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Attorneys for Plaintiffs PRISCILLA AGUILAR, JULIAN HARO, JUAN MADERA, and
RICHARD NUNEZ on behalf of themselves and all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

PRISCILLA AGUILAR, JULIAN HARO,
JUAN MADERA, and RICHARD NUNEZ, on
behalf of themselves and all others similarly
situated,

Plaintiffs,

v.

OWENS-BROCKWAY GLASS CONTAINER,
INC., a Delaware Corporation, and DOES 1-50,
inclusive,

Defendants.

Case No. 21STCV33017

Assigned for All Purposes:
Hon. Yvette M. Palazuelos

**DECLARATION OF JAMES R. HAWKINS
IN SUPPORT OF PLAINTIFFS' MOTION
FOR PRELIMINARY APPROVAL OF
CLASS AND PAGA ACTION
SETTLEMENT**

Hearing Information

Date: August 24, 2023
Time: 10:00 a.m.
Dept: 9

Complaint Filed: September 8, 2021
Trial Date: None set

1 I, James R. Hawkins, state and declare:

2 1. I am an attorney at law licensed to practice before all courts of the State of
3 California. I am the founding partner of James Hawkins, APLC. My law firm is the attorney of
4 record for Plaintiffs Priscilla Aguilar, Julian Haro, Juan Madera, and Richard Nunez ("Plaintiffs").
5 I am thoroughly familiar with and have personal knowledge of all of the facts set forth herein. If
6 called as a witness, I could and would competently testify thereto.

7 2. I submit this declaration in support of Plaintiffs' Motion for Preliminary Approval
8 of Class and PAGA Action Settlement which seeks primarily: (1) the granting of preliminary
9 approval of the proposed Settlement; (2) the provisional certification of the proposed Class for
10 settlement purposes only; (3) the approval of the distribution of the class notice; (4) the
11 appointment of James R. Hawkins, Christina M. Lucio, and Mitchell J. Murray of James Hawkins,
12 APLC as Class Counsel, Plaintiffs as class representatives, and CPT Group, Inc. as the Settlement
13 Administrator; and (5) the setting of a final approval hearing and hearing on Class Counsel's fees
14 and costs and class representative service payment request.

15 3. A true and correct copy of the Joint Stipulation of Class and PAGA Action
16 Settlement (the "Settlement Agreement") including the proposed Notice of Class Action Settlement
17 ("Class Notice"), is attached to the Settlement Agreement as **Exhibit 1¹**.

18 **CLASS COUNSEL'S CLASS ACTION EXPERIENCE**

19 4. In 1993, I graduated from the University of California, Los Angeles with a Bachelor
20 of Arts Degree. Following graduation, I attended Whittier Law School. In 1996, while a full-time
21 law student, I was also a full-time Judicial Extern for the Honorable Consuelo B. Marshall, United
22 States District Court, Central District. After approximately five months of service for Judge
23 Marshall, I became a full-time extern for the United States Attorney's Office, Central District of
24 California. My externship lasted for approximately five months. Thereafter, in 1997, I graduated
25 from Whittier Law School. The same year, I was admitted to practice law in the State of California.

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27 _____
28 ¹ Plaintiff will file the fully executed Settlement Agreement prior to the hearing on the Motion for Preliminary Approval.

1 5. From 1997 to 2007, I was a named partner at Hawkins & Sofonio, a law firm based
2 out of Irvine, California. At Hawkins & Sofonio, I pioneered the employment department litigating
3 plaintiff related employment issues such as: Wrongful Termination, Age Discrimination,
4 Disability, Wage and Hour and Sexual Harassment claims. Through the success and experience I
5 obtained litigating employment related matters, I commenced litigating Wage and Hour Class
6 Actions in 2002. Since then, I have spent the vast majority of my practice litigating Wage and
7 Hour Class Actions.

8 6. In 2007, I incorporated my wage and hour class action practice as James Hawkins,
9 APLC. Since its inception, this law firm has been exclusively involved in class action and complex
10 litigation. In 2009, I opened an additional office in Miami, Florida, prosecuting wage and hour
11 class actions. Since 2002, I have been lead or co-lead counsel in all of the cases listed in below.

12 7. Although not an all-inclusive list, the following cases sets forth many of the class
13 actions which I have handled as lead and/or co-lead counsel over the years: *Mojica v. Compass*
14 *Group, Inc., et. al.* USDC Central District, Case No. 8:13-cv-01754; *Dao v. 3M Company, et al.*
15 USDC, Central District, Case No. CV-08-04554; *Ortiz v. Kmart*, USDC, Central District, Case No.
16 SACV 06-638 ODW; *Morgan v. Aramark Campus, LLC*, USDC, Central District, Case No.
17 SACV08-00412; *West v Iron Mountain Information Management, Inc, et. Al*, Los Angeles County
18 Superior Court, Case No. BC393709; *Gonzalez v. Superior Industries International, Inc., et al.*,
19 Los Angeles County Superior Court, Case No. BC 357912; *Acosta v. Fleetwood Travel Trailers*
20 *of California, Inc., et al.*, Riverside County Superior Court, Case No. RIC 440630; *Walker v.*
21 *Sharkeez, et al.*, Orange County Superior Court, Case No. 05CC00293; *Padron v. Universal*
22 *Protection Service, et al.*, Orange County Superior Court, Case No. 05CC00013; *Martinez v.*
23 *Securitas Security Services USA, et al.*, Santa Clara Superior Court, Case No. 105-CV047499, et
24 al. J.C.C.P. No. 4460; *Velasquez-Lopez v. Hotel Cleaning Services, Inc. et al.*, Riverside Superior
25 Court, Case No. RIC 420909; *Ruiz, et al. v. Unisourse Worldwide, Inc., et al.*, USDC, Central
26 District, Case No. CV09-05848; *Herrador v. Culligan International Company, et al.*, USDC,
27 Central District, Case No. SACV 08-680; *Defries v. Domain Restaurants, et al.*, Orange County
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1 Superior Court, Case No. 05CC00128; *Denton v. BLB Enterprises, Inc., et al.*, Orange County
2 Superior Court, Case No. 07CC01292; *Rios v. Sandberg Furniture Manufacturing Co., Inc, et al.*,
3 Los Angeles Superior Court, Case No. BC411477; *McMurray v. Dave and Busters, Inc., et al.*,
4 Orange County Superior Court, Case No. 06CC00099; *Osuna v. DFG Restaurants, Inc., et al.*, Los
5 Angeles Superior Court, Case No. BC 330145; *Burns v. Gymboree Operations, Inc., et al.*, San
6 Francisco Superior Court, Case No. CGC-07-461612; *Willems v. Diedrich Coffee, Inc., et al.*,
7 Orange County Superior Court, Case No. 07CC00015; *Davila, et al. v. Beckman Coulter, Inc., et*
8 *al.*, Orange County Superior Court, Case No. 07CC01347; *Perez v. Naked Juice Company of*
9 *Glendora, Inc.*, Los Angeles Superior Court, Case No. BC387088; Coordination Proceeding
10 Special Title [Rule 1550(b)] *Wackenhut Wage and Hour Cases*, Los Angeles Superior Court, Case
11 No. JCCP 4545; *Placencia v. Amcor Packaging Distribution, Inc.*, Orange County Superior Court,
12 Case No. 30-2013-00694012-CU-OE-CXC; *Trani v. Lisi Aerospace, et al.*, Los Angeles Superior
13 Court, Case No. BC495527; *Galvan v. Goodwin Co.*, Orange County Superior Court, Case No. 30-
14 2013-00637062-CU-OE-CXC; *Reyes v. Bristol Fiberlite*, Orange County Superior Court, Case No.
15 30-2013-00653425-CU-OE-CXC; *Gutierrez v. HMT Tank*, USDC Central Dist., Case No. CV14-
16 1967-CAS(MANx); *Williams v. Il Fornaio America Corp.*, Sacramento County, Case No. 34-
17 2011-0009616; *Aguilar v. 7-Eleven, Inc.*, Orange County, Case No. 30-2009-002687141-CU-OE-
18 CXC; *Madrigal v. Huntington Beach Market Broiler, Inc.*, Orange County, Case No. 30-2012-
19 00611260; *Vang v. Jazz Semiconductor, Inc.*, Orange County, Case no. 30-2011-00460278; *Cano*
20 *v. Financial Statement Services, Inc.*, Orange County, Case No. 30-2013-00653349-CU-OE-CXC;
21 *Gonzalez v. Quality Aluminum Force, LLC*, Orange County, Case No. 30-2015-00817941-CU-OE-
22 CXC; *Smith v. Space Exploration Technologies Corp.*, Los Angeles County Case No. BC554258;
23 *Madrigal v. Balda C Brewer, Inc.*, 30-2015-00820218-CU-OE-CXC.

