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[Additional representation on next page]

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA**

MATTHEW MOREL, an individual on
his own behalf and on behalf of all others
similarly situated;

Plaintiff,

vs.

HNTB Corporation, a Delaware
corporation; and DOES 1-10, inclusive;

Defendant

Case No. 3:22-cv-00408-AJB-AHG

*Assigned for all purposes to Honorable Anthony
J. Battaglia*

**CLASS AND PAGA REPRESENTATIVE
ACTION**

**JOINT STIPULATION OF CLASS
ACTION AND PAGA REPRESENTATIVE
ACTION SETTLEMENT AGREEMENT
AND RELEASE OF CLAIMS**

Complaint Filed: February 23, 2022

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1 **JOINT STIPULATION OF CLASS ACTION AND PAGA REPRESENTATIVE**
2 **ACTION SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS**

3 This Joint Stipulation of Class Action and PAGA Representative Action Settlement
4 Agreement and Release of Claims (“Joint Stipulation of Settlement” or “Settlement” or
5 “Agreement”) is made and entered into by and between Plaintiff Matthew Morel (“Plaintiff” or
6 “Class Representative”), as an individual and on behalf of all others similarly situated, and
7 Defendant HNTB Corporation (“Defendant”), subject to the terms and conditions herein and the
8 Court’s approval. Plaintiff and Defendant are collectively referred to herein as the “Parties.”

9 THE PARTIES STIPULATE AND AGREE as follows:

10 **DEFINITIONS**

11 The following definitions are applicable to this Settlement Agreement. Definitions contained
12 elsewhere in this Settlement Agreement will also be effective:

13 1. For purposes of this Settlement, this matter, entitled *Matthew Morel, an individual*
14 *on his own behalf and on behalf of all others similarly situated v. HNTB Corporation, a Delaware*
15 *corporation*, Case No.: 3:22-cv-00408-AJB-AHG, is referred to herein as the “Action.”

16 2. For purposes of this Settlement, “Agreement,” “Settlement Agreement,”
17 “Settlement,” or “Stipulation” mean this Joint Stipulation of Class Action and PAGA Representative
18 Action Settlement Agreement and Release of Claims.

19 3. For purposes of this Settlement, “Attorneys’ Fees and Costs” means attorneys’ fees
20 not to exceed 33.33% of the Gross Settlement Amount (\$490,000.00) for Plaintiff’s Counsel’s
21 litigation and resolution of the Action, plus all reasonable costs and expenses incurred and to be
22 incurred by Plaintiff’s Counsel in the Action not to exceed \$15,000.00 for costs including but not
23 limited to those associated with documenting the Settlement, securing the Court’s approval of the
24 Settlement, assisting in the administration of the Settlement, and expenses for any experts.

25 4. For purposes of this Settlement, “Class Period” means the period of time beginning
26 on March 1, 2020 through May 1, 2024, or the Preliminary Approval Date, whichever occurs first.

27 5. For purposes of this Settlement, “Class” or “Class Members” consist of: All
28 individuals who performed work in any capacity for Defendant in California at any time during the

1 Class Period. Defendant's best estimate is that the Class included approximately 839 individuals as
2 of January 3, 2024.

3 6. For purposes of this Settlement, "Class Counsel" or "Plaintiff's Counsel" means
4 Schneider Wallace Cottrell Konecky LLP and W Employment Law Group, APC.

5 7. For purposes of this Settlement, "Class List and Data" means a file containing the
6 following information for each Class Member: (1) name; (2) last known address; (3) last known
7 telephone number; (4) social security number; (5) the respective number of Covered Work Months
8 that each Settlement Class Member worked during the Class Period; and (6) the respective number
9 of Pay Periods that each PAGA Member worked during the PAGA Period.

10 8. For purposes of the Settlement, "Class Representative Enhancement Payment"
11 means an amount not to exceed \$15,000.00 approved by the Court to be paid to Plaintiff in
12 recognition of his effort and work in prosecuting the Action on behalf of Class Members, and for his
13 general release of claims, in addition to his Individual Settlement Payment as a Settlement Class
14 Member and Individual PAGA Payment as a PAGA Class Member.

15 9. For purposes of this Settlement, "Class Representative's Released Claims" shall have
16 the meaning ascribed to it in Paragraph 73 herein.

17 10. For purposes of this Settlement, the "Complaint" means the operative complaint at
18 the time the Court grants Preliminary Approval of this Settlement.

19 11. For purposes of this Settlement, "Covered Work Months" means the number of
20 months a Class Member worked for Defendant in California during the Class Period. Covered Work
21 Months will be calculated based on Defendant's business records.

22 12. For purposes of this Settlement, "Court" means the United States District Court for
23 the Southern District of California or any Court of competent jurisdiction.

24 13. For the purposes of this Settlement, "COVID-19 Subclass" means all Class
25 Members who worked for Defendant at any time in California from March 13, 2020 to June 15,
26 2020 during the COVID-19 stay at home order.

27 14. For purposes of this Settlement, "Defendant" means HNTB Corporation.

28 15. For purposes of this Settlement, "Defendant's Counsel" means Shook, Hardy &

1 Bacon, LLP.

2 16. For purposes of this Settlement, “Effective Date” means the first business day after
3 all of the following events have occurred: (a) the Settlement Agreement has been executed by all
4 Parties and their respective counsel; (b) the Court has given preliminary approval of the settlement;
5 (c) the Notice has been given to the Class Members; (d) the Court has held a final approval hearing
6 and entered a Final Approval Order and Judgment certifying the Settlement Class and approving the
7 Settlement, and (e) the later of the following events: (i) 65 calendar days following notice of entry
8 of the Court’s Final Approval Order, assuming no appeal or request for review is filed, or (ii) if any
9 appeal, writ or other appellate proceeding opposing this settlement has been filed within 65 calendar
10 days following notice of entry of the Court’s Final Approval Order, then 30 calendar days after when
11 any appeal, writ, or other appellate proceeding opposing the settlement has been resolved finally and
12 conclusively with no right to pursue further remedies or relief. In this regard, it is the intention of the
13 Parties that the Settlement shall not become effective until the Court’s order approving the
14 Settlement is completely final, and there is no further recourse by an appellant or objector who seeks
15 to contest the Settlement.

16 17. For purposes of this Settlement, “Final Approval” refers to the order of the Court
17 granting final approval of this Settlement Agreement that disposes of all issues raised in this Action
18 and entering Judgment approving this Settlement on substantially the same terms provided herein
19 or as may be modified by subsequent mutual agreement of the Parties or order of the Court.

20 18. For purposes of this Settlement, “Final Approval Order” means the order granting
21 Final Approval of Class Action and PAGA Representative Action Settlement and Judgment entered
22 by the Court.

23 19. For purposes of this Settlement, “Gross Settlement Amount” shall have the meaning
24 ascribed to it in Paragraph 61(b) herein.

25 20. For purposes of this Settlement, “Net Settlement Amount” shall have the meaning
26 ascribed to it in Paragraph 61(f) herein.

27 21. For purposes of this Settlement, “Notice” means the notice of the proposed settlement
28 of class action and PAGA Settlement and setting of a Final Approval hearing that will be sent to the

Class Members as set forth in Paragraph 61(s) herein.

22. For purposes of this Settlement, “Objecting Settlement Class Member” means a Settlement Class Member, other than Plaintiff, who submits a valid and timely objection to the terms of this Agreement pursuant to Paragraph 61(x) herein.

23. For purposes of this Settlement, “PAGA Allocation” means the amount the Parties have agreed to pay to the Labor and Workforce Development Agency (“LWDA”) in resolution of the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”) claims asserted in the Action. The Parties have agreed that the PAGA Allocation will be \$9,800 of the Gross Settlement Amount.

24. For purposes of this Settlement, “Individual Settlement Payment” means each Class Member’s share of the Net Settlement Amount, to be distributed to the Settlement Class Members, and each PAGA Class Member’s share of the Net Settlement Amount, to be distributed to all PAGA Class Members.

25. For purposes of this Settlement, “Labor and Workforce Development Agency Payment” or “LWDA Payment” means 75% of the PAGA Allocation, or \$7,350.00, that the Parties have agreed to pay to the Labor and Workforce Development Agency (“LWDA”) in resolution of the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”) claims asserted in the Action.

26. For purposes of this Settlement, “PAGA Employee” means all individuals who performed work for Defendant in California at any time during the PAGA Period. It is stipulated by the Parties that, for purposes of this Settlement only, all PAGA Employees are “aggrieved employees” as defined pursuant to PAGA.

27. For purposes of this Settlement, “PAGA Pay Periods” means the number of pay periods each PAGA Employee worked for Defendant in California during the PAGA Period. PAGA Pay Periods will be calculated based on Defendant’s business records.

28. For purposes of this Settlement, “PAGA Penalty Payment” means seventy-five percent (75%) of the PAGA Allocation, or \$7,350.00, that will be paid to the LWDA.

29. For purposes of this Settlement, “PAGA Period” means the period of time beginning

on August 2, 2020, through May 1, 2024, or the Preliminary Approval date, whichever occurs first.

30. For purposes of this Settlement, “PAGA Representative” or “Class Representative” or “Plaintiff” means Plaintiff Matthew Morel.

31. For purposes of this Settlement, “PAGA Settlement Payment” means twenty-five percent (25%) of the PAGA Allocation, or \$2,450.00, that will be included in the Net Settlement Amount for distribution to the PAGA Employees on a *pro rata* basis.

32. For purposes of this Settlement, “Preliminary Approval Date” means the date the Court preliminarily approves the Settlement Agreement, and the exhibits thereto, and enters the Preliminary Approval Order.

