

This Class Action and PAGA Settlement Agreement is entered into by and between Plaintiff Marianna Tendick, individually and on behalf of all others similarly situated, and Defendant Principal Life Insurance Company, and is approved by their respective counsel of record, subject to the terms and conditions hereof and the Court's approval.

1. “Action” or “Lawsuit” means and refers to the case entitled *Tendick v. Principal Life Insurance Company*, Case No. C21-01868, filed in Contra Costa County Superior Court.

2. “Aggrieved Employees” include all persons who are or were previously employed by Defendant, including without limitation all persons who are or were previously employed by Principal Workforce, LLC or other of its affiliate, parent, or subsidiary entities, in California classified as a non-exempt or hourly employee at any time from August 30, 2020, until August 17, 2022.

3. “Agreement,” “Settlement Agreement,” “Settlement,” or “Stipulation” shall mean this Class Action and PAGA Settlement Agreement and Release of Claims, including any attached Exhibits.

4. “Class Claims” or “Released Class Claims” will include all claims that were pled in the Second Amended Complaint and all claims that could have been alleged in the Second Amended Complaint based on the facts alleged therein, including, but not limited to, claims for failure to pay overtime wages and/or failure to pay such wages at the correct rate(s) of pay, meal and rest break violations, failure to provide accurate itemized wage statements, failure to timely pay all wages upon separation of employment, failure to reimburse business expenses, failure to maintain employment records, impermissible wage deductions, unfair and unlawful business practices, and all other civil and statutory penalties, based on the claims alleged in the Second Amended Complaint, including but not limited to statutory, constitutional and contractual damages, unpaid costs, penalties, punitive damages, interest, attorneys’ fees, litigation costs, restitution, and equitable relief.

1 5. “Class Counsel” refers to Mehrdad Bokhour of Bokhour Law Group, P.C. and
2 Joshua Falakassa of Falakassa Law, P.C.

3 6. “Class Data” means a complete list that Defendant will diligently and in good faith
4 compile from its records and provide to the Settlement Administrator on one spreadsheet and
5 shall include the Settlement Class Members’ full names; last known addresses; telephone
6 numbers; Social Security Numbers; and dates of employment and/or number of Workweeks
7 Worked as non-exempt or hourly employees of Defendant during the Class Period and the PAGA
8 Period for each Settlement Class Member. At no time during the Settlement process will any
9 Class Member’s address, Social Security number, or telephone number be filed with the Court,
10 except under seal as may be ordered.

11 7. “Class Period” and “Class Release Period” shall mean August 31, 2017 until
12 August 17, 2022.

13 8. “Class Representative” or “Plaintiff” means and refers to Marianna Tendick.

14 9. “Complaint” refers to the Second Amended Complaint Plaintiff has agreed,
15 pursuant to Paragraph 47 below, to file in the Contra Costa County Superior Court action entitled
16 *Tendick v. Principal Life Insurance Company*, Case No. C21-01868.

17 10. “Court” means the California Superior Court, County of Contra Costa or any Court
18 of competent jurisdiction.

19 11. “Defendant” means and refers to Principal Life Insurance Company.

20 12. “Defendant’s Counsel” or “Defense Counsel” mean and refer to Kristin M.
21 Halsing and Caroline L. Guensberg of Faegre Drinker Biddle & Reath, LLP.

22 13. “Effective Date” means the latter of (a) The Court’s final approval of the
23 settlement if no objections by or on behalf of Class Members have been filed and not withdrawn;
24 (b) the time for appeal has expired if an objection has been filed and no appeal has been filed or
25 withdrawn; or (c) the final resolution of any appeal that has been filed. “Final” means that the
26 Settlement has been granted “Final Approval” by the Court and the “Effective Date” has occurred.

27 14. “Final Approval” refers to the order of the Court granting final approval of this
28 Settlement Agreement and entering a judgment approving this Settlement on substantially the

1 same terms provided herein or as may be modified by subsequent agreement of the Parties or
2 order of the Court.

3 15. “Final Settlement Class” means, collectively, all Participating Class Members and
4 all Aggrieved Employees.

5 16. “Individual Settlement Amount” shall have the meaning ascribed to it in Paragraph
6 48(d) below.

7 17. “Net Settlement Amount” shall have the meaning ascribed to it in Paragraph 48(c)
8 below.

9 18. “Notice” means the notice of settlement of class action and PAGA Settlement that
10 will be sent to the Settlement Class Members.

11 19. “Notice Response Deadline” is 45 calendar days from the date the Notice is mailed
12 to the Settlement Class Members.

13 20. “Objecting Settlement Class Member” means a Settlement Class Member, other
14 than Plaintiff, who submits a valid and timely objection to the terms of this Agreement with
15 respect to the Class Claims pursuant to Paragraph 71(a) below.

16 21. “PAGA” shall refer to the California Labor Code Private Attorneys General Act
17 of 2004, California Labor Code Sections 2698–2699.5.

18 22. “PAGA Claims” or “Released PAGA Claims” shall include any and all claims for
19 civil penalties pursuant to PAGA based on the allegations stated in the PAGA Notice and that
20 were or could have been pled in the Second Amended Complaint based on the facts alleged
21 therein, including claims for failure to pay overtime wages and/or failure to pay such wages at the
22 correct rate(s) of pay, meal and rest break violations, failure to provide accurate itemized wage
23 statements, failure to timely pay all wages upon separation of employment, failure to maintain
24 employment records, failure to reimburse business expenses, improper wage deductions, and
25 unfair and unlawful business practices.

26 23. “PAGA Notice” shall refer to the notices sent by Plaintiff, by and through counsel,
27 on or about August 30, 2021 and July 18, 2022, to the LWDA and to Defendant, alleging that
28 Defendant engaged in violations of the California Labor Code and California Wage Order(s).

1 24. “PAGA Period” and “PAGA Release Period” shall mean August 30, 2020 until
2 August 17, 2022.

3 25. “Participating Class Member” means any and all Settlement Class Members who
4 are deemed to participate and receive an Individual Settlement Amount for the Class Claims and
5 who do not opt-out of the settlement of the Class Claims by submitting timely valid Requests for
6 Exclusion.

7 26. Parties” or “Settling Parties” mean Plaintiff, the Settlement Class Members, the
8 Aggrieved Employees, and Defendant, collectively.

9 27. “Preliminary Approval Date” means the date the Court preliminarily approves the
10 Settlement Agreement, and the exhibits thereto, and enters the Preliminary Approval Order.

11 28. “Preliminary Approval Order” means the judicial Order to be entered by the Court,
12 upon the application or motion of the Plaintiff, preliminarily approving this Settlement and
13 providing for the issuance of the Notice to the Settlement Class Members, an opportunity to opt
14 out of settlement of the Class Claims, an opportunity to submit timely objections to the terms of
15 this Settlement related to the Class Claims, and setting a hearing on the fairness of the terms of
16 Settlement, including approval of attorneys’ fees and costs.

17 29. “QSF” means the Qualified Settlement Fund set up by the Settlement
18 Administrator for the benefit of the Final Settlement Class, and from which the settlement
19 payments shall be made, and which is intended to be a fund that qualifies under Internal Revenue
20 Code Section 468.

