 notice practicable under the circumstances, and shall constitute due and sufficient notice to all persons
12 entitled thereto. The Court orders the mailing of the Class Notice Packets by first class mail, pursuant to
13 the terms set forth in the Agreement.

14 9. The Court hereby appoints CPT, Inc. as Settlement Administrator. No later than twenty-
15 one (21) business days after preliminary approval of the Settlement by the Court, Defendant shall provide
16 to the Settlement Administrator an electronic spreadsheet with the Class Data List. The Settlement
17 Administrator will perform address updates and verifications as necessary prior to the mailing of the Class
18 Notice. Using best efforts to mail it as soon as possible, and in no event later than thirty (30) calendar
19 days after preliminary approval of the Settlement by the Court, the Settlement Administrator will mail the
20 Class Notice to all Class Members via first-class U.S. Mail. Subject to Court approval, the Settlement
21 Administrator will receive payment out of the Gross Settlement Amount for its reasonable fees and
22 expenses in an amount not to exceed \$15,000 (“Settlement Administration Costs”).

23 10. The Court hereby preliminarily approves the proposed procedure for exclusion from the
24 Settlement. Any Class Member may individually choose to opt out of and be excluded from the Classes
25 as provided in the Class Notice by following the instructions for requesting exclusion from the Classes
26 that are set forth in the Class Notice. All requests for exclusion must be postmarked by no later than sixty
27 (60) calendar days after the date of the mailing of the Class Notice and received by the Settlement
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1 Administrator. If a Class Notice Packet is re-mailed, the response date for opt-outs will be extended an
2 additional fifteen (15) calendar days. Any such person who chooses to opt out of and be excluded from
3 the Classes will not be entitled to any recovery under the Settlement and will not be bound by the
4 Settlement or have any right to object, appeal or comment thereon (except that such person shall still
5 receive their portion of PAGA penalties if they are an Aggrieved Employee and will be bound by the
6 release of claims under PAGA). Class Members who have not requested exclusion shall be bound by all
7 determinations of the Court, the Agreement and the Judgment. A request for exclusion may only opt out
8 that particular individual, and any attempt to effect an opt out of a group, class, or subclass of individuals
9 is not permitted and will be deemed invalid.

10 11. Any Class Member who has not opted out may object or express the Member's views
11 regarding the Settlement, may appear at the final approval hearing, and may present evidence and file
12 briefs or other papers that may be proper and relevant to the issues to be heard and determined by the
13 Court as provided in the Notice. Class Members will have sixty (60) calendar days from the date of the
14 mailing of the Class Notices to submit their written objections to the Settlement Administrator in
15 accordance with the instructions in the Class Notice. If a Class Notice Packet is re-mailed, the response
16 date for written objections will be extended an additional fifteen (15) calendar days. Alternatively, Class
17 Members may appear at the Final Approval Hearing to make an oral objection.

18 12. A Final Approval Hearing shall be held before this Court on _____ at
19 _____ in Department CX-104 of the Orange County Superior Court to determine all necessary
20 matters concerning the Settlement, including: whether the proposed settlement of the Action on the terms
21 and conditions provided for in the Agreement is fair, adequate and reasonable and should be finally
22 approved by the Court; whether the Final Approval Order and Judgment should be entered herein; whether
23 the plan of allocation contained in the Agreement should be approved as fair, adequate and reasonable to
24 the Class Members; and to finally approve attorneys' fees and costs, the service award, and the expenses
25 of the Settlement Administrator. Both the motion for final approval and the motion for attorneys' fees,
26 costs and service award shall be heard at the Final Approval Hearing and the papers in support of the
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1 motions are to be filed with the Court and served on all counsel no later than sixteen (16) court days before
2 the hearing. Plaintiff Larissa Marantz shall serve this Order on the LWDA.

3 13. Neither the Settlement nor any exhibit, document, or instrument delivered thereunder shall
4 be construed as a concession or admission by Defendant in any way that the claims asserted have any
5 merit or that this Action was properly brought as a class or representative action, and shall not be used as
6 evidence of, or used against Defendant as, an admission or indication in any way, including with respect
7 to any claim of any liability, wrongdoing, fault or omission by Defendant or with respect to the truth of
8 any allegation asserted by any person. Whether or not the Settlement is finally approved, neither the
9 Settlement, nor any exhibit, document, statement, proceeding or conduct related to the Settlement, nor any
10 reports or accounts thereof, shall in any event be construed as, offered or admitted in evidence as, received
11 as or deemed to be evidence for any purpose adverse to the Defendant, including, but not limited to,
12 evidence of a presumption, concession, indication or admission by Defendant of any liability, fault,
13 wrongdoing, omission, concession or damage.

14 14. In the event the Settlement does not become effective in accordance with the terms of the
15 Agreement, or the Settlement is not finally approved, or is terminated, canceled or fails to become
16 effective for any reason, this Order shall be rendered null and void and shall be vacated, and the Parties
17 shall revert to their respective positions as of before entering into the Agreement, and expressly reserve
18 their respective rights regarding the prosecution and defense of this Action, including all available
19 defenses and affirmative defenses, and arguments that any claim in the Action could not be certified as a
20 class action and/or managed as a representative action. In such an event, the Court's orders regarding the
21 Settlement, including this Order, shall not be used or referred to in litigation for any purpose. Nothing in
22 this paragraph is intended to alter the terms of the Agreement with respect to the effect of the Agreement
23 if it is not approved.

24 15. The Court reserves the right to adjourn or continue the date of the final approval hearing
25 and all dates provided for in the Agreement without further notice to Class Members, and retains
26 jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.
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16. The Action is stayed and all trial and related pre-trial dates are vacated, subject to further orders of the Court at the Final Approval Hearing.

IT IS SO ORDERED.

Dated: _____

HON. WILLIAM D. CLASTER
JUDGE, SUPERIOR COURT OF CALIFORNIA

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE

LARISSA MARANTZ and MORGHAN
GILL, individually and on behalf of all others
similarly situated,

Plaintiffs,

vs.

LAGUNA COLLEGE OF ART AND
DESIGN, a California Non-Profit Corporation,

Defendant.

Case No. 30-2021-01194814-CU-OE-CXC

**EXHIBIT 1 TO THE [PROPOSED]
ORDER GRANTING MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: August 26, 2022

Time: 9:00 a.m.

Dept. CX104

Reservation No. 73808713

CLASS ACTION AND PAGA SETTLEMENT AND RELEASE AGREEMENT

This Class Action and PAGA Settlement and Release Agreement (“Settlement Agreement”) is made and entered into between Plaintiffs Larissa Marantz and Morghan Gill (“Plaintiffs” or “Class Representatives”), individually and on behalf of the Class Members (as defined below), by and through HammondLaw, P.C. (“Class Counsel”), and Defendant Laguna College of Art and Design (“Defendant”) subject to the approval of the Court, as provided below. This Settlement Agreement is intended by Plaintiffs and Defendant to fully, finally, and forever resolve, discharge, and settle the Action (as defined below) and all Released Claims (as defined below), upon and subject to the terms and conditions hereof, as follows:

1. Definitions.

As used herein, for the purposes of this Settlement Agreement only, the following terms will be defined as set forth below:

1.1 “Action” refers to the civil action entitled: *Larissa Marantz, et al. v. Laguna College of Art & Design*, Case No. 30-2021-01194814-CU-OE-CXC, in the Superior Court of California, County of Orange.

1.2 “Adjunct Class Members” refers to all individuals who are currently and formerly employed by Defendant as adjunct faculty in California at any time during the Adjunct Class Period.

1.3 “Reimbursement Class Members” refers to all current and former employees of Defendant in California other than Adjunct Class Members who worked remotely for Defendant at any time during the Reimbursement Class Period.

1.4 “Class” or “Class Members” refers to all Adjunct Class Members and Reimbursement Class Members.

1.5 “Participating Class” or “Participating Class Members” refers to Class Members, as approved by the Court, who do not timely and validly request exclusion from the non-PAGA portion of the settlement pursuant to the terms and conditions for exclusion set forth in the Settlement Agreement and the Class Notice.

1.6 “Aggrieved Employees” refers to all Adjunct Aggrieved Employees and Reimbursement Aggrieved Employees.

1.7 “Adjunct Aggrieved Employees” refers to all individuals who are or have been employed by Defendant as adjunct faculty in California at any time during the PAGA Period.

1.8 “Reimbursement Aggrieved Employees” refers to all current and former employees of Defendant in California other than Adjunct Aggrieved Employees who worked remotely for Defendant at any time during the PAGA Period.

1.9 “Class Counsel” refers to the attorneys of record for the Class Representatives, *i.e.*, HammondLaw, P.C.

1.10 “Class Notice” refers to the form of direct-mail notice to the Class Members by the Settlement Administrator substantially in the form attached as Exhibit A and incorporated by reference into this Agreement, as may be modified by the Court.

1.11 “Class Notice Packet” refers to the Class Notice to be provided to the Class Members by the Settlement Administrator in the form attached as Exhibit A to this Agreement (other than formatting changes to facilitate printing by the Settlement Administrator) which includes a Request for Exclusion form and Dispute form substantively in the forms attached hereto collectively as Exhibit A.

1.12 “Adjunct Class Period” means the period from April 9, 2017 to February 23, 2022.

1.13 “Reimbursement Class Period” means the period from March 23, 2020 to February 23, 2022.

1.14 “PAGA Period” means the period from April 7, 2020 to February 23, 2022.

1.15 “Complaint” refers to the operative Second Amended Complaint filed on July 13, 2022 in this Action.

1.16 “Final Approval Hearing” refers to the hearing at which the Court will make a final determination whether the terms of the settlement are fair, reasonable, and adequate for the Class and make such other rulings as are contemplated by this Settlement Agreement or as modified by any subsequent mutual agreement of the Parties in writing and approved by the Court.

1.17 “Preliminary Approval Order” refers to the Court’s Order Granting Preliminary Approval of the Settlement substantially in the form attached hereto as Exhibit B to this Agreement and incorporated by this reference herein.

1.18 “Final Approval Order” or “Judgment” refers to the final order by the Court approving the settlement following the Final Approval Hearing and entering final judgment in the form attached hereto as Exhibit C to this Agreement and incorporated by reference in this Agreement.

1.19 The “Effective Date” of this Settlement Agreement shall be the latest of the following dates: (i) sixty-five (65) calendar days after entry of the order granting final approval, to provide for the potential appeal by a timely or untimely objector; (ii) if any appeal is taken for any reason, ten (10) calendar days after all appeals are withdrawn or after any and all avenues of appeal have been exhausted and no further appellate review is permitted or possible and the Judgment has not been modified, amended, or reversed in any way (unless the modification is for a reduction of the attorneys’ fees and litigation costs and expenses to Class Counsel or Service Award or Settlement Administration Costs). Defendant shall not be required to fund any portion of the Gross Settlement Fund and the Settlement Administrator (terms defined below) shall not distribute or pay any monies, unless and until the Effective Date of the Settlement Agreement. It is the intention of the Parties that this Agreement shall not become effective until the Court’s order approving this Agreement is completely final as defined herein.

1.20 “Gross Settlement Amount” (also referred to herein as “GSA”) refers to the maximum settlement payment of Eight Hundred Twenty-Five Thousand Dollars (\$825,000) Defendant will be obligated to make, and shall be used to pay all Settlement Payments,

Court-approved attorney's fees and reimbursement of litigation costs and expenses to Class Counsel, Settlement Administration Costs, Service Award to Plaintiffs, and the amount allocated to PAGA Penalties. Defendant shall bear, separate and apart from the Gross Settlement Amount, the employer's portion of payroll taxes with respect to the wage portion of the Settlement Payment.

1.21 "Net Settlement Amount" (also referred to herein as "NSA") is the GSA minus Court-approved attorney's fees and litigation costs, Settlement Administration Costs, Service Award, and the amount allocated to PAGA Penalties. The NSA is the maximum amount that will be available for distribution to Participating Class Members.

1.22 "PAGA Penalties" refers to the amount of Twenty Thousand Dollars (\$20,000), subject to court approval, to be paid from the GSA for satisfaction of Plaintiff Marantz's and the Aggrieved Employees' claims under PAGA.

1.23 "Parties" are Plaintiffs and Defendant.

1.24 "Released Claims" are those claims defined in Section 19.

1.25 "Released Parties" means Laguna College of Art and Design and each of its parent corporations, affiliates, subsidiaries (direct and indirect), divisions, predecessors, insurers, reinsurers, successors, and assigns, and each of their current and former employees, attorneys, officers, directors, trustees, and agents thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries, and insurers of such plans and programs, both individually and in their business capacities.

1.26 "Request for Exclusion" refers to a written request to be excluded from the Settlement in conformity with the requirements set forth in Section 13 of this Settlement Agreement and the instructions in the Class Notice.

1.27 "Response Deadline" is sixty (60) calendar days from the date that the Class Notice is first mailed to Class Members by the Settlement Administrator and is the deadline by which Class Members' Requests for Exclusion, disputes regarding Settlement Payments, and/or objections must be mailed to the Settlement Administrator and postmarked in

order to be timely. The deadline shall be extended by fifteen (15) calendar days for re-mailed Notices. The date of mailing of the Class Notice shall be conclusively determined according to the records of the Settlement Administrator.

1.28 “Service Award” refers to a monetary award to Plaintiffs, in an amount not to exceed Seven Thousand Five Hundred Dollars (\$7,500) or other amount as approved by the Court, for their service as the Class Representatives, to be paid for from the Gross Settlement Amount. The Service Award shall be divided between Plaintiffs as follows: \$5,000 shall be paid to Plaintiff Marantz and \$2,500 shall be paid to Plaintiff Gill.

1.29 “Settlement Administrator” refers to CPT, Inc., the third-party administrator mutually selected by the parties, subject to approval by the Court, to perform the notice, claims administration, and distribution functions further described in this Settlement Agreement.

1.30 “Settlement Administration Costs” refers to all costs incurred by the Settlement Administrator in administration of the Settlement and any other actions of the Settlement Administrator pursuant to the terms of this Agreement. The Settlement Administration Costs will be paid out of the GSA, in an amount not to exceed Fifteen Thousand Dollars (\$15,000). If the actual amount of the Settlement Administration Costs is less than \$15,000, the difference between \$15,000 and the actual Settlement Administration Costs shall be part of the NSA. If the Settlement Administration Costs exceed \$15,000 then such excess will be paid solely from the GSA and Defendant will not be responsible for paying any additional funds in order to pay these additional costs.

1.31 “Settlement Payment” refers to the amount of the NSA paid to individual Participating Class Members pursuant to Section 6 of this Settlement Agreement.

1.32 “Settlement” means the disposition of the Action and all related claims effectuated by this Agreement.

2. Procedural History and Recitals.

2.1 On April 9, 2021, Plaintiff Marantz initiated the Action against Defendant alleging, with respect to herself and the Class Members, claims for: (a) failure to pay wages for all hours worked as required under Labor Code §§ 226.2 and 1194 and IWC Wage Order No. 4-2001 § 4; (b) failure to authorize and permit paid rest breaks and pay premium as required under Labor Code §§ 226.2 and 226.7 and Wage Order No. 4-2001, §§ 4, 12; (c) failure to provide meal breaks and pay premium as required under Labor Code § 512 and Wage Order No. 4-2001, § 11; (d) failure to pay compensation due on discharge from employment in violation of Cal. Labor Code §§ 201-203; (e) failure to issue accurate itemized wage statements in violation of Cal. Labor Code §§ 226(a) and (e) and 226.2; (f) failure to reimburse business expenses in violation of Cal. Labor Code § 2802; and (g) unfair, unlawful, and/or fraudulent business practices in violation of Business & Professions Code § 17200, *et seq.* (“UCL”).

2.2 With respect to the class claim for failure to reimburse business expenses in violation of Cal. Labor Code § 2802 in the Action, Plaintiff Marantz alleges that Adjunct Class Members were not reimbursed for business expenses without which they could not carry out their job duties effectively during the Adjunct Class Period, and Reimbursement Class Members were not reimbursed for business expenses incurred in direct discharge of their job duties while working remotely during the Reimbursement Class Period.

2.3 On or about April 7, 2021, Plaintiff Marantz sent a letter to the Labor and Workforce Development Agency on behalf of herself and other aggrieved employees (“PAGA Notice”). The LWDA did not indicate that it intended to investigate the alleged violations referenced in the letter, and the 65-day time period permitted for the LWDA to provide such a notification expired. On June 28, 2021, Plaintiff Marantz filed a First Amended Complaint (“FAC”) in the Action adding a cause of action for Private Attorneys General Act (“PAGA”) penalties under Cal. Labor Code §§ 2698 *et seq.* for the Labor Code violations alleged in the initial complaint.