33. For purposes of this Settlement, “Preliminary Approval Order” means the judicial Order to be entered by the Court, upon the application or motion of the Plaintiff, preliminarily approving this Settlement and providing for the issuance of the Notice to the Class Members, an opportunity to submit timely Requests for Exclusion from the settlement of the Class Claims, an opportunity to submit timely objections to the terms of this Settlement related to the Class Claims, and setting a hearing on the fairness of the terms of the Settlement, including approval of attorneys’ fees and costs.

34. For purposes of this Settlement, “Parties” means Plaintiff and Defendant collectively.

35. For purposes of this Settlement, “QSF” means the Qualified Settlement Fund set up by the Settlement Administrator for the benefit of the Settlement Class Members, and from which the settlement payments shall be made, and which is intended to be a fund that qualifies under Internal Revenue Code Section 468.

36. For purposes of this Settlement, “Release” or “Released Claims” means the release and discharge of the Class Claims by Plaintiff and all of the Settlement Class Members and the release and discharge of the PAGA Claims by Plaintiff and all of the PAGA Employees.

37. For purposes of this Settlement, “Released Class Claims” or “Class Claims” means any and all claims, causes of action, demands, damages, or liabilities arising at any time during the Class Period that were pled or which could have been pled based on the factual allegations contained

1 in the Complaint, including but not limited to claims for failure to indemnify necessary business
2 expenses in violation of Labor Code § 2802, violations of Business and Professions Code § 17200,
3 *et seq.*, and violations of PAGA Labor Code § 2698, *et seq.* The Released Class Claims extend to
4 all theories of relief available for the Released Class Claims, whether under California law, federal
5 law, state law or common law (including, without limitation, as alleged violations of the California
6 Labor Code, the IWC Wage Orders, applicable regulations, or California’s Business and Professions
7 Code §§ 17200). The Released Class Claims include all types of relief available for the Released
8 Class Claims, including without limitation any claims for damages, restitution, losses, penalties,
9 fines, liens, attorneys’ fees, costs, expenses, debts, interest, injunctive relief, declaratory relief, or
10 liquidated damages.

11 38. For purposes of this Settlement, “Released Parties” means Defendant, together with
12 each of its past, present, and future parent companies, subsidiaries, affiliated and related companies,
13 successors, and predecessors, as well as their respective past, present, and future owners, officers,
14 directors, shareholders, employees, managers, agents, principals, representatives, administrators,
15 accountants, auditors, consultants, fiduciaries, insurers and reinsurers, company-sponsored
16 employee benefit plans, and attorneys, both individually and in their official capacities, as well as all
17 persons acting by, through, under, or in concert with any of these persons or entities. As set forth in
18 Paragraph 77 and each of its subparts herein, the Release in this Agreement also extends to any and
19 all third-party staffing agencies for: (a) Released Class Claims arising from or reasonably related to
20 Settlement Class Members’ assignments by such third-party staffing agencies with Defendant
21 during the Class Period, and (b) Released PAGA Claims arising from or reasonably related to the
22 PAGA Employees’ assignments by such third-party staffing agencies with Defendant during the
23 PAGA Period.

24 39. For purposes of this Settlement, “Released PAGA Claims” or “PAGA Claims”
25 means any and all claims, causes of action, demands, damages, or liabilities arising at any time
26 during the PAGA Period that were pled or which could have been pled based on the factual
27 allegations contained in the Complaint, including claims premised on the alleged Labor Code
28 violations identified in Paragraph 37 herein. The Released PAGA Claims include all types of relief

1 available for the Released PAGA Claims, including without limitation any claims for damages,
2 penalties, fines, attorneys' fees, costs, expenses or interest.

3 40. For purposes of this Settlement, "Request for Exclusion" shall have the meaning
4 ascribed to it in Paragraph 61(w) herein.

5 41. For purposes of this Settlement, "Response Deadline" means the date forty-five (45)
6 calendar days after the Settlement Administrator initially mails the Notice to Settlement Class
7 Members and the last date on which Settlement Class Members may submit a Request for Exclusion
8 or written objection to the Settlement. In the case of a re-mailed Notice, the Response Deadline will
9 be the latter of 45 calendar days after initial mailing or 14 calendar days from re-mailing. The
10 Response Deadline may be extended only as described herein.

11 42. For purposes of this Settlement, "Service Payment" means the amount approved by
12 the Court to be paid to Plaintiff in addition to his individual Settlement Class Payment as a Settlement
13 Class Member and individual PAGA Payment as a PAGA Employee.

14 43. For purposes of this Settlement, "Settlement Administrator" means the third-party
15 class action settlement administrator agreed to by the Parties and approved by the Court for the
16 purposes of administering this settlement. The Parties each represent that they do not have any
17 financial interest in the Settlement Administrator that could create a conflict of interest.

18 44. For purposes of this Settlement, "Settlement Administration Costs" means the actual
19 and direct fees and expenses reasonably incurred by the Settlement Administrator for administering
20 this Settlement, including, but not limited to, printing, distributing, and tracking documents for this
21 Settlement, calculating estimated amounts per Class Member, tax reporting and remittance, due
22 diligence, distributing the Gross Settlement Amount, and providing necessary reports and
23 declarations, and other duties and responsibilities set forth herein to process this Settlement, and as
24 requested by the Parties. The Settlement Administration Costs will be paid from the Gross
25 Settlement Amount.

26 45. For purposes of this Settlement, "Settlement Class Members" are those Class
27 Members who do not submit timely and/or valid Requests for Exclusion from settlement of the Class
28 Claims to the Settlement Administrator.

1 46. For purposes of this Settlement, “Settlement Class Payments” shall have the meaning
2 ascribed to it in Paragraph 61(g) herein.

3 47. For purposes of this Settlement, “Settlement Payments” means the Settlement Class
4 Payments and all of the payments to PAGA Employees (the “PAGA Settlement Payment”).

5 48. For the purposes of this Settlement, “Work from Home Subclass” means all Class
6 Members who were approved to work from home by Defendant at any time during the Class period.

7 49. For purposes of this Settlement, “Work Months” means the number of months each
8 Class Member worked for Defendant in in California during the Class Period. Work Months will be
9 calculated based on Defendant’s business records.

10 STIPULATED BACKGROUND

11 50. On or about February 23, 2022, Plaintiff filed the Action against Defendant,
12 including causes of action for: (a) Failure to Reimburse Work Expenses (Labor Code § 2802); (b)
13 Unfair Business Practices (Cal. Bus. & Prof. Code §§ 17200, *et seq.*); and (3) Violation of the Private
14 Attorney Generals Act of 2004 (Labor Code § 2698, *et seq.*).

15 51. On or about December 5, 2022, Plaintiff filed a First Amended Complaint. In the
16 First Amended Complaint, Plaintiff seeks to represent all persons who worked for Defendant in
17 California at any time during the Class Period.

18 52. Solely for purposes of settling the Action as set forth in this Agreement, Defendant
19 will stipulate and agree that the Settlement Class Members described herein may be conditionally
20 certified as a settlement class and that the PAGA Employees are appropriate for representative
21 treatment for purposes of settlement. This stipulation to certification and representative treatment is
22 in no way an admission that class action certification and/or representative treatment is proper and
23 shall not be admissible in this or any other action except for the sole purposes of enforcing this
24 Agreement.

25 53. Should, for whatever reason, the Settlement not become effective, the fact that the
26 Parties were willing to stipulate to certification as part of the Settlement shall have no bearing on,
27 and shall not be admissible in connection with, the issue of whether the Class Members and/or the
28 Class claims should be certified in a non-Settlement context in this Action or in any other lawsuit.

1 Defendant expressly reserves its right to oppose class certification, representative treatment, and the
2 substantive merits of this Action should Final Approval or the Effective Date not occur for any
3 reason.

4 54. Defendant denies any liability or wrongdoing of any kind whatsoever associated with
5 the claims alleged in the Complaint, and Defendant further denies that, for any purpose other than
6 settling this lawsuit, Defendant contends, among other things, that Plaintiff and the Class Members
7 have been properly reimbursed business expenses and that it has complied at all times with the
8 California Labor Code and applicable Wage Orders of the Industrial Welfare Commission.
9 Furthermore, with respect to all claims, Defendant contends that it has complied at all times with the
10 California Business and Professions Code.

11 55. Class Counsel has conducted a thorough investigation into the facts of this Action,
12 including an extensive review of relevant documents, and has diligently pursued an investigation of
13 the claims of the Class against Defendant. Based on its own independent investigation and
14 evaluation, Class Counsel is of the opinion that the Settlement with Defendant for the consideration
15 and on the terms set forth in this Joint Stipulation of Settlement is fair, reasonable, and adequate and
16 is in the best interest of the Class in light of all known facts and circumstances, including the risk of
17 significant delay, the risk the Class will not be certified by the Court, defenses asserted by Defendant,
18 and numerous potential appellate issues. Defendant and Defendant's Counsel also agree that the
19 Settlement is fair and in the best interest of the Class.

20 56. On January 11, 2024, the Parties participated in a Settlement Conference before
21 Magistrate Judge Allison Goddard. A second Settlement Conference was held on February 22,
22 2024. After two half-day Settlement Conferences, on February 23, 2024, Judge Goddard issued a
23 double-blind Mediator's Proposal, which was to remain open until March 4, 2024. On March 4,
24 2024, Judge Goddard notified the Parties that both sides had accepted the Mediator's Proposal. The
25 Parties agree that the terms and conditions of this Agreement are the result of lengthy, intensive,
26 arms-length negotiations between the Parties supervised by a highly experienced Magistrate Judge.
27 This Agreement represents a compromise and settlement of highly disputed claims, and is intended
28 to settle, compromise and discharge the Released Class Claims and Released PAGA Claims against

1 the Released Parties fully, finally, and forever.

