

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

2 This Joint Stipulation of Class Action and PAGA Settlement and Release (“Agreement” or
3 “Settlement Agreement”) is made and entered into by and between Plaintiffs Stephanie McCoy and
4 Brittney Rourke (collectively, “Plaintiffs” or “Class Representatives”), on behalf of all others
5 similarly situated, the State of California, and aggrieved employees, and Defendant VBR DHS
6 Management, LLC (“Defendant” or “Employer”) (collectively, Plaintiffs and Defendant are referred
7 to as the “Parties”).

8 This Settlement Agreement shall be binding on Plaintiffs, Settlement Class Members, the
9 State of California, Aggrieved Employees, and on Defendant, subject to the terms and conditions
10 hereof and the approval of the Court.

11 **RECITALS**

12 1. On July 13, 2021, Plaintiff Stephanie McCoy sent a letter to the Labor and Workforce
13 Development Agency (“LWDA”), pursuant to California Labor Code section 2699.3, providing
14 notice of her intent to seek civil penalties under the Private Attorneys General Act, California Labor
15 Code section 2698, et seq., for Defendant’s alleged violations of California Labor Code sections
16 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198,
17 2800 and 2802, and Industrial Welfare Commission Wage Orders, including inter alia, Wage Orders
18 4-2001, 7-2001, 8-2001, 9-2001, 13-2001, and 14-2001 (“ Stephanie McCoy LWDA Letter”),
19 thereby initiating LWDA Case No. LWDA-CM-837767-21.

20 2. On September 16, 2021, Plaintiff Stephanie McCoy filed Case No. CVRI2104222 in
21 Riverside County Superior Court, for failure to pay overtime wages, provide compliant meal periods
22 and associated premiums, provide compliant rest periods and associated premiums, pay minimum
23 wages, timely pay final wages, timely pay wages during employment, furnish compliant wage
24 statements, maintain accurate and complete payroll records, reimburse business expenses, violations
25 of California Business and Professions Code section 17200, et seq. for the aforementioned alleged
26 violations, and civil penalties pursuant to the Private Attorneys General Act of 2004, California
27 Labor Code section 2698, et seq. (“PAGA”) for the aforementioned alleged violations, on behalf of
28 current and former non-exempt employees employed by Defendant at any time from July 13, 2020

1 to final judgment.

2 3. On April 19, 2024 the First Amended Complaint was filed to add Plaintiff Brittney
3 Rourke as named Plaintiff.

4 4. Defendant denies all material allegations set forth in the Action and has asserted
5 numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation,
6 Defendant desires to fully and finally settle the Action Released Class Claims and Released PAGA
7 Claims.

8 5. The claims against Defendant, including any and all applicable defenses and the
9 applicable law, have been diligently investigated and considered. The investigation included, *inter*
10 *alia*, the exchange of information, data, and documents, and review of numerous corporate policies
11 and practices.

12 6. On March 1, 2023, the Parties participated in mediation with Jeffrey Krivis, Esq. (the
13 “Mediator”), a respected mediator of complex wage and hour actions. With the assistance of the
14 Mediator’s evaluations, the Parties reached the settlement that is memorialized herein. The
15 settlement discussions were conducted at arm’s-length, and the settlement is the result of an
16 informed and detailed analysis of Defendant’s potential liability and exposure in relation to the costs
17 and risks associated with continued litigation of the Action. Based on the documents produced, as
18 well as Class Counsel’s own independent investigation and evaluation, Class Counsel believe that
19 the settlement with Defendant for the consideration and on the terms set forth in this Settlement
20 Agreement is fair, reasonable, and adequate and is in the best interest of the Class Members, State
21 of California, and Aggrieved Employees in light of all known facts and circumstances, including
22 the risk of significant delay and uncertainty associated with litigation and various defenses asserted
23 by Defendant.

24 7. The Parties expressly acknowledge that this Settlement Agreement is entered into
25 solely for the purpose of compromising significantly disputed claims and that nothing herein is an
26 admission regarding liability, wrongdoing, class suitability, or suitability of representative
27 adjudication by either Plaintiffs or Defendant. If for any reason the Settlement Agreement is not
28 approved, it will be of no force or effect, and the Parties shall be returned to their original respective

1 positions.

2 DEFINITIONS

3 8. The following definitions are applicable to this Settlement Agreement. Definitions
4 contained elsewhere in this Settlement Agreement will also be effective:

5 9. **“Aggrieved Employees”** means all current and former hourly-paid or non-exempt
6 employees of Defendant in California employed between July 13, 2020 through September 20,
7 2022, the date on which Employer ceased ownership of the subject business which employed the
8 Aggrieved Employees.

9 10. **“Attorneys’ Fees and Costs”** means attorneys’ fees approved by the Court for Class
10 Counsel’s litigation and resolution of the Action, and all actual costs incurred and to be incurred by
11 Class Counsel in connection with litigation and resolution of the Action.

12 11. **“Class Counsel”** means Arby Aiwarzian, Joanna Ghosh, Vartan Madoyan, and
13 Helene Mayer of Lawyers *for* Justice, PC, as well as Devin Rauchwerger and Zack Domb of Domb
14 & Rauchwerger LLP.

15 12. **“Class Data and List”** means a complete list of all Class Members that Defendant
16 will diligently and in good faith compile from its records and provide to the Settlement
17 Administrator within fifteen (15) calendar days after Preliminary Approval. The Class Data and
18 List will be formatted in a readable Microsoft Office Excel spreadsheet and will include each Class
19 Member’s last known full name, last known mailing address, last known telephone number, Social
20 Security Number, Workweeks worked during the Class Period, and Workweeks worked during the
21 PAGA Period.

22 13. **“Class Member(s)”** or **“Class”** means all current and former hourly-paid or non-
23 exempt employees of Defendant in California between September 16, 2017 through September 4,
24 2023.

25 14. **“Class Notice”** means the Notice of Class Action Settlement, substantially in the
26 form attached as **“Exhibit A.”**

27 15. **“Class Period”** means the time period from September 16, 2017 through September
28 4, 2023.

1 16. “**Class Representatives**” or “**Plaintiffs**” means Stephanie McCoy and Brittney
2 Rourke.

3 17. “**Class Settlement**” means the settlement and resolution of the Released Class
4 Claims.

5 18. “**Action**” means *Stephanie McCoy v. VBR DHS Management, LLC*, Riverside
6 County Superior Court Case No. CVRI2104222, filed on September 16, 2021, and any operative
7 complaint.

8 19. “**Court**” means the Superior Court of the State of California for the County of
9 Riverside.

10 20. “**Defendant**” means VBR DHS Management, LLC.

11 21. “**Defendant’s Counsel**” means Lisa Reimbold of Clark Hill, LLP and all the lawyers
12 of this firm acting on behalf of Defendant.