21 30. “Release” shall mean the release and discharge of the Class Claims by Plaintiff
22 and all of the Participating Class Members and the release and discharge of the PAGA Claims by
23 Plaintiff and all of the Aggrieved Employees.

24 31. “Released Parties” shall refer to Defendant, together with its current and former
25 officers, directors, members, managers, shareholders, agents, insurers, charitable organizations,
26 parents, subsidiaries, affiliates, operators, partners, attorneys, successors, and assignees, including
27 without limitation Principal Workforce, LLC.
28

32. “Request for Exclusion” shall have the meaning ascribed to it in Paragraph 71(a) below.

33. “Second Amended Complaint” means the Second Amended Complaint Plaintiff has agreed to file in this Action pursuant to Paragraph 47 below.

34. “Service Payment” or “Service Award” means the amount approved by the Court to be paid to Class Representative in addition to her Individual Settlement Amount as a Participating Class Member.

35. “Settlement Administration Costs” means the costs payable from the Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, due diligence, reporting and remittance obligations, distributing the Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The Settlement Administration Costs shall be paid from the Settlement Amount.

36. “Settlement Administrator” means and refers to ILYM Group, Inc., which the Parties have mutually agreed will provide the Notice to the Class Members and distribute the settlement amounts as described in this Agreement.

37. “Settlement Amount” or “Gross Settlement Amount” shall have the meaning ascribed to it in Paragraph 48(a) below.

38. “Settlement Class Member” or “Class Member” refers to individual members of the Settlement Class.

39. “Settlement Class” and “Settlement Class Members” refers to all persons who are or were previously employed by Defendant, including without limitation all persons who are or were previously employed by Principal Workforce, LLC or any of its affiliates, parents, and subsidiaries, in California classified as a non-exempt employee during the Class Period.

40. “Workweeks Worked” for each Settlement Class Member and Aggrieved Employee means any workweek during the Class Period and/or the PAGA Period, as applicable, in which the Settlement Class Member and/or Aggrieved Employee was employed by Defendant (or Principal Workforce, LLC or any of its affiliates, parents, and subsidiaries) as a non-exempt

1 employee in California and worked at least one shift during the workweek for or on behalf of
2 Defendant for which a prior release of claims has not been signed. Workweeks Worked shall not
3 include weeks where a Settlement Class Member and/or Aggrieved Employee only had sick time,
4 vacation time, was on leave, or otherwise did not record any actual work time in Defendant's
5 timekeeping system. Workweeks Worked will be calculated based on Defendant's business
6 records.

7 **B. General Terms**

8 41. On or about August 31, 2021, Plaintiff filed a class action complaint in the Court
9 against Defendant, including allegations of: (1) failure to pay overtime wages, (2) meal period
10 violations, (3) rest period violations, (4) wage statement violations, and (5) unfair competition.
11 On or about December 20, 2022, Plaintiff filed a First Amended Complaint to add a cause of
12 action for PAGA penalties based on the foregoing Labor Code violations. Plaintiff agreed to file
13 a Second Amended Complaint to add claims for waiting time penalties, failure to reimburse
14 business expenses, failure to maintain employment records, and impermissible wage deductions
15 as discussed in Paragraph 47 below.

16 42. Defendant denies Plaintiff's claims and allegations and contends that the Action
17 is not suitable for class certification and/or representative treatment.
18 Class Representative believes she can proceed with his class and representative claims, that the
19 Action is meritorious, and that class certification is appropriate.

20 43. The Parties have conducted a thorough investigation into the facts of the Action.
21 This includes conducting extensive exchange of informal discovery, including Defendant's
22 written policies and practices and the production of payroll and timekeeping records for
23 Settlement Class Members and Aggrieved Employees. Class Counsel is both knowledgeable
24 about and has done extensive research with respect to the applicable law and potential defenses
25 to the claims of the Settlement Class Members and Aggrieved Employees. Class Counsel has
26 diligently pursued an investigation of the Class Members' claims against Defendant. Based on
27 the foregoing data and on their own independent investigation and evaluation, Class Counsel is
28 of the opinion that the settlement with Defendant for the consideration and on the terms set forth

1 in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the
2 Settlement Class Members and Aggrieved Employees in light of all known facts and
3 circumstances, including the risk of significant delay and uncertainty associated with litigation,
4 various defenses asserted by Defendant , and numerous potential appellate issues.

5 44. On July 18, 2022, the Parties participated in mediation before Hon. Carl J. West
6 (Ret.), a highly experienced class action mediator. Although the parties did not reach a settlement
7 on that date, they continued their extensive and at times contentious arms-length negotiations,
8 through the Hon. Carl J. West, and reached a settlement several weeks after the day of the
9 mediation.

10 45. The Parties agree that neither the Parties' Settlement, this Agreement, nor the acts
11 to be performed or judgments to be entered pursuant to the terms of the Settlement and
12 Agreement, shall be construed as an admission by Defendant of any wrongdoing or violation of
13 any statute or law or liability on the claims or allegations in the Action.

14 46. Stipulation for Class Certification and Representative Treatment. For settlement
15 purposes only, Defendant will stipulate that the Settlement Class Members described herein who
16 do not Request Exclusion from the Settlement Class may be conditionally certified as a settlement
17 class and that the Aggrieved Employees are appropriate for representative treatment for purposes
18 of settlement. This stipulation to certification and representative treatment is in no way an
19 admission that class action certification and/or representative treatment is proper and shall not be
20 admissible in this or in any other action except for the sole purposes of enforcing this Agreement.
21 Should, for whatever reason, the Court fail to issue Final Approval, the Parties' stipulation to
22 class certification and representative treatment as part of the Settlement shall become null and
23 void *ab initio* and shall have no bearing on and shall not be admissible in connection with the
24 issue of whether or not class certification and/or representative treatment would be appropriate in
25 a non-settlement context. Defendant expressly reserves its rights and declares that it will continue
26 to oppose class certification, representative treatment, and the substantive merits of the case
27 should the Court fail to issue Final Approval. Plaintiff expressly reserves his rights and declares
28 that he will continue to pursue class certification and representative treatment and a trial should

the Court fail to issue Final Approval.

C. Terms of Settlement

47. Second Amended Complaint: Within seven (7) days of execution of this Agreement, Plaintiff will file a Second Amended Complaint, adding all the claims asserted in the PAGA Notice not already included in Plaintiff's First Amended Complaint, including claims for failure to reimburse business expenses, waiting time penalties, recordkeeping violations, and improper payroll deductions. Plaintiff agrees that Defendant will have no obligation to file a responsive pleading to the Second Amended Complaint, and that Plaintiff will not seek entry of a default judgment in the event Defendant does not file a responsive pleading by the applicable deadline.