2 57. The Parties agree that neither the Parties' Settlement, this Agreement, nor the acts to
3 be performed or judgments to be entered pursuant to the terms of the Settlement and Agreement,
4 shall be construed as an admission by Defendant or any of the Released Parties of any wrongdoing
5 or violation of any statute or law or liability on the claims or allegations in the Action.

6 58. It is the desire of the Parties to fully, finally, and forever settle, compromise, and
7 discharge all claims, causes of action, demands, damages, or liabilities arising at any time during the
8 Class Period that were pled or which could have been pled based on the factual allegations contained
9 in the Complaint, or any subsequent amended complaint filed in the Action.

10 59. The Parties agree to cooperate and take all steps necessary and appropriate to obtain
11 preliminary and final approval of this Settlement.

12 60. The Parties agree to stay all proceedings and deadlines in the Action, except such
13 proceedings necessary to implement and complete the Settlement, pending the final approval
14 hearing to be conducted by the Court.

15 **PRIMARY TERMS OF SETTLEMENT**

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

18 (a) It is agreed by and among the Class and Defendant that this case and any claims,
19 damages, or causes of action arising out of the disputes which are the subject of
20 this case, be settled and compromised as between the Class and Defendant,
21 subject to the terms and conditions set forth in this Settlement and the approval
22 of the Court.

23 (b) Gross Settlement Amount. In consideration for settlement of the Action and the
24 Releases described in Paragraph 77 and each of its subparts herein, Defendant
25 shall be obligated to pay the Gross Settlement Amount of \$490,000.00, subject
26 to the Escalator Clause in subsection (c) herein. The Gross Settlement Amount is
27 the maximum amount that will be paid by Defendant, and includes Plaintiff's
28 attorneys' fees and litigation costs as set forth in subsection (m) herein, Plaintiff's

1 Service Payment as set forth in subsection (n) herein, the Settlement
2 Administration Costs as set forth in subsection (p) herein, the PAGA Allocation
3 as set forth in Paragraph 23 herein, and the Settlement Class Payments to
4 Settlement Class Members and PAGA Class Members as set forth in subsection
5 (g) herein. Other than being subject to the Escalator Clause below, in no event
6 shall Defendant be required to pay any amounts above this Gross Settlement
7 Amount.

8 (c) Escalator Clause: Defendant estimates that there are approximately 34,629 Work
9 Months during the Class Period through May 1, 2024. If it is later determined that
10 the total number of Work Months during the Class Period is more than ten percent
11 (10%) greater than 34,629 at the time the Class List and Data is delivered to the
12 Settlement Administrator to prepare the Notice, Defendant shall increase the total
13 Gross Settlement Amount by one percent (1%) for every one percent (1%)
14 increase in Work Months over the ten percent (10%) threshold (the “Escalator
15 Clause”).

16 (d) Non-reversionary Settlement: No portion of the Gross Settlement Amount will
17 revert to Defendant. Settlement Class Members who do not timely submit valid
18 requests for exclusion are entitled to their respective portion of 100% of the Net
19 Settlement Amount. Distributions, in the form of Settlement Class Payments to
20 Settlement Class Members, will be made directly to each Settlement Class
21 Member. If there are any timely submitted Requests for Exclusion, the
22 Settlement Administrator shall proportionately increase the individual Settlement
23 Class Payment for each Settlement Class Member so that the total amount
24 actually distributed to Settlement Class Members equals 100% of the Net
25 Settlement Amount. The Settlement Administrator shall be responsible for
26 accurately and timely reporting any remittance obligations with respect to
27 unclaimed funds as a result of the Settlement Class Member not cashing a
28 Settlement Class Payment by the check cashing deadline, as set forth in

Paragraphs 69 through 71 herein.

(e) No Claims Required: Settlement Class Members will not be required to submit a claim to receive their Settlement Class Payment, and PAGA Employees will not be required to submit a claim to receive their PAGA Settlement Payment.

(f) Net Settlement Amount: The Net Settlement Amount is defined as the Gross Settlement Amount (\$490,000) less the following sums, subject to approval by the Court: (1) attorney's fees (not to exceed 33.33% of the Gross Settlement Amount or \$163,317.00); (2) reasonable litigation costs (not to exceed \$15,000.00); (3) the Service Payment (not to exceed \$15,000 to Plaintiff); (4) the PAGA Penalty Payment in the amount of \$9,800 (75% of which is the PAGA Allocation); and (5) Settlement Administration costs (estimated to be \$12,500). Settlement Payments to the Class Members will be calculated by the Settlement Administrator and paid out of the Net Settlement Amount as set forth in Paragraphs 61(g) and 61(h) herein. In the event that the Court reduces the attorney's fees, litigation costs, Service Payment or Settlement Administration Costs, or either increases or decreases the PAGA Allocation, the Net Settlement Amount shall be increased or decreased accordingly.

(g) Settlement Class Payments (Excludes PAGA Settlement Payment): The Settlement Class Payments will be paid out of the Net Settlement Amount. Each Settlement Class Member will be paid a pro-rata share of the Net Settlement Amount (less the PAGA Settlement Payment), as calculated by the Settlement Administrator using the Class List and Data provided by Defendant. The pro-rata share will be determined as follows:

(i) For each work month during which the Settlement Class Member performed work for Defendant as alleged in the operative Complaint, he or she shall be eligible to receive a *pro rata* portion of the Net Settlement Amount based on the number of work months the Settlement Class Member worked at any time during the Class Period as described below:

1. For the COVID-19 subclass (March 13, 2020 to June 15, 2020);
2. For the Work from Home subclass (March 1, 2020 to May 1, 2024); or
3. In California from March 1, 2020 to May 1, 2024.

(ii) For Settlement Class Members that do not belong to the COVID-19 subclass or the Work from Home Subclass, each work month during which work was performed in California during the Class Period will be equal to one (1) settlement share. To reflect the varying value of the subclasses, members of the Work from Home Subclass and the COVID-19 Subclass will be entitled to one (1) additional settlement share subject to the below:

1. for members of the Work from Home Subclass, each work month during which work was performed in California from March 1, 2020 to February 23, 2024 will be equal to one (1) additional settlement share;
2. for members of the COVID-19 Subclass, each work month during which work was performed in California from March 13, 2020 to June 15, 2020 will be equal to one (1) additional settlement share, unless he/she already received one additional settlement share for the particular work month as a Work from Home Subclass member.

(iii) The total number of settlement shares for all Class Members will be added together and the resulting sum will be divided into the Net Settlement Amount to reach a per share dollar figure. The figure will then be multiplied by each Class Member's *pro rata* portion of the Net Settlement Amount.

(iv) Each Settlement Class Member's share of the Settlement Class Payment will be distributed by the Settlement Administrator by mail to each Settlement Class Member. Un-cashed, unclaimed or abandoned checks, shall be transmitted to the California Controller's Office, as set forth in Paragraph 70 herein. If there are any timely submitted Requests for Exclusion, the Settlement Administrator shall proportionately increase each Settlement Class Member's share of the Settlement Class Payment so that the amount

distributed to Settlement Class Members equals 100% of the Net Settlement Amount.

(h) PAGA Settlement Payment: The PAGA Settlement Payment will be paid out of the Net Settlement Amount. Each PAGA Employee will be paid a pro-rata share of the PAGA Settlement Payment, as calculated by the Settlement Administrator using the Class List and Data provided by Defendant. Class Members are not permitted to exclude themselves from this portion of the Settlement. The pro-rata share will be determined by comparing each PAGA Employee's PAGA Pay Periods during the PAGA Period in California to the total PAGA Pay Periods of all PAGA Employees during the PAGA Period as follows:
$$[\text{PAGA Pay Periods of a PAGA Employee}] \div [\text{Sum of all PAGA Pay Periods of all PAGA Employees}] \times [\text{PAGA Settlement Payment}] = \text{individual PAGA Settlement Payment for a PAGA Employee.}$$
 Each PAGA Employee's share of the PAGA Settlement Payment will be distributed by the Settlement Administrator by mail to each PAGA Employee. Un-cashed, unclaimed or abandoned checks, shall be transmitted to the California Controller's Office, as set forth in Paragraph 70 herein.

(i) Allocation of Settlement Payments: The Parties have agreed that the Settlement Amount and PAGA Settlement Amount include non-wage claims from which no taxes will be withheld. The Settlement Administrator will issue to each Settlement Class Member an Internal Revenue Service Form 1099 for the settlement for civil penalties, interest and all non-wage claims.

(j) Tax Liability: Class Counsel, Defendant, and Defendant's Counsel make no representations as to the tax treatment or legal effect of the Settlement Payments called for hereunder, and Plaintiff and the Class Members are not relying on any statement or representation by Class Counsel, Defendant, or Defendant's Counsel in this regard. Plaintiff and Class Members understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on their

1 respective Settlement Payments described herein. If the Code, the regulations
2 promulgated thereunder, or other applicable tax law, are changed after the date of
3 this Agreement, the processes set forth in this Section may be modified in a
4 manner to bring Defendant into compliance with any such changes.

5 (k) CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS AGREEMENT
6 (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING
7 PARTY” AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE
8 ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES
9 AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND
10 NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
11 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER
12 ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH
13 COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE
14 CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE
15 MEANING OF UNITED STATES TREASURY DEPARTMENT
16 CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
17 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON
18 HIS, HER, THEIR, OR ITS OWN, INDEPENDENT LEGAL AND TAX
19 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION
20 WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS
21 AGREEMENT BASED UPON THE RECOMMENDATION OF ANY
22 OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER
23 PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
24 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR
25 ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY
26 THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND
27 (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS
28 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.