24 8. Based on our experience, we consider ourselves experienced and qualified to
25 evaluate the claims and viability of the defenses. Based on the history of this case and given our
26 firm's extensive experience as class and representative action employment and wage and hour
27 litigators, it is our view that the settlement is fair, reasonable, and adequate, and in the best
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1 interest of the State of California and aggrieved employees.

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3 **CASE BACKGROUND AND PROCEDURAL HISTORY**

4 9. Plaintiffs retained our firm to pursue wage and hour claims on behalf of themselves
5 and all other similarly situated employees of Defendant.

6 10. In September 2021, Plaintiffs submitted a letter to the California Labor Workforce
7 Development Agency (“LWDA”) alleging that they, and similarly-situated hourly and on-exempt
8 workers employed by Defendant, were denied minimum and overtime wages, were denied pay for
9 rest and meal periods, were denied duty-free meal and rest breaks, were not reimbursed for business
10 expenses, were not provided accurate wage statements, and were not timely paid all wages owed.
11 Plaintiffs further alleged that Defendant failed to maintain accurate time and pay records.

12 11. On September 8, 2021, Plaintiffs filed a putative wage-and-hour class action lawsuit
13 against Defendant (the “ Class Complaint”). The Class Complaint alleges causes of action for: The
14 Complaint purports to allege ten claims for relief, including: (1) failure to pay minimum wages; (2)
15 failure to pay overtime; (3) failure to provide meal periods; (4) failure to authorize and permit rest
16 breaks; (5) failure to timely pay wages owed upon separation from employment; (6) failure to furnish
17 accurate itemized wage statements; (7) violation of the unfair competition law; and (8) failure to
18 reimburse necessary expenses.

19 12. Defendant filed an Answer to Plaintiff’s Complaint on December 2, 2021, generally
20 and specifically denying the allegations contained therein, and denying that they have, in whole or
21 in part, any liability to Plaintiffs; denying that a class is appropriate; denying that a class action is
22 appropriate; and denying that they have, in whole or in part, any liability to any other persons in the
23 alleged putative class. Thereafter, Defendant filed a Notice of Removal to the Central District of
24 California pursuant to 28 U.S.C. §§ 1441, 1446, and 1453, asserting jurisdiction under the Class
25 Action Fairness Act (“CAFA”), 28 U.S.C. §§ 1332(d).

26 13. In addition, after the LWDA declined to investigate on its own, on November 15,
27 2021, Plaintiffs filed a separate Private Attorneys General Act of 2004, Labor Code § 2698, et seq.

1 (“PAGA”) representative action lawsuit against Defendant (the “ PAGA Complaint”). The PAGA
2 Complaint contains Plaintiffs’ PAGA representative claims based on the same facts and occurrences
3 as the Class Complaint, but seeks civil penalties on behalf of all hourly, non-exempt employees
4 employed in California since September 11, 2020 (“PAGA Period”). Defendants filed an Answer to
5 Plaintiff’s Complaint on January 19, 2021, generally and specifically denying the allegations
6 contained therein, and denying that they have, in whole or in part, any liability to Plaintiff; denying
7 that a class is appropriate; denying that a representative action is appropriate; and denying that they
8 have, in whole or in part, any liability to any other persons in the alleged putative class or
9 representative group.

10 14. After service of the Complaint, Plaintiffs’ counsel engaged in pre-mediation
11 communication with counsel for Defendant. In preparation for mediation, Defendant provided
12 significant amounts of mediation data, which included a representative sampling of time and pay
13 data. Specifically, Defendant provided more than 1,600 pages of time and pay data, as well as
14 Plaintiffs’ personnel files, policies and procedures, and shift schedules.

15 15. After reviewing all of the data and information produced by Defendant, discussing
16 with Plaintiffs, our firm prepared a comprehensive mediation brief and damages analysis for
17 mediation purposes. Plaintiffs’ class action claims and damages derived from the following alleged
18 common policies and practices of Defendants:

- 19 a. Plaintiff and other class members are/were allegedly not compensated for all the time
20 they were suffered or permitted to work for Defendant at the minimum wage,
21 overtime rate and/or contractual rate of pay because Defendant allegedly has a
22 common policy and practice of not compensating for:
- 23 i. the time spent donning their PPE;
 - 24 ii. the time spent during pre-shift meetings;
 - 25 iii. the time spent waiting to clock in;
 - 26 iv. the actual hours worked but only the scheduled/rounded hours.
- 27 b. Defendant allegedly did not provide meal periods or authorized and permit rest
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periods because Defendant allegedly has a common policy and practice of:

- i. not recording meal periods times until approximately January 2021;
 - ii. prioritizing production standards over meal and rest breaks;
 - iii. no record of paying meal or rest period premiums prior to April 2021.
- c. Defendant allegedly had a common policy and practice that failed to maintain records of meal period times and provide itemized wage statements including premium wages for meal and rest period violations.
- d. Defendant allegedly had a common policy and practice that failed to reimburse them for all expenses including reimbursement for tools that had broken or worn out during reasonable use.
- e. Defendant allegedly had a common policy and practice that failed pay all wages due and owing upon separation of employment including meal and rest period premiums and minimum and overtime wages.