2.4 On October 26, 2021, the Parties participated in a mediation session with Mr. Lou Marlin, an experienced mediator. Following mediation and mediator's proposal, the Parties reached the basic terms of a settlement which are memorialized in this formal Settlement Agreement, subject to approval by the Court. The Parties jointly represent that this is a fair, reasonable, and adequate settlement and have arrived at this settlement through arms-length negotiations, taking into account all relevant factors, present and potential.

2.5 On July 13, 2022, Plaintiff Marantz filed a Second Amended Complaint ("FAC") in the Action adding Plaintiff Gill as a named plaintiff and class representative.

2.6 This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant of liability or wrongdoing. Defendant makes no admission of liability or wrongdoing by virtue of entering into this Agreement. Defendant further denies each of the allegations and claims asserted against them in the Action and the PAGA Notice. Additionally, Defendant reserves the right to contest any issues relating to class certification and liability if the settlement is not approved. Defendant denies that it has engaged in any unlawful activity, has failed to comply with the law in any respect, has any liability to anyone under the claims asserted in the Action and the PAGA Notice, or that but for the settlement, a Class should be certified in the Action. This settlement and Plaintiffs' and Defendant's willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with this settlement). Notwithstanding, in the interest of avoiding further litigation, Defendant desires to fully and finally settle Released Claims. To achieve a full and complete release of Defendant to the maximum extent permitted by law, Class Representatives, Class Counsel and each Participating Class Member acknowledge that this Settlement Agreement is intended to include in its effect all claims alleged, and that could have been alleged, in the Action, and all Released Claims against all Released Parties (as defined herein). Furthermore, this Agreement is intended to and does effectuate the full, final, and complete resolution of all claims

to recover civil penalties pursuant to PAGA that were alleged, and that could have been alleged in the Action and the PAGA Notice, and each Class Member if they are Aggrieved Employees will be bound by the release of claims under PAGA related to the Released Claims (as defined herein) regardless of whether he or she submits a valid Request for Exclusion.

2.7 Class Counsel represent that they have thoroughly investigated the claims alleged against Defendant in the Action. Class Counsel represent that they have conducted their own investigation into the underlying facts, events, and issues related to the subject matter of this Action. Class Counsel represent that they have further undertaken an extensive analysis of the legal principles applicable to the claims asserted against Defendant, and the potential defenses thereto. Class Representatives and Defendant have had an opportunity to evaluate their respective positions on the merits of the claims asserted.

2.8 Class Counsel have also engaged in intensive arm's-length negotiations with counsel for Defendant with a view toward achieving substantial benefits for the Class while avoiding the cost, delay and uncertainty of further litigation, trial, and appellate review.

NOW THEREFORE, in consideration of the covenants and agreements set forth herein, and of the release of all Released Claims, Plaintiffs, on behalf of themselves, the Class and Aggrieved Employees, Class Counsel, and Defendant agree to the terms and provisions of this Settlement Agreement, subject to the approval of the Court.

3. Limitation on Effect of Settlement.

The Parties agree that certification of a class pursuant to California Code of Civil Procedure § 382 is appropriate for settlement purposes only. In the event that the Settlement is not finally approved, or the Settlement is otherwise terminated, any class and representative action, which was certified for settlement purposes only, shall be vacated, and shall be of no force or effect whatsoever and shall not be admissible in any court or other tribunal nor construed as an admission or concession of any kind by the Parties, in whole or part, that any class should be certified or

given collective treatment in the Action or in any other action or proceeding, and Defendant expressly reserves all rights to challenge certification of a class on all available grounds.

4. Stipulation to the Filing of a Second Amended Complaint in the Action.

The Parties have agreed to stipulate to the filing of a Second Amended Complaint in the Action, for settlement purposes only, adding Plaintiff Morghan Gill as a named plaintiff jointly making all allegations in the First Amended Complaint except for the cause of action for PAGA penalties under Cal. Labor Code §§ 2698 *et seq.* Plaintiffs and Class Counsel shall cooperate to prepare the Second Amended Complaint.

5. Establishment of the GSA.

Within 10 business days of the Effective Date, Defendant shall transmit the GSA to the Settlement Administrator. The GSA will cover payment by Defendant pursuant to this Settlement Agreement, to Participating Class Members, Settlement Administration Costs, attorneys' fees and litigation costs to Class Counsel, Service Award to the Class Representatives, and the amount allocated to PAGA Penalties. Thereafter, Defendant shall also transmit to the Settlement Administrator an amount equal to the employer's portion of payroll taxes with respect to the wage portion of Settlement Payments within 10 business days from the date on which the Settlement Administrator notifies Defendant of the calculated amount. This settlement is non-reversionary and under no circumstances will any part of the GSA revert to Defendant.

6. Calculation of the NSA and Distribution of Settlement Proceeds.

6.1 Participating Class Members will be entitled to a share of the NSA in accordance with the formula set forth below.

6.1.1 Calculation of the Settlement Payment to Reimbursement Class Members. 12% of the NSA shall be allocated to the Participating Reimbursement Class Members who shall be paid pro rata based on the number of pay periods worked by the Participating Reimbursement Class Member during the Reimbursement Class Period as a percentage of the pay periods worked by all Participating Reimbursement Class Members during the Reimbursement Class Period.

6.1.2 Calculation of the Settlement Payment to Adjunct Class Members. 88% of the NSA shall be allocated to the Participating Adjunct Class and paid pro rata to Participating Adjunct Class Members based on the number of pay periods worked by the Participating Adjunct Class Member during the Adjunct Class Period as a percentage of the pay periods worked by all Participating Adjunct Class Members during the Adjunct Class Period.

6.1.3 Withholding.

- (a) Subject to approval by the Court, 100% of each individual Settlement Payment to Participating Reimbursement Class Members shall be characterized as non-wages, and shall be reported to the extent required.
- (b) Subject to approval by the Court, 20% of each individual Settlement Payment to Participating Adjunct Class Members is in settlement of wage claims, is subject to wage withholdings, and shall be reported on an IRS Form W-2. Defendant shall pay the employer's portion of payroll taxes with respect to the wage portion of Settlement Payments separately and in addition to the GSA. Subject to approval by the Court, 80% of each individual Settlement Payment to Participating Adjunct Class Members is in settlement of claims for penalties, interest and other non-wage payments, shall not be subject to wage withholdings, and shall be reported on IRS Form 1099.
- (c) The Participating Class Members agree to hold harmless Defendant, Class Counsel, and Defendant's Counsel for any tax liability, including penalties and interest, arising out of or relating to the Participating Class Members' failure to pay taxes on any amounts paid pursuant to this Settlement.

6.1.4 Effect of Class Members Who Timely and Validly Submit a Request for Exclusion. If a Class Member timely and validly submits a Request for Exclusion, as set forth herein, such Class Member shall not be entitled to a Settlement Payment and their Request for Exclusion will reduce neither the Gross Settlement Amount nor the Net Settlement Amount; however, such Class Member shall still receive their pro rata share of PAGA Penalties if they are an Aggrieved Employee and will be bound by the release of claims under PAGA as set forth in Sections 19.2 and 19.6 of this Agreement, regardless of whether they submit a Request for Exclusion.

6.2 Payments to Class Members pursuant to this Settlement Agreement will not be construed as compensation for purposes of determining eligibility for or benefit calculations of any health and welfare benefit plan, retirement benefit plan, vacation benefit plan, unemployment compensation, including, without limitation, all plans, subject to Employee Retirement Income Security Act. The Parties agree these payments do not represent any modification of any employee's previously-credited hours of service or other eligibility criteria under any employee pension benefit plan, employee welfare benefit plan, or other program or policy.

7. Changes to Reimbursement Policies as a Result of the Action.

7.1 Defendant agrees that, for a period of two years following execution of this Agreement, it will provide reasonable reimbursement payments each month for Adjunct Class Members in any month during which such employees are required to work remotely, to the extent required by applicable law.

8. Attorneys' Fees and Costs.

Class Counsel shall request from the Court an award of attorneys' fees up to one-third of the GSA; and up to \$25,000 for reimbursement of litigation costs. Defendant agrees to not oppose Class Counsel's request for attorneys' fees and costs in these amounts. The terms of this Settlement Agreement will not be abrogated and will continue in full force even if the Court awards a lower amount of attorneys' fees or costs than requested by Class Counsel. However, Class

Counsel retains the right to appeal any such reductions, but such an appeal will delay Defendant's obligation to make all payments set forth in this Settlement Agreement. Any unapproved amount of attorneys' fees and litigation costs will be added to the NSA and will be distributed to the Participating Class Members.

9. Service Award.

Class Counsel shall request from the Court a Service Award of up to Seven Thousand Five Hundred Dollars (\$7,500) for the Plaintiffs. Any unapproved amounts will be added to the NSA and be distributed to the Participating Class Members.

10. PAGA Penalties

The Parties will seek approval from the Court for the PAGA Penalties of \$20,000 out of the Gross Settlement Amount, which shall be allocated as follows: (a) 75% (\$15,000) shall be paid to the LWDA as the LWDA's share of the settlement of civil penalties paid under this Agreement pursuant to the PAGA; and (b) 25% (\$5,000) shall be distributed on a pro-rata basis based on the number of pay periods worked by each Aggrieved Employee during the PAGA Period as a percentage of the pay periods worked by all Aggrieved Employees during the PAGA Period. If the Court approves PAGA Penalties of less than \$20,000, the remainder will be retained in the Net Settlement Amount for distribution to Participating Class Members. All Aggrieved Employees will be sent their share of the PAGA Penalties and will be subject to the release of claims under PAGA as set forth in Sections 19.2 and 19.6 of this Agreement, whether or not they opt out of the Settlement. One hundred percent (100%) of the PAGA Penalties is in settlement of claims for penalties and will not be subject to wage withholdings, and shall be reported on IRS Form 1099.

11. Costs of Settlement Administration.

The Parties have mutually agreed to the selection of CPT, Inc. ("Settlement Administrator"), to undertake the administration of the settlement in this Action. The administration duties include, without limitation, the following: establishing and maintaining a qualified settlement account for the NSA, obtaining tax identification number(s) for Defendant applicable to the settlement, calculating the Settlement Payments and associated taxes and

withholdings, distributing the appropriate settlement amounts and amounts for attorneys' fees and reimbursement of litigation costs and expenses, providing necessary reports and declarations, performing an initial National Change of Address (NCOA) search upon receipt of the Class Member mailing addresses, mailing the Class Notices, performing one skip trace on Class Notices which are returned as undeliverable, reviewing and processing Requests for Exclusion, disputes, and objections, setting up a toll-free number, mailing the Class Members Payments and tax forms to the Class Members, and setting up a static website regarding the settlement. The Settlement Administrator will report payment of the individual Settlement Payments to all required taxing and other authorities, take appropriate withholdings, forward payments for withholdings and issue Internal Revenue Service Forms W-2 and 1099. The Settlement Administrator will establish a Qualified Settlement Fund ("QSF"), pursuant to section 468B(g) of the Internal Revenue Code for the purposes of administering the settlement. The Parties estimate that the costs and expenses of administration of the settlement will not exceed \$15,000, and these costs and expenses will be paid from the GSA, subject to approval of the Court. Any unapproved amounts will be added to the NSA and be distributed to the Participating Class Members.

12. Settlement Administration.

12.1 Within twenty-one (21) business days of the Preliminary Approval Order, Defendant shall provide the Settlement Administrator with the following information ("Class Data List"):

- (a) the name, employment identification number, last known address, last known telephone number, Social Security number, and dates of employment of each Class Member. These records will be presumptively determinative in any dispute, including disputes over entitlement to payment or over class membership status.

12.2 Upon its receipt of the Class Data List, the Settlement Administrator shall access the National Change of Address (“NCOA”) Database, and update the addresses contained therein.

12.3 Within thirty (30) calendar days of the Preliminary Approval Order, the Settlement Administrator shall provide the Class Notice Packet (which will include the Class Notice completed to reflect the Preliminary Approval Order and showing the Class Member’s Settlement Payment) by bulk first class regular U.S. Mail, forwarding requested, to the Class Members at the addresses identified through the process described above.

12.4 As to any Class Notice Packets that are returned as undeliverable by the U.S. Postal Service, or where the NCOA Database indicates that the last known address of any Class Member is invalid or otherwise undeliverable, the Settlement Administrator will use the Class Data List and otherwise work with Defendant to find a more current address. The Settlement Administrator will be responsible for taking reasonable steps, consistent with its agreed-upon parameters, Court orders, and fee, as agreed to with Class Counsel and according to the following deadlines, to trace the mailing address of any Class Member for whom a Class Notice Packet is returned as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail; performing address searches using available email addresses, phone numbers, social security numbers, credit reports, LinkedIn, and Facebook; and promptly re-mailing all returned, undelivered mail not longer than fourteen (14) calendar days of the date on which the Settlement Administrator is informed that a Class Notice Packet is undeliverable or otherwise invalid. It will be conclusively determined that, if an envelope containing the Class Notice Packet has not been returned within twenty-eight (28) calendar days of the mailing, the Class Member received the Class Notice Packet.

12.5 If Defendant and the Settlement Administrator determine, based upon further review of available data, that a person previously identified as being a Class Member should not be so included or identify a person who should have been included as a Class Member but was not so included, Defendant and the Settlement Administrator shall immediately notify

Class Counsel and the Parties shall meet and confer to mutually determine whether it is appropriate to delete or add such person.

12.6 The Settlement Administrator and all those working through, in concert with, or on behalf of the Settlement Administrator, shall be obligated to take all reasonable steps to maintain the confidentiality of Class Member information and to carry out the other duties enumerated in the Settlement Agreement, including calculating each Class Member's potential share of the settlement. The names, addresses, telephone numbers, Social Security Numbers, hire dates and termination dates of each Class Member shall be kept strictly confidential by the Settlement Administrator, who will not release such information to Plaintiffs or Class Counsel, and will provide such information to the Court only under seal and only if so ordered by the Court. To the extent Class Counsel possesses or comes to possess the Class Members' contact information and/or Social Security numbers, Class Counsel shall return all such information (including copies, data, or information derived therefrom) within seven (7) calendar days from the Effective Date, shall not retain copies of such information, and shall not maintain or use such information for any purpose.

12.7 The Settlement Administrator shall provide Defendant's counsel and Class Counsel with weekly summary reports, including the total number of Class Notices that were returned as undeliverable, the total number of objections, disputes, and/or Requests for Exclusion. If the Class Notice Packet is remailed, the response date for written objections, disputes and opt-outs will be extended an additional fifteen (15) calendar days, and the Settlement Administrator will note for its own records and notify Class Counsel and Defendant's Counsel of the date of each of such re-mailing as part of the weekly summary report provided to the Parties.

12.8 The Class Notice will be a pre-printed notice, in substantially the form attached hereto as Exhibit A and as approved by the Court. In addition to other information contained on the Class Notice, the Class Notice will include an explanation of the distribution formula used to determine the share of the Net Settlement Amount the Class Member may be entitled to receive under the Settlement.

12.9 No later than seven (7) calendar days following the Response Deadline, the Settlement Administrator shall provide counsel for the Parties with a declaration of due diligence setting forth its compliance with its obligations under this Agreement and proof of mailing of the Class Notice, and detailing the Requests for Exclusion it received (including the numbers of valid and deficient Requests for Exclusion) and objections received which Class Counsel will file with the Court on the date by which Class Counsel is to file the motion for final approval of the settlement no later than sixteen (16) court days prior to the Court's Final Approval Hearing. Prior to the Final Approval Hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.

13. Requests for Exclusion.

13.1 The Parties agree that Plaintiffs may not opt out of the Settlement but that any other Class Member may elect to opt out of the Settlement by submitting a signed Request for Exclusion to the Settlement Administrator, postmarked no later than the Response Deadline. The Class Notice will provide that Class Members who wish to exclude themselves from the Settlement must mail to the Settlement Administrator postmarked not later than sixty (60) calendar days after the Settlement Administrator mails the Class Notice Packets, a signed Request for Exclusion. If a Class Notice Packet is re-mailed, the response date for opt-outs will be extended an additional fifteen (15) calendar days. To be valid, the Request for Exclusion must be timely and must comply with the instructions in the Class Notice. If a question is raised about the authenticity of a signed Request for Exclusion the Settlement Administrator will have the right to demand additional proof of the Class Member's identity. The Request for Exclusion must be returned by first class mail or equivalent to the Settlement Administrator at the specified address provided on the Class Notice; and be postmarked on or before the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. The Settlement Administrator shall immediately send via e-mail date-stamped copies of all original Requests for Exclusion to

Defendant's counsel and Class Counsel, no later than seven (7) calendar days after receipt. The Settlement Administrator shall report the Requests for Exclusion that it receives and also identify the individuals who have submitted a timely and valid Request for Exclusion, to the Court, in its declaration to be provided in advance of the Final Approval Hearing. A Class Member who fails to comply with the opt out procedure set forth herein on or before the Response Deadline will not be excluded and will instead be bound by all provisions of the Settlement Agreement, including without limitation the release of class claims set forth in Sections 19.1 and 19.5 of this Agreement, and all orders issued pursuant thereto if Final Approval of the Settlement is granted.