(l) Settlement Class Payments Do Not Give Rise to Additional Benefits: All Settlement Class Payments to individual Settlement Class Members and PAGA Settlement Payments to individual PAGA Employees shall be deemed to be paid to such Settlement Class Members and PAGA Employees solely in the year in which such payments actually are received by the Settlement Class Members and PAGA Employees. It is expressly understood and agreed that the receipt of such Settlement Payments will not entitle any Settlement Class Member or PAGA Employee to additional compensation or benefits under any company bonus, contest or other compensation or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle any Settlement Class Member or PAGA Employee to any increased retirement, 401(k) benefits or matching benefits or deferred compensation benefits. Defendant will not modify the Settlement Class Members' or PAGA Employees' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare plan sponsored by Defendant and/or any of the Released Parties, unless otherwise required by law. Rather, it is the Parties' intention that this Agreement will not affect any rights, contributions, or amounts to which any Class Members or PAGA Employees may be entitled under any benefit plans, and that the Settlement Class Members and PAGA Employees are not entitled to any new or additional compensation or benefits as a result of having received the Settlement Payments (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during

the period covered by this Settlement).

(m) Attorney's Fees and Costs: In consideration for settlement of the Action and the Release described in Paragraph 77 and its subparts herein, Defendant will not oppose Class Counsel's application to the Court for attorney's fees not to exceed 33 1/3% of the Gross Settlement Amount (\$163,317.00) and reimbursement of litigation costs and expenses not to exceed \$15,000.00. Any attorneys' fees and litigation costs and expenses awarded by the Court shall be paid from the Gross Settlement Amount, and except for this award, Defendant shall have no further obligation to pay any attorneys' fees, costs or expenses to Plaintiff, any Settlement Class Member, or Class Counsel.

(n) Service Payment: In exchange for the general Release described in Paragraph 73 herein, Defendant will not oppose Class Counsel's application to the Court for Service Payment of up to \$15,000.00 to Plaintiff for his service as a Class Representative. The amount of any Service Payment will be set by the Court in its discretion, and any Service Payment awarded by the Court shall be paid out of the Gross Settlement Amount. It is understood that the Service Payment is in addition to the Plaintiff's share of the Net Settlement Amount to which Plaintiff is entitled along with the other Class Members and PAGA Employees. Plaintiff shall not request exclusion from or object to the Settlement. The Settlement Administrator shall issue the Service Payment to Plaintiff at the same time it issues the Settlement Payments to the Settlement Class Members and PAGA Employees. The Settlement Administrator (and not Defendant) will issue an IRS Form 1099 to Plaintiff reflecting the Service Payment. Plaintiff will be solely and legally responsible for correctly characterizing this compensation on personal income tax returns for tax purposes and for paying any taxes on the Service Payment. Plaintiff will indemnify and hold Defendant harmless from any claim or liability for taxes, penalties, or interest arising as a result of this Service Payment. In exchange for this Service Payment, Plaintiff hereby agrees to the

1 Release set forth in Paragraph 73 herein, agrees not to publicize the settlement
2 beyond what is required or expressly approved by the Court, agrees to respond to
3 any inquiry regarding the settlement only by referring the inquiry to Class
4 Counsel and saying nothing further, unless otherwise required by law. Should the
5 Court approve a Service Payment in an amount less than \$15,000.00, Plaintiff
6 shall not have the right to revoke this Agreement and the difference between the
7 lesser amount approved by the Court and \$15,000.00 shall be added to the Net
8 Settlement Amount. In the event of any appeal of the amount of the Service
9 Payment (if any) approved by the Court, if, after the exhaustion of any such
10 appellate review, additional amounts not awarded to Plaintiff shall be added to
11 the Net Settlement Amount to be distributed to the Settlement Class Members.

12 (o) PAGA Penalty Payment: The PAGA Penalty Payment shall be paid from the
13 Gross Settlement Amount in satisfaction of Plaintiff's claims for civil penalties
14 under PAGA. The Settlement Administrator will issue the PAGA Penalty
15 Payment to the LWDA at the same time it issues Settlement Payments to the
16 Settlement Class.

17 (p) Settlement Administrator and Settlement Administration Costs: The Settlement
18 Administrator will be Phoenix Settlement Administrators, or such Settlement
19 Administrator as may be mutually agreeable to the Parties and approved by the
20 Court. Settlement Administration Costs will be paid from the Gross Settlement
21 Amount. Settlement Administration Costs are estimated to be \$12,500.00 for
22 expenses including, but not limited to printing, distributing, and tracking forms
23 for this Settlement, calculating estimated amounts per Class Member, tax
24 reporting, distributing the Net Settlement Amount to Settlement Class Members
25 and PAGA Employees, distributing Court-approved attorneys' fees and litigation
26 costs to Class Counsel, distributing the PAGA Allocation to the LWDA, and
27 providing necessary reports and declarations, and other duties and responsibilities
28 set forth herein to process this Settlement, as requested by the Parties. The costs

of the Settlement Administrator for work done shall be paid regardless of the outcome of this Settlement. To the extent that Settlement Administration Costs are ultimately less than the amount of the quote provided by the selected Settlement Administrator, the remainder shall become part of the Net Settlement Amount.

(q) Funding of Settlement Account: Within fifteen (15) business days of the Effective Date of the Settlement, Defendant shall make a one-time deposit into the QSF created by the Settlement Administrator the Gross Settlement Amount. Upon Defendant's transfer of the Gross Settlement Amount to the QSF, Defendant, the Released Parties and Defendant's Counsel shall have no further monetary liability or financial responsibility to Class Counsel, Plaintiff, Settlement Class Members, the Settlement Administrator, or any vendors or third parties employed by Plaintiff, Class Counsel, and/or the Settlement Administrator in connection with the Action. Defendant shall not be obligated to make any payments contemplated by this Agreement unless and until the Court enters the Final Approval Order and Final Judgment, and after the Effective Date of the Agreement.

(r) Distribution of Gross Settlement Amount: No later than seven (7) business days after deposit of the payment into the QSF, the Settlement Administrator will mail each Settlement Class Member their share of the Settlement Payments, the payment for the attorneys' fees and litigation costs and expenses to Class Counsel, any Service Payment to Plaintiff, the PAGA Penalty Payment to the LWDA, and will pay itself the Settlement Administration Costs.

(s) Notice of Settlement: The Settlement Administrator will mail each Class Member will be mailed a notice setting forth the material terms of the proposed Settlement, along with instructions about how to object or request exclusion from the proposed class action Settlement (“Notice”). For each Class Member, the Settlement Administrator will include on the Notice pre-printed information,

1 based on Defendant's records, stating the Class Member's Covered Work
2 Months during the Class Period, any PAGA Pay Periods during the PAGA
3 Period, and the estimated total Settlement Payment under the Settlement,
4 including the Settlement Class Payment and the PAGA Settlement Payment that
5 will be distributed irrespective of any Requests for Exclusion. The pre-printed
6 information based on Defendant's records shall be presumed to be correct. A
7 Class Member may dispute the pre-printed information on the Notice as to
8 his/her/their Covered Work Months during the Class Period and/or PAGA Pay
9 Periods during the PAGA Period, as set forth in Paragraph 61(v) herein. Class
10 Members must submit any dispute regarding the information on the Notice as to
11 his/her/their Covered Work Months and/or PAGA Pay Periods within the
12 Response Deadline.

13 (t) Settlement Notice Language: The Notice will issue in English.

14 (u) Class Members Cannot Exclude Themselves from the Released PAGA Claims:

15 Class Members submitting a Request for Exclusion will nevertheless receive their
16 pro-rata share of the PAGA Settlement Payment. If the Court approves the
17 compromise of the PAGA Claim, all Class Members are bound by the Court's
18 resolution of that Claim. Plaintiff shall serve a notice of settlement on the LWDA
19 at or before the time Plaintiff files the motion for preliminary approval.

20 (v) Disputes Regarding Class Data. Class Members may dispute their Covered Work
21 Months and/or PAGA Pay Periods if they feel they were employed more work
22 months in the Class Period and/or PAGA Pay Periods in California than
23 Defendant's records show by timely submitting evidence to the Settlement
24 Administrator. Each Class Member is responsible for maintaining a copy of any
25 documents sent to the Settlement Administrator and a record of proof of mailing.
26 Defendant's records will be presumed determinative absent reliable evidence to
27 rebut Defendant's records, but the Settlement Administrator will evaluate the
28 evidence submitted by the Class Member and provide the evidence submitted to

Class Counsel and Defendant's Counsel who agree to meet and confer in good faith about the evidence to determine the Class Member's actual number of Covered Workweeks and/or PAGA Pay Periods and estimated share of the Net Settlement Amount. If Class Counsel and Defendant's Counsel are unable to agree, they agree to submit the dispute to the Settlement Administrator to render a final decision. Class Members will have until the Response Deadline to dispute Covered Work Months and/or PAGA Pay Periods. Information or documents submitted after the expiration of the Response Deadline will not be considered by the Settlement Administrator, unless otherwise agreed to by the Parties. In the event that the Settlement Administrator increases the number of Covered Work Months and/or PAGA Pay Periods for any Class Member, then the Settlement Administrator will recalculate each Settlement Class Member's share of the Net Settlement Amount; accordingly, in no event will Defendant be required to increase the Gross Settlement Amount.