48. The financial terms of the Settlement are as follows:

(a) Gross Settlement Amount: The Parties agree to settle this Action for Seven Hundred Fifty Thousand Dollars (\$750,000) ("the Settlement Amount"). The Settlement Amount is the maximum amount that will be paid by Defendant, and includes Individual Settlement Amounts, attorneys' fees of Class Counsel, costs and expenses, the Service Payment to Class Representative, all Settlement Administration Costs, and payment to the Labor Workforce Development Agency (LWDA) for PAGA penalties. Defendant shall separately pay the employers' share of applicable payroll taxes.

(b) The Settlement is based on Defendant's representation that there are approximately 12,650 workweeks. In the event that the actual number of workweeks worked by all Class Members during the Class Period increases by 12.5% or more, then Defendant shall have the option to either (1) increase the Maximum Settlement Amount on a proportional basis (i.e., if there was a 15% increase in the number of workweeks, Defendant will increase the maximum settlement amount by 2.5%) or (2) shorten the Class Period such that the total number of released workweeks does not exceed a 12.5% increase over 12,650.

(c) Net Settlement Amount: The "Net Settlement Amount" is defined as the Settlement Amount less attorneys' fees and litigation costs as approved and awarded by the Court, the Service Payment to Class Representative as approved and awarded by the Court, the

Settlement Administration Costs, as approved and awarded by the Court, and the Ten Thousand Dollars (\$10,000.00) allocated to payment for PAGA penalties as described in paragraph 48(d) below. In the event that the Court reduces the attorneys' fees and litigation costs or Service Awards, Settlement Administration Costs, or either increases or decreases the amount allocated to PAGA penalties, the Net Settlement Sum shall be increased or decreased accordingly.

(d) Individual Settlement Amounts for the Settlement Class: The Settlement Administrator will use the Class Data provided by Defendant to calculate each Participating Class Member's and Aggrieved Employee's Individual Settlement Amounts based on the following formula:

i. PAGA Amount: \$10,000 of the Gross Settlement Amount has been designated to the PAGA claims. Twenty-five percent (25%) or \$2,500, shall be paid out to Aggrieved Employees, while seventy-five percent (75%), or \$7,500, will be paid to the LWDA. Each Aggrieved Employee shall receive a portion of the \$2,500 proportionate to the number of Workweeks Worked by the Aggrieved Employees during the PAGA Period compared to the total number of Workweeks Worked by all Aggrieved Employees during the PAGA Period. Aggrieved Employees shall have their settlement amount for the Released PAGA claims paid one hundred percent (100%) as civil penalties for which no taxes will be withheld and for which a Form 1099 will be issued by the Settlement Administrator.

ii. Class Amount: The Net Settlement Amount shall be allocated to each Participating Class Member based on his/her/their proportionate Workweeks Worked during the Class Period. This is determined by multiplying the Net Settlement Amount by a fraction, the numerator of which is the Participating Class Member's total Workweeks Worked during the Class Period, and the denominator of which is the total Workweeks Worked by all Participating Class Members during the Class Period. If there are any timely submitted Requests for Exclusion, the Settlement Administrator shall proportionately increase the Individual Settlement Amounts for each Participating Class Member so that the amount actually distributed to Participating Class Members equals 100% of the Net Settlement Amount allocated toward Released Class Claims.

1 (e) Allocation of Individual Settlement Amounts: The Individual Settlement Amounts
2 will be allocated for tax purposes based on the allegations in the Action as follows: twenty percent
3 (20%) will be paid as wages subject to withholding of all applicable local, state, and federal taxes;
4 and eighty percent (80%) will be paid as interest and as civil penalties (pursuant to, *e.g.*, California
5 Labor Code sections 203, 226) from which no taxes will be withheld. The Settlement
6 Administrator will issue to each Participating Class Member an Internal Revenue Service Form
7 W-2 and comparable state forms with respect to the wage allocation and a Form 1099 with respect
8 to the civil penalties and interest allocations.

9 (f) Service Payment to Class Representative: The amount awarded to Class
10 Representative as a Service Payment will be set by the Court in its discretion, not to exceed
11 \$10,000. Defendant agrees not to oppose this request. The Service Payment to Class
12 Representative will be paid out of the Gross Settlement Amount. Class Representative will be
13 issued IRS Form 1099 in connection with this payment. Plaintiff shall be solely and legally
14 responsible to pay any and all applicable taxes on this payment. The Parties agree that any amount
15 awarded by the Court as the Service Payment to Plaintiff less than the requested amount shall not
16 be a basis for Plaintiff or Class Counsel to void this Stipulation. Should the Court approve a lesser
17 amount for the Service Payment, the difference shall be added to the Net Settlement Amount to
18 be distributed to the Participating Class Members. In the event of any appeal of the amount of the
19 service awards (if any) approved by the Court, if, after the exhaustion of any such appellate
20 review, additional amounts not awarded to Class Representative shall be added to the Net
21 Settlement Amount to be distributed to the Participating Class Members.

22 (g) Attorneys' Fees and Costs: Defendant agrees not to oppose a request by Class
23 Counsel to the Court for an award of attorneys' fees of one-third (33.33%) of the Settlement
24 Amount (approximately \$250,000), plus reasonable litigation costs not to exceed \$15,000
25 ("Attorneys' Fees and Cost Award"). For purposes of this Settlement, Defendant agrees not to
26 oppose any contention by Class Counsel that attorneys' fees should be based on the common fund
27 theory. The Attorneys' Fee and Cost Award shall be paid from the Gross Settlement Amount, and
28 except for this award, Defendant shall have no further obligation to pay any attorneys' fees, costs,

1 or expenses to Class Counsel. Should the Court approve a lesser amount than what is sought by
2 Class Counsel, the difference shall be added to the Net Settlement Amount to be distributed to
3 the Participating Class Members. Any Court order awarding less than the amount sought by Class
4 Counsel shall not be grounds to rescind the Settlement Agreement or otherwise void the
5 Settlement. In the event of any appeal of the amount of the awards of attorneys' fees and costs (if
6 any) approved by the Court, final funding and administration of the portion of the attorneys' fees
7 and/or costs award in dispute will be segregated and stayed pending the exhaustion of appellate
8 review. If, after the exhaustion of any such appellate review, additional amounts not awarded to
9 as attorneys' fees and costs shall be added to the Net Settlement Amount to be distributed to the
10 Participating Class Members and/or Aggrieved Employees. The Settlement Administrator shall
11 issue to Class Counsel an IRS Form 1099 reflecting the amount of attorneys' fees and costs
12 awarded by the Court. Class Counsel agrees that any allocation of fees between or among Class
13 Counsel and any other attorney representing or claiming to represent the Class Members shall be
14 the sole responsibility of Class Counsel.

15 (h) Settlement Administration Costs: The fees and other charges of the Settlement
16 Administrator will be paid from the Gross Settlement Amount, not to exceed \$6,000 subject to
17 Court approval, unless approved by all Parties and the Court.