16. Plaintiffs estimated that employees averaged about fifteen minutes of unpaid time in a typical shift, including time spent donning and doffing their PPE and waiting in line to clock in using the hand scanners. Damages for unpaid off-the-clock time was projected at \$5,894,197. However, fifteen minutes per shift is likely high for several reasons, including that Defendants argued that its policies require employees to clock in *before* donning their PPE and clock out *after* doffing their PPE. In addition, Defendants argued that there were sufficient hand scanners and that any time spent waiting to clock in was de minimis. As such, Plaintiffs are informed and believe it reasonable, when taking into account Defendant' defenses, and other attendant risks, to calculate the relief that could reasonably be expected to be rewarded at trial to be \$1,020,573, or 15 minutes per workweek.

17. Plaintiffs also estimated that employees were underpaid about 36 minutes on average per pay period due to rounding. Plaintiffs contended that they were paid according to their scheduled times and not actual hours worked such that if they performed work before or after their scheduled shift, they were not compensated. Damages for rounding was projected at \$3,673,720. However, Defendants argued that they did not round employee time and that employees were paid according

1 to their time sheets and not the schedules such that they were paid for all time they were clocked in.
2 While Plaintiffs found some instances where employee time appeared to be rounded, there was most
3 widespread evidence of rounding.

4 18. Plaintiffs also contended that Defendant failed to provide meal periods. Specifically,
5 Plaintiffs argued that Defendant failed to record meal period times from September 2017 to
6 approximately January 2021. Accordingly, Plaintiffs estimated one unpaid meal period premium for
7 each shift over 5 hours and projected damages for unpaid meal period premiums to be \$12,696,477.
8 Plaintiff argued that the California Supreme Court recently affirmed Justice Werdegar's concurrence
9 in *Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.App.4th 1004 that time records showing
10 noncompliant meal periods raise a rebuttable presumption of meal period violations. *See Donohue*
11 *v. AMN Services, LLC* (SC S235677 2/25/21). However, Defendant argued that employees were
12 provided meal periods and indeed were paid for such meal periods according to the CBA. Moreover,
13 Defendants argued that the attestation data would satisfy any rebuttable presumption that meal
14 periods were not provided and that the burden would shift back to Plaintiffs to prove *why* a class
15 member did not take a meal period, which they cannot do on a class wide basis. In addition,
16 Defendant provided documentary evidence that it actually paid premiums for noncompliant meal
17 periods. Accordingly, Plaintiffs are informed and believe it reasonable, when taking into account
18 Defendant's defenses, and other attendant risks, to calculate the relief that could reasonably be
19 expected to awarded at trial to be \$4,082,294 (or approximately 1 meal period premium per
20 workweek), less any amounts of meal period premiums paid by Defendant.

21 19. Plaintiffs also contended that Defendant failed to provide rest breaks. Plaintiffs
22 argued that Defendant's scheduling practices and work demands cause employees to work through
23 or take late or short rest periods. Specifically, Plaintiffs alleged that they were required to finish
24 their production quotas prior to taking rest breaks and had to wait for coverage (i.e., relief) before
25 they could take a break. Assuming a 100% violation rate, which Plaintiffs would almost certainly
26 not be able to demonstrate, the estimated damages would be \$17,585,136, less the amount of rest
27 period premiums paid by Defendant. Defendant, however, argued that employees were authorized
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1 and permitted to take rest breaks, that they were scheduled, and that they paid premiums for missed
2 rest periods. Accordingly, Plaintiffs are informed and believe it reasonable, when taking into account
3 Defendant's defenses, and other attendant risks, to calculate the relief that could reasonably be
4 expected to awarded at trial to be \$4,082,294 (or approximately 1 rest period premium per
5 workweek), less any amounts of rest period premiums paid by Defendant.

6 20. Plaintiffs also contended that Defendant violated Labor Code § 226(a) by failing to
7 provide itemized wage statements based on the above alleged violations. Plaintiffs estimated the
8 section 226 penalties to be \$3,072,000. Defendant argued that it provided accurate itemized wage
9 statements and that any alleged violation of § 226(a) was not knowing and intentional and therefore
10 Plaintiffs were not entitled to penalties. Accordingly, Plaintiffs are informed and believe it
11 reasonable, when taking into account Defendant's defenses, and other attendant risks, to calculate
12 the relief that could reasonably be expected to awarded at trial to be \$156,600 (or \$50 per initial
13 violation plus \$100 for one subsequent violation).

14 21. Plaintiffs further contended that Defendant was liable for waiting time penalties under
15 Labor Code § 203 based on the above violations. Defendant strongly disputed that Plaintiffs were
16 entitled to waiting time penalties because there were no wages due and owing at the time of
17 separation. Defendant also argued that Plaintiffs lacked standing to pursue this claim because they
18 are current employees. Moreover, Defendant argued that to the extent any wages were owed, which
19 they dispute, any nonpayment was no knowing and intentional and therefore Plaintiffs would not be
20 entitled to waiting time penalties. Damages for the approximately 400 separated employees were
21 estimated to be \$2,929,927. However, Plaintiffs are informed and believe it reasonable, when taking
22 into account Defendant's defenses, and other attendant risks, to calculate the relief that could
23 reasonably be expected to awarded at trial to be \$292,992.70 (or 10% based on Court's discretion).

24 22. Finally, Plaintiff contended that Defendant failed to reimburse for necessary business
25 expenses, including but not limited to reimbursement for tools that had broken or worn out during
26 reasonable use. Defendant argued that it provided all necessary tools and equipment, including cell
27 phones. Plaintiffs are informed and believe it reasonable, when taking into account Defendant's
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1 defenses, and other attendant risks, to calculate the relief that could reasonably be expected to
2 awarded at trial to be \$104,400 (or \$100 average per employee).

3 23. Even if Plaintiffs' were to prevail on the merits of their claims, Defendant argued that
4 the claims are not amenable to class certification. Defendant contended that Plaintiffs are unqualified
5 to represent all class members because they are not typical as they worked in the maintenance
6 department which is not typical of the majority of the class. Moreover, Defendant contended that the
7 experiences of Class Members vary dramatically by location (Defendant operated three plants in
8 California), shift (rotating shift, graveyard shift, day shift, and swing shift), department, and position
9 and Plaintiffs only worked as maintenance mechanics which was a small subset of the overall class.

10 24. The Parties then attended a full day of mediation on January 12, 2023, with Paul
11 Grossman, Esq., of Paul Hastings LLP. The Parties agreed in principle to a settlement, as detailed
12 below, to resolve the putative class and representative action on these certain terms and conditions
13 to present to the Court for approval and LWDA for review, pursuant to California Rules of Court,
14 Rule 3.769 and Labor Code § 2698, et seq., in order to settle the putative class and representative
15 action and resolve their respective differences, controversies, and misunderstandings.

16 25. The Parties negotiated the full terms of the Joint Stipulation of Class Action
17 Settlement and Release of Claims (the "Settlement Agreement") at arm's length between January
18 12, 2023 and April 18, 2023. The Settlement Agreement constitutes the terms and conditions upon
19 which the Parties have agreed to settle, and for which they seek Court approval and provide notice
20 to the LWDA. The terms of the Settlement Agreement were reached only after extensive negotiations
21 consisting of numerous telephone conferences and e-mail exchanges between counsel for the Parties.