(w) Right of Class Member to Request Exclusion from the Settlement: Any Class Member, other than Plaintiff, may request to be excluded from settlement of the Class Claims by submitting a “Request for Exclusion” to the Settlement Administrator, postmarked on or before the Response Deadline at the address set forth in the Notice. Requests for Exclusion must: (1) contain the name, address, telephone number, last four digits of the Class Member’s Social Security Number, and the signature of the Class Member requesting exclusion; (2) clearly state that the Class Member does not wish to be included in the Settlement; (3) be returned by mail to the Settlement Administrator at the specified address; and, (4) be postmarked on or before the Response Deadline. The date of the postmark on the return mailing envelope shall be the exclusive means to determine whether a Request for Exclusion has been timely submitted. A Request for Exclusion will be timely only if made in accordance with the terms set forth herein and postmarked by the Response Deadline. The Settlement Administrator shall

provide any Requests for Exclusion to Class Counsel and Defendant's Counsel within three (3) calendar days of receipt, and the Settlement Administrator shall attach the same to its declaration of due diligence it files with the Court prior to the final approval hearing. Any 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. Any Class Member who does not request exclusion from the Settlement, regardless of whether they cash their settlement check, will be bound by all terms of the Settlement, including those pertaining to Released Class Claims, Released Parties, as well as any Judgment that may be entered by the Court if it grants final approval of the Settlement. PAGA Employees will receive their share of the PAGA Settlement Payment and will be deemed to have released the PAGA Released Claims regardless of whether they opt-out from the settlement of Class Claims. PAGA Employees may not opt out or otherwise request exclusion from the settlement of PAGA Claims.

(x) Right of Settlement Class Member to Object to The Settlement: PAGA Employees may not object to the Settlement with respect to the PAGA Claims. However, any Settlement Class Member, other than Plaintiff, may object to the Settlement with respect to the Class Claims. To object, the Settlement Class Member may (1) appear in person at the Final Approval Hearing to explain any objection, (2) have an attorney object for the Class Member, **or** (3) must submit a simple written brief or statement of objection to the Settlement Administrator, postmarked on or before the Response Deadline at the address set forth in the Notice. If any Settlement Class Member chooses to submit a written objection, the written objection should contain sufficient information to confirm the identity

of the Objecting Settlement Class Member and the basis of the objection, including (1) the full name of the Objecting Settlement Class Member; (2) the signature of the Objecting Settlement Class Member; (3) the grounds for the objection, as well as any documentation or evidence in support thereof; and (4) if the Objecting Settlement Class Member is represented by counsel, the name and address of his/her/their counsel. Any objection must be postmarked within the Response Deadline to permit adequate time for processing and review by the Parties of the written statement or objection. The Settlement Administrator shall provide objections, if any, to Class Counsel and Defendant's Counsel within three (3) calendar days of receipt, and the Settlement Administrator shall attach the same to its declaration of due diligence it files with the Court prior to the final approval hearing. Any Settlement Class Member who files an objection remains eligible to receive his/her/their share of the Settlement Class Payment. If a Class Member timely submits both an objection and a Request for Exclusion, the objection will be considered invalid. Settlement Class Members also have the right to appear at the final approval hearing to state any objection. Neither Plaintiff nor Defendant shall be responsible for any fees, costs, or expenses incurred by any Class Member and/or his/her/their counsel related to any objections to the Settlement.

(y) Failure to Object. Any Class Member who does not submit a timely and valid objection will be foreclosed from making any objections (by appeal, or otherwise) to the Settlement.

(z) Responses to Objections. Class Counsel and Defendant's Counsel may file responses to any written objections submitted to the Court.

THE SETTLEMENT ADMINISTRATOR'S PRIMARY DUTIES

62. Subject to the Court's approval, and subject to reconsideration by the Parties after a competitive bidding process, the Parties have agreed to the appointment of Phoenix Settlement Administrators to perform the customary duties of Settlement Administrator, including mailing the

1 Notice to the Class Members, using standard devices to obtain forwarding addresses, independently
2 reviewing and verifying documentation associated with any Requests for Exclusion and objections,
3 resolving any disputes regarding the calculation or application of the formula for determining each
4 Class Member's Settlement Payment, establishing QSF, drafting and mailing the settlement checks
5 to Settlement Class Members, issuing Forms 1099, reporting to taxing authorities, due diligence,
6 reporting and remittance obligations, and performing such other tasks as set forth herein or as the
7 Parties mutually agree or that the Court orders. The Settlement Administrator shall also be
8 responsible for: (a) calculating each Class Member's Individual Settlement Payment; (b) remitting
9 to applicable government agencies sufficient amounts, if any, as may be owed by Settlement Class
10 Members for applicable employee taxes; (c) calculating the employer's share of payroll taxes due,
11 if any; (d) remitting such payroll taxes to the appropriate taxing authorities, if any; (e) issuing to
12 Plaintiff, Settlement Class Members and Class Counsel any Forms 1099 and/or other tax forms as
13 may be required by law for all amounts paid pursuant to this Agreement; (f) setting up all necessary
14 tax accounts; (g) preparing and sending all tax notices, and (h) forwarding all payroll taxes, notices,
15 and penalties to the appropriate government authorities.

16 63. The Settlement Administrator will independently review the Covered Work Months
17 attributed to each Class Member and PAGA Pay Periods attributed to each PAGA Employee based
18 on the records provided by Defendant, and will calculate the estimated amounts due to each Class
19 Member and each PAGA Employee, as well as the actual amounts due to each Settlement Class
20 Member in accordance with this Settlement. The Settlement Administrator shall report, in summary
21 or narrative form, the substance of its findings.

22 64. Within ten (10) business days of the close of the Response Deadline, the Settlement
23 Administrator will provide to Class Counsel and Defendant's Counsel a final report identifying all
24 objections and Requests for Exclusion. The Settlement Administrator shall provide counsel for the
25 Parties, at least twenty-five (25) calendar days prior to the final approval hearing, a declaration of
26 due diligence and proof of mailing with regard to the mailing of the Notice.

27 65. Any and all disputes relating to the Settlement Administrator's performance of its
28 duties shall be referred to the Court, if necessary, which will have continuing jurisdiction pursuant

1 to California Code of Civil Procedure § 664.6 over the terms and conditions of this Settlement until
2 all payments and obligations contemplated by this Settlement have been fully carried out. Prior to
3 presenting any issue to the Court, counsel for the Parties will confer in good faith to resolve the
4 dispute without the necessity of Court intervention.

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

10 **ATTORNEY'S FEES AND COSTS**

11 67. In consideration for settlement of the Action and the Release described in Paragraph
12 77 and its subparts herein, Defendant will not object to Class Counsel's application to the Court for
13 attorney's fees not to exceed 33.33% of the Gross Settlement Amount (\$163,317.00 of
14 \$490,000.00) and litigation costs not to exceed \$15,000.00. The amounts set forth above will cover
15 all work performed and all fees and costs incurred by Class Counsel to date, and all work to be
16 performed and all fees and costs to be incurred by Class Counsel in connection with the approval
17 by the Court of this Settlement and administration of the Settlement.

18 (a) Class Counsel will submit an application for attorneys' fees and litigation costs
19 to the Court for approval prior to the date of the hearing for final approval of the
20 Settlement. The ultimate amount of any award for attorneys' fees and litigation
21 costs is to be determined by the Court, and Defendant is not agreeing to pay any
22 specific amount(s) other than the amount(s) awarded by the Court. The
23 Settlement Administrator (and not the Defendant) shall issue an IRS Form 1099
24 to Class Counsel reflecting the awarded attorneys' fees and costs.

25 (b) Should Class Counsel request a lesser amount and/or the Court approve a lesser
26 amount(s) of attorney's fees and/or litigation costs, the difference between the
27 lesser amount(s) and the maximum amount of \$163,317.00 for attorneys' fees
28 and \$15,000.00 for litigation costs shall be added to the Net Settlement Amount.

1 As with the Settlement Payments to the Settlement Class, the attorney's fees and
2 costs approved by the Court shall be paid to Class Counsel, within seven (7)
3 business days after Defendant deposits the Gross Settlement Amount into the
4 QSF.

5 (c) The Parties agree that, over and above the total amount of the attorneys' fees and
6 litigation costs awarded to Class Counsel by the Court, Plaintiff and Defendant
7 shall each bear his/its own fees and costs incurred by his/it or arising out of this
8 Action; the negotiation, execution, or implementation of this Settlement; and/or
9 the process of obtaining, administering or challenging any Preliminary Approval
10 Order, Final Approval, and/or Judgment. The Parties will not seek
11 reimbursement of any such fees and/or costs from any party to this Agreement or
12 any of the Released Parties.

13 (d) Any order, finding, ruling, holding or proceeding relating to any such applications
14 for attorneys' fees and litigation costs, or any separate appeal from any separate
15 order, finding, ruling, holding, or proceeding relating to them or reversal or
16 modification of them, shall not operate to terminate or cancel this Settlement. The
17 award of an attorneys' fees and costs award in the amounts sought is not a
18 material term of this Agreement and the award of any of these items at less than
19 requested by Class Counsel does not give rise to a basis to abrogate this
20 Agreement.

21 (e) In the event that the Court awards less than 33.33% of the Gross Settlement
22 Amount for attorney's fees, Class Counsel shall retain the right to appeal that
23 portion of any Final Approval Order and Judgment. While Class Counsel retains
24 the right to appeal any such reductions, such appeal will delay Defendant's
25 obligation to make all payments set forth in this Agreement. If, after the
26 exhaustion of any such appellate review, additional amounts not awarded to as
27 attorneys' fees and litigation costs and expenses shall be added to the Net
28 Settlement Amount to be distributed to Settlement Class Members.

(f) All claims for attorneys' fees and costs that Class Counsel, Plaintiff, the Settlement Class Members and the PAGA Employees may possess against Defendant have been compromised and resolved in this Settlement and shall not be affected by any appeal that Class Counsel may file.