13.2 Any Class Member who elects to opt out of the Class in the manner and within the time limits specified above (1) will not have any rights under the Settlement Agreement or have any right to object to, appeal, or comment on the Settlement; (2) will not be entitled to receive any compensation under the Settlement Agreement; (3) will not have standing to submit any objection to the Settlement Agreement; and (4) will not be bound by the Settlement Agreement. However, a Class Member if they are an Aggrieved Employee may not opt out of the release of PAGA claims and will be bound by the release of claims under PAGA as set forth in Sections 19.2 and 19.6 of this Agreement regardless of whether he or she submits a valid Request for Exclusion, and shall be paid his or her share of PAGA Penalties regardless of whether he or she opts out of the Class.

13.3 Except for persons who elect to opt out of the Settlement in the manner and within the time limits specified above, all Class Members will be deemed to be a Participating Class Member for all purposes under this Settlement Agreement, will be bound by the terms and conditions of this Settlement Agreement (including the release provisions in Section 19 and its subparts, except Sections 19.8, 19.9 and 19.10 which are only applicable to the Class Representatives), including all orders issued pursuant thereto, and will be deemed to have waived all unstated objections and opposition to the fairness, reasonableness, and adequacy of this Settlement Agreement, and any of its terms.

13.4 At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to opt out of the Settlement.

14. Objections.

The Parties agree that Plaintiffs may not file an objection to the Settlement but that any other Class Member who does not request exclusion from the Settlement may object to the Settlement Agreement by mailing to the Settlement Administrator at the address provided on the Class Notice, no later than the Response Deadline, a written statement setting forth the grounds for the objection(s) and complying with the instructions in the Class Notice. The date of delivery of the written objection is deemed to be the date the objection is deposited in U.S. Mail, postage prepaid, as evidenced by the postmark. The Class Notice will provide that only Participating Class Members who wish to object to the Settlement, attorneys' fees and litigation costs to Class Counsel, and/or the Service Award to the Class Representatives may object to the proposed Settlement, either in writing or orally at the Final Approval Hearing. The Class Notice will also provide that the objection(s) in writing must be submitted to the Settlement Administrator, postmarked not later than sixty (60) calendar days after the Settlement Administrator mails the Class Notice Packets. If a Class Notice Packet is re-mailed, the response date for written objections will be extended an additional fifteen (15) calendar days. The Settlement Administrator shall immediately email a dates-stamped copy of all objections, and any withdrawal of objections, to counsel for Defendant and Class Counsel, no later than seven (7) calendar days after receipt.

Class Counsel shall be responsible for ensuring that all written objections received from the Settlement Administrator are filed with the Court along with their Motion for Final Approval. Any Participating Class Member who does not file a written objection will still be afforded the opportunity to be heard at the Final Approval Hearing to orally object to the Settlement, attorneys' fees and litigation costs to Class Counsel, and/or the Service Award to the Class Representatives. Objections made by Class Members who opt-out shall be deemed invalid. Class Counsel will be responsible for drafting and filing any responses to any objections at the time the Motion for Final Approval is filed. Class Members may, prior to the Final Approval Hearing, withdraw their

objections or opt out requests in a writing to the Settlement Administrator, which may then be filed with the Court. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to object to the Settlement Agreement or appeal from the Final Approval Order and judgment.

If a Class Member objects to the Settlement, the Class Member will remain a member of the Participating Class and if the Court approves this Settlement Agreement, the Class Member will be bound by the terms of the Settlement in the same way and to the same extent as a Participating Class Member who does not object.

15. Resolution of Disputes.

If any Class Member timely disputes the number of pay periods listed on his or her Class Notice or the date(s) of issue, the dispute will be submitted to the Settlement Administrator, who will examine the records and either verify the calculation or provide a corrected calculation. Disputes must be submitted to the Settlement Administrator in writing, postmarked on or before the Response Deadline. The Class Notice will provide each Class Member shall have sixty (60) calendar days after the Settlement Administrator mails the Class Notice Packets in which to dispute the pay periods in the Class Notice allocated to them during the Class Period. If a Class Notice Packet is re-mailed, the response date for disputes will be extended an additional fifteen (15) calendar days. The Settlement Administrator shall determine the validity of any disputes and shall be finally responsible for resolving those disputes, with input and assistance from Defendant's Counsel, where applicable. All such disputes are to be resolved no later than fourteen (14) calendar days after the Response Deadline. The Court shall have the right to review any decision made by the Settlement Administrator regarding a claim dispute.

16. Payment Procedure.

16.1 Payments to Class Members, Class Counsel, Class Representatives, Taxing Authorities and LWDA: Within 20 calendar days of receipt of the GSA and employer's side payroll tax, the Settlement Administrator will distribute, subject to approval by the Court: (a) Settlement Payments to Participating Class Members; (b) attorneys' fees and costs to Class

Counsel; (c) Settlement Administration Costs to the Settlement Administrator; (d) Service Award to the Class Representatives; (e) all applicable tax withholdings to the appropriate taxing authorities; and (f) the PAGA Penalties in accordance with this Agreement.

16.2 Uncashed Checks: A Participating Class Member or Aggrieved Employee must cash his or her Settlement Payment and/or PAGA Penalties check within one hundred eighty (180) calendar days after it is mailed to him or her. If a check is returned to the Settlement Administrator or not cashed within 120 calendar days after the last mailing, the Settlement Administrator will make all reasonable efforts to re-mail it to the affected individual at his or her correct address by use of available email addresses, phone numbers, social security numbers, credit reports, LinkedIn and Facebook. If a Participating Class Member's or Aggrieved Employee's check is not cashed within 120 calendar days after its last mailing to the affected individual, the Settlement Administrator will also send the individual a notice informing him or her that unless the check is cashed in the next 60 calendar days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced but not cashed. If the check remains uncashed by the expiration of the 60 day period after this notice, such check will be voided and the funds from such unpaid check will be paid to the California State Controller's Unclaimed Property Fund in the name of and for the benefit of the individual who did not cash their check. Participating Class Members or Aggrieved Employees whose checks are not timely cashed and which are cancelled, will be deemed to have irrevocably waived any right in or claim to any payment under the Settlement, but the Settlement and their release of Released Claims as set forth in Section 19 of this Agreement will remain binding upon them. The Parties agree that this disposition results in no "unpaid residue" within the meaning of California Code of Civil Procedure Section 384, as the entire Net Settlement Amount will be paid out to Participating Class Members or Aggrieved Employees, whether or not they all cash their Settlement Payments.

16.3 Final Report by Settlement Administrator to Court. Within ten (10) calendar days after final disbursement of all funds from the Gross Settlement Amount, the

Settlement Administrator will provide the Parties with a declaration providing a final report on the disbursements of all funds from the Gross Settlement Amount.

17. Taxes.

17.1 Employer's Portion of Payroll Taxes: Defendant shall pay the employer's portion of payroll taxes with respect to the wage portion of Settlement Payments separately and in addition to the GSA.

17.2 Tax Treatment of Service Award: Plaintiffs will receive an IRS Form 1099 for their individual Service Award and will be responsible for payment of any taxes owing on said amount.

17.3 Tax Treatment of Attorneys' Fees and Cost Award: Class Counsel will receive an IRS Form 1099 for any amount awarded to Class Counsel in the form of attorneys' fees or costs and will be responsible for payment of any taxes owing on said amount.

17.4 No Tax Advice: The Parties are not giving any tax advice in connection with the settlement or any payments to be made pursuant to this settlement including, but not limited to, within the meaning of United States Treasury Circular 230 (31 CFR part 10, as amended). The Parties do not assume any liability for taxes, fees, costs, or assessments resulting from any Class Members' failure to timely pay his or her share of taxes, interest, fees, or penalties owed. Plaintiffs and each Class Member are solely responsible for any tax obligations in connection with any payments made pursuant to this Agreement.

18. Non-Materiality of Attorneys' Fees, Costs and Service Award.

The attorneys' fees and litigation costs and expenses to Class Counsel, Settlement Administration Costs, and Service Award provided by this Settlement, will be awarded at the discretion of the Court, provided that they do not exceed the amounts listed in this Settlement Agreement. Any denial or reduction in amount by the Court of the application for attorneys' fees and litigation costs and expenses, Service Award, and/or Settlement Administration Costs will in no way affect the validity and effect of the remainder of this Settlement Agreement, or give rise to a right to abrogate this Settlement Agreement.

19. Release.

19.1 Adjunct Class Released Claims: Upon the Effective Date, and upon funding, in full, of the Gross Settlement Amount, Plaintiffs and Adjunct Participating Class Members (on behalf of themselves and their respective agents, representatives, attorneys, heirs, executors, administrators, successors in interest, and assigns) irrevocably and unconditionally fully release and discharge Defendant and the Released Parties from any and all claims, whether known or unknown, liquidated or unliquidated, that were alleged or could have been alleged based on the facts pled in the operative Complaint, for any alleged violations by Defendant including without limitation California Labor Code §§ 201-203, 226(a) and (e), 226.2, 226.7, 512, 1194, 1194.2, and 2802, Business & Professions Code § 17200, *et seq.*, California Industrial Commission Wage Orders, and California Code of Regulations Title 8 §§ 11040, 11000 *et seq.*, and all claims for attorneys' fees and costs and statutory interest in connection therewith, which arose during the Adjunct Class Period ("Adjunct Released Class Claims").

19.2 Adjunct Aggrieved Employees' Released PAGA Claims: Upon the Effective Date, and upon funding, in full, of the Gross Settlement Amount, Plaintiffs and all Adjunct Aggrieved Employees who were employed during the PAGA Period (on behalf of themselves and their respective agents, representatives, attorneys, heirs, executors, administrators, successors in interest, and assigns) irrevocably and unconditionally fully release and discharge Defendant and the Released Parties from any and all claims, whether known or unknown, liquidated or unliquidated, that were asserted or could have been asserted on their behalf based on the facts set forth in the operative pleading in the Action and/or notices submitted to the LWDA in connection with the Action, to recover civil penalties pursuant to PAGA for any alleged violations by Defendant including California Labor Code §§ 201-203, 226(a) and (e), 226.2, 226.7, 512, 1194, 1194.2 and 2802, Business & Professions Code § 17200, *et seq.*, California Industrial Commission Wage Orders, and California Code of Regulations Title 8 §§ 11040, 11000 *et seq.*, and all claims for attorneys' fees and costs and statutory interest in connection therewith, arising during the PAGA Period ("Adjunct Released PAGA Claims").

19.3 No Assignment. Plaintiffs, Adjunct Participating Class Members, and Adjunct Aggrieved Employees acknowledge that they have not heretofore assigned or transferred to or purported to assign or transfer to any person or entity the Released Claims or any part or portion thereof set forth in Sections 19.1 and 19.2. Plaintiffs, Adjunct Participating Class Members, and Adjunct Aggrieved Employees agree to indemnify and hold harmless the Released Parties from and against any claim, demand, controversy, damage, debt, liability, account, reckoning, obligation, cost, expense, lien, action or cause of action (including the payment of attorneys' fees and costs actually incurred whether or not litigation commenced) based on, in connection with, or arising out of any assignment or transfer or claimed assignment or transfer thereof.

19.4 Labor Code Section 206.5. Plaintiffs, on behalf of themselves and the Adjunct Participating Class Members, acknowledge and agree that the claims for unpaid wages in the Action, and untimely payment of wages in the Action, are disputed, and that the payments set forth herein constitute payment of all sums allegedly due to them. Plaintiffs, on behalf of themselves and the Adjunct Participating Class Members, acknowledge and agree that California Labor Code Section 206.5 is not applicable to the Parties hereto. That section provides in pertinent part as follows:

An employer shall not require the execution of any release of any claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made.

19.5 Reimbursement Class Released Claims: Upon the Effective Date, and upon funding, in full, of the Gross Settlement Amount, Plaintiffs and Reimbursement Participating Class Members (on behalf of themselves and their respective agents, representatives, attorneys, heirs, executors, administrators, successors in interest, and assigns) irrevocably and unconditionally fully release and discharge Defendant and the Released Parties from any and all claims, whether known or unknown, liquidated or unliquidated, that were alleged or could have

been alleged based on the facts pled in the operative Complaint, for any alleged violations by Defendant including without limitation California Labor Code § 2802, Business & Professions Code § 17200, *et seq.*, California Industrial Commission Wage Orders, and California Code of Regulations Title 8 § 11040 and all claims for attorneys' fees and costs and statutory interest in connection therewith, which arose during the Reimbursement Class Period ("Reimbursement Released Class Claims").

19.6 Reimbursement Aggrieved Employees' Released PAGA Claims:

Upon the Effective Date, and upon funding, in full, of the Gross Settlement Amount, Plaintiffs and all Reimbursement Aggrieved Employees who worked during the PAGA Period (on behalf of themselves and their respective agents, representatives, attorneys, heirs, executors, administrators, successors in interest, and assigns) irrevocably and unconditionally fully release and discharge Defendant and the Released Parties from any and all claims, whether known or unknown, liquidated or unliquidated, that were asserted or could have been asserted on their behalf based on the facts set forth in the operative pleading in the Action and/or notices submitted to the LWDA in connection with the Action, to recover civil penalties pursuant to PAGA for any alleged violations by Defendant including California Labor Code § 2802, and Business & Professions Code § 17200, *et seq.*, California Industrial Commission Wage Orders, and California Code of Regulations Title 8 § 11040 and all claims for attorneys' fees and costs and statutory interest in connection therewith, arising during the PAGA Period ("Reimbursement Released PAGA Claims").

19.7 No Assignment. Plaintiffs, Reimbursement Participating Class Members and Reimbursement Aggrieved Employees acknowledge that they have not heretofore assigned or transferred to or purported to assign or transfer to any person or entity the Released Claims or any part or portion thereof set forth in Sections 19.5 and 19.6. Plaintiffs, Reimbursement Participating Class Members, and Reimbursement Aggrieved Employees agree to indemnify and hold harmless the Released Parties from and against any claim, demand, controversy, damage, debt, liability, account, reckoning, obligation, cost, expense, lien, action or cause of action

(including the payment of attorneys' fees and costs actually incurred whether or not litigation commenced) based on, in connection with, or arising out of any assignment or transfer or claimed assignment or transfer thereof.

19.8 Plaintiffs' General Release: Upon the Effective Date, and upon funding, in full, of the Gross Settlement Amount, and in exchange for the consideration recited in this Agreement, including but not limited to the Class Representatives' Service Award, Plaintiffs Larissa Marantz and Morghan Gill, individually and on behalf of Plaintiffs' heirs, executors, administrators, representatives, attorneys, successors, and assigns knowingly and voluntarily release and forever discharge Defendant and the Released Parties, to the full extent permitted by law, of and from any and all claims, known and unknown, asserted and unasserted, which Plaintiffs have or may have against Defendant and the Released Parties as of the date of execution of this Settlement Agreement including, but not limited to, any alleged violation of:

Title VII of the Civil Rights Act of 1964;

The Civil Rights Act of 1991;

Sections 1981 through 1988 of Title 42 of the United States Code, as amended;

The Employee Retirement Income Security Act of 1974 ("ERISA") (as modified below);

The Immigration Reform and Control Act;

The Americans with Disabilities Act of 1990;

The Age Discrimination in Employment Act of 1967 ("ADEA");

The Workers Adjustment and Retraining Notification Act;

The Occupational Safety and Health Act;

The Sarbanes-Oxley Act of 2002;

The Fair Credit Reporting Act;

The Family and Medical Leave Act;

The Equal Pay Act;

The Genetic Information Nondiscrimination Act of 2008;

Executive Order 11246;

The Rehabilitation Act;

California Family Rights Act – Cal. Gov’t Code § 12945.2;

California Fair Employment and Housing Act – Cal. Gov’t Code § 12900 et seq.;

California Unruh Civil Rights Act – Cal. Civ. Code § 51 et seq.;

Statutory Provisions Regarding the Confidentiality of AIDS Information – Cal. Health & Safety Code § 120775 et seq.;

California Confidentiality of Medical Information Act – Cal. Civ. Code § 56 et seq.;

California Parental Leave Law – Cal. Lab. Code § 230.7 et seq.;

California Military Personnel Bias Law – Cal. Mil. & Vet. Code § 394;

The California Occupational Safety and Health Act, as amended, and any applicable regulations thereunder;

The California Consumer Credit Reporting Agencies Act – Cal. Civ. Code § 1785 et seq.;

California Investigative Consumer Reporting Agencies Act – Cal. Civ. Code § 1786 et seq.;

The Fair Labor Standards Act of 1938 – 29 U.S.C. §§ 201-219;

Those provisions of the California Labor Code that lawfully may be released;

Any other federal, state or local civil or human rights law or any other federal, state or local law, regulation or ordinance;

Any public policy, contract, tort or common law; or

Any basis for recovering costs, fees or other expenses including attorneys’ fees incurred in these matters.