13 22. “**Effective Date**” means the date when all of the following events have occurred: (1)
14 the Settlement Agreement has been executed by all Parties, Class Counsel, and Defendant’s
15 Counsel; (2) the Court has given preliminary approval to the Settlement; (3) the Notice has been
16 mailed to the Class Members, providing them with an opportunity to object to the terms of the Class
17 Settlement or opt out of the Class Settlement; (4) the Court has held a Final Approval Hearing and
18 entered a Final Approval Order and Judgment; (5) sixty-five calendar days have passed since the
19 Court enters a Final Approval Order and Judgment; and (6) in the event there are written objections
20 filed prior to the Final Approval Hearing which are not later withdrawn or denied, the later of the
21 following events: five business days after the period for filing any appeal, writ, or other appellate
22 proceeding opposing the Court’s Final Approval Order and Judgment has elapsed without any
23 appeal, writ, or other appellate proceeding having been filed; or, if any appeal, writ, or other
24 appellate proceeding opposing the Court’s Final Approval Order and Judgment has been filed, five
25 business days after any appeal, writ, or other appellate proceedings opposing the Settlement has
26 finally and conclusively dismissed with no right to pursue further remedies or relief.

27 23. “**Employee PAGA Amount**” means the twenty-five percent (25%) portion of the
28 PAGA Allocation, or Twenty Thousand Dollars and Zero Cents (\$20,000.00), to be distributed to

1 Aggrieved Employees on a *pro rata* basis based on their Workweeks during the PAGA Period.

2 24. “**Enhancement Award(s)**” means the amount to be paid to Plaintiffs in recognition
3 of their efforts and work in prosecuting the Action.

4 25. “**Final Approval**” means the determination by the Court that the Settlement is fair,
5 reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

6 26. “**Final Approval Hearing**” means the hearing at which the Court will consider and
7 determine whether the Settlement should be granted Final Approval.

8 27. “**Individual PAGA Payment**” means the *pro rata* share of the Employee PAGA
9 Amount that an Aggrieved Employee may be eligible to receive under the PAGA Settlement.

10 28. “**Individual Settlement Payment**” means the net payment of each Settlement Class
11 Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and
12 withholdings with respect to the wages portion of the Individual Settlement Share.

13 29. “**Individual Settlement Share**” means the *pro rata* share of the Net Settlement
14 Amount that a Class Member may be eligible to receive under the Class Settlement, which is
15 inclusive of the employee’s share of taxes and withholdings with respect to the wages portion of the
16 Individual Settlement Share.

17 30. “**LWDA Notice**” means the written notice submitted by Plaintiff Stephanie McCoy
18 on July 13, 2021 to the Labor and Workforce Development Agency and Defendant pursuant to
19 California Labor Code section 2699.3, alleging violations of the California Labor Code and
20 Industrial Welfare Commission Wage Orders that give rise to civil penalties recoverable under the
21 Private Attorneys General Act, California Labor Code section 2698, *et seq.*, thereby initiating
22 LWDA Case No. LWDA-CM-837767-21.

23 31. “**LWDA Payment**” means the seventy-five percent (75%) portion of the PAGA
24 Allocation, or Sixty Thousand Dollars and Zero Cents (\$60,000), that the Parties have agreed to pay
25 to the California Labor and Workforce Development Agency (“LWDA”) for the PAGA Settlement.

26 32. “**Net Settlement Amount**” means the portion of the Total Settlement Amount that
27 is available for distribution to Settlement Class Members, which is the Total Settlement Amount
28 less the Court-approved Enhancement Awards, Settlement Administration Costs, PAGA Allocation,

1 and Attorneys' Fees and Costs.

2 33. **"Notice of Objection"** means a Class Member's valid and timely written objection
3 to the Class Settlement. A Notice of Objection must: (a) contain the case name and number of the
4 Action; (b) state his or her full name, signature, address, telephone number, and the last four digits
5 of his or her Social Security number; (c) state all grounds for the objection accompanied by any
6 legal or factual support for such objection; (d) state the full name, address, and telephone number
7 of any legal representative representing him or her with respect to the objection; (e) contain copies
8 of any papers, briefs, or other documents upon which the objection is based; and (f) be returned by
9 mail to the Settlement Administrator at the specified address, postmarked on or before the Response
10 Deadline. The date of the postmark on the return mailing envelope on the submission will be the
11 exclusive means to determine whether a Notice of Objection has been timely submitted. Only Class
12 Members who do not request exclusion from the Class Settlement may object to the Class
13 Settlement.

14 34. **"PAGA Allocation"** means the amount of Eighty Thousand Dollars and Zero Cents
15 (\$80,000.00) from the Total Settlement Amount for the PAGA Settlement. Pursuant to PAGA,
16 seventy-five percent (75%) of the PAGA Allocation, or Sixty Thousand Dollars and Zero Cents
17 (\$60,000.00) (i.e., the LWDA Payment), will be paid to the Labor and Workforce Development
18 Agency, and the remaining twenty-five percent (25%), or Twenty Thousand Dollars and Zero Cents
19 (\$20,000.00) (i.e., the Employee PAGA Amount), will be distributed to Aggrieved Employees on a
20 *pro rata* basis based on their Workweeks during the PAGA Period.

21 35. **"PAGA Period"** means the period from July 13, 2020 through September 4, 2023.

22 36. **"PAGA Settlement"** means the settlement and resolution of the Released PAGA
23 Claims.

24 37. **"Parties"** means Plaintiffs and Defendant, collectively, and "Party" means Plaintiffs
25 or Defendant, individually.

26 38. **"Preliminary Approval"** means entry of the Court order granting preliminary
27 approval of the Settlement.

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1 39. **“Released Class Claims”** means any and all claims under state, federal, or local law,
2 arising out of the claims expressly pleaded in the Action and all other claims, such as those under
3 the California Labor Code, Wage Orders, regulations, and/or other provisions of law, arising during
4 the Class Period, that could have been asserted based on the facts pleaded in the Action for: (1)
5 failure to pay overtime wages; (2) failure to pay meal period premiums; (3) failure to pay rest period
6 premiums; (4) failure to pay minimum wages; (5) failure to timely pay wages upon termination; (6)
7 failure to timely pay wages during employment; (7) failure to provide compliant wage statements;
8 (8) failure to keep requisite payroll records; (9) failure to reimburse necessary business expenses;
9 and (10) violation of California’s unfair competition law.

10 40. **“Released PAGA Claims”** means any and all claims for civil penalties under the
11 California Labor Code Private Attorneys General Act that were alleged in the LWDA Notice and
12 Action, arising during the PAGA Period, for: (1) failure to pay overtime wages; (2) failure to pay
13 meal period premiums; (3) failure to pay rest period premiums; (4) failure to pay minimum wages;
14 (5) failure to timely pay wages upon termination; (6) failure to timely pay wages during
15 employment; (7) failure to provide compliant wage statements; (8) failure to keep requisite payroll
16 records; and (9) failure to reimburse necessary business expenses.