18 (j) Tax Liability: Class Counsel, Defendant, and Defendant's Counsel make no
19 representations as to the tax treatment or legal effect of Settlement Amounts called for hereunder,
20 and Plaintiff and the Settlement Class Members are not relying on any statement or representation
21 by Class Counsel, Defendant, or Defendant's Counsel in this regard. Plaintiff and Final Settlement
22 Class Members understand and agree that they will be solely responsible for the payment of any
23 taxes and penalties assessed on their respective Settlement Amounts described herein. Income tax
24 withholding will also be made pursuant to applicable federal, state, and/or local withholding codes
25 or regulations. Forms W-2 and/or Forms 1099 will be distributed at times and in the manner
26 required by the Internal Revenue Code of 1986 (the "Code") and consistent with this Agreement.
27 If the Code, the regulations promulgated thereunder, or other applicable tax law, are changed after
28 the date of this Agreement, the processes set forth in this Section may be modified in a manner to

bring Defendant into compliance with any such changes.

(k) CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, THEIR, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

49. No Credit Towards Benefit Plans. The Individual Settlement Payments and Individual PAGA Payments made to Participating Class Members and/or Aggrieved Employees under this Settlement, as well as any other payment made pursuant to this Settlement, will not be

utilized to calculated any additional benefits under any benefit plans to which any Class Members and/or Aggrieved Employees may be eligible, including but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect the rights, contributions, or amounts to which any Class Member and/or Aggrieved Employees may be entitled under benefit plans.

50. "Non-Reversionary" Settlement. This is a "non-reversionary" settlement. Under no circumstances will any portion of the Settlement Amount revert to Defendant. Final Settlement Class Members will not have to make a claim to receive an Individual Settlement Amount. Distributions, in the form of Individual Settlement Amounts, will be made directly to each Final Settlement Class Member. The Settlement Administrator shall be responsible for accurately and timely reporting any remittance obligations with respect to unclaimed funds as a result of a Final Settlement Class Member not cashing an Individual Settlement Amount by the check cashing deadline, as set forth herein.

51. Class Counsel and Plaintiff believe that the Settlement is fair and reasonable, and adequate, and will so represent same to the Court.

D. Release by Plaintiff and the Final Settlement Class

52. Upon the Effective Date of this Settlement, Plaintiff and each Participating Class Member, for themselves and for their respective spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives, will forever completely release and discharge the Released Parties from the Released Class Claims for the Class Release Period.

53. Each Participating Class Member will be deemed to have made the foregoing Release as if by manually signing it.

54. Upon the Effective Date of this Settlement, Plaintiff, the LWDA, and each Aggrieved Employee, for themselves and for their respective spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees,

1 executors, administrators, trustees, conservators, guardians, assigns, and representatives, will
2 forever completely release and discharge the Released Parties from the Released PAGA Claims
3 for the PAGA Release Period.

4 55. Each Aggrieved Employee and the LWDA will be deemed to have made the
5 foregoing Release as if by manually signing it.

6 56. Plaintiff and Defendant intend that the Settlement described in this Agreement will
7 release and preclude any further claim, whether by lawsuit, administrative claim or action,
8 arbitration, demand, or other action of any kind, by each and all of the Participating Class
9 Members to obtain a recovery based on, arising out of, and/or related to any and all of the Released
10 Class Claims. The Settlement Class Members shall be so notified in the Notice. This paragraph
11 does not apply to any Settlement Class Member who timely and validly opt out of the Settlement
12 for purposes of Class Claims.

13 57. Plaintiff and Defendant intend that the Settlement described in this Agreement will
14 release and preclude any further claim, whether by lawsuit, administrative claim or action,
15 arbitration, demand, or other action of any kind, by each and all of the Aggrieved Employees and
16 the LWDA to obtain a recovery based on, arising out of, and/or related to any and all of the
17 Released PAGA Claims. The Aggrieved Employees and the LWDA shall be so notified in the
18 Notice.

19 58. Class Representative, on behalf of herself and the Participating Settlement Class
20 Members, acknowledges and agrees that the claims for (1) unpaid overtime wages; (2) meal and
21 rest break violations; (3) wage statement violations; (4) waiting time penalties; (5) unfair
22 competition; (6) recordkeeping violations; (7) impermissible wage deductions; (8) failure to
23 reimburse business expenses; and (9) PAGA penalties are disputed, and that the payments set
24 forth herein constitute payment of all sums allegedly due to her. Class Representative, on behalf
25 of herself and the Participating Settlement Class Members, acknowledges and agrees that
26 California Labor Code Section 206.5 is not applicable to the Parties hereto. Section 206.5
27 provides in pertinent part as follows:
28

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

4 **E. Release by Class Representative**

5 59. As a material inducement to Defendant to enter into this Settlement Agreement, in
6 addition to Class Representative's release of the Released Class Claims and Released PAGA
7 Claims, as discussed in Paragraphs 52 and 54 above, Class Representative does hereby, for herself
8 and for her respective spouses, domestic partners, marital community, children, estates, trusts,
9 attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees,
10 conservators, guardians, assigns, and representatives, forever completely release and discharge
11 the Released Parties from any and all charges, complaints, claims, liabilities, obligations,
12 promises, agreements, contracts, controversies, damages, actions, causes of action, suits, rights,
13 demands, costs, losses, debts, and expenses (including for back wages, statutory penalties, civil
14 penalties, liquidated damages, exemplary damages, interest, attorneys' fees, and costs) of any
15 nature whatsoever, from the beginning of time through the execution of this Stipulation, whether
16 known or unknown, suspected or unsuspected, concealed or hidden, including but not limited to
17 all claims arising out of, based upon, or relating to Class Representative's employment with
18 Defendant or the remuneration for or termination of such employment (collectively, the "Class
19 Representative's Claims").

20 60. Without limiting the generality of the foregoing, Class Representative also
21 expressly release all claims or rights against Released Parties arising out of or relating to alleged
22 violations of any contracts, express or implied (including but not limited to any contract of
23 employment); any contract or covenant of good faith and fair dealing (express or implied); any
24 tort, including but not limited to, negligence, fraud, misrepresentation and violation of California
25 Labor Code section 970, negligent infliction of emotional distress, intentional infliction of
26 emotional distress, defamation, "retaliation" claims and claims for violation of public policy, any
27 claim for improper or unauthorized wage deductions, failure to pay the applicable wage, unpaid
28 wages, unpaid vacation benefits, penalties, liquidated damages, other damages, overtime, and