To effect a full and complete general release as described above, Plaintiffs expressly waive and relinquish all rights and benefits of section 1542 of the Civil Code of the State of California, and do so understanding and acknowledging the significance and consequence of specifically waiving section 1542. Section 1542 of the Civil Code of the State of California states as follows:

**A general release does not extend to claims that the creditor
or releasing party does not know or suspect to exist in his or**

her 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 released party.

Thus, notwithstanding the provisions of section 1542, and to implement a full and complete release and discharge of Defendant and the Released Parties, Plaintiffs expressly acknowledge this Settlement Agreement is intended to include in its effect, without limitation, all claims Plaintiffs do not know or suspect to exist in Plaintiffs' favor at the time of signing this Settlement Agreement, and that this Settlement Agreement contemplates the extinguishment of any such claims. Plaintiffs warrant Plaintiffs have read this Settlement Agreement, including this waiver of California Civil Code section 1542, and that Plaintiffs have consulted with or had the opportunity to consult with counsel of Plaintiffs' choosing about this Settlement Agreement and specifically about the waiver of section 1542, and that Plaintiffs understand this Settlement Agreement and the section 1542 waiver, and so Plaintiffs freely and knowingly enter into this Settlement Agreement. Plaintiffs further acknowledge that Plaintiffs later may discover facts different from or in addition to those Plaintiffs now know or believe to be true regarding the matters released or described in this Settlement Agreement, and even so Plaintiffs agree that the releases and agreements contained in this Settlement Agreement shall remain effective in all respects notwithstanding any later discovery of any different or additional facts. Plaintiffs expressly assume any and all risk of any mistake in connection with the true facts involved in the matters, disputes, or controversies released or described in this Settlement Agreement or with regard to any facts now unknown to Plaintiffs relating thereto.

If any claim is not subject to release, to the extent permitted by law, Plaintiffs waive any right or ability to be a class or collective action representative or to otherwise participate in any putative or certified class, collective, or multi-party action or proceeding based on such a claim in which Defendant, or any of the other Released Parties is a party.

19.9 Plaintiffs' Knowing Waiver of Age Discrimination Claims:

Plaintiffs Larissa Marantz and Morghan Gill acknowledge that they already have attained the age

of 40 and that the following provisions meet the Older Workers' Benefit Protection Act, 29 U.S.C. § 626(f). Plaintiffs also acknowledge that the following provisions are agreed to for this purpose.

- (a) Plaintiffs acknowledge that they already have attained the age of 40 and understand this is a full release of all existing claims whether currently known or unknown including, but not limited to, claims for age discrimination under the federal Age Discrimination in Employment Act ("ADEA") and the California Fair Employment and Housing Act ("FEHA").
- (b) Plaintiffs further acknowledge that they have been advised to consult with an attorney of their own choosing before releasing any rights under the ADEA.
- (c) By releasing their rights under the ADEA, Plaintiffs also acknowledge that they have been afforded at least twenty-one (21) calendar days to consider the meaning and effect of a release of their rights under the ADEA and to discuss the contents and meaning of such release, as well as the alternatives to not agreeing to such release, with an attorney of their choosing, and have done so.
- (d) Plaintiffs understand that the releases contained in this Settlement Agreement do not extend to any rights or claims that they have under the ADEA that first arise after the date of execution of this Settlement Agreement.
- (e) Plaintiffs understand that they are not waiving their right, if any, to file a complaint or charge with the EEOC or participate in any investigation or proceeding conducted by the EEOC with respect to an age discrimination claim that

arose prior to the Effective Date of this Settlement Agreement, but are waiving Plaintiffs' right to recover damages or to seek reinstatement pursuant to such complaint or charge.

- (f) Plaintiffs understand that the consideration provided for in this Agreement and specifically with respect to this age discrimination release is in addition to that which Plaintiffs are already entitled.
- (g) If Plaintiffs sign this Settlement Agreement before the 21-day consideration period expires, the seven-day revocation period (described in subsection (h) below) immediately shall begin. If Plaintiffs sign this Agreement before the 21-day consideration period expires, Plaintiffs agree that they knowingly and voluntarily have accepted the shortening of the 21-day consideration period and that Defendant has not promised them anything or made any representations that are not contained in this Agreement. In addition, if Plaintiffs sign this Settlement Agreement before the 21-day consideration period expires, they acknowledge and affirm that Defendant has not threatened to withdraw or alter the offer contained in this Agreement prior to the expiration of the 21-day consideration period.
- (h) Plaintiffs may revoke their ADEA age discrimination release for a period of seven calendar days following the date they execute this Agreement ("Revocation Period"). Any revocation during this period must be submitted in writing and state, "I hereby revoke my acceptance of the ADEA age

discrimination release.” The revocation must be emailed to Leila Nourani, Esq., Jackson Lewis LLP, leila.nourani@jacksonlewis.com, within seven calendar days after Plaintiffs’ execution of this Agreement. If the last day of the revocation period falls on a Sunday or legal holiday in the state of California, then the revocation period shall not expire until the next following day which is not a Sunday or legal holiday in the state of California. The foregoing notwithstanding, this ADEA age discrimination release shall not become effective and enforceable until the seven-day revocation period has expired.

- (i) In the event either Plaintiff revokes her release of any ADEA claim during the Revocation Period, the Service Award payment Plaintiffs are to receive in accordance with Section 9 above will be reduced by twenty-five percent (25%) of the gross amount paid to them under that section. In the event both Plaintiffs revoke their release of any ADEA claim, then their respective shares of the Service Award shall each be reduced by twenty-five percent (25%) of the gross amount to be paid to them.

Plaintiffs understand that the foregoing does not apply to any challenge Plaintiffs may make regarding the knowing and voluntary nature of the release of their claim for age discrimination, if any, under the ADEA. Plaintiffs also understand, however, that if they pursue a claim against any of the Released Parties for age discrimination under the ADEA, a court has the discretion to determine whether any of the Released Parties are entitled to restitution, recoupment, or setoff against a monetary award obtained by Plaintiffs in a court proceeding. Plaintiffs also

recognize that, as a result of such challenge, the Released Parties may be entitled to recover costs and attorneys' fees incurred by them as specifically authorized under applicable law.

19.10 No Assignment. Plaintiffs acknowledge that they have not heretofore assigned or transferred to or purported to assign or transfer to any person or entity the Released Claims or any part or portion thereof set forth in Sections 19.8 and 19.9 above. Plaintiffs agree to indemnify and hold harmless the Released Parties from and against any claim, demand, controversy, damage, debt, liability, account, reckoning, obligation, cost, expense, lien, action or cause of action (including the payment of attorneys' fees and costs actually incurred whether or not litigation commenced) based on, in connection with, or arising out of any assignment or transfer or claimed assignment or transfer thereof.

20. Application for Preliminary Approval Order.

20.1 After the Parties' execution of this Settlement Agreement, Class Counsel will be responsible for drafting all documents necessary to obtain preliminary approval. Plaintiffs shall file a motion for preliminary approval of the settlement, setting a date for the Final Approval Hearing, and requesting a Preliminary Approval Order that contains the following provisions:

20.1.1 preliminarily approving the Settlement Agreement;

20.1.2 preliminarily approving and conditionally certifying the Class for settlement purposes only;

20.1.3 approving the form of the Class Notice, and finding that the proposed method of disseminating the Class Notice meets the requirements of due process and is the best notice practicable under the circumstances;

20.1.4 establishing the procedures and the deadline by which Class Members may assert objections to the settlement, seek exclusion from the settlement, and/or dispute their Settlement Payment;

20.1.5 establishing a deadline for the Parties to submit papers/briefing in response to any objections and in support of final approval of the Settlement Agreement; and

20.1.6 setting a date for the Final Approval Hearing.

20.2 At the hearing on the Motion for Preliminary Approval, the Parties will jointly appear, support the granting of the motion, and submit an Order Granting Preliminary Approval of the Settlement substantially in the form evidenced by Exhibit B to this Agreement and incorporated by reference into this Agreement.

21. Final Approval Order and Final Judgment.

21.1 If the settlement is preliminarily approved by the Court, and upon expiration of the deadlines to Requests for Exclusion, objections to the Settlement Agreement, or disputes regarding Settlement Payments and with the Court's permission, a Final Approval Hearing will be conducted to determine the Final Approval of the Settlement Agreement along with the amounts properly payable for (a) the Settlement Payments to Participating Class Members; (b) the PAGA Penalties; (c) the attorney's fees and reimbursement of litigation costs and expenses to Class Counsel; (d) the Service Award to the Class Representatives; (e) Settlement Administration Costs; and (f) the employer's share of payroll taxes for wages paid in connection with the Settlement Payment. Class Counsel will be responsible for drafting all documents necessary to obtain final approval of the settlement, including responding to any objections and appeals arising therefrom. Class Counsel will also be responsible for drafting the attorneys' fees and costs application to be heard at the final approval hearing. Class Counsel shall request that the Court enter an order granting final approval of the settlement and judgment based thereon ("Final Approval Order and Judgment") no later than sixteen (16) court days before the Final Approval Hearing, which includes the following provisions:

21.1.1 confirming conditional certification of the Class for settlement purposes only;

21.1.2 finding that the dissemination of the Class Notice in the form and manner ordered by the Court was accomplished as directed, and met the requirements of due process;

21.1.3 finally approving the Settlement Agreement as fair, reasonable and adequate, and directing consummation of the settlement in accordance with its terms and provisions;

21.1.4 directing the Parties to implement the terms of the Settlement Agreement;

21.1.5 releasing and discharging Defendant and the Released Parties from any and all liability with respect to the Released Claims;

21.1.6 awarding reasonable attorneys' fees and litigation costs to Class Counsel as determined by the Court;

21.1.7 awarding Service Award to the Class Representatives as determined by the Court;

21.1.8 awarding Settlement Administration Costs to the Settlement Administrator as determined by the Court;

21.1.9 approving the allocation of PAGA Penalties;

21.1.10 entering final judgment on the Complaint; and

21.1.11 preserving continuing and exclusive jurisdiction over all matters related to the administration and consummation of the terms of the settlement and enforcement of the Judgment.

21.2 If any opposition is filed to the motion for final approval, attorneys' fees and litigation costs to Class Counsel, and/or the Service Award to the Class Representatives, then not later than five (5) court days before the Final Approval Hearing, both Parties may file a reply in support of the motion for final approval, and Plaintiffs and Class Counsel may also file a reply in support of their motion for attorneys' fees and litigation costs to Class Counsel, and the Service Award to the Class Representatives.

21.3 Upon final approval of the Settlement by the Court at or after the Final Approval Hearing, the Parties will present for the Court's approval and entry of the Final Approval Order substantially in the form attached hereto as Exhibit C. After entry of the Final

Approval Order, the Court will have continuing jurisdiction over the Action and the Settlement solely for purposes of (i) enforcing this Agreement, (ii) addressing settlement administration matters, and (iii) addressing such post-judgment matters as may be appropriate under court rules or applicable law.

22. Effect of Settlement Not Being Final.

In the event that the settlement does not become final, or is negated, or if the Court declines to enter the Preliminary Approval Order, the Final Approval Order, or final judgment in substantially the form submitted by the Parties, then this Settlement Agreement will become null and void and of no force and effect whatsoever, any class and representative action, which were certified for settlement purposes only, shall be vacated, and shall be of no force or effect whatsoever, and all negotiations, proceedings, and statements relating thereto will be without prejudice as to the rights of any and all Parties hereto, none shall be admissible or construed as an admission or concession of any kind by the Parties, in whole or part, and all Parties and their respective predecessors and successors will be deemed to have reverted to their respective positions in the Action as of the date and time immediately prior to the execution of this Settlement Agreement. Furthermore, Defendant shall have no obligation to make any payments to the Class Members, Aggrieved Employees, Plaintiffs, or Class Counsel, and any preliminary or final approval order or judgment shall be vacated. In such an instance, the Settlement Agreement and all negotiations, statements, proceedings, and data relating thereto shall be deemed confidential mediation settlement communications and not subject to disclosure for any purpose or proceeding. If the Court does not approve either preliminarily or finally any material term or condition of the Settlement Agreement, or if the Court effects a material change to the Parties' settlement (including but not limited to the scope of release to be granted by Participating Class Members and/or Aggrieved Employees, or the binding effect of the settlement on Participating Class Members and/or Aggrieved Employees), the Parties shall work together in good faith to address any concerns raised by the Court to facilitate court approval. Either Party shall give to the other

July 21

Party (through its counsel) written notice of its decision to terminate no later than fourteen (14) court days after receiving notice that one of the enumerated events in this Section has occurred.

23. Right to Void Settlement.

A Party will have the right but not the obligation to reject the Settlement as follows:

- (a) If five percent (5%) or more of the total number of all Adjunct Class Members timely complete and serve valid Requests for Exclusion from the settlement (opt out), then Defendant will have the right to void the Settlement within thirty (30) calendar days of receiving notice of the number of exclusions. If Defendant decides to void the Settlement, then the Settlement and class certification shall be considered null and void, and neither the Settlement, class certification, nor any of the related negotiations or proceedings shall be of any force or effect, and all parties to this Settlement shall stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court. Furthermore, Defendant will have no obligations under the Settlement, including any obligation to pay the Gross Settlement Amount, or any amounts that otherwise would have been owed under the Settlement, except that Defendant will pay the Settlement Administrator's reasonable fees and expenses incurred as of the date that Defendant exercises its right to void the Settlement.
- (b) If ten percent (10%) or more of the total number of all Reimbursement Class Members timely complete and serve valid Requests for Exclusion from the settlement (opt out),

then Defendant will have the right to void the Settlement within thirty (30) calendar days of receiving notice of the number of exclusions. If Defendant decides to void the Settlement, then the Settlement and class certification shall be considered null and void, and neither the Settlement, class certification, nor any of the related negotiations or proceedings shall be of any force or effect, and all parties to this Settlement shall stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court. Furthermore, Defendant will have no obligations under the Settlement, including any obligation to pay the Gross Settlement Amount, or any amounts that otherwise would have been owed under the Settlement, except that Defendant will pay the Settlement Administrator's reasonable fees and expenses incurred as of the date that Defendant exercises its right to void the Settlement;

- (c) If the Court does not grant final approval of the Settlement or grants final approval conditioned on any material change to the terms of the Settlement with respect to increasing the payments to be made to Participating Class Members or Aggrieved Employees and/or decreasing the scope of the Released Claims, then Defendant will have the right to void this Settlement and the Settlement and class certification shall be considered null and void, and neither the Settlement, class certification, nor any of the related negotiations or proceedings shall be of any force or effect,

and all parties to this Settlement shall stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court. Furthermore, the Parties will have no further obligations under the Settlement, including any obligation by Defendant to pay the Gross Settlement Amount or any amounts that otherwise would have been owed under the Settlement. In this event, Defendant will pay the Settlement Administrator's reasonable fees and expenses incurred as of the void date. An award by the Court of a lesser amount than that sought by Plaintiffs and Class Counsel for the Service Award or attorneys' fees and litigation costs and expenses, will not constitute a material modification to the Settlement; or

- (d) If after a notice of appeal, a petition for review, or a petition for certiorari, or any other motion, petition, or application, the reviewing court vacates, reverses, or modifies the Judgment such that there is a material modification to the Settlement, and that court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher court, then either Party will have the right to void the Settlement and the Settlement and class certification shall be considered null and void, and neither the Settlement, class certification, nor any of the related negotiations or proceedings shall be of any force or effect, and all parties to this Settlement shall stand in the same position, without prejudice, as if the Settlement had been

neither entered into nor filed with the Court. Furthermore, neither Party will have any further obligations under the Settlement/Agreement, including any obligation by Defendant to pay the Gross Settlement Amount or any amounts that otherwise would have been owed under the Settlement. In such event, the party that elects to void the Settlement will pay the Settlement Administrator's reasonable fees and expenses incurred as of the void date. A vacation, reversal, or modification of the Court's award of the Service Award or attorneys' fees and litigation costs and expenses to Class Counsel will not constitute a vacation, reversal, or material modification of the Judgment.

If either Plaintiffs or Defendant decide to exercise their rights under (a) – (d), such Party must notify the other Party's Counsel and the Court no later than fourteen (14) court days after the triggering event. In such an instance, the Settlement Agreement and all negotiations, statements, proceedings and data relating thereto shall be deemed confidential mediation settlement communications and not subject to disclosure for any purpose in any proceeding.