17 41. **“Released Parties”** means Defendant, its present and former parent companies,
18 affiliates, subsidiaries, divisions, successors and assigns, and its respective shareholders,
19 predecessors, insurers, current and former owners, executive-level employees, attorneys, officers,
20 directors, and agents thereof, both individually and in its business capacities, and their trustees,
21 administrators, fiduciaries, and insurers.

22 42. **“Request for Exclusion”** means an Exclusion Form or timely letter submitted by a
23 Class Member indicating a request to be excluded from the Class Settlement. The Request for
24 Exclusion must: (a) contain the case name and number of the Action; (b) be signed by the Class
25 Member; (c) state the full name, address, telephone number, signature, and the last four digits of the
26 Social Security Number of the Class Member requesting exclusion, (d) state that the Class Member
27 does not wish to be included in the Class Settlement; and (e) be returned by mail to the Settlement
28 Administrator at the specified address, postmarked on or before the Response Deadline. The date

1 of the postmark on the return mailing envelope on the submission will be the exclusive means to
2 determine whether a Request for Exclusion has been timely submitted. A Class Member who does
3 not request exclusion from the Class Settlement will be deemed a Settlement Class Member and
4 will be bound by all terms of the Class Settlement, if the Settlement is granted Final Approval by
5 the Court.

6 43. **“Response Deadline”** means the deadline by which Class Members must submit a
7 Request for Exclusion, Notice of Objection, and/or Credited Workweeks Dispute, which shall be
8 the date that is sixty (60) calendar days from the initial mailing of the Notice by the Settlement
9 Administrator, unless the 60th day falls on a Sunday or Federal holiday, in which case the Response
10 Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response
11 Deadline may also be extended by express agreement between Class Counsel and Defendant’s
12 Counsel. Under no circumstances, however, will the Settlement Administrator have the authority
13 to extend the Response Deadline. In the event that a Notice is re-mailed to a Class Member, the
14 Response Deadline for that Class Member shall be the extended by fifteen (15) calendar days.

15 44. **“Settlement Administrator”** means Phoenix Class Action Administration
16 Solutions, a third-party class action settlement administrator agreed to by the Parties and approved
17 by the Court for purposes of administering the Settlement. The Parties and their counsel each
18 represent that they do not have any financial interest in the Settlement Administrator or otherwise
19 have a relationship with the Settlement Administrator that could create a conflict of interest.

20 45. **“Settlement Administration Costs”** means the costs payable to the Settlement
21 Administrator from the Total Settlement Amount, subject to Court approval, for administration of
22 the Settlement.

23 46. **“Settlement Class Member(s)”** means Class Members who do not submit a valid
24 and timely Request for Exclusion.

25 47. **“Total Settlement Amount”** means the amount of Five Hundred Thousand Dollars
26 and Zero Cents (\$500,000.00) to be paid by Defendant, subject to Paragraph 77 below, in full
27 resolution of all Released Class Claims, Released PAGA Claims, and the Action, which includes all
28 Attorneys’ Fees and Costs, Enhancement Awards, LWDA Payment, Employee PAGA Amount, Net

1 Settlement Amount (which is inclusive of the Settlement Class Members' share of taxes and
2 withholdings with respect to the wages portion of the Individual Settlement Shares), and Settlement
3 Administration Costs. Defendant's employer share of taxes and contributions on the wages portion
4 of Individual Settlement Shares ("Employer Taxes") will be paid separately and in addition to the
5 Total Settlement Amount.

6 48. "Workweeks" means the number of weeks each Class Member worked as an hourly-
7 paid or non-exempt employee of Defendant during the Class Period, and/or that each Aggrieved
8 Employee worked as an hourly-paid or non-exempt employee of Defendant during the PAGA
9 Period, each of which will be calculated by the Settlement Administrator utilizing Defendant's
10 payroll records, and included in the Class Data and List.

11 **CLASS CERTIFICATION**

12 49. For the purposes of this Settlement only, the Parties stipulate to the certification of
13 the Class.

14 50. The Parties agree that certification of the Class for the purpose of the Settlement is
15 not an admission that certification is proper under Section 382 of the California Code of Civil
16 Procedure, or for any other purpose. Should, for whatever reason, the Court not grant Final
17 Approval, the Parties' stipulation to certification of the Class as part of the Settlement shall become
18 null and void *ab initio* and shall have no bearing on, and shall not be admissible in connection with,
19 the issue of whether or not certification would be appropriate in the Action in a non-settlement
20 context.

21 **TERMS OF AGREEMENT**

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

24 51. Funding and Disbursement of the Total Settlement Amount.

25 a. Within five (5) business days after the Effective Date, the Settlement
26 Administrator will provide the Parties with an accounting of the amounts to be paid by Defendant
27 pursuant to the terms of the Settlement.

28 b. Within fifteen (15) business days after the Effective Date, Defendant will

1 deposit the Total Settlement Amount plus an amount sufficient to pay its Employer Taxes into a
2 settlement account to be established by the Settlement Administrator.

3 c. The Settlement Administrator will issue payments due under the Settlement
4 and approved by the Court, within five (5) business days of receipt of Total Settlement Amount plus
5 an amount sufficient to pay its Employer Taxes, in the following order of priority: (a) Individual
6 Settlement Payments to Settlement Class Members; (b) Individual PAGA Payments to Aggrieved
7 Employees; (c) LWDA Payment to the Labor and Workforce Development Agency; (d)
8 Enhancement Awards to Plaintiffs; (e) Attorneys' Fees and Costs to Class Counsel; and (f)
9 Settlement Administration Costs to the Settlement Administrator.

10 52. Attorneys' Fees and Costs. Class Counsel will request, and Defendant will not
11 oppose, attorneys' fees of up to thirty-five percent (35%) of the Total Settlement Amount and
12 reimbursement of actual costs and expenses associated with Plaintiffs' counsels' litigation and
13 settlement of the Action, in an amount not to exceed Twenty-Five Thousand Dollars and Zero Cents
14 (\$25,000.00), both of which will be paid from the Total Settlement Amount subject to Court
15 approval. These amounts will cover any and all work performed and any and all costs incurred by
16 counsel for Plaintiffs in connection with the litigation of the Action, including without limitation all
17 work performed and costs incurred to date, and all work to be performed and all costs to be incurred
18 in connection with obtaining the Court's approval of the Settlement, as well as any objections raised
19 and any appeals necessitated by those objections. Class Counsel shall be solely and legally
20 responsible for correctly characterizing this compensation for tax purposes and for paying any taxes
21 on the amounts received. Any portion of the Attorneys' Fees and Costs not awarded to Class
22 Counsel shall be a part of the Net Settlement Amount to be distributed to Settlement Class Members.
23 With respect to the attorneys' fees and costs awarded to Class Counsel, the Settlement Administrator
24 may purchase an annuity to utilize United States Treasuries and bonds or other attorney fee deferral
25 vehicles, for Class Counsel, and any additional expenses for such attorney fee deferral vehicles shall
26 be paid separately by Class Counsel.