22 26. However, Defendant continues to vigorously deny Plaintiffs' class action claims and
23 allegations in the First Amended Consolidated Complaint. Defendant maintains the claims alleged
24 are not amenable to class certification or that the claims are manageable as a representative action.

25 27. The parties submitted a Notice of Settlement and Joint Stipulation on March 1, 2023,
26 informing this Court of the Settlement and to consolidate the Class Action and PAGA Action and to
27 file a First Amended Consolidated Complaint combining the allegations and causes of action in the
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1 Class Complaint and PAGA Complaint.

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3 **DISCOVERY AND INVESTIGATION OF PLAINTIFF'S CLASS ACTION CLAIMS**

4 28. Our firm conducted a thorough investigation into the merits of Plaintiffs' class
5 action claims prior to entering into the Settlement Agreement.

6 29. My office conducted several fact-finding interviews with Plaintiffs. We also
7 reviewed documents and record produced by Plaintiffs in support of their claims, and spent
8 significant time with them discussing the contents of these documents and their employment.

9 30. In addition, we requested Plaintiffs' employment files and spent significant time
10 reviewing their employment records, including their time and payroll records produced by
11 Defendant prior to the filing of the Complaint.

12 31. Plaintiffs and Defendant engaged in extensive pre-mediation communication.
13 Plaintiffs also engaged an expert to conduct a thorough payroll analysis utilizing the Defendant's
14 time and payroll data. In preparation for mediation, Defendant provided to Plaintiffs significant
15 amounts of mediation data, which included a representative sampling of time and pay data.
16 Specifically, Defendant provided more than 1,600 pages of time and pay data, as well as Plaintiffs'
17 personnel files, policies and procedures, and shift schedules. In addition, the Parties exchanged
18 mediation briefs prior to the mediation to share the Parties' respective positions on issues in the
19 case and to evaluate the strengths and weaknesses on both sides.

20 32. The Parties also exchanged initial disclosures and submitted a Rule 26(f) report
21 pursuant to Fed. R. Civ. P. 26(f).

22 33. We reviewed the data produced by Defendant; the time and pay records for
23 Plaintiffs; the policies and procedures; and other documents related to this litigation. Subsequently,
24 Plaintiffs' expert performed a comprehensive damage analysis to calculate the total alleged unpaid
25 wages for "off-the-clock" work and rounding, the total alleged unpaid overtime wages, the total
26 alleged number of meal and rest period violations, the total alleged amount of premiums, the total
27 alleged amount penalties for late payment of wages, the total alleged amount of liquidated damages
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1 for unpaid wages, and alleged PAGA civil penalties. Plaintiffs' counsel further investigated
2 Defendant's contentions and defenses, and considered the risks of no recovery, balanced by the
3 extensive analysis Plaintiffs' counsel had performed in valuing the case.

4 34. Our firm additionally investigated all of Defendant's contentions and potential
5 defenses, and considered the risks of no recovery, balanced by the extensive analysis we had
6 performed in valuing the case.

7 35. Our firm maintained the goal of achieving early settlement in this case by
8 reorienting a substantial proportion of resources to reviewing and analyzing all of the evidence in
9 support of Plaintiffs' claims, by researching the legal arguments in support, and by researching the
10 merits of Defendant's defenses. A significant amount of time was spent focused on preparing for
11 the mediation on this case.

12 36. I believe the information obtained and exchanged between the Parties was sufficient
13 for the parties to make an informed decision about the resolution of this case.

14 37. It was after months of negotiations, a full day mediation, and the review and
15 calculations and valuations of each claim by counsel for both Parties and the mediator, and after
16 consideration of all of the risks of continuing litigation, that the parties agreed to accept the
17 mediator's proposal of \$3,700,000 in settlement of all of the claims presented in the First Amended
18 Consolidated Complaint.

19 **THE CLASS ACTION N SETTLEMENT TERMS**

20 38. Plaintiffs now seeks preliminary approval of the Settlement Agreement (attached as
21 **Exhibit 1**).

22 **A. The Class**

23 39. The Class is defined as "all persons who are employed or have been employed by
24 Defendant in California as hourly-paid or non-exempt employees at any time during the time
25 period from March 8, 2017 through April 30, 2023." (Ex. 1, § 1.3). In addition, the PAGA
26 Members are defined as all Class Members who worked any time during the PAGA Period from
27 September 11, 2020 to April 30, 2023.

1 **B. Payment Terms**

2 40. The basic terms of the proposed Settlement Agreement are as follows:

- 3 a. Gross Settlement Amount: In full and complete settlement of the Actions, Defendant
- 4 will pay a total of \$3,700,000 as a Gross Settlement Amount (“GSA”) without refund
- 5 or revision. The GSA includes all payments to Plaintiffs and the Settlement Class
- 6 including wages, damages, and all other requests for relief alleged in the Amended
- 7 Consolidated Complaint; all attorney’s fees; all costs and expenses incurred by
- 8 Plaintiffs and Class Counsel in the action; all costs and expenses associated with the
- 9 settlement administration; the employees’ share of all state and federal payroll taxes
- 10 and withholding assessed on all amounts distributed to the Settlement Class as W-2
- 11 wages; the service payment awarded to Plaintiffs; and penalties, liquidated damages,
- 12 and PAGA civil penalties. (Ex. 1, § 1.16). The GSA does not include the employer’s
- 13 share of payroll taxes, which shall be paid by Defendant outside of the GSA.
- 14 b. Net Settlement Amount. The Net Settlement Amount is the amount available for
- 15 distribution to the Settlement Class (all Class Members who do not file a timely
- 16 valid Request for Exclusion) after deduction of any award of attorneys’ fees and
- 17 litigation costs, any award of a service payment to Plaintiffs, the portion of the
- 18 PAGA Penalty Allocation to be paid to the LWDA, and the settlement
- 19 administration costs. (Ex. 1, § 1.20). At this time, the Net Settlement Amount is
- 20 estimated to be \$2,080,000.
- 21 c. Class Counsel Attorneys’ Fees and Costs. Class Counsel will apply for an award of
- 22 \$1,295,000 for reasonable attorneys’ fees and up to \$25,000 for reimbursement of
- 23 actual litigation costs. (Ex. 1, § 5.4).
- 24 d. Plaintiffs’ Incentive Payment. Plaintiffs will apply for an award of \$15,000 each as
- 25 an incentive payment for their representation of the Class and general release of all
- 26 claims against Defendant. (Ex. 1, § 5.5).
- 27 e. Allocation of PAGA Penalties. \$300,000 of the GSA will be allocated to the
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1 settlement of Plaintiffs' PAGA claims (the "PAGA Payment"). 75% of this PAGA
2 Payment (\$225,000) will be paid to the LWDA (the "LWDA Payment") and 25%
3 (\$75,000) will be distributed to the PAGA Members as penalties. (Ex. 1, § 5.7).

4 f. Settlement Administration Costs. The costs of administration are estimated to be
5 \$15,000. (Ex. 1, § 5.6).