The Parties agree that before either Party elects to exercise its right to void the agreement, the Party must meet and confer in good faith with the other Party to determine if an agreement can be reached modifying the Settlement to the mutual satisfaction of the Parties.

24. Increase in Pay Periods.

Defendant has represented that the Adjunct Class consists of an estimated total of approximately 295 Adjunct Class Members who worked 9,365 pay periods during the Adjunct Class Period. If it is determined that the pay periods worked by the Adjunct Class Members during the Adjunct Class Period as reported to the Settlement Administrator actually exceed 9,365 by more than 15% (i.e., if the actual pay periods worked during the Adjunct Class Period is greater

than 10,770), then the amount of the NSA allocated to the Adjunct Class Members consistent with Section 6.1.2 of this Agreement shall increase on a *pro rata* basis for every pay period above 10,770 pay periods.

Defendant has represented that the Reimbursement Class consists of an estimated total of approximately 191 Reimbursement Class Members who worked 4,578 pay periods during the Reimbursement Class Period. If it is determined that the pay periods worked by the Reimbursement Class Members during the Reimbursement Class Period as reported to the Settlement Administrator actually exceed 4,578 by more than 15% (i.e., if the actual pay periods worked during the Reimbursement Class Period is greater than 5,265), then the amount of the NSA allocated to the Reimbursement Class Members consistent with Section 6.1.1 of this Agreement shall increase on a *pro rata* basis for every pay period above 5,265 pay periods.

Plaintiffs' motion for preliminary approval of the settlement shall provide the estimated high, average and low Settlement Payments to Participating Class Members.

25. No Admissions.

Defendant denies any wrongdoing of any sort and further denies any liability to Plaintiffs, the Class Members or Aggrieved Employees with respect to any claims or allegations asserted in the Action and the PAGA Notice. The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. This Agreement shall not be deemed an admission by Defendant of any claims or allegations asserted in the Action and the PAGA Notice. The Parties understand and agree that this Settlement Agreement is the result of a good faith compromise settlement of disputed claims, and no part of this Settlement Agreement, or the negotiations leading thereto, or any document filed in support thereof, whether or not the settlement is finally approved and/or consummated, may be offered or should be construed as an admission of any wrongdoing by Defendant or the Released Parties. In the event that this Agreement is not approved by the Court, or any appellate court, is terminated, or otherwise fails to be enforceable, Plaintiffs will not be deemed to have waived, limited or affected in any way any claims, rights or remedies, or defenses in the Action and as to the PAGA

Notice, and Defendant will not be deemed to have waived, limited, or affected in any way any of its objections or defenses in the Action or as to the PAGA Notice. The Parties shall be restored to their respective positions in the Action prior to the entry of this Settlement.

Nothing in this Agreement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of the negotiations leading to this Settlement Agreement, is intended by the Parties to constitute, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in this case or any other judicial, arbitral, administrative, investigative or other forum or proceeding as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. The Parties themselves agree not to introduce, use, or admit this Agreement, directly or indirectly, in this case or any other judicial, arbitral, administrative, investigative or other forum or proceeding, as purported evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity, or for any other purpose. Notwithstanding the foregoing, this Agreement may be used in any proceeding before the Court that has as its purpose the interpretation, implementation, or enforcement of this Agreement or any orders or judgments of the Court entered in connection with the Settlement. None of the documents produced or created by the Parties or the Class Members or the Aggrieved Employees in connection with the claims procedures or claims resolution procedures constitute, and they are not intended to constitute, an admission by Defendant of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity.

26. Avoidance of Undue Publicity.

The Parties and their counsel agree that they will not make any public disclosure of the settlement terms or amount unless and until the court has granted Preliminary Approval. Class Counsel will take all steps necessary to ensure Plaintiffs are aware of, and will instruct them to adhere to, the restrictions set forth in this paragraph. Class Counsel further agrees not to use the

settlement of the Action or any of its terms for any marketing or promotional purposes until the court has granted Preliminary Approval. Plaintiffs and Class Counsel will not issue or cause to be issued any press releases or their equivalent and will not conduct or participate in any press conferences about the Settlement until the court has granted Preliminary Approval. Nothing herein will restrict Class Counsel from including publicly available information contained in publicly filed documents regarding this Settlement in future judicial submissions regarding Class Counsel's qualifications and experience.

27. Neutral References

Defendant agrees that any inquiry by prospective employers or others about Plaintiffs' employment at Defendant shall be referred to Defendant's Human Resources department. Defendant will disclose Plaintiffs' dates of employment and positions held. No other information concerning Plaintiffs' work history will be provided by Defendant without authorization from the Plaintiff.

28. Construction.

This Settlement Agreement was entered into after substantial good faith, arm's-length negotiations between the Parties. This Settlement Agreement has been entered into without any coercion and under no duress. The Parties acknowledge and agree that all Parties had an equal hand in drafting this Settlement Agreement so that it will not be deemed to have been prepared or drafted by one party or another.

29. Entire Agreement.

This Settlement Agreement (including Exhibits hereto) sets forth the entire agreement of the Parties with respect to its subject matter and supersedes any and all other prior agreements and all negotiations leading up to the execution of this Settlement Agreement, whether oral or written, regarding the subjects covered herein. The Parties acknowledge that no representations, inducements, warranties, promises, or statements relating to the subjects covered herein, oral or otherwise, have been made by any of the Parties that are not embodied or incorporated by reference herein. Except as otherwise set forth in this Agreement, any notice, order, judgment, or other

exhibit that requires approval of the Court must be approved without material alteration that substantially changes or increases the cost of compliance with this Settlement Agreement in order for this Settlement Agreement to become effective. Before invoking this provision to challenge the effectiveness of this Settlement Agreement, the invoking Party shall consult with, and if necessary mediate in good faith with, the other Party in an effort to resolve any such challenge.

30. Modification or Amendment.

This Settlement Agreement may not be modified or amended except in a writing signed by all Parties or their successors in interest.

31. Successors.

This Settlement Agreement will be binding upon and inure to the benefit of the Parties hereto and their respective heirs, executors, administrators, successors and assigns, and upon any corporation, partnership or other entity into or with which any Party hereto may merge, combine, or consolidate.

32. Counterparts.

This Settlement Agreement may be executed in one or more counterparts by facsimile or electronic signature, which for purposes of this Settlement Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument. Any executed counterpart shall be admissible in evidence to prove the existence and contents of this Settlement Agreement.

33. Waivers.

No rights under this Settlement may be waived by Plaintiffs and Defendant except in writing. The waiver by any Party of any breach of this Settlement Agreement will not be deemed or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this Settlement Agreement.

34. Governing Law.

This Settlement Agreement will be governed by and construed, enforced, and administered in accordance with the internal laws of the State of California. The parties intend for this Agreement to be admissible and binding under Code of Civil Procedure section 664.6.

35. Headings.

The headings contained in this Settlement Agreement are for convenience and reference purposes only, and will not be given weight in its construction.

36. Notices.

Any notices, requests, demands, or other communications required or permitted to be given pursuant to this Settlement Agreement, other than the contemplated Class Notice to the Class Members, must be in writing and mailed as follows:

36.1 To Class Representatives, the Class and Class Counsel to the attention of Julian Hammond, Esq., HammondLaw, P.C., 1201 Pacific Ave., Suite 600, Tacoma, WA, 98402; Telephone: (310) 601-6766.

36.2 To Defendant, to the attention of Leila Nourani, Esq., Jackson Lewis PC, 725 South Figueroa Street, Suite 2500, Los Angeles, CA 90017; Telephone: (213) 630-8218; Email: leila.nourani@jacksonlewis.com.

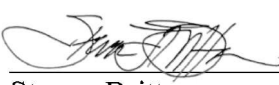
IN WITNESS WHEREOF, this Settlement Agreement has been duly executed by and on behalf of the Parties, as follows:

Dated: July 20, 2022 By: 
Larissa Marantz

Plaintiff and Proposed Class Representative

Dated: _____, 2022 By: _____
Morgan Gill

Plaintiff and Proposed Class Representative

Dated: July 21, 2022 By: 
Steven Brittan
Chief Executive Officer and President

Laguna College of Art and Design

34. Governing Law.

This Settlement Agreement will be governed by and construed, enforced, and administered in accordance with the internal laws of the State of California. The parties intend for this Agreement to be admissible and binding under Code of Civil Procedure section 664.6.

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36.2 To Defendant, to the attention of Leila Nourani, Esq., Jackson Lewis PC, 725 South Figueroa Street, Suite 2500, Los Angeles, CA 90017; Telephone: (213) 630-8218; Email: leila.nourani@jacksonlewis.com.

IN WITNESS WHEREOF, this Settlement Agreement has been duly executed by and on behalf of the Parties, as follows:

Plaintiff and Proposed Class Representative

Dated: _____, 2022

By: _____
Larissa Marantz

Plaintiff and Proposed Class Representative

7/20/2022
Dated: _____, 2022

By: Morghan Gill
Morghan Gill

Laguna College of Art and Design

Dated: July 21, 2022

By: Steven Brittan
Steven Brittan
Chief Executive Officer and President

APPROVED AS TO FORM:

**Counsel for Plaintiffs and
Proposed Class Counsel**

Dated: July 20, 2022

By:



Julian Hammond
HammondLaw, P.C.

Counsel for Defendant

JACKSON LEWIS P.C.

Dated: July 21, 2022

By:



Leila Nourani
Buck N. Haddix

Attorneys for Defendant
Laguna College of Art and Design

EXHIBIT A

[NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION AND HEARING DATE FOR
FINAL COURT APPROVAL; EXCLUSION FORM; DISPUTE FORM]

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Larissa Marantz, et al. v. Laguna College of Art & Design, Superior Court of the
State of California, County of Orange, Case No. 30-2021-01194814-CU-OE-CXC

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE
READ THIS NOTICE CAREFULLY**

You have received this Notice of Settlement because Laguna College of Art & Design (“Defendant” or “LCAD”) records show you are an “Adjunct Class Member” or a “Reimbursement Class Member” and therefore entitled to a payment from this proposed class action Settlement (the “Settlement”) of the above-captioned action pending in the Superior Court of the State of California, in and for the County of Orange (the “Court”) which has been granted preliminary approval by the Court. Each Class is defined as follows:

- “Adjunct Class Members” refers to all individuals who are currently and formerly employed by Defendant as adjunct faculty in California at any time during the period from April 9, 2017 to February 23, 2022 (“Adjunct Class Period”).
- “Reimbursement Class Member” refers to all current and former employees of Defendant other than Adjunct Class Members who worked remotely for Defendant in California at any time during the period from March 23, 2020 to February 23, 2022 (“Reimbursement Class Period”).

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE PAYMENT	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Settlement Payment is: \$<<[REDACTED]>>. See the explanation in Section 5 below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. In exchange for the settlement payment, you will release claims against the Defendant as detailed in Section 6 below. If your address has changed, please notify the Settlement Administrator as explained in Section 7 below.
EXCLUDE YOURSELF	To exclude yourself, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the class action portion of the Settlement and you will not be bound by the class action portion of the Settlement. Instructions are set forth in Section 8 below.

Questions? Contact the Settlement Claims Administrator toll free at 888-369-3780

OBJECT	Write to the Settlement Administrator about why you do not agree with the settlement or appear at the Final Approval Hearing to make an oral objection. Directions are provided in Section 9 below.
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1. **Why Am I Receiving This Notice?**

You have received this Class Notice because you have been identified as a ["Adjunct Class Member" or a "Reimbursement Class Member"]. You were sent this Class Notice because you have a right to know a proposed Settlement of the above-captioned action was reached between Plaintiffs Larissa Marantz and Morghan Gill and Defendant, and has been granted preliminary approval by the Court. You may be entitled to receive money from this Settlement.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Class Notice carefully as your rights may be affected by the Settlement.

2. **What Is This Case About?**

On April 9, 2021, Plaintiff Larissa Marantz filed a Class Action Complaint in the Superior Court of the State of California, County of Orange entitled *Larissa Marantz v. Laguna College of Art & Design*, Case No. 30-2021-01194814-CU-OE-CXC. The Class Action Complaint asserted the following claims against Defendant on behalf of Plaintiff Marantz and Adjunct Class Members: failure to pay all wages due for all hours worked, failure to provide legally-compliant rest and meal breaks, failure to pay all wages owed upon separation from employment, failure to furnish timely and accurate wage statements; failure to reimburse for reasonably and necessarily incurred business expenses; and unfair competition.. The Class Action Complaint also asserted the following claims against Defendant on behalf of Plaintiff Marantz and Reimbursement Class Members: failure to reimburse for reasonably and necessarily incurred business expenses; and unfair competition. This lawsuit is referred to as the "Action." On May 19, 2021, Defendant filed an Answer to the Class Action Complaint denying all claims asserted in the Action. On June 28, 2021, Plaintiff Marantz filed a First Amended Complaint which added a cause of action against Defendant for recovery of civil penalties under the Private Attorneys General Act, California Labor Code Sections 2698, *et. seq.* ("PAGA"). On August 13, 2021, Defendant filed an Answer to the First Amended Complaint denying all claims asserted in the Action. On July 13, 2022, Plaintiff Marantz filed a Second Amended Complaint which added Plaintiff Morghan Gill as a named plaintiff jointly making all allegations in the First Amended Complaint except for the cause of action for recovery of civil penalties under PAGA. On July 18, 2022, Defendant filed an Answer to the Second Amended Complaint denying all claims asserted in the Action.

Defendant denies and disputes all such claims asserted in the Action. Specifically Defendant contended (and continues to contend) that the Action could not properly be maintained as a class action; that Plaintiffs and any members of the class were properly compensated for wages under California law; that Plaintiffs and any members of the class were provided with meal and rest periods in compliance with California law; that Defendant did not fail to reimburse any members of the class for any required business expenses; that Defendant paid Plaintiffs and any members of the class all wages allegedly due them at the time of their termination; that Defendant complied with California wage statement requirements; that Defendant did not violate California Business and Professions Code section 17200 *et seq.*; and that Defendant is not liable for any of the penalties claimed or that could be claimed in the Action.

Questions? Contact the Settlement Claims Administrator toll free at 888-369-3780

The Court has made no ruling on the merits of Plaintiffs' claims. The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved Plaintiffs to serve as the Class Representatives, and the law firm HammondLaw, P.C. as Class Counsel.

3. Summary of the Settlement Terms

Gross Settlement Amount. Plaintiffs and Defendant have agreed to the Gross Settlement Amount of \$825,000 (the "Gross Settlement Amount") to fund the settlement of the Action. The Gross Settlement Amount includes all Settlement Payments to the Class Members; the Settlement Administration Costs; the Class Representative Service Payment; fees and litigation costs to Class Counsel; and the PAGA payment for civil penalties. Any employer-side payroll taxes on the portion of the Settlement Payment allocated to wages shall be separately paid by Defendant.

Within ten (10) business days of the Effective Date, Defendant will fund the Gross Settlement Amount by depositing the money with the Settlement Administrator. "Effective Date" means the latest of the following dates: sixty-five (65) calendar days after the date of the final order by the Court approving the settlement and entering final judgment; or ten (10) calendar days after all appeals are withdrawn or after any and all avenues of appeal have been exhausted and no further appellate review is permitted or possible and the Judgment has not been modified, amended, or reversed in any way (unless the modification is for a reduction of the attorneys' fees and litigation costs and expenses to Class Counsel or Service Award or Settlement Administration Costs). Defendant will transmit to the Settlement Administrator an amount equal to the employer's portion of payroll taxes with respect to the wage portion of Settlement Payments within ten (10) business days from the date on which the Settlement Administrator notifies Defendant of the calculated amount. Within twenty (20) calendar days after the settlement is funded and receipt of the employer's side payroll tax, the Settlement Administrator will mail checks for the Settlement Payments to Participating Class Members.

Amounts to be Paid From the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount as follows, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before Settlement Payments are made to Participating Class Members:

- Settlement Administration Costs. Payment to the Settlement Administrator, estimated not to exceed \$15,000, for expenses, including without limitation expenses of notifying the Class Members of the Settlement, processing opt outs, and distributing Settlement Payments and tax forms, and handling inquiries and uncashed checks.
- Class Counsel Attorneys' Fees and Costs. Payment to Class Counsel of reasonable attorneys' fees not to exceed one-third (1/3) of the Gross Settlement Amount, which is presently [REDACTED], and an additional amount to reimburse actual litigation costs incurred by the Plaintiffs not to exceed \$25,000. Class Counsel has been prosecuting the Action on behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money) and has been paying all litigation costs and expenses.
- Class Representative Service Award. A Class Representative Service Payment in an amount not to exceed Seven Thousand Five Hundred Dollars (\$7,500) to the Plaintiffs, or such lesser amount as may be approved by the Court, to compensate them for services on behalf of the Class.