27 53. Enhancement Awards. In recognition of their efforts and work in prosecuting the
28 Action, Defendant agrees not to oppose or impede any application or motion for Enhancement

1 Awards in the amount up to Five Thousand Dollars and Zero Cents (\$5,000.00) to each Plaintiff.
2 The Enhancement Awards, which will be paid to Plaintiffs from the Total Settlement Amount,
3 subject to Court approval, will be in addition to their Individual Settlement Payments and Individual
4 PAGA Payments that are to be paid pursuant to the Settlement. The Settlement Administrator will
5 issue an IRS Form 1099 to Plaintiffs for the Enhancement Awards, and Plaintiffs shall be solely and
6 legally responsible for correctly characterizing this compensation for tax purposes and for paying
7 any taxes on the amounts received. Plaintiffs agree to indemnify and hold Defendant harmless from
8 any claim or liability for taxes, penalties, or interest thereon arising as a result of the Enhancement
9 Awards. Should the Court approve the Enhancement Awards to Plaintiffs in amount(s) that are less
10 than that set forth above, the difference between the lesser amount approved by the Court and the
11 amount(s) allocated toward the Enhancement Awards will be part of the Net Settlement Amount to
12 be distributed to Settlement Class Members.

13 54. Settlement Administration Costs. The Settlement Administrator will be paid for the
14 reasonable costs of administration of the Settlement and distribution of payments under the
15 Settlement, not to exceed Fifteen Thousand Dollars (\$15,000). These costs, which will be paid from
16 the Total Settlement Amount, subject to Court approval, will include, *inter alia*, translating the
17 Notice from English to Spanish, printing, distributing, and tracking Notices and other documents
18 for the Settlement, calculating and distributing payments due under the Settlement, issuing 1099 and
19 W-2 IRS Forms and undertaking all required tax reporting, filings, withholdings, and remittances,
20 providing necessary reports and declarations, and other duties and responsibilities set forth herein
21 to process the Settlement, and as requested by the Parties. To the extent actual Settlement
22 Administration Costs are greater than the estimated amount stated herein, such excess amount will
23 be disclosed to the Court and deducted from the Total Settlement Amount, subject to approval by
24 the Court. Any portion of the estimated, designated, and/or awarded Settlement Administration
25 Costs which are not in fact required to fulfill payment to the Settlement Administrator to undertake
26 the required settlement administration duties will become part of the Net Settlement Amount to be
27 distributed to Settlement Class Members.

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1 55. PAGA Allocation. Subject to approval by the Court, the Parties agree that the
2 amount of Eighty Thousand Dollars and Zero Cents (\$80,000.00) from the Total Settlement Amount
3 will be allocated toward penalties under the Private Attorneys General, California Labor Code
4 Section 2698, *et seq.* (i.e., the PAGA Allocation), of which seventy-five percent (75%), or \$60,000,
5 will be paid to the Labor and Workforce Development Agency (i.e., the LWDA Payment) and
6 twenty-five percent (25%) or, \$20,000, will be distributed to Aggrieved Employees (i.e., the
7 Employee PAGA Amount) on a *pro rata* basis based on Workweeks during the PAGA Period (i.e.,
8 the Individual PAGA Payments).

9 56. Individual Settlement Share Calculations. Individual Settlement Shares will be
10 calculated and apportioned from the Net Settlement Amount based on the Class Members'
11 Workweeks, as follows:

12 a. After Preliminary Approval of the Settlement, the Settlement Administrator
13 will divide the Net Settlement Amount by the Workweeks for all Class Members to yield the
14 "Estimated Workweek Value," and multiply each Class Member's individual Workweeks by the
15 Estimated Workweek Value to yield his or her estimated Individual Settlement Share that he or she
16 may be eligible to receive under the Class Settlement.

17 b. After Final Approval of the Settlement, the Settlement Administrator will
18 divide the final Net Settlement Amount by the Workweeks for all Settlement Class Members to
19 yield the "Final Workweek Value," and multiply each Settlement Class Member's individual
20 Workweeks by the Final Workweek Value to yield his or her Individual Settlement Share.

21 57. Individual PAGA Payment Calculations. Individual PAGA Payments will be
22 calculated and apportioned from the Employee PAGA Amount based on the Aggrieved Employees'
23 Workweeks during the PAGA Period, as follows: the Settlement Administrator will divide the
24 Employee PAGA Amount by the Workweeks during the PAGA Period for all Aggrieved Employees
25 to yield the "PAGA Workweeks Value," and multiply each Aggrieved Employee's individual
26 Workweeks during the PAGA Period by the PAGA Workweek Value to yield his or her estimated
27 Individual PAGA Payment that he or she may be eligible to receive under the PAGA Settlement.

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1 58. Settlement Awards Do Not Trigger Additional Benefits. All payments made under
2 the Settlement shall be deemed to be paid to the payee solely in the year in which such payments
3 actually are issued to the payee. It is expressly understood and agreed that payments made under
4 the Settlement shall not in any way entitle Plaintiffs, Settlement Class Members, or Aggrieved
5 Employees to additional compensation or benefits under any new or additional compensation or
6 benefits, or any bonus, contest or other compensation or benefit plan or agreement in place during
7 the Class Period, nor will it entitle them to any increased retirement, 401K benefits or matching
8 benefits, or deferred compensation benefits (notwithstanding any contrary language or agreement
9 in any benefit or compensation plan document that might have been in effect during the Class
10 Period).

11 59. Delivery of the Class Data and List. Within fifteen (15) calendar days of Preliminary
12 Approval, Defendant will provide the Class Data and List to the Settlement Administrator.

13 60. Notice by First-Class U.S. Mail.

14 a. Within fourteen (14) calendar days after receiving the Class Data and List
15 from Defendant, the Settlement Administrator will perform a search based on the National Change
16 of Address Database or any other similar services available, for information to update and correct
17 for any known or identifiable address changes, and will mail a Notice in English and Spanish (in the
18 form attached as **Exhibit A** to this Settlement Agreement) to all Class Members via First-Class U.S.
19 Mail, using the most current, known mailing addresses identified by the Settlement Administrator.

20 b. With respect to Notices that are returned as undeliverable and received by the
21 Settlement Administrator on or before the Response Deadline, the Settlement Administrator will
22 search for an alternate address by way of skip-trace and re-mail the Notice within five (5) calendar
23 days.