(g) Class Counsel shall be solely responsible for the division and distribution of any and all Court-approved attorneys' fees and litigation costs between or among Class Counsel and any other attorney representing or claiming to represent Plaintiff, any other Class Member and/or any other PAGA Employee. Class Counsel agrees to release Defendant and the Released Parties from any responsibility for or liability arising out of or related to the division and distribution of any Court-approved attorneys' fees and litigation costs.

THE NOTICE PROCESS

68. A Notice in approximately the form attached hereto as Exhibit “A,” and as approved by the Court, shall be sent by the Settlement Administrator to the Class Members by first class mail. Any returned envelopes from this mailing with forwarding addresses will be utilized by the Settlement Administrator to forward the Notices to the Class.

(a) Within twenty-one (21) calendar days from the Preliminary Approval Date, Defendant shall provide to the Settlement Administrator in a readable Microsoft Office Excel spreadsheet the Class List and Data based on Defendant's payroll and other business records. The Class List and Data provided to the Settlement Administrator will not be provided to Class Counsel and it will remain confidential, it shall be used solely to administer the Settlement, and it will not be used or disclosed to anyone, except as required by applicable tax authorities, pursuant to Defendant's express written consent, or by order of the Court. The Settlement Administrator will run a check of the Class Members' addresses against those on file with the U.S. Postal Service's National Change of Address List; this check will be performed only once per Class Member by the Settlement Administrator.

(b) Within ten (10) calendar days after the Class List and Data is provided to the Settlement Administrator, the Settlement Administrator will mail the Notices to the Class Members by First Class United States mail.

(c) It will be conclusively presumed that if an envelope has not been returned within thirty (30) days of the mailing that the Class Member received the Notice.

(d) Notices returned to the Settlement Administrator as non-deliverable on or before the initial Response Deadline shall be resent to the forwarding address, if any, on the returned envelope. A returned Notice will be forwarded by the Settlement Administrator any time that a forwarding address is provided with the returned mail. If there is no forwarding address, the Settlement Administrator will do a computer search for a new address using the Class Member's social security number or other information. In any instance where a Notice is re-mailed, that Class Member will have until the extended Response Deadline as described in Paragraph 41 herein. A letter prepared by the Settlement Administrator will be included in the re-mailed Notice in that instance, stating the extended Response Deadline. Upon completion of these steps by the Settlement Administrator, Defendant and the Settlement Administrator shall be deemed to have satisfied their obligations to provide the Notice to the affected Class Member. The affected Class Member shall remain a member of the Settlement Class and shall be bound by all the terms of the Settlement and the Court's Order and Final Judgment.

(e) Class Counsel shall provide to the Court, a declaration by the Settlement Administrator of due diligence, number of exclusions, objections, disputes, and confirming mailing of the Notices attached with the motion for final approval.

DISPOSITION OF SETTLEMENT PAYMENTS AND UNCASHED CHECKS

69. Upon receipt of Gross Settlement Amount from Defendant, the Settlement Administrator will issue and send out the Settlement Payment checks to the Class Members as provided herein. Settlement Class Payments and PAGA Payments may be combined into one check.

1 Settlement Payment checks shall remain valid and negotiable for 180 calendar days from the date
2 of their issuance. Settlement Payment checks will automatically be cancelled by the Settlement
3 Administrator if they are not cashed, deposited or otherwise negotiated by the Class Member within
4 that time. Settlement Payment checks which have expired will not be reissued. In the event that any
5 settlement check is returned to the Settlement Administrator within 180 days of mailing, the
6 Settlement Administrator will, within five (5) business days of receipt of the returned settlement
7 check, perform a skip trace to locate the individual. If a new address is located by these means, the
8 Administrator will have ten (10) business days to re-issue the check. The Settlement Administrator
9 shall provide notice to Class Counsel and Defendant's Counsel of any settlement checks remaining
10 un-cashed for more than 180 calendar days. Neither Defendant, Defendant's Counsel, Class
11 Counsel, Plaintiff, nor the Settlement Administrator will have any liability for lost or stolen
12 settlement checks, forged signatures on settlement checks, or unauthorized negotiation of settlement
13 checks. Without limiting the foregoing, in the event a Settlement Class Member notifies the
14 Settlement Administrator that he/she/they believe that a settlement check has been lost or stolen, the
15 Settlement Administrator shall immediately stop payment on such check. If the check in question
16 has not been negotiated prior to the stop payment order, the Settlement Administrator will issue a
17 replacement check.

18 70. Funds from un-cashed or abandoned Settlement Payment checks, based on a 180-
19 day void date, shall be transmitted to the California State Controller's Office pursuant to California's
20 Unclaimed Property Law in the name of each Class Member who failed to cash their Settlement
21 Payment, which would permit any such Class Members to claim their checks at a later date.

22 71. Upon completion of its calculation of Settlement Payments, the Settlement
23 Administrator shall provide Class Counsel and Defendant's Counsel with a report listing the
24 amounts of all payments to be made to Class Members (to be identified anonymously by employee
25 number or other identifier). A declaration attesting to completion of all payment obligations will be
26 provided to Class Counsel and Defendant's Counsel and filed with the Court by Class Counsel.

27 72. No person shall have any claim against Defendant, Defendant's Counsel, Plaintiff,
28 Class Counsel, or the Settlement Administrator based on mailings, distributions, payments, or

reports made in accordance with or pursuant to this Agreement. This provision does not, however, prevent a Party from seeking enforcement of this Agreement.

RELEASE BY CLASS REPRESENTATIVE

73. In addition to Class Representative's release of the Released Class Claims and Released PAGA Claims, as discussed in Paragraph 77 herein, Class Representative does hereby forever completely release and discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, contracts, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including for back wages, statutory penalties, civil penalties, liquidated damages, exemplary damages, interest, attorneys' fees, and costs) of any nature whatsoever, from the beginning of time through the execution of this Agreement, whether known or unknown, suspected or unsuspected, concealed or hidden, including but not limited to all claims arising out of, based upon, or relating to Class Representative's employment with Defendant or the remuneration for or termination of such employment (collectively, the "Class Representative's Released Claims").

74. Class Representative expressly waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of the State of California and do so understanding and acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code of the State of California states:

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

75. Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of all parties, Class Representative, and Class Counsel expressly acknowledge that this Settlement Agreement is intended to include in its effect, without limitation, all claims that Class Representative knew of, as well as all claims that he does not know or suspect to exist in his favor against the Released Parties, or any of them, for the time period from

1 the beginning of time to the execution of this Settlement Agreement, and that this Settlement
2 Agreement contemplates the extinguishment of any such Class Representative's Released Claims.

3 76. Notwithstanding anything in this Agreement to the contrary, nothing contained
4 herein shall constitute a waiver or release by Class Representative of any claim for workers'
5 compensation benefits or any other claim which cannot be legally waived. Nothing in this
6 Agreement prohibits Class Representative from reporting possible violations of federal or state law
7 or regulation to the government, including but not limited to the EEOC, Department of Justice,
8 Securities and Exchange Commission, Congress, and any agency inspector general, or filing a
9 charge with or participating in an investigation or proceeding conducted by the EEOC or a
10 comparable state or local agency (collectively, any such activity shall be referred to as a
11 "Government Report").

12 **RELEASE BY THE CLASS**

13 77. The Parties agree that it is their intent that the terms set forth in this Agreement will
14 release any further attempt, by lawsuit, administrative claim or action, arbitration, demand, or other
15 action of any kind by each and all of the Settlement Class Members (including participation to any
16 extent in any class or collective action), to obtain a recovery arising out of each and all of the claims,
17 causes of action, demands, damages, penalties, and/or liabilities arising at any time during the Class
18 Period that were pled or which could have been pled based on the factual allegations contained in
19 the Complaint, as set forth in more detail in subparts (a) through (d) of this Paragraph 77 herein.
20 Upon the Effective Date of this Settlement, and except as to such rights or claims as may be created
21 by this Settlement, the Class Representative, the Class and each Class Member who has not
22 submitted a valid and timely Request for Exclusion as to Class Claims other than the PAGA Claims,
23 will release claims as follows:

24 (a) Release of Released Class Claims. Upon the Effective Date of this Settlement,
25 Plaintiff and each Settlement Class Member will forever completely release and
26 discharge the Released Parties from the Released Class Claims. Each Settlement
27 Class Member will be deemed to have made this Release as if by manually
28 signing it. The Notice will advise all Settlement Class Members of the binding

1 nature of this Release and such Notice shall have the same force and effect as if
2 the Agreement were executed by each Settlement Class Member. This
3 Agreement may be pleaded by any Released Party as a full and complete defense
4 to and may be used as the basis for an injunction against, any action, suit, or other
5 proceeding that has been or may be instituted, prosecuted, or attempted, asserting
6 any Released Class Claim.

7 (b) Release of Released PAGA Claims. Upon the Effective Date of this Settlement,
8 Plaintiff, the LWDA, and each PAGA Employee will forever completely release
9 and discharge the Released Parties from the Released PAGA Claims. Each
10 PAGA Employee and the LWDA will be deemed to have made this Release as
11 if by manually signing it. The Notice will advise all PAGA Employees of the
12 binding nature of this Release and such Notice shall have the same force and
13 effect as if the Agreement were executed by each PAGA Employee. This
14 Agreement may be pleaded by any Released Party as a full and complete defense
15 to and may be used as the basis for an injunction against, any action, suit, or other
16 proceeding that has been or may be instituted, prosecuted, or attempted, asserting
17 any Released PAGA Claim.