Questions? Contact the Settlement Claims Administrator toll free at 888-369-3780

- **PAGA Penalties.** A payment of \$20,000 relating to the claim for penalties under PAGA, \$15,000 of which will be paid to the State of California's Labor and Workforce Development Agency. The remaining \$5,000 will be distributed to the Aggrieved Employees based on the number of pay periods worked by each Aggrieved Employee as a percentage of the pay periods worked by all Aggrieved Employees during the PAGA Period, which is April 7, 2020 to February 23, 2022. "Aggrieved Employees" are all Adjunct Aggrieved Employees and Reimbursement Aggrieved Employees. "Adjunct Aggrieved Employees" refers to all individuals who are or have been employed by Defendant as adjunct faculty in California at any time during the PAGA Period. "Reimbursement Aggrieved Employees" refers to all current and former employees of Defendant other than Adjunct Aggrieved Employees who worked remotely for Defendant in California at any time during the PAGA Period. The release of claims under PAGA related to the Released Claims shall be effective as to all Aggrieved Employees, regardless of whether an Aggrieved Employee submitted a request for exclusion from the Class.

4. Distribution to Participating Class Members

Calculation of Payments to Participating Class Members. After the court-approved Settlement Administration Costs, attorneys' fees and litigation costs and expenses to Class Counsel, Class Representative Service Award, and PAGA Penalties are deducted from the Gross Settlement Amount, the remaining portion, the "Net Settlement Amount," shall be distributed as Settlement Payments to the Participating Class Members. The Net Settlement Amount is estimated to be \$ _____. The Settlement Administrator will pay a Settlement Payment from the Net Settlement Amount to each Participating Class Member. The Settlement Payment for each Participating Class Member will be calculated as follows:

- 12% of the Net Settlement Amount (approximately \$ _____) shall be allocated to the Participating Reimbursement Class and shall be paid pro rata based on the number of pay periods worked by the Participating Reimbursement Class Member during the Reimbursement Class Period as a percentage of the pay periods worked by all Participating Reimbursement Class Members during the Reimbursement Class Period.
- 88% of the Net Settlement Amount (approximately \$ _____) shall be allocated to the Participating Adjunct Class and shall be paid pro rata based on the number of pay periods worked by the Participating Adjunct Class Member during the Adjunct Class Period as a percentage of the pay periods worked by all Participating Adjunct Class Members during the Adjunct Class Period.

The number of pay periods worked will be based on Defendant's records, however, Class Members will have the right to challenge the number of pay periods worked as explained in Section 9 below.

If the Settlement is approved by the Court and you do not exclude yourself, you will automatically be mailed a check for your Settlement Payment to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, please contact the Settlement Administrator to inform them of your correct address to ensure you receive your payment.

Tax Matters. 100% of each individual Settlement Payment to the Participating Reimbursement Class Members constitutes a non-wage payment and shall be reported to the extent required. 20% of each individual Settlement Payment to Participating Adjunct Class Members is in settlement of wage claims, is subject to wage withholdings, and each Participating Adjunct Class Member will be issued an IRS Form W-2 for such payment; and 80% of each individual Settlement Payment to the Participating Adjunct Class Members is in settlement of claims for

Questions? Contact the Settlement Claims Administrator toll free at 888-369-3780

penalties, interest and other non-wage payments, shall not be subject to wage withholdings, and each Participating Adjunct Class Member will be issued an IRS Form 1099. The employee portion of all applicable income and payroll taxes will be the responsibility of the Participating Class Members. Neither Class Counsel nor Defendant's Counsel intend anything contained in this Class Notice or the Settlement to constitute advice regarding taxes or taxability. The tax issues for each Participating Class Member are unique to him/her, and each Participating Class Member may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

5. Your Estimated Settlement Award

Defendant's records reflect that you have << [REDACTED] >> pay periods worked during the ["Adjunct Class Period" or "Reimbursement Class Period"] ([REDACTED] to February 23, 2022).

Based on this information, your estimated Settlement Payment is << [REDACTED] >>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Class Notice no later than [REDACTED] [sixty (60) calendar days after the mailing of the Class Notice or seventy-five (75) calendar days in the event of a re-mailing]. A Dispute form is included with this Class Notice.

6. Claims That You Are Releasing Under the Settlement

Adjunct Class Released Claims: Upon the Effective Date, and upon funding, in full, of the Gross Settlement Amount, the Adjunct Participating Class Members (on behalf of themselves and their respective agents, representatives, attorneys, heirs, executors, administrators, successors in interest, and assigns) irrevocably and unconditionally fully release and discharge Defendant and the Released Parties from any and all claims, whether known or unknown, liquidated or unliquidated, that were alleged or could have been alleged based on the facts pled in the operative Complaint, for any alleged violations by Defendant including without limitation California Labor Code §§ 201-203, 226(a) and (e), 226.2, 226.7, 512, 1194, 1194.2, and 2802, Business & Professions Code § 17200, *et seq.*, California Industrial Commission Wage Orders, and California Code of Regulations Title 8 §§ 11040, 11000 *et seq.*, and all claims for attorneys' fees and costs and statutory interest in connection therewith, which arose during the Adjunct Class Period ("Adjunct Released Class Claims"). "Released Parties" means Laguna College of Art and Design and each of its parent corporations, affiliates, subsidiaries (direct and indirect), divisions, predecessors, insurers, reinsurers, successors, and assigns, and each of their current and former employees, attorneys, officers, directors, trustees, and agents thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries, and insurers of such plans and programs, both individually and in their business capacities.

This means that, if an Adjunct Class Member does not timely exclude themselves from the settlement, such Adjunct Class Member cannot sue, continue to sue, or be part of any other lawsuit against Defendant and any other Released Party for the Adjunct Released Class Claims resolved by this Settlement. It also means that all of the Court's orders in this Action will apply to the Adjunct Class Member and legally bind such Adjunct Class Member.

Questions? Contact the Settlement Claims Administrator toll free at 888-369-3780

Reimbursement Class Released Claims: Upon the Effective Date, and upon funding, in full, of the Gross Settlement Amount, Plaintiffs and Reimbursement Participating Class Members (on behalf of themselves and their respective agents, representatives, attorneys, heirs, executors, administrators, successors in interest, and assigns) irrevocably and unconditionally fully release and discharge Defendant and the Released Parties from any and all claims, whether known or unknown, liquidated or unliquidated, that were alleged or could have been alleged based on the facts pled in the operative Complaint, for any alleged violations by Defendant including without limitation California Labor Code § 2802, Business & Professions Code § 17200, *et seq.*, California Industrial Commission Wage Orders, and California Code of Regulations Title 8 § 11040 and all claims for attorneys' fees and costs and statutory interest in connection therewith, which arose during the Reimbursement Class Period ("Reimbursement Released Class Claims"). "Released Parties" means Laguna College of Art and Design and each of its parent corporations, affiliates, subsidiaries (direct and indirect), divisions, predecessors, insurers, reinsurers, successors, and assigns, and each of their current and former employees, attorneys, officers, directors, trustees, and agents thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries, and insurers of such plans and programs, both individually and in their business capacities.

This means that, if a Reimbursement Class Member does not timely exclude themselves from the settlement, such Reimbursement Class Member cannot sue, continue to sue, or be part of any other lawsuit against Defendant and any other Released Party for the Reimbursement Released Class Claims resolved by this Settlement. It also means that all of the Court's orders in this Action will apply to the Reimbursement Class Member and legally bind such Reimbursement Class Member.

Adjunct Aggrieved Employees' Released PAGA Claims: Upon the Effective Date, and upon funding, in full, of the Gross Settlement Amount, Plaintiffs and all Adjunct Aggrieved Employees who were employed during the PAGA Period (on behalf of themselves and their respective agents, representatives, attorneys, heirs, executors, administrators, successors in interest, and assigns) irrevocably and unconditionally fully release and discharge Defendant and the Released Parties from any and all claims, whether known or unknown, liquidated or unliquidated, that were asserted or could have been asserted on their behalf based on the facts set forth in the operative pleading in the Action and/or notices submitted to the LWDA in connection with the Action, to recover civil penalties pursuant to PAGA for any alleged violations by Defendant including California Labor Code §§ 201-203, 226(a) and (e), 226.2, 226.7, 512, 1194, 1194.2 and 2802, Business & Professions Code § 17200, *et seq.*, California Industrial Commission Wage Orders, and California Code of Regulations Title 8 §§ 11040, 11000 *et seq.*, and all claims for attorneys' fees and costs and statutory interest in connection therewith, arising during the PAGA Period ("Adjunct Released PAGA Claims").

The release of the Adjunct Released PAGA Claims shall be effective as to all Adjunct Aggrieved Employees, regardless of whether an Adjunct Aggrieved Employee submitted a request for exclusion from the Class.

Reimbursement Aggrieved Employees' Released PAGA Claims: Upon the Effective Date, and upon funding, in full, of the Gross Settlement Amount, Plaintiffs and all Reimbursement Aggrieved Employees who worked during the PAGA Period (on behalf of themselves and their respective agents, representatives, attorneys, heirs, executors, administrators, successors in interest, and assigns) irrevocably and unconditionally fully release and discharge Defendant and the Released Parties from any and all claims, whether known or unknown, liquidated or unliquidated, that were asserted or could have been asserted on their behalf based on the facts set forth in the operative pleading in the Action and/or notices submitted to the LWDA in connection with the Action, to recover civil penalties pursuant to PAGA for any alleged violations by Defendant including California Labor Code § 2802, and Business & Professions Code § 17200, *et seq.*, California Industrial Commission Wage Orders, and

Questions? Contact the Settlement Claims Administrator toll free at 888-369-3780

California Code of Regulations Title 8 § 11040 and all claims for attorneys' fees and costs and statutory interest in connection therewith, arising during the PAGA Period ("Reimbursement Released PAGA Claims").

The release of the Reimbursement Released PAGA Claims shall be effective as to all Reimbursement Aggrieved Employees, regardless of whether a Reimbursement Aggrieved Employee submitted a request for exclusion from the Class.

7. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your Settlement Payment will be mailed automatically to the same address as this Class Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: **CPT, Inc.**, Telephone: **888-369-3780**.

The Court will hold a Final Approval Hearing on _____ at _____ to decide whether to approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, the settlement payments will be mailed approximately three months after this hearing. If there are objections or appeals the payments will be delayed because resolving them can take time, usually more than a year. Please be patient.

After the Court approves the settlement and enters final judgment, the Settlement Administrator will provide notice of the final judgment to the Class Members by posting a copy of the Judgment on the administrator's website at www._____.com.

8. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms, which means you will retain your right to sue the Defendant as to the issues resolved by this Settlement.** However, Aggrieved Employees who opt out will still be paid their allocation of the PAGA Penalties and will remain bound by the release of claims under PAGA related to the Released Claims regardless of their request for exclusion.

To opt out, you must mail to the Settlement Administrator, by First Class Mail, a written, signed and dated request to opt-out postmarked no later than _____ [sixty (60) calendar days after the mailing of the Notice or seventy-five (75) calendar days in the event of a re-mailing]. A Request for Exclusion form is included with this Class Notice. The Request for Exclusion must expressly and clearly indicate that you do not want to participate in the Settlement, and you desire to be excluded from the Settlement in the *Marantz v. Laguna College of Art & Design* lawsuit. The Request for Exclusion must state the Class Member's full name, address, telephone number, and the last four digits of your Social Security Number for verification purposes, and the name and number of the case, which is *Marantz v. Laguna College of Art & Design*, Case No. 30-2021-01194814-CU-OE-CXC. The request to opt-out must be completed by you. No other person may opt-out for a living member of the Class.

Sign, date, and mail your written request for exclusion by U.S. First-Class Mail to the address for the Settlement Administrator below.

CPT, Inc.
P.O. Box 26170
Santa Ana, CA 92799

Questions? Contact the Settlement Claims Administrator toll free at 888-369-3780

Written requests for exclusion that are postmarked after _____, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

9. How do I tell the Court that I don't agree with the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason may object to the proposed Settlement, the attorneys' fees, the costs and/or the service award, either in writing or in person. Objections that are in writing must include the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All written objections or other correspondence should also state the name and number of the case, which is *Marantz v. Laguna College of Art & Design*, in the Superior Court of the State of California, County of Orange, Case No. 30-2021-01194814-CU-OE-CXC.

All written objections must be mailed to the Settlement Administrator, no later than _____ [sixty (60) calendar days after the mailing of the Notice or seventy-five (75) calendar days in the event of a re-mailing]. Sign, date, and mail your written objection by U.S. First-Class Mail to the address for the Settlement Administrator below.

CPT, Inc.
P.O. Box 26170
Santa Ana, CA 92799

Alternatively, Class Members may appear at the Final Approval Hearing on _____ at _____ to make an oral objection without submitting a written objection. Please check the Court's website for current information concerning appearances and how to view Court proceedings: <https://www.occourts.org/media-relations/CoronaVirusUpdate.html>.

To object to the Settlement, you must not opt out, and if the Court approves the Settlement despite your objection, you will be bound by the terms of the Settlement in the same way as Class Members who do not object and you will still be mailed a check for your Settlement Payment. Any Class Member who does not object in the manner provided in this Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

10. Final Fairness Hearing

The Court will hold a Final Approval Hearing at _____ on _____, in Department CX104 of the Superior Court of California, County of Orange, Civil Complex Center, located at 751 West Santa Ana Blvd. Santa Ana, CA 92701 before Judge William D. Claster. At this hearing the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

11. How do I get more information about the Settlement?

You may call the Settlement Administrator at **888-369-3780** or write *Marantz v. Laguna College of Art & Design* Settlement Administrator, c/o **CPT, Inc.;** or contact Class Counsel at

Questions? Contact the Settlement Claims Administrator toll free at 888-369-3780

HAMMONDLAW, P.C. Julian Hammond jhammond@hammondlawpc.com 1201 Pacific Ave. Suite 600 Tacoma WA 98402 Telephone: (310) 601-6766 Facsimile: (310) 295-2385 (Fax)

This Class Notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Judgment or other Settlement documents by going to the Settlement Administrator's website at www.hammondclaw.com. You may also get more details by examining the pleadings and other records in this litigation, including the Settlement Agreement, via the Case Access for the California Superior Court for the County of Orange available here: <https://ocapps.occourts.org/civilwebShoppingNS/Login.do>. To access the pleadings and other records in this litigation, input the Case Number 30-2021-01194814-CU-OE-CXC in the field and click the "Search" button. Then click the "Register of Actions" tab and select the pleading you wish to view. The Judgment will also be posted on the Settlement Administrator's website at www.hammondclaw.com.

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 ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Current employees of Defendant will not be retaliated against for cashing their checks. Settlement checks will be null and void one hundred eighty (180) calendar days after issuance if not deposited or cashed. In such event, the Settlement Administrator will pay all unclaimed funds to the California Controller's Unclaimed Property Fund in the name of the Participating Class Member where the funds can be claimed.
- If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

REQUEST FOR EXCLUSION FORM

Larissa Marantz, et al. v. Laguna College of Art & Design,
Case No. 30-2021-01194814-CU-OE-CXC
California Superior Court for the County of Orange

To exclude yourself or “opt out” from the Settlement, complete, sign, and date this form, and then mail it by U.S. First-Class Mail on or before -----, 2022 to the Settlement Administrator at the following address:

CPT, Inc.
P.O. Box 26170
Santa Ana, CA 92799

INSTRUCTIONS

A. Only complete and return this form if you do **NOT** want to be included in the class action portion of the Settlement. You will **NOT** receive a settlement payment if you return this form and you will not be bound by the class action portion of the Settlement. However, Aggrieved Employees who opt-out will still be paid their allocation of the PAGA Penalties and will remain bound by the release of claims under PAGA regardless of their request for exclusion.

B. To exclude yourself or “opt out” of the Settlement, complete, sign, date and return this form. To be effective, this form should be filled out completely and postmarked on or before -----, 2022.

C. You are responsible for maintaining a copy of the fully completed form and proof of mailing.

I want to **OPT-OUT** of the class action lawsuit and settlement entitled *Larissa Marantz, et al. v. Laguna College of Art & Design*, Superior Court of the State of California, County of Orange, Case No. 30-2021-01194814-CU-OE-CXC. I understand that by requesting to be excluded from the settlement, I will receive no money from the class settlement described in the accompanying Class Notice.