24 61. Dispute Regarding Workweeks. Class Members will have an opportunity to dispute
25 the number of Workweeks that they have been credited, as reflected in their respective Class
26 Notices. In order to dispute the number of credited Workweeks, Class Members must submit a
27 Dispute Form or written letter to the Settlement Administrator (“Credited Workweeks Dispute”)
28 that: (a) contains the case name and number of the Action (b) is signed by the Class Member; (c)

1 states the full name, address, telephone number, and the last four digits of the Social Security
2 Number of the disputing Class Member; (d) states that the Class Member disputes the number of
3 Workweeks that has been credited to him or her and what he or she contends is the correct number
4 that should be credited to him or her; (e) includes information and/or attaches documentation
5 demonstrating that the number of Workweeks that he or she contends should be credited to him or
6 her is correct; and (f) is returned by mail to the Settlement Administrator at the specified address,
7 postmarked on or before the Response Deadline. The date of the postmark on the return mailing
8 envelope on the submission will be the exclusive means to determine whether a dispute has been
9 timely submitted. Absent evidence rebutting the accuracy of Defendant's records and data as they
10 pertain to the number of Workweeks to be credited to a disputing Class Member, Defendant's
11 records will be presumed correct and determinative of the dispute. However, if a Class Member
12 produces information and/or documents to the contrary, the Settlement Administrator will evaluate
13 the materials submitted by the Class Member and the Settlement Administrator will resolve and
14 determine the number of eligible Workweeks that the disputing Class Member should be credited
15 with under the Settlement. The Settlement Administrator shall notify Class Counsel and
16 Defendant's Counsel of the fact that a Class Member has made a dispute and advise them of the
17 outcome.

18 62. Settlement Checks. The Settlement Administrator will be responsible for
19 undertaking appropriate deductions, required tax reporting, and issuing the Individual Settlement
20 Payments by way of check to the Settlement Class Members and the Individual PAGA Payments
21 by way of check to the Aggrieved Employees in accordance with this Settlement Agreement. The
22 Settlement Administrator may, at its discretion, distribute the Individual Settlement Payment and
23 Individual PAGA Payment by way of a single check that combines both payments (if applicable).
24 Each Individual Settlement Payment and Individual PAGA Payment check will be valid and
25 negotiable for one hundred and eighty (180) calendar days from the date the checks are issued, and
26 thereafter, shall be cancelled. All funds remaining in the Qualified Settlement Fund in connection
27 with canceled checks shall be distributed to the Controller of the State of California to be held
28 pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq.*, in the names of and

1 for the benefit of those Class Members who did not cash, deposit, or otherwise negotiate their
2 checks, until such time that they claim their property. The Parties agree that this disposition results
3 in no “unpaid residue” under California Civil Procedure Code § 384, as the entire Net Settlement
4 Amount will be paid out to Class Members, whether or not they all cash, deposit, or otherwise
5 negotiate their settlement payment checks. Settlement Class Members whose Individual Settlement
6 Payment checks are not cashed or deposited, nevertheless, be bound by the Class Settlement.
7 Aggrieved Employees whose Individual PAGA Payment checks are cancelled shall, nevertheless,
8 be bound by the PAGA Settlement.

9 63. Procedure for Requesting Exclusion from the Class Settlement. Any Class Member
10 wishing to be excluded from the Class Settlement must submit a written Request for Exclusion to
11 the Settlement Administrator, by mail, within the Response Deadline. The date of the postmark on
12 the return mailing envelope will be the exclusive means to determine whether a Request for
13 Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class
14 Counsel and Defendant’s Counsel the Requests for Exclusion that were timely submitted, and also
15 identify the individuals who have submitted a timely and valid Request for Exclusion in a
16 declaration that is to be filed with the Court in advance of the Final Approval Hearing. Any Class
17 Member who submits a Request for Exclusion is prohibited from making any objection to the Class
18 Settlement. Any Class Member who submits a timely and valid Request for Exclusion will not be
19 bound by the Class Settlement and will not be issued an Individual Settlement Payment. However,
20 all Aggrieved Employees will be bound to the PAGA Settlement and will still be issued an
21 Individual PAGA Payment, regardless of whether they submit a Request for Exclusion in connection
22 with the Class Settlement.

23 64. Class Settlement Terms Bind All Class Members Who Do Not Request Exclusion.
24 Any Class Member who does not affirmatively request exclusion from the Class Settlement by
25 submitting a timely and valid Request for Exclusion will be bound by all of the terms of the Class
26 Settlement, including and not limited to those pertaining to the release of Released Class Claims, as
27 well as the Final Approval Order and Judgment that may be entered by the Court if it grants Final
28 Approval to the Settlement.

1 65. Procedures for Objecting to the Class Settlement. To object to the Class Settlement,
2 Class Members who have not opted out of the Class Settlement (i.e., Settlement Class Members)
3 must submit a timely and complete Notice of Objection to the Settlement Administrator, by mail,
4 on or before the Response Deadline. The Notice of Objection must be signed by the Settlement
5 Class Member and contain all information required by this Settlement Agreement. The postmark
6 date will be deemed the exclusive means for determining that the Notice of Objection is timely. At
7 no time will any of the Parties or their counsel seek to solicit or otherwise encourage Settlement
8 Class Members to object to the Settlement Agreement or appeal from the Final Approval Order and
9 Judgment. Settlement Class Members may also present their objection to the Class Settlement,
10 orally at the Final Approval Hearing.

11 66. Reports by the Settlement Administrator Regarding Settlement Administration. The
12 Settlement Administrator will provide Defendant's Counsel and Class Counsel a weekly report
13 which certifies: (a) the number of Class Members who have submitted a Credited Workweeks
14 Dispute; (b) the number of Class Members who have submitted Requests for Exclusion or Notices
15 of Objection; and (c) the number of undeliverable and re-mailed Notices. Additionally, the
16 Settlement Administrator will provide to counsel for both Parties any updated reports regarding the
17 administration of the Settlement as needed or requested, and immediately notify Class Counsel and
18 Defendant's Counsel when it receives a request from an individual or any other entity requesting to
19 be included in the Class and/or Settlement.

20 67. Certification of Completion. Upon completion of administration of the Settlement,
21 the Settlement Administrator will provide a written declaration under oath to certify such completion
22 to the Court and counsel for all Parties.

23 68. Treatment of Individual Settlement Payments. Each Individual Settlement Share will
24 be allocated as follows: twenty percent (20%) wages and eighty percent (80%) penalties, interest,
25 and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and
26 the portions allocated to interest, penalties, and non-wage damages will be reported on an IRS Form-
27 1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will withhold
28 the employee's share of taxes and withholdings with respect to the wages portion of the Individual

1 Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement
2 Payment (i.e., payment of their Individual Settlement Share net of these taxes and withholdings).
3 Defendant's employer share of taxes and contributions on the wages portion of Individual
4 Settlement Shares (i.e., the Employer Taxes) will be paid by Defendant separately and in addition
5 to the Total Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred
6 percent (100%) penalties and will be reported on an IRS Form-1099 (if applicable) by the Settlement
7 Administrator.