18 (c) Binding Effect on Settlement Class Members. Except for those Class Members
19 who timely submit a Request for Exclusion as set forth in Paragraph 62(w) herein,
20 all Class Members will: (i) be deemed to be Settlement Class Members for all
21 purposes under this Agreement; (ii) will be bound by the terms and conditions of
22 this Agreement, the Judgment, and the Release set forth herein, regardless of
23 whether they cash, deposit or negotiate their settlement checks within the 180-
24 day period; and (iii) except as otherwise provided herein, will be deemed to have
25 waived all objections and oppositions to the fairness, reasonableness, and
26 adequacy of the Settlement.

27 (d) Binding Effect on PAGA Employees and the LWDA. The PAGA Released
28 Claims are released by Class Representative in his representative capacity as

1 authorized proxy and agent for the State of California and the LWDA and as a
2 private attorney general “aggrieved employee” acting on behalf of himself and
3 all PAGA Employees. The Release of PAGA Released Claims will therefore be
4 binding upon all PAGA Employees, regardless of whether they cash, deposit, or
5 negotiate their settlement checks within the 180-day period.

6 **EMPLOYMENT BY DEFENDANT**

7 78. Employment of Plaintiff by Defendant is not consideration for, or a condition of, this
8 Settlement.

9 **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

10 79. The Parties shall submit this Agreement to the Court in support of Plaintiff’s
11 unopposed motion for preliminary approval for determination by the Court as to its fairness,
12 adequacy, and reasonableness. Upon execution of this Agreement, Plaintiff shall apply to the Court
13 for the entry of an order:

- 14 (a) Scheduling a final approval and fairness hearing on the question of whether the
15 proposed Settlement, including payment of attorney’s fees and costs, and the
16 Class Representative’s Service Payment, should be finally approved as fair,
17 reasonable, and adequate as to the members of the Class;
18 (b) Certifying a Class for purposes of the Settlement only;
19 (c) Approving as to form and content the proposed Notice;
20 (d) Directing the mailing of the Notice;
21 (e) Preliminarily approving the Settlement subject only to the objections of Class
22 Members and final review by the Court;
23 (f) Conditionally appointing Plaintiff and Class Counsel as representatives of the
24 proposed Class Members; and,
25 (g) Appointing Phoenix Settlement Administrators as the Settlement Administrator,
26 and order the Settlement Administrator to issue Notices as outlined above.

27 80. Defendant shall not oppose Plaintiff’s motions for preliminary approval and final
28 approval of the Settlement so long as the motions and supporting papers are consistent with the terms

1 of the Settlement Agreement. Class Counsel shall provide Defendant with five (5) business days to
2 review, and provide comments to the motions for preliminary and final approval and proposed
3 orders before they are filed with the Court.

4 81. In accordance with section 2699(1)(2) of the California Labor Code, Plaintiff shall
5 provide a copy of this Settlement Agreement to the LWDA on or before the date Plaintiff files his
6 motion for preliminary approval of this Settlement with the Court.

7 82. In the event the Court declines, on its first hearing, to approve this Agreement because
8 the PAGA Allocation is not adequate, then the Parties shall cooperate in good faith to reallocate the
9 total settlement proceeds, within the Gross Settlement Amount, to try to achieve Final Approval of
10 the Agreement upon any subsequent Court hearings.

11 **DUTIES OF THE PARTIES FOLLOWING FINAL COURT APPROVAL**

12 83. In conjunction with the hearing of a motion for final approval by the Court of the
13 Settlement provided for in this Joint Stipulation of Settlement, Class Counsel will provide to
14 Defendant's Counsel for review and approval and then submit to the Court a proposed final order
15 and judgment containing provisions sufficient to accomplish the following:

- 16 (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable and
17 adequate, and directing consummation of its terms and provisions;
- 18 (b) Approving Class Counsel's application to the Court for an award of attorney's
19 fees and costs;
- 20 (c) Approving the Service Payment to the Class Representative;
- 21 (d) Adjudging the Settlement Administrator has fulfilled its initial notice and
22 reporting duties under the Settlement.
- 23 (e) Adjudging Plaintiff and Class Counsel may adequately represent the Final
24 Settlement Class for the purpose of entering into and implementing the
25 Agreement;
- 26 (f) Entering a final judgment in the action, thereby permanently barring all
27 Settlement Class Members from prosecuting any Released Class Claims against
28 any of the Released Parties and permanently barring all PAGA Employees and

1 the LWDA from prosecuting any Released PAGA Claims against any of the
2 Released Parties;

3 (g) Adjudging that notwithstanding the submission of any timely Requests for
4 Exclusion, Class Members are still bound by the Settlement and Release of the
5 Released PAGA Claims or remedies under the Judgment pursuant to *Arias v.*
6 *Superior Court*, 46 Cal. 4th 969 (2009), as requests to be excluded from the
7 Settlement do not apply to the Released PAGA Claims, and further affirms that
8 the State's claims for civil penalties pursuant to PAGA are also extinguished;

9 (h) Directing the mailing of the final judgment directly to the Settlement Class
10 Members along with their payments. Any revised final judgments will also be
11 provided to Defendant's Counsel for review and approval before they are
12 submitted to the Court.

13 84. In accordance with section 2699(1)(3) of the California Labor Code, Plaintiff shall
14 provide to the LWDA a copy of the Final Approval Order and Judgment entered by the Court in this
15 action within ten calendar (10) days after entry of the Final Approval Order and Judgment.

16 **NULLIFICATION AND TERMINATION**

17 85. This Settlement will be null and void if any of the following occur: (a) the Court
18 should for any reason fail to certify a class for settlement purposes; (b) the Court should for any
19 reason fail to preliminarily or finally approve of this Settlement in the form agreed to by the Parties,
20 other than adjustments made to the attorney's fees and costs or granting of Service Payments; (c) the
21 Court should for any reason fail to enter the final judgment; (d) the final judgment is reversed,
22 modified, or declared or rendered void; or (e) the Effective Date does not occur for any reason.

23 86. At Defendant's sole discretion, it shall have the right to withdraw from or rescind the
24 Settlement Agreement at any time prior to Final Approval if: (a) 10% or more of all Class Members
25 submit valid and timely Requests for Exclusion, provided that Defendant exercises this right of
26 rescission, in writing, to Plaintiff's counsel within fifteen (15) calendar days after Response Deadline
27 and the Settlement Administrator notifies the Parties of the total number of Requests for Exclusion;
28 or (b) the Settlement is construed by the Court in such a fashion that Defendant would be required

1 to pay more than the Gross Settlement Amount absent the escalation clause being invoked. The
2 Parties will have the discretion to withdraw from or rescind the Settlement Agreement at any time
3 prior to Final Approval if: (a) the Court does not approve the Settlement; (b) the Court does not
4 certify the Settlement Class, does not certify a class releasing the claims set forth herein, or otherwise
5 makes an order inconsistent with any of the terms of the Settlement Agreement; (c) any Party or
6 their counsel breach any term in the Settlement Agreement, or (d) the LWDA or any other state or
7 governmental agency seeks to intervene or commences an enforcement action. If this option is
8 exercised by Defendant, Defendant shall be solely responsible for the costs incurred by the
9 Settlement Administrator for the settlement administration.

10 87. The Parties enter into this Agreement on a conditional basis. If the Court does not
11 enter the Final Approval Order and Judgment or the Effective Date does not occur, this Agreement
12 shall be deemed null and void *ab initio*, and shall be of no force or effect whatsoever, the Parties
13 shall be returned to their respective positions as if no settlement had been contemplated, and no party
14 may use the fact that the Parties agreed to settle, or the terms provided herein as an admission, as
15 evidence, or for any other purpose, including, without limitation, to prove any liability or the amount
16 of any sum allegedly owed by any party.

17 88. In the event this Settlement is nullified or terminated as provided above: (i) this
18 Settlement shall be considered null and void, (ii) neither this Settlement nor any of the related
19 negotiations or proceedings shall have any force or effect and no party shall be bound by any of its
20 terms, and (iii) all Parties to this Settlement shall stand in the same position, without prejudice, as if
21 the Settlement had been neither entered into nor filed with the Court. Plaintiff and Class Counsel
22 agree that Defendant retains and reserves all rights to challenge all causes of action alleged in the
23 Action upon all procedural and factual grounds, as well as asserting any and all other potential
24 defenses and/or privileges.

25 89. If the Settlement is voided or fails for any reason, Plaintiff and Defendant will have
26 no further obligations under the Settlement, including any obligation by Defendant to pay the Gross
27 Settlement Amount, or any amounts that otherwise would have been owed under this Settlement.

28 90. If the Settlement is voided or fails for any reason, any costs incurred by the Settlement

1 Administrator shall be borne equally by Defendant and Plaintiff, unless otherwise specified in this
2 Agreement.

3 **PARTIES' AUTHORITY AND WAIVER**

4 91. The signatories hereto hereby represent that they are fully authorized to enter into this
5 Settlement and bind the Parties hereto to the terms and conditions thereof.

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

8 **WAIVER OF APPEALS**

9 93. The Parties agree to waive appeals and to stipulate to class certification for purposes
10 of implementing this Settlement only, with the exception that Class Counsel retains the right to
11 appeal the amount awarded as attorney's fees in the event that the Court awards less than 33.33% of
12 the Gross Settlement Amount as attorney's fees. Subject to the Preliminary Approval Order and
13 Final Approval, Plaintiff and all Class Members, except those Class Members who timely and
14 properly intervene or file a motion to vacate the Judgment, expressly waive the right to appeal.

15 **NO ADMISSION OF LIABILITY**

16 94. Nothing contained herein, nor the consummation of this Settlement, is to be
17 construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of
18 Defendant. Defendant denies each and all of the claims and contentions alleged by the Plaintiff in
19 the Action. The Defendant has entered into this Settlement solely with the intention to avoid further
20 disputes and litigation with the attendant inconvenience and expenses.