Name: _____

Address: _____

Telephone Number: _____

Last 4 Digits of SSN: _____

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

(Sign your name here)

Date

DISPUTE FORM

SUPERIOR COURT OF THE STATE OF CALIFORNIA – ORANGE COUNTY

Larissa Marantz, et al. v. Laguna College of Art & Design, Case No. 30-2021-01194814-CU-OE-CXC

Indicate Name/Address Changes, if any:

<<Name>>

«Address»

<<City>>, <<State>> <<Zip Code>>

XX - XX - _ _ _ _

INSTRUCTIONS

["IF YOU WERE EMPLOYED BY LAGUNA COLLEGE OF ART AND DESIGN ("DEFENDANT") IN CALIFORNIA AS ADJUNCT FACULTY AT ANY TIME DURING THE PERIOD APRIL 9, 2017 AND FEBRUARY 23, 2022, THEN YOU ARE AN ADJUNCT CLASS MEMBER"]

or

"IF YOU WERE AN EMPLOYEE OF DEFENDANT OTHER THAN ADJUNCT FACULTY WHO WORKED REMOTELY FOR DEFENDANT IN CALIFORNIA AT ANY TIME DURING THE PERIOD MARCH 23, 2020 AND FEBRUARY 23, 2022, THEN YOU ARE A REIMBURSEMENT CLASS MEMBER"]

The amount of your estimated Settlement Payment is based upon the pay periods you worked for Defendant in California as ["an adjunct faculty employee" or "an employee other than adjunct faculty who worked remotely"] during the ["Adjunct Class Period" or "Reimbursement Class Period"] (----- to February 23, 2022). The number of pay periods worked applicable to your claim is set forth below. If you believe that the number of pay periods stated is incorrect, you may dispute the number of pay periods by submitting a completed Dispute Form with supporting documentation on or before _____ [sixty (60) calendar days after initial mailing or seventy-five (75) calendar days in the event of a re-mailing]. If you believe that the number of pay periods stated below is correct, you do not have to do anything.

I. YOUR COMPENSABLE PAY PERIODS

Defendant's records show that during the ["Adjunct Class Period" or "Reimbursement Class Period"], you worked as ["an adjunct faculty employee" or "an employee other than adjunct faculty who worked remotely"] in California, which qualifies you as a ["Adjunct Class Member" or a "Reimbursement Class Member"], and your total number of compensable pay periods worked are: <<**NUMBER OF PAY PERIODS WORKED**>>.

II. YOUR ESTIMATED SETTLEMENT PAYMENT

Based upon the above numbers of pay periods worked, your estimated pre-tax Settlement Payment is <<**INSERT**>>.

III. CHALLENGE TO PAY PERIODS WORKED

If you wish to dispute the pay periods worked listed above, you must postmark your dispute and provide all supporting information and/or documentation to the Settlement Administrator by <<NOTICE PERIOD DEADLINE>>.

Check a box below ONLY if you wish to dispute the information listed above:

☐ I wish to dispute the number of pay periods listed above. I believe the correct amount of my pay periods worked during the ["Adjunct Class Period" or "Reimbursement Class Period"] is _____. I have also included information and/or documentary evidence that support my dispute. I understand that, by submitting this dispute, I hereby authorize the Settlement Administrator to review Defendant's records and make a determination as to the validity of my dispute based upon Defendant's records as well as the records and information that I submit to the Settlement Administrator.

I declare under penalty of perjury under the laws of the State of California that the information I provided in this Dispute Form is true and correct.

Dated: _____

Signature: _____

Print or Type Name: _____

MAIL TO:

***Marantz v. Laguna College of Art & Design Settlement Administrator
c/o CPT, Inc.
P.O. Box 26170
Santa Ana, CA 92799***

IF YOU ARE CONTESTING THE AMOUNT OF YOUR COMPENSABLE PAY PERIODS, YOU MUST COMPLETE AND RETURN THIS FORM TO THE SETTLEMENT ADMINISTRATOR ON OR BEFORE <<DEADLINE>>.

EXHIBIT B

[ORDER GRANTING PRELIMINARY APPROVAL OF THE SETTLEMENT]

EXHIBIT "B"

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE

LARISSA MARANTZ and MORGHAN
GILL, individually and on behalf of all others
similarly situated,

Plaintiffs,

vs.

LAGUNA COLLEGE OF ART AND
DESIGN, a California Non-Profit Corporation,

Defendant.

Case No. 30-2021-01194814-CU-OE-CXC

**[PROPOSED] ORDER GRANTING
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT**

Hearing Date:
Hearing Time:

Judge: Hon. William D. Claster
Dept.: CX-104

Action Filed: April 9, 2021
Trial Date: Not Set

This matter is before the Honorable William D. Claster of the Superior Court of the State of California, in and for the County Orange, on _____, for the hearing on motion by Plaintiffs Larissa Marantz and Morghan Gill ("Plaintiffs") for preliminary approval of the class settlement with Defendant Laguna College of Art and Design ("Defendant"). The Court, having considered the briefs, argument of counsel and all matters presented to the Court and good cause appearing, hereby GRANTS Plaintiffs' Motion for Preliminary Approval of Class Action Settlement.

PRELIMINARY APPROVAL ORDER

IT IS HEREBY ORDERED:

1. The Court preliminarily approves the Class Action Settlement Agreement (“Agreement”) attached as Exhibit ____ to the Declaration of _____ in Support of Plaintiff’s Motion for Preliminary Approval of Class Action Settlement. This is based on the Court’s determination that the Settlement set forth in the Agreement is within the range of possible final approval, pursuant to the provisions of Section 382 of the California Code of Civil Procedure and California Rules of Court, rule 3.769.

2. This Order incorporates by reference the definitions in the Agreement, and all terms defined therein shall have the same meaning in this Order as set forth in the Agreement.

3. The Gross Settlement Amount to be paid by Defendant is Eight Hundred Twenty-Five Thousand Dollars (\$825,000) (the “Gross Settlement Amount”) to fund the settlement of the Action. It appears to the Court on a preliminary basis that the settlement amount and terms are fair, adequate and reasonable as to all potential Class Members when balanced against the risks to Plaintiffs and Defendant relating to certification, liability and damages issues. It further appears that investigation and research have been conducted such that counsel for the Parties are able to reasonably evaluate their respective positions. It further appears to the Court that settlement at this time will avoid substantial additional costs by all Parties, as well as avoid the delay and risks that would be presented by the further prosecution of the Action. It further appears that the Settlement has been reached as the result of serious and non-collusive, arms-length negotiations. The Court therefore preliminarily finds that the Settlement is fair, adequate, and reasonable when balanced against the probable outcome of further litigation and the significant risks relating to certification, liability, and damages issues.

4. The Agreement specifies for an attorneys’ fees award not to exceed one-third of the Gross Settlement Amount, an award of litigation expenses incurred, not to exceed \$25,000, and proposed Class Representative Service Award to the Plaintiffs in an amount not to exceed \$7,500. The Court will not approve the amount of attorneys’ fees and costs, nor the amount of any service award, until the Final Approval Hearing. Plaintiffs will be required to present evidence supporting these requests, including lodestar, prior to final approval.

1 5. The Court recognizes that Plaintiffs and Defendant stipulate and agree to certification of
2 classes for settlement purposes only. This stipulation will not be deemed admissible in this or any other
3 proceeding should this Settlement not become final. For settlement purposes only, the Court
4 conditionally certifies the following Classes: “all individuals who are currently and formerly employed
5 by Defendant as adjunct faculty in California at any time during the Adjunct Class Period” (“Adjunct
6 Class”); and “all current and former employees of Defendant in California other than Adjunct Class
7 Members who worked remotely for Defendant at any time during the Reimbursement Class Period”
8 (“Reimbursement Class”). The Adjunct Class Period is April 9, 2017 to February 23, 2022. The
9 Reimbursement Class Period is March 23, 2020 to February 23, 2022. There are approximately 295
10 individuals in the Adjunct Class and 191 individuals in the Reimbursement Class.

11 6. The Court concludes that, for settlement purposes only, the Classes meet the
12 requirements for certification under section 382 of the California Code of Civil Procedure in that: (a) the
13 Classes are ascertainable and so numerous that joinder of all members of the Classes is impracticable;
14 (b) common questions of law and fact predominate, and there is a well-defined community of interest
15 amongst the members of the Classes with respect to the subject matter of the litigation; (c) the claims of
16 the Plaintiffs are typical of the claims of the members of the Classes; (d) the Plaintiffs can fairly and
17 adequately protect the interests of the members of the Classes; (e) a class action is superior to other
18 available methods for the efficient resolution of this controversy; and (f) counsel for the Classes is
19 qualified to act as counsel for the Classes and the Plaintiffs are adequate representatives of the Classes.

20 7. The Court provisionally appoints Plaintiffs as the representatives of the Classes. The
21 Court provisionally appoints Julian Hammond, Polina Brandler, and Ari Cherniak of Hammond Law,
22 P.C. as Class Counsel for the Classes.

23 8. The Court hereby approves, as to form and content, the Notice of Proposed Class Action
24 Settlement and Hearing Date for Final Court Approval (“Class Notice”) attached to the Agreement as
25 Exhibit A. The Court finds that the Class Notice appears to fully and accurately inform the Classes of
26 all material elements of the proposed Settlement, of the Class Members’ right to be excluded from the
27 Classes by submitting a written opt-out request, and of each member’s right and opportunity to object to
28

1 the Settlement. The Court further finds that the distribution of the Class Notice substantially in the
2 manner and form set forth in the Agreement and this Order meets the requirements of due process, is the
3 best notice practicable under the circumstances, and shall constitute due and sufficient notice to all
4 persons entitled thereto. The Court orders the mailing of the Class Notice Packets by first class mail,
5 pursuant to the terms set forth in the Agreement.

6 9. The Court hereby appoints CPT, Inc. as Settlement Administrator. No later than twenty-
7 one (21) business days after preliminary approval of the Settlement by the Court, Defendant shall
8 provide to the Settlement Administrator an electronic spreadsheet with the Class Data List. The
9 Settlement Administrator will perform address updates and verifications as necessary prior to the
10 mailing of the Class Notice. Using best efforts to mail it as soon as possible, and in no event later than
11 thirty (30) calendar days after preliminary approval of the Settlement by the Court, the Settlement
12 Administrator will mail the Class Notice to all Class Members via first-class U.S. Mail. Subject to
13 Court approval, the Settlement Administrator will receive payment out of the Gross Settlement Amount
14 for its reasonable fees and expenses in an amount not to exceed \$15,000 ("Settlement Administration
15 Costs").

16 10. The Court hereby preliminarily approves the proposed procedure for exclusion from the
17 Settlement. Any Class Member may individually choose to opt out of and be excluded from the Classes
18 as provided in the Class Notice by following the instructions for requesting exclusion from the Classes
19 that are set forth in the Class Notice. All requests for exclusion must be postmarked by no later than
20 sixty (60) calendar days after the date of the mailing of the Class Notice and received by the Settlement
21 Administrator. If a Class Notice Packet is re-mailed, the response date for opt-outs will be extended an
22 additional fifteen (15) calendar days. Any such person who chooses to opt out of and be excluded from
23 the Classes will not be entitled to any recovery under the Settlement and will not be bound by the
24 Settlement or have any right to object, appeal or comment thereon (except that such person shall still
25 receive their portion of PAGA penalties if they are an Aggrieved Employee and will be bound by the
26 release of claims under PAGA). Class Members who have not requested exclusion shall be bound by all
27 determinations of the Court, the Agreement and the Judgment. A request for exclusion may only opt out
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1 that particular individual, and any attempt to effect an opt out of a group, class, or subclass of
2 individuals is not permitted and will be deemed invalid.

3 11. Any Class Member who has not opted out may object or express the Member's views
4 regarding the Settlement, may appear at the final approval hearing, and may present evidence and file
5 briefs or other papers that may be proper and relevant to the issues to be heard and determined by the
6 Court as provided in the Notice. Class Members will have sixty (60) calendar days from the date of the
7 mailing of the Class Notices to submit their written objections to the Settlement Administrator in
8 accordance with the instructions in the Class Notice. If a Class Notice Packet is re-mailed, the response
9 date for written objections will be extended an additional fifteen (15) calendar days. Alternatively,
10 Class Members may appear at the Final Approval Hearing to make an oral objection.

11 12. A Final Approval Hearing shall be held before this Court on _____
12 at _____ in Department CX-104 of the Orange County Superior Court to determine all necessary
13 matters concerning the Settlement, including: whether the proposed settlement of the Action on the
14 terms and conditions provided for in the Agreement is fair, adequate and reasonable and should be
15 finally approved by the Court; whether the Final Approval Order and Judgment should be entered
16 herein; whether the plan of allocation contained in the Agreement should be approved as fair, adequate
17 and reasonable to the Class Members; and to finally approve attorneys' fees and costs, the service
18 award, and the expenses of the Settlement Administrator. Both the motion for final approval and the
19 motion for attorneys' fees, costs and service award shall be heard at the Final Approval Hearing and the
20 papers in support of the motions are to be filed with the Court and served on all counsel no later than
21 sixteen (16) court days before the hearing. Plaintiff Larissa Marantz shall serve this Order on the
22 LWDA.

23 13. Neither the Settlement nor any exhibit, document, or instrument delivered thereunder
24 shall be construed as a concession or admission by Defendant in any way that the claims asserted have
25 any merit or that this Action was properly brought as a class or representative action, and shall not be
26 used as evidence of, or used against Defendant as, an admission or indication in any way, including with
27 respect to any claim of any liability, wrongdoing, fault or omission by Defendant or with respect to the
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1 truth of any allegation asserted by any person. Whether or not the Settlement is finally approved,
2 neither the Settlement, nor any exhibit, document, statement, proceeding or conduct related to the
3 Settlement, nor any reports or accounts thereof, shall in any event be construed as, offered or admitted in
4 evidence as, received as or deemed to be evidence for any purpose adverse to the Defendant, including,
5 but not limited to, evidence of a presumption, concession, indication or admission by Defendant of any
6 liability, fault, wrongdoing, omission, concession or damage.

7 14. In the event the Settlement does not become effective in accordance with the terms of the
8 Agreement, or the Settlement is not finally approved, or is terminated, canceled or fails to become
9 effective for any reason, this Order shall be rendered null and void and shall be vacated, and the Parties
10 shall revert to their respective positions as of before entering into the Agreement, and expressly reserve
11 their respective rights regarding the prosecution and defense of this Action, including all available
12 defenses and affirmative defenses, and arguments that any claim in the Action could not be certified as a
13 class action and/or managed as a representative action. In such an event, the Court's orders regarding
14 the Settlement, including this Order, shall not be used or referred to in litigation for any purpose.
15 Nothing in this paragraph is intended to alter the terms of the Agreement with respect to the effect of the
16 Agreement if it is not approved.

17 15. The Court reserves the right to adjourn or continue the date of the final approval hearing
18 and all dates provided for in the Agreement without further notice to Class Members, and retains
19 jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

20 16. The Action is stayed and all trial and related pre-trial dates are vacated, subject to further
21 orders of the Court at the Final Approval Hearing.

22 **IT IS SO ORDERED.**

23
24 Dated: _____

HON. WILLIAM D. CLASTER
JUDGE, SUPERIOR COURT OF CALIFORNIA

25
26
27
28 4878-5511-4793

EXHIBIT C
[FINAL APPROVAL ORDER AND JUDGMENT]

EXHIBIT "C"

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE

LARISSA MARANTZ and MORGHAN
GILL, individually and on behalf of all others
similarly situated,

Plaintiffs,

vs.

LAGUNA COLLEGE OF ART AND
DESIGN, a California Non-Profit Corporation,

Defendant.

Case No. 30-2021-01194814-CU-OE-CXC

**[PROPOSED] FINAL APPROVAL
ORDER AND JUDGMENT**

Hearing Date:
Hearing Time:

Judge: Hon. William D. Claster
Dept.: CX-104

Action Filed: April 9, 2021
Trial Date: Not Set

The motion of Plaintiffs Larissa Marantz and Morghan Gill ("Plaintiffs") for an order finally approving the Class Action Settlement Agreement ("Agreement") with Defendant Laguna College of Art and Design ("Defendant"), attorneys' fees and costs, service award, and the expenses of the Settlement Administrator duly came on for hearing on _____ before the Honorable William D. Claster.

FINAL APPROVAL ORDER AND JUDGMENT

1 I.

2 **FINDINGS**

3 Based on the oral and written argument and evidence presented in connection with the motion,
4 the Court makes the following findings:

5 1. All terms used herein shall have the same meaning as defined in the Agreement.

6 2. This Court has jurisdiction over the subject matter of this litigation pending before the
7 California Superior Court for the County of Orange, and over all Parties to this litigation, including the
8 Classes.

9 3. Based on a review of the papers submitted by Plaintiffs and a review of the applicable
10 law, the Court finds that the Gross Settlement Amount of Eight Hundred Twenty-Five Thousand Dollars
11 (\$825,000), and the terms set forth in the Agreement are fair, reasonable, and adequate.