1 alleged “off the clock” work under federal and state law, including, but not limited to, California
2 Labor Code Sections 204 and 558, waiting time penalties pursuant to California Labor Section
3 203, damages, or penalties pursuant to California Labor Code Section 226, meal period and rest
4 break payments and penalties pursuant to California Labor Code Sections 226.7 and 512, failure
5 to provide itemized wage statements pursuant to California Labor Code Section 226, statutory or
6 civil penalties pursuant to California Labor Code Sections 210, failure to indemnify for business
7 expenses pursuant to Labor Code section 2802, failure to provide one day of rest in seven pursuant
8 to California Labor Code Sections 551 and 552, unfair competition and unfair business practices
9 pursuant to Business and Professions Code Section 17200 *et seq.*, interest and costs pursuant to
10 California Civil Code Section 3287 and California Labor Code Section 218.6, statutory or
11 common law rights to attorneys’ fees and costs, including those pursuant to California Labor
12 Code Section 1194 *et seq.*; claims under the Private Attorneys General Act of 2004, Labor Code
13 section 2699 *et seq.*, and the alleged violation or breach of any other state or federal statute, rule,
14 and or regulation; including all applicable Industrial Welfare Commission Wage Orders, and all
15 similar causes of action, including but not limited to, any claim for restitution, equitable relief,
16 interest, penalties, costs, or attorneys’ fees in connection with any of the foregoing, negligent
17 infliction of emotional distress, intentional infliction of emotional distress, and defamation; any
18 “wrongful discharge,” “constructive discharge,” and “retaliation” claims; any claims relating to
19 any breach of public policy; any legal restrictions on Defendant’s right to discharge employees;
20 and any federal, state, or other governmental statute, regulation, or ordinance, including, without
21 limitation: (1) Title VII of the Civil Rights Act of 1964 (race, color, religion, sex, and national
22 origin discrimination or harassment, including retaliation for reporting discrimination or
23 harassment); (2) 42 U.S.C. § 1981 (discrimination); (3) Equal Pay Act, 29 U.S.C. § 209(d)(1) and
24 California Labor Code 1197.5 (equal pay); (4) Americans with Disabilities Act, 42 U.S.C. § 12100
25 *et seq.* (disability discrimination); (5) Family and Medical Leave Act, 29 U.S.C. § 2601 *et*
26 *seq.* (family/medical leave); (6) California Fair Employment and Housing Act, Cal. Government
27 Code § 12900 *et seq.* (discrimination or harassment in employment and/or housing, including
28 discrimination or harassment based on race, religious creed, color, national origin, ancestry,

1 disability, marital status, sex (including pregnancy), or age, including retaliation for reporting
2 discrimination or harassment); (7) California Family Rights Act, Cal. Government Code §
3 12945.1 et seq. (family/medical leave); (8) California Labor Code, including Section 1720 et seq.,
4 or any Industrial Welfare Commission Wage Order; (9) Executive Order 11246 (race, color,
5 religion, sex, and national origin discrimination or harassment); (10) Executive Order 11141 (age
6 discrimination); (11) Sections 503 and 504 of the Rehabilitation Act of 1973 (handicap
7 discrimination); (12) the Fair Labor Standards Act; (13) Employee Retirement Income Security
8 Act, 29 U.S.C. § 1000 *et seq.* (employee benefits); (14) the California Civil Code; (15) the
9 California Labor Code; (16) the California Constitution; (17) the National Labor Relations Act;
10 and (18) any other federal, state, or local statute or legislation.

11 61. Class Representative expressly waives and relinquishes all rights and benefits
12 afforded by Section 1542 of the Civil Code of the State of California and does so understanding
13 and acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code
14 of the State of California states:

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

21 Notwithstanding the provisions of Section 1542, and for the purpose of implementing a
22 full and complete release and discharge of all parties, Class Representative, and Class Counsel
23 expressly acknowledge that this Settlement Agreement is intended to include in its effect, without
24 limitation, all claims that Class Representatives knew of, as well as all claims that they do not
25 know or suspect to exist in their favor against the Released Parties, or any of them, for the time
26 period from the beginning of time to the execution of this Settlement Agreement, and that this
27 Settlement Agreement contemplates the extinguishment of any such Class Representative's
28 claims.

27 **F. Interim Stay of Proceedings**

28 62. Pending completion of all of the prerequisites necessary to effectuate this

1 Settlement, including amending the operative complaint, the Parties agree, subject to Court
2 approval, to a stay of all proceedings in the Action except such as are necessary to effectuate the
3 Settlement, including amending the First Amended Complaint as discussed in Paragraph 47
4 above.

5 **G. Notice Process**

6 63. Appointment of Settlement Administrator. The Parties have agreed to the
7 appointment of the Settlement Administrator to perform the duties of a settlement administrator,
8 including mailing the Notice, using standard devices to obtain forwarding addresses,
9 independently reviewing and verifying documentation associated with any claims or opt-out
10 requests, resolving any disputes regarding the calculation or application of the formula for
11 determining the Individual Settlement Amounts, drafting and mailing the settlement checks to
12 Final Settlement Class Members, issuing Forms W-2 and 1099, reporting to taxing authorities,
13 due diligence, reporting and remittance obligations, and performing such other tasks as set forth
14 herein or as the Parties mutually agree or that the Court orders.

15 64. Disputes Regarding Settlement Administration. Any and all disputes relating to
16 administration of the Settlement by the Settlement Administrator (except for disputes regarding
17 Class Data) shall be referred to the Court, if necessary, which will have continuing jurisdiction
18 over the terms and conditions of this Settlement Agreement, until Plaintiff and Defendant notify
19 the Court that all payments and obligations contemplated by this Settlement Agreement have been
20 fully carried out. Prior to presenting any issue to the Court, counsel for the Parties will confer in
21 good faith to resolve the dispute without the necessity of Court intervention. The Settlement
22 Administrator shall also be responsible for issuing to Plaintiff, Final Settlement Class Members,
23 and Class Counsel any Forms W-2, Forms 1099, or other Tax Forms as may be required by law
24 for all amounts paid pursuant to this Agreement. The Settlement Administrator shall also be
25 responsible for setting up all necessary tax accounts and forwarding all payroll taxes and penalties
26 to the appropriate government authorities.

27 65. Class Data. Within fourteen (14) days after entry of the Preliminary Approval
28 Order, Defendant shall provide the Class Data to the Settlement Administrator. The Settlement

1 Administrator will run a check of the Class Members' addresses against those on file with the
2 U.S. Postal Service's National Change of Address List. The Class Data provided to the Settlement
3 Administrator will not be provided to Class Counsel and it will remain confidential, it shall be
4 used solely to administer the Settlement, and it will not be used or disclosed to anyone, except as
5 required by applicable tax authorities, pursuant to Defendant's express written consent, or by
6 order of the Court.

7 66. Notice. The Notice, as approved by the Court, shall be sent by the Settlement
8 Administrator to the Settlement Class Members, by first class mail, in English and Spanish, within
9 seven (7) calendar days following the Settlement Administrator's receipt of the Class Data. The
10 Settlement Administrator shall use standard devices, including a skip trace, to obtain forwarding
11 addresses of Settlement Class Members if any envelopes are returned.

12 67. Returned Notices. The Settlement Administrator will take steps to ensure that the
13 Notice is received by all Settlement Class Members, including utilization of the National Change
14 of Address Database maintained by the United States Postal Service to review the accuracy of
15 and, if possible, update a mailing address. If no forwarding address is provided, the Settlement
16 Administrator will promptly attempt to determine the correct address using a skip-trace, or other
17 search using the name, address, and/or Social Security number of the Class Member involved,
18 and will then perform a single re-mailing. In the event the procedures in this Paragraph are
19 followed and the intended recipient of a Notice Packet still does not receive the Notice Packet,
20 the Class Member shall be bound by all terms of the Settlement and any Judgment entered by the
21 Court if the Settlement is approved by the Court. Notices will be re-mailed to any Settlement
22 Class Member for whom an updated address is located within ten (10) calendar days following
23 both the Settlement Administrator learning of the failed mailing and its receipt of the updated
24 address. The Notice shall be identical to the original Notice, except that it shall notify the
25 Settlement Class Member that the exclusion (opt-out) request or objection must be returned by
26 the later of the Notice Response Deadline or fifteen (15) days after the remailing of the Notice.