8 69. Administration of Taxes by the Settlement Administrator. The Settlement
9 Administrator will be responsible for issuing to Plaintiffs, Class Members, Settlement Class
10 Members, Aggrieved Employees, and Class Counsel any IRS Form W-2, IRS Form 1099, or other
11 tax forms as may be required by this Settlement Agreement and by law for all amounts paid pursuant
12 to the Settlement. The Settlement Administrator will also be responsible for forwarding all taxes,
13 contributions, and withholdings with respect to the wages portion of Individual Settlement Shares
14 to the appropriate government authorities.

15 70. Tax Liability. Plaintiffs, Class Counsel, Defendant, and Defendant's Counsel make
16 no representations or warranties as to the tax consequences, treatment, or legal effect of any
17 payments made under this Settlement, do not intend anything contained in this Settlement
18 Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement
19 Agreement be relied on as such. Plaintiffs, Settlement Class Members, and Aggrieved Employees
20 understand and agree that Plaintiffs, Settlement Class Members, and Aggrieved Employees will be
21 solely responsible for correctly characterizing any compensation received under the Settlement on
22 his/her personal income tax returns and paying any and all taxes due for any and all amounts paid
23 to them under the Settlement.

24 71. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT
25 (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH
26 PARTY TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING
27 PARTY (AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (a) NO
28 PROVISION OF THIS SETTLEMENT AGREEMENT, AND NO WRITTEN

1 COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR
2 ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY
3 SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE
4 RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES
5 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (b) THE
6 ACKNOWLEDGING PARTY (i) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS
7 OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
8 ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (ii) HAS NOT
9 ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE
10 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
11 ANY OTHER PARTY, AND (iii) IS NOT ENTITLED TO RELY UPON ANY
12 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
13 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
14 ACKNOWLEDGING PARTY; AND (c) NO ATTORNEY OR ADVISER TO ANY OTHER
15 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF
16 ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF
17 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
18 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
19 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
20 SETTLEMENT AGREEMENT.

21 72. No Prior Assignments. The Parties and their counsel represent, covenant, and
22 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to
23 assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,
24 action, cause of action, or right herein released and discharged.

25 73. Release of Claims by Settlement Class Members, the State of California, and
26 Aggrieved Employees.

27 a. Class Settlement Release. Upon the Effective Date and full funding of the
28 Total Settlement Amount, Plaintiffs and all Class Members who do not submit a valid and timely

1 Request for Exclusion (i.e., Settlement Class Members) will be deemed to have fully, finally, and
2 forever released, settled, compromised, relinquished, and discharged the Released Parties of all
3 Released Class Claims he or she may have or had.

4 b. PAGA Settlement Release. Upon the Effective Date and full funding of the
5 Total Settlement Amount, Plaintiffs, the State of California with respect to all Aggrieved
6 Employees, and all Aggrieved Employees, will be deemed to have fully, finally, and forever
7 released, settled, compromised, relinquished, and discharged the Released Parties of all Released
8 PAGA Claims.

9 74. General Release of Claims by Plaintiffs. In addition, upon the Effective Date and
10 full funding of the Total Settlement Amount, Plaintiffs will be deemed to have fully, finally, and
11 forever released, settled, compromised, relinquished, and discharged the Released Parties of and
12 from all claims arising from their employment with Defendant, separation of employment from
13 Defendant, and any acts that have or could have been asserted in any legal action or proceeding
14 against Defendant, whether known or unknown, arising under any federal, state, or local law, or
15 statute, including, *inter alia*, those arising under the California Labor Code, Fair Labor Standards
16 Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, Employee
17 Retirement Income Security Act, National Labor Relations Act, California Corporations Code,
18 California Business and Professions Code, California Fair Employment and Housing Act, California
19 Constitution (all as amended), and law of contract and tort, as well as for discrimination, harassment,
20 retaliation, wrongful termination, lost wages, benefits, other employment compensation, emotional
21 distress, medical expenses, other economic and non-economic damages, attorney fees, and costs,
22 arising on or before the date on which the Settlement is executed. With respect to those claims
23 released by Plaintiffs in an individual capacity, Plaintiffs acknowledge and waive any and all rights
24 and benefits available under California Civil Code Section 1542, which provides:

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

1 Plaintiffs understand and agree that claims or facts in addition to or different from those which are
2 now known or believed by them to exist may hereafter be discovered. It is Plaintiffs' intention to
3 settle fully and release all claims they each now have against the Released Parties, whether known
4 or unknown, suspected or unsuspected. Notwithstanding the above, the general release by
5 Plaintiffs shall not extend to claims for workers' compensation benefits, claims for unemployment
6 benefits, or other claims that may not be released by law.

7 75. Duties of the Parties with Respect to Obtaining Preliminary Approval of the
8 Settlement. Upon execution of this Settlement Agreement, Class Counsel shall promptly obtain a
9 hearing date for Plaintiffs' Motion for Preliminary Approval of the Settlement, which Class Counsel
10 will be responsible for drafting, and submit this Settlement Agreement to the Court in support of
11 said motion and also submit this Settlement Agreement to the Labor and Workforce Development
12 Agency. Defendant agrees not to oppose the motion consistent with this Settlement Agreement.
13 Said motion shall apply to the Court for the entry of an order ("Preliminary Approval Order"), which
14 shall be mutually agreed upon by the Parties, seeking the following:

- 15 a. Conditionally certifying the Class for settlement purposes only;
- 16 b. Granting Preliminary Approval of the Settlement;
- 17 c. Preliminarily appointing Plaintiffs as representatives of the Class;
- 18 d. Preliminarily appointing Class Counsel to represent the Class;
- 19 e. Approving, as to form and content, the mutually-agreed upon and proposed
20 Notice, and directing its mailing to the Class by First Class U.S. mail;
- 21 f. Approving the manner and method for Class Members to request exclusion
22 from the Class Settlement, object to the Class Settlement, and dispute Workweeks as contained
23 herein and within the Class Notice; and
- 24 g. Scheduling a Final Approval Hearing at which the Court will determine
25 whether the Settlement should be finally approved as fair, reasonable and adequate.

26 76. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement.
27 After the Response Deadline, and with the Court's permission, a Final Approval Hearing will be
28 conducted to determine whether Final Approval of the Settlement should be granted, along with the

1 amounts properly payable for (a) Individual Settlement Payments; (b) Individual PAGA Payments;
2 (c) LWDA Payment; (d) Attorneys' Fees and Costs; (e) Enhancement Payments; and (f) Settlement
3 Administration Costs. The Final Approval Hearing will not be held earlier than thirty (30) calendar
4 days after the Response Deadline. Class Counsel will be responsible for drafting the motion seeking
5 Final Approval of the Settlement. Said motion will apply for the entry of the mutually-agreed upon
6 proposed order and judgment ("Final Approval Order and Judgment"), which will provide for, in
7 substantial part, the following:

- 8 a. Approval of the Settlement as fair, reasonable, and adequate, and directing
9 consummation of its terms and provisions;
- 10 b. Certifying the Class for settlement purposes;
- 11 c. Awarding Attorneys' Fees and Costs to Class Counsel;
- 12 d. Awarding Enhancement Payments to Plaintiffs;
- 13 e. Directing Defendant to fund all amounts due under the Settlement Agreement
14 and ordered by the Court; and
- 15 f. Entering judgment in the Action, while maintaining continuing jurisdiction,
16 in conformity with California Rules of Court 3.769 and the Settlement Agreement.