12 4. The Court further finds that the Settlement was the result of arm's length negotiations
13 conducted after Class Counsel had adequately investigated the claims and became familiar with the
14 strengths and weaknesses of those claims. In particular, the amount of the Settlement, the risks relating
15 to certification, liability, and damages issues, and the assistance of an experienced mediator in the
16 settlement process, among other factors, support the Court's conclusion that the Settlement is fair,
17 reasonable, and adequate.

18 **Preliminary Approval of the Settlement**

19 5. On _____, the Court granted preliminary approval of the Settlement. At this
20 same time, the Court approved conditional certification of the Classes for settlement purposes only.

21 **Notice to the Classes**

22 6. In compliance with the Preliminary Approval Order, the Class Notice was mailed by first
23 class mail to members of the Classes at their last known addresses on or about _____.
24 Mailing of the Class Notice to their last known addresses was the best notice practicable under the
25 circumstances and was reasonably calculated to communicate actual notice of the litigation and the
26 proposed settlement to the Classes. The Class Notice given to the Class Members fully and accurately
27 informed the Class Members of all material elements of the proposed Settlement and of their
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1 opportunity to object to or comment thereon or to seek exclusion from the Settlement; was valid, due,
2 and sufficient notice to all Class Members; and complied fully with the laws of the State of California,
3 the United States Constitution, due process and other applicable law. The Class Notice fairly and
4 adequately described the Settlement and provided Class Members adequate instructions and a variety of
5 means to obtain additional information.

6 7. The deadline for opting out of the Classes or submitting written objections to the
7 Settlement was _____. There was an adequate interval between notice and the deadline to
8 permit Class Members to choose what to do and act on their decision. A full opportunity has been
9 afforded to the Class Members to participate in this hearing, and all Class Members and other persons
10 wishing to be heard have been heard. Class Members also have had a full and fair opportunity to
11 exclude themselves from the proposed Settlement and Classes. Accordingly, the Court determines that
12 all Class Members who did not timely and properly submit a request for exclusion are bound by the
13 Settlement and this Final Approval Order and Judgment.

14 **Fairness of Settlement**

15 8. The Agreement is entitled to a presumption of fairness. *Dunk v. Ford Motor Co.* 48
16 Cal.App.4th 1794, 1801 (1996).

17 a. The settlement was reached through arm's-length bargaining between the parties
18 during an all-day mediation before Lou Marlin, Esq., a respected and experienced mediator of wage and
19 hour class actions. There has been no collusion between the parties in reaching the proposed settlement.

20 b. Plaintiff's investigation and discovery have been sufficient to allow the Court and
21 counsel to act intelligently.

22 c. Counsel for both parties are experienced in similar employment class action
23 litigation. All counsel recommended approval of the Agreement.

24 d. The percentage of objectors and requests for exclusion is small. ____ objections
25 were received. _____ requests for exclusion were received.

26 e. The participation rate was high. _____ Class Members will be mailed a
27 settlement payment, representing _____% of the overall Classes.

1 9. The consideration to be given to the Class Members under the terms of the Agreement is
2 fair, reasonable and adequate considering the strengths and weaknesses of the claims asserted in this
3 action and is fair, reasonable and adequate compensation for the release of Class Members' claims, given
4 the uncertainties and significant risks of the litigation and the delays which would ensue from continued
5 prosecution of the action.

6 10. The Agreement is approved as fair, adequate and reasonable and in the best interests of
7 the Class Members.

8 **Attorneys' Fees and Costs**

9 11. An award of \$_____ for attorneys' fees, representing one-third of the Gross
10 Settlement Amount, and \$_____ for litigation costs and expenses, is reasonable, in light of
11 the contingent nature of Class Counsel's fee, the hours worked by Class Counsel, and the results
12 achieved by Class Counsel. The requested award has been supported by Class Counsel's lodestar and
13 litigation expense billing statement.

14 **Class Representative Service Payments**

15 12. The Agreement provides for a Class Representative Service Award of not more than
16 \$7,500 to the Plaintiffs, subject to the Court's approval. The Court finds that a Class Representative
17 Service Payment in the amount of \$_____ to Plaintiff Larissa Marantz and \$_____ to Plaintiff
18 Morghan Gill is reasonable in light of the risks and burdens undertaken by the Plaintiffs in this litigation,
19 for their time and effort in bringing and prosecuting this matter on behalf of the Classes, and for their
20 execution of a general release.

21 **Settlement Administration Expenses**

22 13. The Settlement Administrator shall calculate and administer the payment to be made to
23 the Participating Class Members and Aggrieved Employees, transmit payment for attorneys' fees and
24 costs to Class Counsel, transmit the Class Representative Service Award to the Plaintiffs, distribute the
25 PAGA Penalties, issue any required tax reporting forms, calculate withholdings and perform the other
26 remaining duties set forth in the Agreement. The Settlement Administrator has documented \$_____
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1 in fees and expenses, and this amount is reasonable in light of the work performed by the Settlement
2 Administrator.

3 **PAGA Payment**

4 14. The Agreement provides for a PAGA Payment out of the Gross Settlement Amount of
5 \$20,000, which shall be allocated \$15,000 to the LWDA as the LWDA's 75% share of the settlement of
6 civil penalties paid pursuant to the PAGA and \$5,000 will be distributed to the "Adjunct Aggrieved
7 Employees" and "Reimbursement Aggrieved Employees" based on their respective pay periods worked
8 during the PAGA Period, which is April 7, 2020 to February 23, 2022. "Adjunct Aggrieved
9 Employees" are all individuals who are or have been employed by Defendant as adjunct faculty in
10 California at any time during the PAGA Period. Aggrieved Adjunct Employees will release any and all
11 claims, whether known or unknown, liquidated or unliquidated, that were asserted or could have been
12 asserted on their behalf based on the facts set forth in the operative pleading in the Action and/or notices
13 submitted to the LWDA in connection with the Action, to recover civil penalties pursuant to PAGA for
14 any alleged violations by Defendant including California Labor Code §§ 201-203, 226(a) and (e), 226.2,
15 226.7, 512, 1194, 1194.2 and 2802, Business & Professions Code § 17200, *et seq.*, California Industrial
16 Commission Wage Orders, and California Code of Regulations Title 8 §§ 11040, 11000 *et seq.*, and all
17 claims for attorneys' fees and costs and statutory interest in connection therewith, arising during the
18 PAGA Period ("Adjunct Released PAGA Claims"). "Reimbursement Aggrieved Employees" are all
19 current and former employees of Defendant other than Aggrieved Adjunct Employees who worked
20 remotely for Defendant in California at any time during the PAGA Period. Aggrieved Reimbursement
21 Employees will release any and all claims, whether known or unknown, liquidated or unliquidated, that
22 were asserted or could have been asserted on their behalf based on the facts set forth in the operative
23 pleading in the Action and/or notices submitted to the LWDA in connection with the Action, to recover
24 civil penalties pursuant to PAGA for any alleged violations by Defendant including California Labor
25 Code § 2802, and Business & Professions Code § 17200, *et seq.*, California Industrial Commission
26 Wage Orders, and California Code of Regulations Title 8 § 11040 and all claims for attorneys' fees and
27 costs and statutory interest in connection therewith, arising during the PAGA Period ("Reimbursement
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Released PAGA Claims”). The LWDA was notified of the settlement and served with a copy of the Agreement, and the LWDA has not objected to the Settlement. The Court finds the PAGA Penalties to be reasonable.

II.

ORDERS

Based on the foregoing findings, and good cause appearing, IT IS HEREBY ORDERED:

1. The Adjunct Class is certified for the purposes of settlement only. The Adjunct Class is hereby defined as follows:

All individuals who are currently and formerly employed by Defendant as adjunct faculty in California at any time during the Adjunct Class Period.

The Adjunct Class Period is April 9, 2017 to February 23, 2022.

2. The Reimbursement Class is certified for the purposes of settlement only. The Reimbursement Class is hereby defined as follows:

All current and former employees of Defendant other than Adjunct Class Members who worked remotely for Defendant in California at any time during the Reimbursement Class Period.

The Reimbursement Class Period is March 23, 2020 to February 23, 2022.

3. All persons who meet the foregoing definitions are members of the Classes, except for those individuals who filed a valid request for exclusion (“opt out”) from the Classes: [Insert reference to identify opt-outs.]

4. The Agreement is hereby finally approved as fair, reasonable, adequate, and in the best interest of the Classes.

5. Class Counsel are awarded attorneys' fees in the amount of \$_____ and costs in the amount of \$_____. Class Counsel shall not seek or obtain any other compensation or reimbursement from Defendant, Plaintiffs or members of the Classes.

6. The payment of the Class Representative Service Award in the amount of \$_____ to Plaintiff Larissa Marantz and \$_____ to Plaintiff Morghan Gill is approved.

1 7. The payment of \$_____ to the Settlement Administrator for their fees and
2 expenses is approved.

3 8. The PAGA Penalties of \$20,000 is approved to be distributed in accordance with the
4 Agreement.

5 9. The Agreement and this Settlement are not an admission by Defendant, nor is this Final
6 Approval Order and Judgment a finding, of the validity of any claims in the Action or of any
7 wrongdoing by Defendant or that this Action is appropriate for class treatment (other than for settlement
8 purposes). Neither this Final Approval Order and Judgment, the Agreement, nor any document referred
9 to herein, nor any action taken to carry out the Agreement is, may be construed as, or may be used as an
10 admission by or against Defendant of any fault, wrongdoing or liability whatsoever. The entering into
11 or carrying out of the Agreement, and any negotiations or proceedings related thereto, shall not in any
12 event be construed as, or deemed to be evidence of, an admission or concession with regard to the
13 denials or defenses by Defendant. Notwithstanding these restrictions, Defendant may file in the Action
14 or in any other proceeding this Final Approval Order and Judgment, the Agreement, or any other papers
15 and records on file in the Action as evidence of the Settlement to support a defense of res judicata,
16 collateral estoppel, release, or other theory of claim or issue preclusion or similar defense as to the
17 claims being released by the Settlement.

18 10. Notice of entry of this Final Approval Order and Judgment shall be given to all Parties by
19 Class Counsel on behalf of Plaintiffs and all Class Members. The Final Approval Order and Judgment
20 shall be posted on the Settlement Administrator's website as set forth in the Class Notice to the Class. It
21 shall not be necessary to send notice of entry of this Final Approval Order and Judgment to individual
22 Class Members.

23 11. If the Agreement does not become final and effective in accordance with the terms of the
24 Agreement, then this Final Approval Order and Judgment, and all orders entered in connection herewith,
25 shall be rendered null and void and shall be vacated, and the Parties shall revert to their respective
26 positions as of before entering into the Agreement, and expressly reserve their respective rights
27 regarding the prosecution and defense of this Action, including all available defenses and affirmative
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1 defenses, and arguments that any claim in the Action could not be certified as a class action and/or
2 managed as a representative action.

3 **IT IS HEREBY ORDERED, ADJUDICATED AND DECREED THAT:**

4 1. Except as set forth in the Agreement and this Final Approval Order and Judgment,
5 Plaintiffs, and all members of the Classes, shall take nothing in the Action.

6 2. Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain
7 jurisdiction to construe, interpret, implement and enforce the Agreement, to hear and resolve any
8 contested challenge to a claim for settlement benefits, and to supervise and adjudicate any dispute
9 arising from or in connection with the distribution of settlement benefits.

10 3. The Parties are authorized, with approval from the Court, to agree to and to adopt such
11 amendments, modifications and expansions of the Agreement and all exhibits attached thereto which are
12 consistent with this Final Approval Order and Judgment and do not limit the rights of the Parties or
13 Class Members under the Agreement.

14 4. Each party shall bear its own attorneys' fees and costs, except as otherwise provided in
15 the Agreement and in this Final Approval Order and Judgment.

16 5. Upon full funding of the Gross Settlement Amount, each Adjunct Class Member who has
17 not validly opted out has released the "Adjunct Released Class Claims" against the Defendant and all of
18 the "Released Parties," and each Reimbursement Class Member who has not validly opted out has
19 released the "Reimbursement Released Class Claims" against the Defendant and all of the "Released
20 Parties" as set forth in the Agreement.

21 6. As used in paragraph 5 above, the quoted terms have the meanings set forth below:

22 (a) "Adjunct Released Class Claims" means any and all claims, whether known or
23 unknown, liquidated or unliquidated, that were alleged or could have been alleged based on the facts
24 pled in the operative Complaint, for any alleged violations by Defendant including without limitation
25 California Labor Code §§ 201-203, 226(a) and (e), 226.2, 226.7, 512, 1194, 1194.2, and 2802, Business
26 & Professions Code § 17200, *et seq.*, California Industrial Commission Wage Orders, and California
27 Code of Regulations Title 8 §§ 11040, 11000 *et seq.*, and all claims for attorneys' fees and costs and
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1 statutory interest in connection therewith, which arose during the Adjunct Class Period.

2 (b) "Reimbursement Released Class Claims" means any and all claims, whether
3 known or unknown, liquidated or unliquidated, that were alleged or could have been alleged based on
4 the facts pled in the operative Complaint, for any alleged violations by Defendant including without
5 limitation California Labor Code § 2802, Business & Professions Code § 17200, *et seq.*, California
6 Industrial Commission Wage Orders, and California Code of Regulations Title 8 § 11040 and all claims
7 for attorneys' fees and costs and statutory interest in connection therewith, which arose during the
8 Reimbursement Class Period.

9 (c) "Released Parties" collectively mean: Defendant, and each of its parent
10 corporations, affiliates, subsidiaries (direct and indirect), divisions, predecessors, insurers, reinsurers,
11 successors, and assigns, and each of their current and former employees, attorneys, officers, directors,
12 trustees, and agents thereof, both individually and in their business capacities, and their employee
13 benefit plans and programs and the trustees, administrators, fiduciaries, and insurers of such plans and
14 programs, both individually and in their business capacities.

15 7. Upon full funding of the Gross Settlement Amount, the Defendant and all of the
16 "Released Parties" shall be entitled to a release of the "Adjunct Released PAGA Claims" from the State
17 of California and each Adjunct Aggrieved Employee, and a release of the "Reimbursement Released
18 PAGA Claims" from the State of California and each Reimbursement Aggrieved Employee as set forth
19 in the Agreement. The release of the "Adjunct Released PAGA Claims" shall be effective as to all
20 Adjunct Aggrieved Employees and the release of the "Reimbursement Released PAGA Claims" shall be
21 effective as to all Reimbursement Aggrieved Employees, regardless of whether an Aggrieved Employee
22 submitted a request for an exclusion from the Classes.

23 8. As used in paragraph 7 above, the quoted terms have the meanings set forth below:

24 (a) "Adjunct Released PAGA Claims" means any and all claims, whether known or
25 unknown, liquidated or unliquidated, that were asserted or could have been asserted on their behalf
26 based on the facts set forth in the operative pleading in the Action and/or notices submitted to the
27 LWDA in connection with the Action, to recover civil penalties pursuant to PAGA for any alleged
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violations by Defendant including California Labor Code §§ 201-203, 226(a) and (e), 226.2, 226.7, 512, 1194, 1194.2 and 2802, Business & Professions Code § 17200, *et seq.*, California Industrial Commission Wage Orders, and California Code of Regulations Title 8 §§ 11040, 11000 *et seq.*, and all claims for attorneys' fees and costs and statutory interest in connection therewith, arising during the PAGA Period.

(b) "Reimbursement Released PAGA Claims" means any and all claims, whether known or unknown, liquidated or unliquidated, that were asserted or could have been asserted on their behalf based on the facts set forth in the operative pleading in the Action and/or notices submitted to the LWDA in connection with the Action, to recover civil penalties pursuant to PAGA for any alleged violations by Defendant including California Labor Code § 2802, and Business & Professions Code § 17200, *et seq.*, California Industrial Commission Wage Orders, and California Code of Regulations Title 8 § 11040 and all claims for attorneys' fees and costs and statutory interest in connection therewith, arising during the PAGA Period.

(c) "Released Parties" collectively mean: Defendant, and each of its parent corporations, affiliates, subsidiaries (direct and indirect), divisions, predecessors, insurers, reinsurers, successors, and assigns, and each of their current and former employees, attorneys, officers, directors, trustees, and agents thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries, and insurers of such plans and programs, both individually and in their business capacities.

9. Upon full funding of the Gross Settlement Amount, Plaintiffs will generally release all claims as set forth in the Agreement.

10. If a settlement check remains uncashed by the expiration date, the funds from such uncashed checks will be paid to the California State Controller's Unclaimed Property Fund in the name of the Participating Class Member/Aggrieved Employee.

LET JUDGMENT BE FORTHWITH ENTERED ACCORDINGLY. IT IS SO ORDERED.

Dated: _____

HON. WILLIAM D. CLASTER
JUDGE, SUPERIOR COURT OF CALIFORNIA

4866-0239-4409

FINAL APPROVAL ORDER AND JUDGMENT