27 68. Presumption Regarding Receipt of Notice. It will be conclusively presumed that
28 if an envelope has not been returned within thirty (30) days of the mailing that the Settlement

Class Member received the Notice.

69. Disputes Regarding Class Data. Settlement Class Members are deemed to participate in the Settlement unless they opt-out. The Notice will inform Settlement Class Members of his/her/their estimated Individual Settlement Amount and the number of Workweeks Worked during the Class Period and during the PAGA Period. Settlement Class Members may dispute their Workweeks Worked if they feel they were employed more workweeks in the Class Period in California than Defendant's records show by timely submitting evidence to the Settlement Administrator. Defendant's records will be presumed determinative absent reliable evidence to rebut Defendant's records, but the Settlement Administrator will evaluate the evidence submitted by the Settlement Class Member and provide the evidence submitted to Class Counsel and Defense Counsel who agree to meet and confer in good faith about the evidence to determine the Class Member's actual number of Workweeks Worked and estimated Individual Settlement Amount. If Class Counsel and Defense Counsel are unable to agree, they agree to submit the dispute to the Settlement Administrator to render a final decision. All disputes will be decided within ten (10) business days of the Notice Response Deadline. Settlement Class Members will have until the Notice Response Deadline to dispute Workweeks Worked, object, or opt out, unless extended by the Court. In the event that the Settlement Administrator increases the number of Workweeks Worked for any Settlement Class Member, then the Settlement Administrator will recalculate the Participating Class Members' Individual Settlement Amounts; accordingly, in no event will Defendant be required to increase the Gross Settlement Amount.

70. Declaration of Due Diligence. The Settlement Administrator shall provide counsel for the Parties, at least twenty-five (25) days prior to the final approval hearing, a declaration of due diligence and proof of mailing with regard to the mailing of the Notice.

71. Settlement Class Members' Rights. Each Settlement Class Member will be fully advised of the Settlement, the ability to object to the provisions in the Settlement related to the Class Claims, and the ability to opt out or request exclusion from the Class Claims provisions of the Settlement. The Notice will inform the Settlement Class Members of the Court-established deadlines for filing objections or requesting exclusion from the Class Claims provisions of the

Settlement in accordance with the following guidelines:

(a) Requests for Exclusion from Participating Settlement Class. Any Settlement Class Member, other than Plaintiff, may request to be excluded from the Participating Settlement Class by submitting a “Request for Exclusion” to the Settlement Administrator, postmarked on or before the Notice Response Deadline. The Request for Exclusion should state in words to this effect:

I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN
THE TENDICK V. PRINCIPAL LAWSUIT. I UNDERSTAND THAT IF
I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL
NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THE
CLASS CLAIMS IN THIS LAWSUIT.

Any Request for Exclusion must include the full name, address, telephone number, last four digits of the social security number or date of birth, and signature of the Settlement Class Member requesting exclusion. The Request for Exclusion must be returned by mail to the Settlement Administrator at the specified address. Any such Request must be made in accordance with the terms set forth in the Notice. A Request for Exclusion will be timely only if postmarked by the Notice Response Deadline, unless the Parties otherwise agree in writing. Any Settlement Class Member who timely requests exclusion in compliance with these requirements: (i) will not have any rights under this Agreement with respect to the Class Claims, including the right to object, appeal, or comment on the Settlement; (ii) will not be entitled to receive any payments under this Agreement with respect to Class Claims; and (iii) will not be bound by this Agreement, or the Judgment, with respect to the Class Claims.

(b) Binding Effect on Final Settlement Class Members. Except for those Settlement Class Members who exclude themselves in compliance with the procedures set forth above, all Settlement Class Members will: (i) be deemed to be Final Settlement Class Members for all purposes under this Agreement; (ii) will be bound by the terms and conditions of this Agreement, the Judgment, and the releases set forth herein; and (iii) except as otherwise provided herein, will be deemed to have waived all objections and oppositions to the fairness, reasonableness, and adequacy of the Settlement.

1 (c) Objections to Settlement of Class Claims. Any Settlement Class Member,
2 other than Plaintiff, may object to the terms of this Agreement with respect to the Class Claims
3 and may appear at the Final Approval Hearing and object whether or not they have filed a written
4 objection as outlined herein. To object, a Settlement Class Member shall inform the Settlement
5 Administrator, in writing, of his/her/their objection, which must be postmarked by the Notice
6 Response Deadline at the address set forth in the Notice. Such objection shall include the full
7 name, address, telephone number, dates of employment with Defendant of the Objecting
8 Settlement Class Member, the case name and number, the basis for the objection, including any
9 legal support and each specific reason in support of the objection, as well as any documentation
10 or evidence in support thereof, and, if the Objecting Settlement Class Member is represented by
11 counsel, the name and address of his/her/their counsel. If any Objecting Settlement Class Member
12 wishes to speak at the Final Approval Hearing with respect to the Class Claims, that Objecting
13 Settlement Class Member's written submission should include a request to be heard, and the Court
14 will determine whether Objecting Settlement Class Members will be permitted to speak. The
15 Settlement Administrator shall provide objections, if any, to Class Counsel and Defense Counsel
16 within three (3) days of receipt, and the Settlement Administrator shall attach the same to its
17 declaration of due diligence it files with the Court prior to the Final Approval Hearing. Any
18 Participating Class Member who files an objection remains eligible to receive monetary
19 compensation from the Settlement. Plaintiff and Defendant shall not be responsible for any fees,
20 costs, or expenses incurred by any Class Member and/or his/her/their counsel related to any
21 objections to the Settlement. Submitting an objection does not preserve the right to appeal a final
22 judgment. Rather, the right to appeal is preserved by becoming a party of record by timely and
23 properly intervening or filing a motion to vacate the judgment under Code of Civil Procedure
24 section 663. Settlement Class Members and Aggrieved Employees may not object to or opt out
25 of the Settlement with respect to the PAGA Claims. At no time will any of the Parties or their
26 counsel seek to solicit or otherwise encourage Class Members to submit written objections to the
27 Settlement or appeal from the Judgment. To the extent a timely Notice of Objection is withdrawn
28 before final approval, such an objection shall be treated as though no objection has been made.

1 (d) Failure to Object. Any Settlement Class Member who desires to object
2 with respect to the Class Claims but fails to timely submit a written objection waives any right to
3 object will be foreclosed from making any objection to this Settlement. Any Settlement Class
4 Member who does not timely and properly become a party of record by intervening or filing a
5 motion to vacate the judgment waives any and all rights to appeal from the Judgment, including
6 all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate
7 judgment, motion for new trial, a motion under California Code of Civil Procedure section 473,
8 and extraordinary writs.

9 (e) Responses to Objections. Counsel for the Parties may file a response to any
10 objections submitted by Objecting Settlement Class Members at least five (5) court days before
11 the date of the Final Approval Hearing.