21 95. Whether or not the Court grants Final Approval, nothing contained herein, nor the
22 consummation of this Agreement, is to be construed or deemed an admission of liability, culpability,
23 negligence, or wrongdoing whatsoever on the part of Defendant or any of the other Released Parties.
24 This Settlement Agreement is a settlement document, and it, along with all related documents such
25 as the notices, and motions for preliminary and final approval, shall, pursuant to California Evidence
26 Code section 1152 and/or Federal Rule of Evidence 408, be inadmissible in evidence in any
27 proceeding, except an action or proceeding to approve the Settlement, and/or interpret or enforce
28 this Settlement Agreement. The stipulation for class certification as part of this Settlement

1 Agreement is for settlement purposes only and if, for any reason the Settlement is not approved, the
2 stipulation will be of no force or effect.

3 **MUTUAL FULL COOPERATION**

4 96. The Parties agree to fully cooperate with each other to promote participation in the
5 Settlement and accomplish the terms of this Settlement including, but not limited to, execution of
6 such documents and taking such other action as reasonably may be necessary to implement the terms
7 of this Settlement. The Parties and their counsel agree: (a) not to take any action to solicit or
8 encourage any Class Members to opt out of and/or object to the Settlement, and (b) not to discourage
9 any Class Members from cashing, depositing or otherwise negotiating their Settlement Payment
10 checks. The Parties will fully support this Agreement's approval and enforcement and will defend
11 the Agreement from any legal challenge.

12 97. The Parties to this Settlement shall use their best efforts, including all efforts
13 contemplated by this Settlement and any other efforts that may become necessary by order of the
14 Court, or otherwise, to effectuate this Settlement and the terms set forth herein. As soon as
15 practicable after execution of this Settlement, Class Counsel shall, with the assistance and
16 cooperation of Defendant and Defendant's Counsel, take all necessary steps to secure the Court's
17 preliminary and final approval of this Settlement.

18 **NO PRIOR ASSIGNMENTS**

19 98. The Parties and their respective counsel represent, covenant, and warrant that they
20 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer,
21 or encumber to any person or entity any portion of any liability, claim, demand, action, cause of
22 action or rights herein released and discharged.

23 **ENFORCEMENT ACTIONS**

24 99. In the event that one or more of the Parties to this Settlement institutes any legal action
25 or other proceeding against any other party or parties to enforce the provisions of this Settlement or
26 to declare rights and/or obligations under this Settlement, the successful party or parties shall be
27 entitled to recover from the unsuccessful party or parties reasonable attorney's fees and costs,
28 including expert witness fees incurred in connection with any enforcement actions.

1 **NOTICES**

2 100. Unless otherwise specifically provided herein, all notices, demands or other
3 communications given hereunder shall be in writing and shall be deemed to have been duly given
4 as of the third business day after mailing by United States registered or certified mail, return receipt
5 requested, addressed as follows:

6 Class Counsel:

7 SCHNEIDER WALLACE
8 COTTRELL KONECKY LLP
9 Carolyn H. Cottrell (SBN 166977)
10 Esther L. Bylsma (SBN 264208)
11 Sandra Acosta Tello (SBN 315616)
12 300 S. Grand Ave., Suite 2700
13 Los Angeles, California 90017
14 Telephone: (415) 421-7100
15 Facsimile: (415) 421-7105

Counsel for Defendant:

SHOOK, HARDY & BACON LLP
Mark C. Tatum (SBN 295457)
Laura M. Booth (SBN 179857)
5 Park Plaza, Suite 1600
Irvine, California 92614
Telephone: (949) 475-1500
Facsimile: (949) 475-0016

12 W EMPLOYMENT LAW GROUP,
13 APC
14 Jacob N. Whitehead (SBN 266123)
15 7700 Irvine Center Drive, Suite 930
Irvine, California 92618
Telephone: (949) 674-4922

16 **CONSTRUCTION**

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

24 **CAPTIONS AND INTERPRETATIONS**

25 102. Paragraph titles or captions contained herein are inserted as a matter of convenience
26 and for reference, and in no way define, limit, extend, or describe the scope of this Settlement or any
27 provision hereof. Each term of this Settlement is contractual and not merely a recital.
28

1 **MODIFICATION**

2 103. This Settlement may not be changed, altered, or modified, except in writing and
3 signed by the Parties hereto, and approved by the Court. This Settlement may not be discharged
4 except by performance in accordance with its terms or by a writing signed by the Parties hereto.

5 **INTEGRATION CLAUSE**

6 104. This Settlement contains the entire agreement between the Parties relating to the
7 Settlement and transaction contemplated hereby, and all prior or contemporaneous agreements,
8 understandings, representations, and statements, whether oral or written and whether by a party or
9 such party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

10 **NO KNOWLEDGE OF RELATED CASES**

11 105. Neither the Parties nor their counsel are aware of any potentially related cases, or
12 cases with partially or completely overlapping class definitions.

13 **BINDING ON ASSIGNS**

14 106. This Settlement shall be binding upon and inure to the benefit of the Parties hereto
15 and their respective spouses, domestic partners, marital community, children, estates, trusts,
16 attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees,
17 conservators, guardians, assigns, and representatives.

18 **CLASS COUNSEL SIGNATORIES**

19 107. It is agreed that because the members of the Class are so numerous, it is impossible
20 or impractical to have each member of the Class execute this Settlement. The Notice will advise all
21 Class Members of the binding nature of the Released Class Claims and Released PAGA Claims,
22 and the release shall have the same force and effect as if this Settlement were executed by each
23 member of the Class.

24 **COUNTERPARTS**

25 108. This Settlement may be executed in counterparts and by electronic or facsimile
26 signatures, and when each party has signed and delivered at least one such counterpart, each
27 counterpart shall be deemed an original, and, when taken together with other signed counterparts,
28 shall constitute one Settlement, which shall be binding upon and effective as to all Parties. Electronic

signatures shall have the same force and effect as an original.

CONFIDENTIALITY & PUBLIC COMMENT

109. Neither Plaintiff nor his counsel shall issue any press release or announcement of any kind related in any way to the Settlement. Plaintiff and his counsel further agree that, prior to filing the motion for preliminary approval of the Settlement, they will keep the terms of this Settlement confidential. From and after the filing of the motion for preliminary approval of the Settlement, Plaintiff and his counsel may: (1) as required by law; (2) as required under the terms of the Settlement, or (3) as required under counsel's duties and responsibilities as Class Counsel, comment regarding the specific terms of the Settlement. In all other cases, Plaintiff and his counsel agree to limit their statements regarding the terms of the Settlement, whether oral, written or electronic (including the world wide web), to say the Action has been resolved and that Plaintiff and his counsel are satisfied with the Settlement terms. Nothing in this Paragraph 103 is intended to interfere with: (i) Plaintiff from discussing this settlement with his spouse, attorneys, or tax advisors; (ii) Plaintiff's Counsel from citing the Settlement as evidence supporting their competence as counsel in representative wage/hour and/or class action matters in public court filings; or (iii) Plaintiff's counsel's duties and obligations to faithfully discharge their duties as Class Counsel, including but not limited to, communicating with the Settlement Class Members, the LWDA, or the Court regarding the Settlement.

FINAL JUDGMENT

110. The Parties agree that, upon final approval of the Settlement, final judgment of this Action will be made and entered in its entirety. The final judgment may be included in the Order granting Final Approval of the Settlement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Representative Settlement Agreement and Release of Claims between Plaintiff and Defendant as set forth below:

IT IS SO STIPULATED.

Plaintiff & Class Representative:

1 Dated: 05 / 17 / 2024

2 By: 
MATTHEW MOREL

3 Defendant:

4 Dated:

HNTB CORPORATION

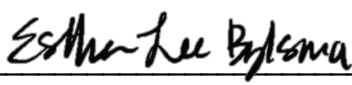
6 By:

Name/Title

8 Signature

10 APPROVED AS TO FORM:

12 Dated: May 17, 2024



SCHNEIDER WALLACE COTTRELL
KONECKY LLP

Carolyn H. Cottrell

Esther L. Bylsma

Sandra Acosta Tello

Attorneys for Plaintiff and the Class

18 Dated: May 17, 2024


W EMPLOYMENT LAW GROUP, APC

Jacob N. Whitehead

Attorneys for Plaintiff and the Class

22 Dated:

SHOOK, HARDY & BACON L.L.P.

Mark C. Tatum

Laura M. Booth

Attorneys for Defendant

1 Dated: 05 / 17 / 2024

2

By: 
MATTHEW MOREL

3 **Defendant:**

4

5 Dated: May 27, 2024

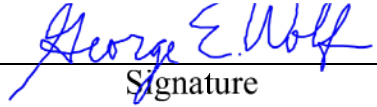
HNTB CORPORATION

6

By: George E. Wolf, SVP & General Counsel
Name/Title

7

8


Signature

9

10

11 **APPROVED AS TO FORM:**

12

13 Dated: May 17, 2024

14


SCHNEIDER WALLACE COTTRELL
KONECKY LLP
Carolyn H. Cottrell
Esther L. Bylsma
Sandra Acosta Tello
Attorneys for Plaintiff and the Class

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18

19

20 Dated: _____

21

W EMPLOYMENT LAW GROUP, APC
Jacob N. Whitehead
Attorneys for Plaintiff and the Class

22

23

24

25 Dated: May 23, 2024

26


SHOOK, HARDY & BACON L.L.P.
Mark C. Tatum
Laura M. Booth
Attorneys for Defendant

27

28