6 **C. Calculation of Settlement Class Members' Individual Settlement Payment**

7 41. The Settlement Class members will be paid their Individual Settlement Payment
8 from the Net Settlement Amount, which is the amount remaining after deduction from the GSA of
9 the: (1) settlement administration costs; (2) attorneys' fees and costs; (3) incentive payments to
10 Plaintiffs; and (4) PAGA Payment.

11 42. At this time, the Net Settlement Amount is estimated to be \$2,080,000.

12 43. The Settlement Administrator shall have the authority and obligation to calculate
13 each Settlement Class Member's share in accordance with the Settlement Agreement and any order
14 of the Court. All Class members who do not timely and properly opt out and/or request exclusion
15 from the Settlement will automatically receive their corresponding share of the Net Settlement
16 Amount.

17 44. Each Settlement Class member's individual share will be established by dividing
18 his/her total weeks worked during the Class Period by the aggregate of all weeks worked by
19 Settlement Class members during the Class Period, then multiplying that fraction by the Net
20 Settlement Amount.

21 45. 33% of each person's Settlement Payment will be paid as W-2 wages; 33% will be
22 paid as interest; and 33% as unreimbursed expenses and penalties. (Ex. 1, § 5.11).

23 46. In my opinion, the Settlement reached by the Parties provides a fair and adequate
24 method of distribution of the Settlement proceeds to the Class Members in this case. The
25 Settlement takes into consideration the total number of weeks each Class Member worked during
26 the Class Period. This method of distribution represents the fairest method of distribution. In
27 addition, each one of the class members will receive a fair value which considers the number of
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1 class members that belong to the Settlement Class; the probability of prevailing on the merits for
2 each on of the claims alleged; the strength of Defendant’s defenses against the merits of the claims
3 and class certification, and the likelihood of obtaining class certification and maintaining class
4 action status through trial and appeals.

5 47. In my opinion, the Settlement Amount provides a fair and reasonable recovery to
6 the class and meets the criteria set forth in *Kullar v. Foot Locker Retail, Inc.* (2008) 168
7 Cal.App.4th 116, meriting preliminary approval.

8 **D. Release by the Settlement Class**

9 48. The Settlement Class members (other than those who submit a timely opt-out) will
10 fully release: “all claims, rights, demands, charges, complaints, causes of action, obligations, or
11 liability that were or could have been raised based on the factual allegations made in the Action
12 through April 30, 2023. This includes, but is not limited to, California Labor Code sections 201, 202,
13 203, 204, 210, 218.5, 218.6, 223, 225.5, 226, 226.2, 226.3, 226.7, 246, 510, 512, 558, 1174, 1194,
14 1194.2, 1197, 1197.1, 1198, , 2800, 2802; California Industrial Commission Wage Orders, Cal. Code
15 Regs., Title 8, Section 11040, et seq.; and Business and Professions Code Sections 17200, et seq.;
16 and including all claims for or related to alleged failure to pay wages, overtime or double time wages,
17 minimum and regular wages, regular rate of pay; wages timely during employment, wages timely at
18 separation, meal periods and meal period premiums, rest periods and rest period premiums, off-the-
19 clock work; wage statements, written notice of sick leave, payroll records and recordkeeping;
20 unreimbursed business expenses; failure to pay additional 401(k) benefits and/or deferred
21 compensation benefits and/or matching benefits for payments received under the Settlement; unfair
22 competition; unfair business practices; conversion; class actions; representative actions; aggrieved
23 party claims; injunctive relief; declaratory relief; accounting; punitive damages; liquidated damages;
24 penalties of any nature (including but not limited to civil penalties, waiting-time penalties,); interest;
25 attorneys’ fees and costs; and any other claims arising out of or related to or filed in the Action
26 through April 30, 2023. This Release does not constitute a general waiver under California Civil
27 Code Section 1542.”) (Ex. 1, § 6.1).

1 49. In addition, the PAGA Members will fully release “all claims for PAGA penalties
2 that were or could have been raised based on the factual allegations made in the Action through April
3 30, 2023. This includes, but is not limited to, PAGA penalties based on alleged violation of California
4 Labor Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 223, 225.5, 226, 226.2, 226.3, 226.7,
5 246, 510, 512, 558, 1174, 1194, 1194.2, 1197, 1197.1, 1198, , 2800, 2802; California Industrial
6 Commission Wage Orders, Cal. Code Regs., Title 8, Section 11040, et seq.; and includes all claims
7 for or related to alleged failure to pay wages, overtime or double time wages, minimum and regular
8 wages, regular rate of pay; wages timely during employment, wages timely at separation, meal
9 periods and meal period premiums, rest periods and rest period premiums, off-the-clock work; wage
10 statements, written notice of sick leave, payroll records and recordkeeping; unreimbursed business
11 expenses; and any other claims arising out of or related to or filed in the Action through April 30,
12 2023.” (Ex. 1, § 6.2).

13 **E. Administration of the Settlement and Notice Procedure**

14 50. The Parties propose that CPT Group, Inc. be appointed as the Settlement
15 Administrator for this Settlement. The Settlement Administrator will send the Notice of Class Action
16 Settlement (the “Settlement Notice”) to the Class. Attached as **Exhibit 2** is a true and correct copy
17 of CPT Group, Inc. estimated fee for this Settlement.

18 51. A copy of the Settlement Notice is attached to the Settlement Agreement as Exhibit
19 A.

20 52. The Settlement Notice in this case is accurate and informative. The Settlement Notice
21 informs class members, in plain language, about the terms of the Settlement and explains the
22 payments to which they are entitled under the Settlement. It provides information on the meaning
23 and nature of the proposed Settlement, the terms and conditions of the Settlement, the relief the
24 Settlement will provide class members, the amount of proposed incentive payments to Plaintiffs, the
25 amount of Class Counsel’s request for reimbursement of costs and attorneys’ fees from the
26 Settlement, the estimated cost of administration, the payment to the LWDA, the date, time and place
27 of the final approval hearing, the procedure for participating in the Settlement, the deadlines opting
28

1 out of, commenting and objecting to the Settlement, and how class members can obtain additional
2 information.

3 53. The Settlement Notice clearly states that the Settlement does not constitute an
4 admission of liability by Defendant, and recognizes that the Court has not yet ruled on the merits of
5 the lawsuit. It also states the final settlement approval decision has not yet been made.

6 54. Defendant will provide the Class Data to the Settlement Administrator within 30 days
7 of the Court's order fully granting preliminary approval of the Settlement Agreement. As soon as
8 practicable after receiving the Class Data from Defendant, the Settlement Administrator will send,
9 via first class mail and email to all Class members, the Settlement Notice.

10 55. Prior to the initial mailing, the Settlement Administrator will check the mailing
11 addresses provided by Defendant through the National Change of Address System. If any mailed
12 Settlement Notices are returned as undeliverable without a forwarding address, then the Settlement
13 Administrator will make reasonable efforts to determine a correct mailing address and/or locate a
14 forwarding address using a single skip-trace, and if it obtains a more recent address, will re-mail
15 such Settlement Notices.

16 56. Following completion of the notice period, the Settlement Administrator will
17 provide counsel for the Parties with a declaration of due diligence and proof of mailing with regard
18 to all of its mailing efforts, and receipt of all exclusion requests, objections, or other comments
19 regarding the Settlement.