12 72. Settlement Class Members will have until the Notice Response Deadline to object
13 or submit a Request for Exclusion to the Settlement Administrator by U.S. Mail. The Settlement
14 Administrator shall disclose jointly to Class Counsel and Defendant's counsel what objections or
15 Requests for Exclusion were timely submitted on a weekly basis, and upon the request of Class
16 Counsel or Defense Counsel.

17 73. Funding of the Settlement Amount. Defendant shall make a one-time deposit into
18 the QSF of the Settlement Amount, as described in Paragraph 48(a) that is necessary to make all
19 payments required under this Settlement, within twenty-one (21) days after the Effective Date,
20 plus Defendant shall separately pay its share of employer payroll taxes as calculated and directed
21 by the Settlement Administrator.

22 74. Distribution of Funds. No later than seven (7) calendar days after deposit of the
23 payment into the QSF, the Settlement Administrator will mail the payments to the Participating
24 Class Members, the payment for the attorneys' fees and costs to Class Counsel, any Service
25 Payment to the Class Representatives, the payment to the LWDA for PAGA penalties, and will
26 pay itself the Settlement Administration Costs.

27 75. Deadline for Cashing Settlement Checks. Final Settlement Class Members shall
28 have 180 calendar days after mailing by the Settlement Administrator to cash their settlement

1 checks. If any Final Settlement Class Member's check is not cashed within that period, the check
2 will be void and a stop-payment will be issued. All unclaimed funds shall be sent to the California
3 Unclaimed Property Fund in the name of the class member. The release will be binding upon all
4 Final Settlement Class Members who do not cash their checks within the 180-day period. In the
5 event that any settlement check is returned to the Settlement Administrator within 180 days of
6 mailing, the Settlement Administrator will, within five (5) business days of receipt of the returned
7 settlement check, perform a skip trace to locate the individual. If a new address is located by these
8 means, the Administrator will have ten (10) business days to re-issue the check and will notify
9 Defense Counsel and Class Counsel that a re-issued check has been sent. Neither Defendant,
10 Defense Counsel, Class Counsel, Plaintiff, nor the Settlement Administrator will have any
11 liability for lost or stolen settlement checks, forged signatures on settlement checks, or
12 unauthorized negotiation of settlement checks. Without limiting the foregoing, in the event a Final
13 Settlement Class Member notifies the Settlement Administrator that he/she/they believe that a
14 settlement check has been lost or stolen, the Settlement Administrator shall immediately stop
15 payment on such check. If the check in question has not been negotiated prior to the stop payment
16 order, the Settlement Administrator will issue a replacement check.

17 76. No person shall have any claim against Defendant, Defendant's Counsel, Plaintiff,
18 Class Counsel, or the Settlement Administrator based on mailings, distributions, payments, or
19 reports made in accordance with or pursuant to this Agreement. This provision does not, however,
20 prevent a Party from seeking enforcement of this Agreement.

21 77. Without prejudice to any other remedies, the Settlement Administrator shall agree
22 to be responsible for any breach of its obligations (whether committed by the Settlement
23 Administrator or its agents) and to indemnify and hold the Parties and their counsel harmless from
24 and against all liabilities, claims, causes of action, costs and expenses (including legal fees and
25 expenses) arising out of any breach committed by the Settlement Administrator or its agents.

26 **H. Duties of the Parties Prior to the Court's Approval**

27 78. Within 30 days of execution of this Agreement, Plaintiff will move the Court for
28 Preliminary Approval of this Settlement and entry of the Preliminary Approval Order

1 accomplishing the following:

2 (a) Scheduling the Final Approval Hearing on the issue of whether this
3 Settlement should be finally approved as fair, reasonable, and adequate as to the Class Members
4 and a hearing on fees, costs, and the Service Payment;

5 (b) Approving as to form and content the proposed Notice;

6 (c) Directing the mailing of the Notice by first class mail to the Settlement
7 Class Members;

8 (d) Preliminarily approving this Settlement; and

9 (e) Preliminarily certifying the class for purposes of this Settlement.

10 79. In conjunction with the Preliminary Approval Hearing, Plaintiff will submit this
11 Settlement Agreement, and will include the proposed Notice Packet, which will include the
12 Notice of Class Action Settlement document and proposed Mailing Envelope. Prior to moving
13 for Preliminary Approval, Class Counsel shall share the draft motion with Defendant's counsel
14 and provide Defendant two (2) business days to review and propose revisions.

15 80. In accordance with section 2699(1)(2) of the California Labor Code, Plaintiff shall
16 provide a copy of this Settlement Agreement to the LWDA on the same day that Plaintiff files
17 her motion for Preliminary Approval of this Settlement with the Court.

18 81. Reallocation of Settlement Proceeds. In the event the Court fails, on its first
19 hearing, to approve this Agreement because the amount of the PAGA penalties is not adequate,
20 then the Parties shall cooperate in good faith to reallocate the total settlement proceeds, within
21 this Agreement, to try to achieve Final Approval of the Agreement upon any subsequent Court
22 hearings.

23 **I. Duties of the Parties Following Court's Final Approval**

24 82. In connection with the Final Approval Hearing provided for in this Settlement
25 Agreement, Class Counsel shall submit a proposed Final Approval Order:

26 (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable, and
27 adequate, and directing consummation of its terms and provisions;

1 (b) Approving Class Counsel's application for an award of attorneys' fees and
2 reimbursement of litigation costs and expenses, the Service Payment to the Class Representative,
3 and the payment to the Settlement Administrator for costs of administering the settlement; and

4 (c) Entering judgment approving settlement, thereby permanently barring all
5 Participating Class Members from prosecuting any Released Class Claims against any of the
6 Released Parties and permanently barring all Aggrieved Employees and the LWDA from
7 prosecuting any Released PAGA Claims against any of the Released Parties.

8 **J. Voiding the Agreement**

9 83. If the Court fails or refuses to issue the Final Approval Order or fails to approve
10 any material condition of this Settlement Agreement which effects a fundamental change of the
11 Settlement, the entire Settlement Agreement shall be rendered voidable and unenforceable as to
12 all Parties herein at the option of either Party.

13 84. If ten percent (10%) or more of the Settlement Class Members timely submit a
14 Request for Exclusion, Defendant shall have the option of terminating or modifying this
15 Agreement without prejudice to its pre-settlement positions and defenses in the Action. If
16 Defendant exercise such option under this paragraph, it shall be relieved of any obligation to pay
17 the Settlement Amount or any other obligations from the Settlement by giving notice to Plaintiff's
18 Counsel and the Settlement Administrator within ten (10) days of the Notice Response Deadline.
19 If Defendant exercise its option under this paragraph, Defendant shall be solely responsible for
20 all Settlement Administration Costs incurred.

21 85. If the Settlement is voided or fails for any reason, Plaintiff and Defendant will
22 have no further obligations under the Settlement, including any obligation by Defendant to pay
23 the Settlement Amount, or any amounts that otherwise would have been owed under this
24 Settlement.