17 77. Escalator Provision. Defendant represented that the Class Members worked an
18 aggregate total of 11,000 Workweeks from September 16, 2017 to March 1, 2023. Should the
19 Workweeks increase beyond 5% greater than 11,000 Workweeks during the same aforementioned
20 period of September 16, 2017 to March 1, 2023 (i.e. increase by more than 550 workweeks),
21 Defendant shall increase the Total Settlement Amount on a pro-rata basis equal to the percentage
22 increase in the Workweeks above 5%, meaning Defendant will increase the Total Settlement
23 Amount by the percentage amount above 5% (e.g. if the Workweeks increases by 6% to 11,660
24 Workweeks, the Total Settlement Amount will increase by 1%).

25 78. Effects of Termination of the Settlement. Termination of the Settlement Agreement
26 shall have the following effects:

- 27 a. The Settlement Agreement shall be void and shall have no force or effect,
28 and no Party shall be bound by any of its terms;

1 b. In the event the Settlement Agreement is terminated, Defendant shall have
2 no obligation to make any payments to any Party, Class Member, or attorney, except that the
3 terminating Party shall pay the Settlement Administrator for services rendered up to the date the
4 Settlement Administrator is notified that the Settlement has been terminated;

5 c. The Preliminary Approval Order, Final Approval Order and Judgment,
6 including any order certifying the Class, shall be vacated;

7 d. The Settlement Agreement and all negotiations, statements, and proceedings
8 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be
9 restored to their respective positions in the Action prior to the execution of the Settlement
10 Agreement;

11 e. Neither this Settlement Agreement, nor any ancillary documents, actions,
12 statements, or filings in furtherance of the Settlement (including all matters associated with the
13 mediation) shall be admissible or offered into evidence in the Action or any other action for any
14 purpose whatsoever; and

15 f. Any documents generated to bring the Settlement into effect, will be null and
16 void, and any order or judgment entered by the Court in furtherance of this Settlement Agreement
17 will likewise be treated as void from the beginning.

18 79. Continued Jurisdiction. After entry of judgment pursuant to the Settlement, the
19 Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and
20 Section 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the
21 interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters,
22 and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this
23 Settlement Agreement.

24 80. Exhibit Incorporated by Reference. The terms of this Settlement Agreement include
25 the terms set forth in any attached exhibit, which is incorporated by this reference as though fully
26 set forth herein. Any exhibit to this Settlement Agreement is an integral part of the Settlement.

27 81. Limitation on Publicity. Plaintiffs and their counsel will not make any public
28 disclosure of the Settlement or discuss the Settlement with anyone other than those necessary to

1 effectuate the filing of the Motion for Preliminary Approval. Prior to and following Preliminary
2 Approval of the Settlement, Plaintiffs and their counsel will not have any communications with any
3 media other than to direct any media inquiries to the public records of the Action on file with the
4 Court and will not reference Defendant on any website maintained by Plaintiffs or their counsel, at
5 any seminars, or on social media. Class Counsel further agree not to use the settlement of the Action
6 or any of its terms for any marketing or promotional purposes. Nothing herein will restrict Class
7 Counsel from including publicly available information regarding the Settlement in future judicial
8 submissions regarding Class Counsel's qualifications and experience, nor are the Parties restricted
9 from causing publicly available court documents to be made available online should the Court
10 require it as a part of the notice and approval process for the Settlement. Furthermore, Plaintiffs and
11 their respective counsel will undertake any and all disclosures required to be made to the Labor and
12 Workforce Development Agency in conformity with PAGA. Neither Plaintiffs nor their counsel
13 shall engage in any disparagement of any type related to the Settlement, however, this shall not
14 prohibit Plaintiffs and/or Class Counsel from submitting information to the Court about assessment
15 of the claims and allegations to support a finding that the Settlement is fair, reasonable, and adequate
16 and should be approved by the Court.

17 82. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings
18 in the Action (including with respect to California Code of Civil Procedure section 583.310), except
19 such proceedings necessary to complete and implement the Settlement, pending the Final Approval
20 Hearing to be conducted by the Court.

21 83. Waiver and Amendment. The Parties may not waive, amend, or modify any
22 provision of this Settlement Agreement except by written agreement signed by counsel for all
23 Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of
24 this Settlement Agreement will not constitute a waiver of any other provision.

25 84. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant
26 and represent they are expressly authorized by the Parties whom they represent to negotiate this
27 Settlement Agreement and to take all appropriate actions required or permitted to be taken by such
28 Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other

1 documents required to effectuate the terms of this Settlement Agreement. The Parties warrant that
2 they understand and have full authority to enter into this Settlement Agreement, and further intend
3 that this Settlement Agreement will be fully enforceable and binding on all Parties, and agree that it
4 will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding
5 any mediation confidentiality provisions that otherwise might apply under state or federal law.

6 85. Signatories. It is agreed that because the members of the Class are so numerous, it
7 is impossible or impractical to have each Class Member execute this Settlement Agreement. The
8 Class Notice will advise all Class Members of the binding nature of the Class Settlement as to the
9 Settlement Class Members and the binding nature of the PAGA Settlement as to the Aggrieved
10 Employees, and the release shall have the same force and effect as if this Settlement Agreement
11 were executed by each Class Member.

12 86. Binding on Successors and Assigns. This Settlement Agreement will be binding
13 upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously
14 defined.

15 87. California Law Governs. All terms of this Settlement Agreement and attached
16 exhibit hereto will be governed by and interpreted according to the laws of the State of California.

17 88. Execution and Counterparts. This Settlement Agreement is subject only to the
18 execution of all Parties. However, the Settlement Agreement may be executed in one or more
19 counterparts. All executed counterparts and each of them, including facsimile, electronic, and
20 scanned copies of the signature page, will be deemed to be one and the same instrument.

21 89. Acknowledgment that the Settlement is Fair and Reasonable. The Parties believe
22 this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have
23 arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation,
24 taking into account all relevant factors, present and potential. The Parties further acknowledge that
25 they are each represented by competent counsel and that they have had an opportunity to consult
26 with their counsel regarding the fairness and reasonableness of this Settlement Agreement. In
27 addition, the Mediator may execute a declaration supporting the Settlement and the reasonableness
28 of the Settlement and the Court may, in its discretion, contact the Mediator to discuss the Settlement

1 and whether or not the Settlement is objectively fair and reasonable.