20 **F. Participation and Exclusion from the Settlement**

21 57. To request exclusion, the Settlement Class member must send a written request for
22 exclusion directly to the Settlement Administrator. Any Class Member who, in compliance with the
23 Settlement Notice and Court order, timely and properly elects to opt out or seek exclusion from the
24 Settlement will not be entitled to any payment from the Settlement Amount, and will not be bound
25 by the Settlement or have any right to object, appeal or comment thereon. (Ex. 1, § 4.2).

26 **CLASS COUNSEL'S VIEW OF THE CLASS ACTION SETTLEMENT**

27 58. While the Settlement Amount represents a discount on the overall exposure to
28

1 Defendant, assuming Plaintiffs prevailed on all issues pertinent to class certification, liability on all
2 claims, and proven damages as estimated, this amount in compromise is extremely reasonable
3 considering the substantial risks Plaintiffs and the Class face on class certification, liability, and
4 damages issues.

5 59. The Parties would have to undergo further extensive and time-consuming discovery
6 including discovery relating to class certification and the merits if the case did not settle. There
7 would be motions for class certification and potential motions for decertification of the class if
8 class certification is granted. I also anticipate the filing of cross-motions for summary judgment.

9 60. The putative class action and PAGA representative action in this case would
10 potentially continue for more than an additional two years before the class claims go to trial. Even
11 if Plaintiffs were successful at proving all the class claims at trial and recovering damages,
12 Plaintiffs or the class members would not see any monetary recovery until after Defendant
13 conclude the appeals process.

14 61. Thus, Plaintiffs and I acknowledge the cost and delay of continued proceedings
15 necessary to prosecute the action through trial and appeal. Plaintiffs and I have also taken into
16 account the uncertain outcome and the risk of loss in any litigation, especially in complex actions
17 such as this.

18 62. Plaintiffs and I are also mindful of the inherent problems of proof, and possible
19 defenses to, the causes of action asserted in the lawsuit. Although Plaintiffs assert that Defendants
20 is liable to all class members for their unpaid wages, damages, and penalties, none of the claims are
21 certain. Even though Plaintiffs believe that their case possesses substantial merit, the litigation
22 cannot legitimately be characterized as being without risk or that Plaintiffs would inevitably prevail
23 at trial.

24 63. Defendant is represented by experienced and able counsel who have mounted a
25 vigorous defense on its behalf.

26 64. Granting approval of the Settlement Agreement, however, would guarantee the
27 payment of the Settlement Amount of \$3,700,000 which would streamline the litigation process
28

1 and provide timely payment to the class members who decide to participate in the Settlement. The
2 class action settlement will allow class members to receive payments in the relatively near future
3 for their claims and other damages and penalties while litigation could potentially continue for
4 years and might not result in a similar monetary benefit for all class members.

5 65. My firm is very qualified to evaluate the class claims and viability of defenses in
6 this wage and hour class action based on our experience in other wage and hour cases.

7 66. Moreover, the non-reversionary nature of the Settlement guarantees that any
8 amounts not distributed to the Settlement Administrator as administration costs; to Class Counsel
9 as attorneys' fees and litigation costs; to Plaintiffs as incentive payments; or any amounts from
10 uncashed checks or from valid requests for exclusion, will be allocated to the Net Settlement
11 Amount and distributed among the participating class members, pursuant to the appropriate ratios.
12 Therefore, the estimated Individual Settlement Payments will likely increase as a result of any class
13 member's decision to request exclusion from the Settlement.

14 67. As shown herein, the individual settlement payments provide a fair and reasonable
15 recovery to the entire class.

16 68. Therefore, the Settlement provides the best resolution of this case considering the
17 risks involved in continuing litigation, the delay of years, and the expenses the parties will incur,
18 and the fact that this Court has not yet addressed the class certification, liability and damages
19 issues.

20 69. The Settlement gives each member a fair amount of payment for compensation for
21 the wage claims and penalties alleged in the Complaint compared to the cost and risk of proceeding
22 through class certification and trial in this case, and thereafter through the appeal process.

23 **PLAINTIFFS' PARTICIPATION AS CLASS REPRESENTATIVE**

24 70. Plaintiffs spent a great deal of time and made personal sacrifices to act as Class
25 Representative in this action. Plaintiffs contributed extensively during the case, including frequently
26 meeting with Class Counsel, providing valuable factual resources and documents, assisting with the
27 preparation for mediation, and participating in settlement negotiations while acting to protect the
28

1 best interests of the Class in consummating the proposed Settlement.

2 71. Plaintiffs' participation as Class Representatives was an essential element that
3 allowed our firm to settle the class claims. I believe other class members would not have taken any
4 action individually. Therefore, no compensation would have been recovered for them at all, but for
5 Plaintiffs' actions on their behalf.

6 72. Plaintiff's selfless desire to see all similarly situated employees included in this
7 recovery is to be commended and should be recognized. I believe that the negotiated and requested
8 incentive payment in the amount of up to \$15,000 for each Plaintiff is fair and reasonable.

9 **ATTORNEYS' FEES AND COST REQUEST**

10 73. Our firm will request attorneys' fees up to \$1,295,000 (1/3 of the Settlement Amount)
11 and costs up to \$25,000. The fee is warranted and reasonable because of the substantial work and
12 effort incurred to achieve the Settlement on behalf of the Class. Class Counsel's fee and cost request
13 is further warranted by the significant benefits achieved on behalf of the class members, including
14 substantial monetary relief. The fee request will be supported by a detailed explanation of the
15 qualifications of each timekeeper, and their corresponding hourly rate, along with an explanation of
16 the amount of time performed on the various tasks performed on behalf of Plaintiffs and the class
17 members.

18 74. Similarly, the costs request will be supported at the time of final approval with an
19 explanation of the amount and nature of the costs incurred.

20 75. Although case law supports as high as a 50% fee award on common settlement funds
21 of less than \$10 million, class counsel requests an attorneys' fee award of \$1,295,000 which is 1/3
22 of the Settlement Amount. The amount requested is both "reasonable and fair" in light of the amount
23 of work performed by Class Counsel, and the amount of resources and labor employed in the
24 representation of the class claims.

25 76. In making a fee request in class actions, I always analyze the factors that the court
26 must consider in awarding fees. I believe that such circumstances exist here to justify the requested
27 attorney's fees award of one-third including the work involved in achieving an excellent result for
28

1 the Class and bringing the action to an efficient conclusion, and the associated risks to our firm in
2 taking a matter on a contingent basis.

3 77. Class Counsel's requested fee is reasonable when the combined lodestar of Class
4 Counsel incurred in prosecuting and settling this litigation. In my opinion, the requested fee award
5 takes into account the excellent result and the risk undertaken in bringing this case on a contingency
6 basis, advancing all costs and deferring payment for the time that the firm has worked on this case,
7 with no guarantee that any of the fees and costs incurred would ever be recovered.

8 78. Our firm also seeks reimbursement of the out-of-pocket costs up to \$25,000. I will
9 provide the Court with a detailed summary of the costs at the time of the final approval motion. I
10 believe that all of these fees and costs are reasonable and were necessarily incurred in pursuit of the
11 Settlement.