25 86. If the Settlement is voided or fails for any reason, any costs incurred by the
26 Settlement Administrator shall be borne equally by Defendant and Plaintiff, unless otherwise
27 specified in this Agreement.
28

1 **K. Other Terms**

2 87. Full and Complete Defense. This Agreement may be pleaded by any Released
3 Party as a full and complete defense to and may be used as the basis for an injunction against, any
4 action, suit, or other proceeding that has been or may be instituted, prosecuted, or attempted,
5 asserting any Released Claim.

6 88. Waiver. The waiver by one Party of any breach of this Agreement by another Party
7 shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

8 89. Parties' Authority. The signatories hereto represent that they are fully authorized
9 to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions
10 hereof.

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

21 91. No Prior Assignments. The Parties hereto represent, covenant, and warrant that
22 they have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign,
23 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action,
24 cause of action, or rights released and discharged by this Settlement Agreement.

25 92. No Admission. Defendant denies any and all liability to Plaintiff and/or any
26 Settlement Class Member in this Action, as to any and all causes of action that were asserted or
27 that might have been asserted in this Action. Nonetheless, Defendant wishes to settle and
28 compromise to avoid further substantial expense and the inconvenience and distraction of

1 protracted litigation. Defendant also has taken into account the uncertainty and risks inherent in
2 litigation, and without conceding any infirmity in the defenses that they have asserted or could
3 assert against Plaintiff, have determined that it is desirable and beneficial that Plaintiff's claims
4 be settled in the manner and upon the terms and conditions set forth in this Agreement.

5 93. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval
6 Order, nothing contained herein, nor the consummation of this Settlement Agreement, is to be
7 construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part
8 of Defendant or any of the other Released Parties. Each of the Parties hereto has entered into this
9 Settlement Agreement with the intention of avoiding further disputes and litigation with the
10 attendant inconvenience and expenses. This Settlement Agreement is a settlement document, and
11 it, along with all related documents such as the notices, and motions for preliminary and final
12 approval, shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of
13 Evidence 408, be inadmissible in evidence in any proceeding, except an action or proceeding to
14 approve the settlement, and/or interpret or enforce this Settlement Agreement. The stipulation for
15 class certification as part of this Settlement Agreement is for settlement purposes only and if, for
16 any reason the settlement is not approved, the stipulation will be of no force or effect.

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

21 To the Settlement Class Members and Aggrieved Employees:

22
23 Mehrdad Bokhour
24 *mehrdad@bokhourlaw.com*
25 1901 Avenue of the Stars, Suite 450
26 Los Angeles, California 90067
27 Tel: (310) 975-1493; Fax: (310) 675-0861

23 Joshua Falakassa
24 *josh@falakassalaw.com*
25 1901 Avenue of the Stars, Suite 450
26 Los Angeles, California 90067
27 Tel: (818) 456-6168; Fax: (888) 505-0868

To Defendant:

Kristin M. Halsing
kristin.halsing@faegredrinker.com
1800 Century Park East, Suite 1500
Los Angeles, California 90067
Tel: (310) 203-4000; Fax: (310) 229-1285

Caroline L. Guensberg
caroline.guensberg@faegredrinker.com
Four Embarcadero Center, 27th Floor
San Francisco, California 94111
Tel: (415) 591-7500; Fax: (415) 591-7510

95. Construction. The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arms' length negotiations between the Parties and that this Settlement Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or their counsel participated in the drafting of this Settlement Agreement. Plaintiff and Defendant expressly waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement and further agree, covenant, and represent that the language in all parts of this Agreement shall be in all cases construed as a whole, according to its fair meaning.

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

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

98. Dispute Resolution. Prior to instituting legal action to enforce the provisions of this Agreement or to declare rights and/or obligations under this Agreement, a Party shall provide written notice to the other Party and allow an opportunity to cure the alleged deficiencies, and

1 Plaintiff and Defendant agree to seek the help of the mediator identified in this Agreement to
2 resolve any dispute they are unable to resolve informally. During this period, the Parties shall
3 bear their own attorneys' fees and costs. This provision shall not apply to any legal action or other
4 proceeding instituted by any person or entity other than Plaintiff or Defendant.

5 99. Court Retains Jurisdiction. The Parties agree that upon the entry of judgment of
6 dismissal pursuant to the terms of this Agreement, that, pursuant to Code of Civil Procedure
7 section 664.6, the Court shall retain exclusive and continuing equity jurisdiction of this Action
8 over all Parties to interpret, enforce, and effectuate the terms, conditions, intents, and obligations
9 of this Agreement.

10 100. Enforceability. Pursuant to California Evidence Code section 1123(a) and (b), this
11 Agreement is intended by the Parties to be, and shall be, enforceable, binding and admissible in
12 a court of law.

13 101. Choice of Law. This Settlement Agreement shall be governed by and construed,
14 enforced, and administered in accordance with the laws of the State of California, without regard
15 to its conflicts-of-law rules.

16 102. Integration Clause. This Settlement Agreement contains the entire agreement
17 between the Parties relating to the settlement and transaction contemplated hereby, and all prior
18 or contemporaneous agreements, understandings, representations, and statements, whether oral
19 or written and whether by a Party or such Party's legal counsel, are merged herein. No rights
20 hereunder may be waived except in writing.

21 103. Binding On Assigns. This Settlement Agreement shall be binding upon and inure
22 to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators,
23 successors, and assigns.

24 104. Signatures of All Class Members Unnecessary to be Binding. It is agreed that,
25 because the members of the Settlement Class are numerous, it is impossible or impractical to have
26 each Final Class Member execute this Settlement Agreement. The Notice will advise all
27 Settlement Class Members of the binding nature of the releases provided herein and such shall
28 have the same force and effect as if this Settlement Agreement were executed by each Final

Settlement Class Member.

106. Counterparts. This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully signed Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall have the same force and effect as an original.

APPROVAL AND EXECUTION BY PARTIES:

Dated: November __, 2022
11/14/2022

CLASS REPRESENTATIVE:

DocuSigned by:

FAFB57866B49480...

Marianna Tendick

Dated: December __, 2022
12/05/2022

DEFENDANT:

PRINCIPAL LIFE INSURANCE COMPANY

Kimberly K Miller
Kimberly K Miller (Dec 5, 2022 14:04 CST)

By: Kimberly Miller
Its: Director – Employee Relations

1 **APPROVED AS TO FORM:**

2 **CLASS COUNSEL**

3
4 Dated: November __, 2022
11/15/2022

FALAKASSA LAW, P.C.

Joshua Falakassa

6 Joshua Falakassa
7 Attorneys for Plaintiff

8 Dated: November __, 2022
9 11/14/2022

BOKHOUR LAW GROUP, P.C.

Mehrdad Bokhour

11 Mehrdad Bokhour
12 Attorneys for Plaintiff

13 Dated: December 9, 2022

DEFENDANT'S COUNSEL:

14 **FAEGRE DRINKER BIDDLE & REALTH LLP**

Kristin M. Halsing

17 Kristin M. Halsing
18 Caroline L. Guensberg
19 Attorneys for Defendant,
Principal Life Insurance Company