2 90. Invalidity of Any Provision. Before declaring any provision of this Settlement
3 Agreement invalid, the Court will first attempt to construe the provision as valid and enforceable to
4 the fullest extent possible consistent with applicable precedents.

5 91. Non-Admission of Liability. The Parties enter into this Settlement Agreement to
6 resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of
7 continued litigation. In entering into this Settlement Agreement, Defendant does not admit, and
8 specifically denies, that it has violated any state, federal, or local law; violated any regulations or
9 guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal
10 requirements; breached any contract; violated or breached any duty; engaged in any
11 misrepresentation or deception; or engaged in any other unlawful conduct with respect to its
12 employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the
13 negotiations connected with it, shall be construed as an admission or concession by Defendant or
14 Plaintiffs regarding suitability of class certification or representative adjudication or regarding any
15 alleged violations or failures to comply with any applicable law. Except as necessary in a
16 proceeding to enforce the terms of the Settlement Agreement, the Settlement Agreement and its
17 terms and provisions shall not be offered or received as evidence in any action or proceeding to
18 establish any liability or admission on the part of Defendant or to establish the existence of any
19 condition constituting a violation of, or a non-compliance with state, federal, local or other
20 applicable law.

21 92. Captions. The captions and paragraph numbers in this Settlement Agreement are
22 inserted for the reader's convenience, and in no way define, limit, construe or describe the scope or
23 intent of the provisions of this Settlement Agreement.

24 93. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms
25 and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be
26 construed more strictly against one party than another merely by virtue of the fact that it may have
27 been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length
28 negotiations between the Parties, all Parties have contributed equally to the preparation of this

1 Settlement Agreement.

2 94. Representation by Counsel. The Parties acknowledge that they have been
3 represented by counsel throughout all negotiations that preceded the execution of this Settlement
4 Agreement, and that this Settlement Agreement has been executed with the consent and advice of
5 counsel and reviewed in full. Further, Plaintiffs and Class Counsel warrant and represent that there
6 are no liens on the Settlement Agreement.

7 95. All Terms Subject to Final Court Approval. All amounts and procedures described
8 in this Settlement Agreement herein will be subject to final Court approval.

9 96. Notices. All notices, demands, and other communications to be provided to counsel
10 for the Parties concerning this Settlement Agreement shall be in writing and delivered by overnight
11 mail at the addresses set for below, or such other addresses as either Party may designate in writing
12 from time to time:

13 To Plaintiffs and Class Counsel:

14 Zack Domb
15 Devin Rauchwerger
16 DOMB & RAUCHWERGER LLP
17 1055 E. Colorado Blvd, Fifth Floor
18 Pasadena, CA 91106
19 zack@dombrauchwerger.com
20 devin@dombrauchwerger.com

To Defendant:

Lisa Reimbold
CLARK HILL LLP
555 South Flower Street, 24th Floor,
Los Angeles, California 90012

21 Arby Aiwarzian
22 Joanna Ghosh
23 Vartan Madoyan
24 Helene Mayer
25 **LAWYERS for JUSTICE, PC**
26 410 W. Arden Ave., Suite 203
27 Glendale, California 91203

28 97. Posting of Final Approval Order and Judgment. The Parties shall provide the
Settlement Administrator with a copy of the Final Approval Order and Judgment once it is entered
by the Court, and the Settlement Administrator shall post the Final Approval Order and Judgment
on its website within three (3) business days of receipt. No individualized notice to the Class will
be required.

1 98. Cooperation and Execution of Necessary Documents. All Parties and their counsel
2 will cooperate with each other in good faith and use their best efforts to implement the Settlement,
3 including and not limited to, exchanging information, data, and documents and executing all
4 documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.
5 If the Parties are unable to reach agreement on the form or content of any document needed to
6 implement the Settlement Agreement, or on any supplemental provisions that may become
7 necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance
8 of the Mediator and then the Court to resolve such disagreement.

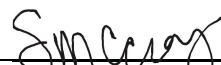
9 99. Integration Clause. This Settlement Agreement contains the entire agreement
10 between the Parties relating to the Settlement and transaction contemplated hereby, and all prior or
11 contemporaneous agreements, understandings, representations, and statements, whether oral or
12 written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder
13 may be waived except in writing.

14 **IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed this
15 Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiffs and
16 Defendant:

17 **IT IS SO AGREED.**

18
19 **PLAINTIFF STEPHANIE MCCOY**

20 Dated: 04 / 09 / 2025



Stephanie McCoy, Plaintiff

21
22 **PLAINTIFF BRITTNEY ROURKE**

23 Dated: _____

Brittney Rourke, Plaintiff

24
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1 98. Cooperation and Execution of Necessary Documents. All Parties and their counsel
2 will cooperate with each other in good faith and use their best efforts to implement the Settlement,
3 including and not limited to, exchanging information, data, and documents and executing all
4 documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.
5 If the Parties are unable to reach agreement on the form or content of any document needed to
6 implement the Settlement Agreement, or on any supplemental provisions that may become
7 necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance
8 of the Mediator and then the Court to resolve such disagreement.

9 99. Integration Clause. This Settlement Agreement contains the entire agreement
10 between the Parties relating to the Settlement and transaction contemplated hereby, and all prior or
11 contemporaneous agreements, understandings, representations, and statements, whether oral or
12 written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder
13 may be waived except in writing.

14 **IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed this
15 Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiffs and
16 Defendant:

17 **IT IS SO AGREED.**

18
19 **PLAINTIFF STEPHANIE MCCOY**

20 Dated: _____

Stephanie McCoy, Plaintiff

21
22 **PLAINTIFF BRITTNEY ROURKE**

23 Dated: 04 / 09 / 2025



Brittney Rourke, Plaintiff

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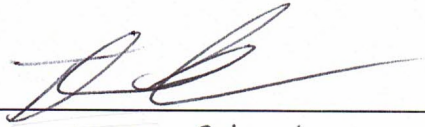
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DEFENDANT VBR DHS MANAGEMENT, LLC

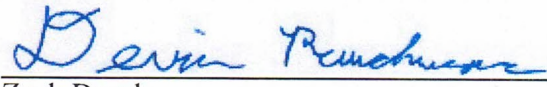
Dated: April 15, 2025


Full Name: Thomas Celani

Title: _____
On behalf of Defendant VBR DHS Management,
LLC

APPROVED AS TO FORM

Dated: April 9, 2025


Zack Domb
Devin Rauchwerger
DOMB & RAUCHWERGER LLP
Attorneys for Plaintiffs

Dated: April 16, 2025


Lisa Reimbold
CLARK HILL LLP
Attorneys for Defendant