12 79. I believe that the time spent working on this case by attorney and paralegals at our
13 firm reflect the reasonable and necessary amount of time to properly represent the interests of the
14 members of the Class.

15 I declare under penalty of perjury under the laws of the State of California that the foregoing
16 is true and correct. Executed on April 28, 2023, in Irvine, California.

17
18 
19 _____
20 James R. Hawkins
21
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Exhibit 1

SEYFARTH SHAW LLP
Candace Bertoldi (SBN 254725)
cbertoldi@seyfarth.com
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Attorneys for Plaintiffs
PRISCILLA AGUILAR, JULIAN HARO, JUAN
MADERA, and RICHARD NUNEZ
on behalf of themselves and all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

PRISCILLA AGUILAR, JULIAN HARO,
JUAN MADERA, and RICHARD NUNEZ, on
behalf of themselves and all others similarly
situated,

Plaintiffs,

v.

OWENS-BROCKWAY GLASS CONTAINER,
INC., a Delaware Corporation, and DOES 1-50,
inclusive,

Defendants.

Case No. 21STCV33017

**JOINT STIPULATION OF CLASS ACTION
SETTLEMENT AND RELEASE OF
CLAIMS**

Complaint Filed: 09/06/2021
Amended Complaint Filed: 04/12/2023
Trial Date: None

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EXHIBIT

Notice of Class Action Settlement A

1 This Joint Stipulation of Class Action Settlement Agreement and Release of Claims
2 (“Agreement”) is made and entered into between: (1) Plaintiffs Priscilla Aguilar, Julian Haro, Juan
3 Madera, and Richard Nunez (“Plaintiffs”), individually and on behalf of all persons who are employed
4 or have been employed by Defendant Owens-Brockway Glass Container, Inc. (“Defendant”)
5 (hereinafter collectively “the Parties”) in California as hourly-paid or non-exempt employees at any time
6 during the time period from March 8, 2017 through April 30, 2023 (“Class”), subject to approval from
7 the Court, as provided below.

8 This Agreement is intended by the Parties to fully, finally, and forever resolve, discharge, and
9 settle the Action (as defined below) and the Released Claims (as defined below), upon and subject to the
10 terms and conditions hereof, as follows:

11 **1. DEFINITIONS**

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

14 1.1. **“Action”** refers to the following civil actions: *Priscilla Aguilar, et al. v. Owens-*
15 *Brockway Glass Container, Inc.*, pending in the Superior Court of California, in and for the County of
16 Los Angeles, Case Nos. 21STCV33017 (the “Class Complaint”) and 21STCV41922 (the “PAGA
17 Complaint”).

18 1.2. **“Agreement”** refers to this Joint Stipulation of Class Action Settlement
19 Agreement and Release of Claims, which includes all of the Recitals and the Exhibits attached hereto.

20 1.3. **“Class”** refers to all persons who are employed or have been employed by
21 Defendant in California as hourly-paid or non-exempt employees at any time during the time period
22 from March 8, 2017 through April 30, 2023.

23 1.4. **“Class Data”** refers to the total of each Class Member’s most current, known
24 mailing address and telephone number (“Contact Information”), number of Pay Periods during the Class
25 Period, and social security number.

26 1.5. **“Class Counsel”** refers to James Hawkins APLC. For purposes of providing any
27 notices required under this Agreement, Class Counsel shall refer to James R. Hawkins
28

(james@Jameshawkinsaplc.com), Christina M. Lucio (christina@Jameshawkinsaplc.com), Mitchell J. Murray (mitchell@Jameshawkinsaplc.com), 9880 Research Drive, Suite 200, Irvine, California 92618.

1.6. **“Class Member”** refers to any individual that is a member of the Class.

1.7. **“Class Period”** refers to the period of March 8, 2017 through April 30, 2023.

1.8. **“Class Representatives”** refers to the named Plaintiffs in the Complaint, Priscilla Aguilar, Julian Haro, Juan Madera, and Richard Nunez.

1.9. **“Class Representative Incentive Payment”** refers to any payment, subject to Court approval, to the Class Representatives from the Gross Settlement Amount in recognition of the efforts and work in prosecuting the Action on behalf of the Class Members.

1.10. **“Pay Period”** refers to any pay period when a Class Member worked for Defendant during the Class Period.

1.11. **“Defendant”** refers to Defendant Owens-Brockway Glass Container, Inc.

1.12. **“Defendant’s Counsel”** refers to Seyfarth Shaw LLP. For purposes of providing any notices required under this Agreement, Defendant’s Counsel shall refer to Candace Bertoldi (cbertoldi@seyfarth.com), Seyfarth Shaw LLP, 601 South Figueroa, Suite 3300, Los Angeles, CA 90017.

1.13. **“Effective Date”** refers to the 15th calendar day after the date by which the last of the following has occurred: (a) all conditions of Settlement, except for those conditions that can only be satisfied after the Effective Date, have been satisfied; (b) the Court has entered and filed the Final Approval Order and Judgment; and (c) the time period for appeal of the Judgment has been exhausted without any appeals having been filed, and/or all such appeals have been voluntarily or involuntarily dismissed, and/or the appropriate appellate court or courts have entered a final judgment affirming the Final Approval Order and Judgment of the Court and the final judgment of such appellate court or courts is no longer subject to any further appellate challenge or procedure. The Parties agree that only the Parties and/or Class Members who file a valid and timely objection maintain the right to appeal.

1 1.14. **“Fairness Hearing”** refers to the hearing at which the Court will make a final
2 determination whether the terms of the Agreement are fair, reasonable, and adequate for the Class and
3 meet all applicable requirements for the entering of the Final Approval Order.

4 1.15. **“Final Approval Order”** refers to the final order by the Court approving the
5 Settlement following the Fairness Hearing.

6 1.16. **“Gross Settlement Amount”** refers to the maximum settlement payment
7 Defendant will be obligated to make in connection with the Settlement Agreement after the Effective
8 Date, which in this case is three million, seven-hundred thousand dollars (\$3,700,000.00). This sum
9 shall include all Individual Settlement Payments made to Class Members, all administration costs,
10 employees’ share of payroll taxes, the Class Representative Incentive Payment, the LWDA Payment (as
11 defined below), and attorneys’ fees and costs as set forth below. The Gross Settlement Amount does not
12 include the employer’s share of payroll taxes, which shall be paid by Defendant outside of the Gross
13 Settlement Amount.

14 The Gross Settlement Amount is a material term of this Agreement. To the extent
15 Plaintiffs or the Court seeks to require Defendant to pay more than the Gross Settlement Amount (other
16 than as required under this Settlement Agreement), Defendant shall retain the right, in the exercise of
17 their sole discretion, to nullify the Settlement Agreement.

18 1.17. **“Individual Settlement Payment”** refers to the pro-rata amount calculated by the
19 Settlement Administrator to be distributed to each individual Class Member, based on Pay Periods. The
20 Individual Settlement Payments shall be paid from the Net Settlement Amount.

21 1.18. **“Judgment”** refers to the final judgment by the Court approving the Settlement.

22 1.19. **“PAGA Payment”** refers to a payment out of the Gross Settlement Amount of
23 \$300,000, which shall be allocated as \$225,000 to the California Labor & Workforce Development
24 Agency (“LWDA Payment”) as the LWDA’s share of the settlement of civil penalties paid under this
25 Settlement Agreement pursuant to the Private Attorneys General Act (“PAGA”), and as \$75,000.00 to
26 the Net Settlement Amount for distribution to the PAGA Members.

1 1.20. **“Net Settlement Amount”** refers to the Gross Settlement Amount minus all
2 administration costs, the Class Representative Incentive Payments, the PAGA Payment, and Class
3 Counsel’s fees and costs. The Net Settlement Amount shall include all Individual Settlement Payments
4 due to the Settlement Class from which the employees’ share of payroll taxes shall be deducted. The Net
5 Settlement Amount is the maximum amount that shall be available for distribution to the Settlement
6 Class.

7 1.21. **“Notice of Class Action Settlement And Notice of Settlement Award”** refers
8 to the Notice of Class Action Settlement, substantially in the form attached as Exhibit A.

9 **“Parties”** refer collectively to (1) Plaintiffs Priscilla Aguilar, Julian Haro, Juan Madera, and Richard
10 Nunez, individually and on behalf of all persons who are or have been employed by Defendant in
11 California as hourly paid or non-exempt employees at any time during the time period from March 8,
12 2017 through April 30, 2023; and (2) Defendant.

13 1.23. **“Plaintiffs”** refer to Priscilla Aguilar, Julian Haro, Juan Madera, and Richard
14 Nunez.

15 1.24. **“Preliminary Approval Order”** refers to the order issued and entered by the
16 Court following a Motion for Preliminary Approval of this Settlement Agreement.

17 1.25. **“Released Claims”** refers to those claims defined in Paragraph 6 of this
18 Agreement. The Released Claims shall apply to the Settlement Class.

19 1.26. **“Released Parties”** refers to Owens-Brockway Glass Container, Inc. and each of
20 Defendant’s respective past, present and future direct or indirect parents, subsidiaries, and affiliates
21 including, without limitation, Owens-Illinois, Inc. (O-I), and any other corporation, limited liability
22 company, partnership, trust, foundation, and non-profit entity which controls, is controlled by, or is
23 under common control with Defendant; (iv) the past, present and future shareholders, directors, officers,
24 agents, employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants,
25 representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors, and
26 assigns of any of the foregoing; and (v) any individual or entity which could be jointly liable with any of
27 the foregoing.
28

1 1.27. **“Request for Exclusion”** refers to a timely, written, signed opt-out request by
2 someone who otherwise would be a Class Member who elects to be excluded from the Settlement.

3 1.28. **“Settlement” or “Settlement Agreement”** refers to terms of this Agreement,
4 which includes the Recitals and the Exhibit attached hereto.

5 1.29. **“Settlement Administrator”** refers to CPT Group, Inc., the third party
6 administrator who has been mutually selected by the Parties, subject to Court approval, to perform the
7 notice, claims administration, and distribution of payment functions further described in this Agreement.
8 Neither Party, nor their counsel, is affiliated with the Settlement Administrator. The Settlement
9 Administrator shall establish its own employer identification number and file an Internal Revenue
10 Service Form W-9. The Settlement Administrator shall meet all of the requirements to establish a
11 Qualified Settlement Fund (“QSF”) pursuant to U.S. Treasury Regulation Section 468B-1.

12 1.30. **“Settlement Class”** refers to all Class Members who do not file a timely valid
13 Request for Exclusion.

14 2. **PROCEDURAL HISTORY AND RECITALS**

15 2.1. **LWDA Letter.** In September 2021, Plaintiffs submitted a letter to the California
16 Labor Workforce Development Agency (“LWDA”) alleging that they, and similarly-situated hourly and
17 on-exempt workers employed by Defendant, were denied minimum and overtime wages, were denied
18 pay for rest and meal periods, were denied duty-free meal and rest breaks, were not reimbursed for
19 business expenses, were not provided accurate wage statements, and were not timely paid all wages
20 owed. Plaintiffs further alleged that Defendant failed to maintain accurate time and pay records.

21 2.2. **Class Action and PAGA Complaint.** In November 2018, Plaintiffs filed two
22 complaints against the Defendant in Los Angeles Superior Court, each based on the same facts and
23 occurrences and alleged violations of the California Labor Code. The Class Action Complaint contains
24 Plaintiffs’ individual and class action claims, where they seek to represent all hourly, non-exempt
25 employees employed by Owens-Brockway Glass Container, Inc. since March 8, 2017. The PAGA
26 Complaint contains Plaintiffs’ PAGA representative claims based on the same facts and occurrences as
27 the Class Complaint, but seeks civil penalties on behalf of all hourly, non-exempt employees employed
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1 in California since September 11, 2020 (“PAGA Period”). Except for the type of penalties sought, the
2 PAGA Complaint is wholly subsumed by the Class Complaint. The same evidence would be required to
3 prove the claims in both complaints, and the data needed for exposure analysis is the same for the claims
4 in both complaints.

5 2.3. **Mediation.** The Settlement Agreement was negotiated in light of all known facts
6 and circumstances—including the risks of significant delay and uncertainty associated with litigation,
7 various defenses asserted by Defendant, and numerous potential appellate issues—and was reached after
8 extensive arm’s-length negotiations, with the assistance of a mediation session before Paul Grossman,
9 an experienced mediator knowledgeable of both the wage and hour laws and class, collective, and
10 representative claims at issue in the Action. In connection with the mediation, the Parties informally
11 exchanged information and documents, including payroll records, time records, and policies.

12 2.3.1 **Class Counsel’s Investigation.** Class Counsel investigated the claims
13 against Defendant in the Action and also analyzed all applicable defenses raised by Defendant. The
14 investigation included review of information and documents produced in preparation for the mediation,
15 retention of a damages expert, and several conferences between Class Counsel and Defendant’s
16 Counsel. Class Counsel believes it has obtained enough information to establish the appropriateness of
17 conditional certification of the Class for settlement purposes.

18 2.4. **Defendant’s Denials.** Similarly, Defendant’s Counsel believes it has obtained
19 enough information to file a Motion To Deny Class Certification, as well as a Motion For Summary
20 Judgment as to Plaintiffs’ individual claims. Defendant denies and continue to deny: (a) all of the
21 allegations made by the Class Representatives on behalf of the Class in the Action; (b) that it violated
22 any applicable laws; (c) that it is liable or owes damages, penalties, or other compensation or remedies
23 to anyone with respect to the alleged facts or claims asserted in the Action; and, (d) that class
24 certification or representative treatment of the Action or any alleged claim is proper. The Court has not
25 made any findings of liability as to Defendant and the Court has not determined that class certification is
26 warranted in this Action.

1 Nonetheless, without admitting or conceding any liability or wrongdoing whatsoever and without
2 admitting or conceding that class certification or representative treatment is appropriate for any purpose
3 other than for this Settlement, Defendant has agreed to settle the Action on the terms and conditions set
4 forth herein, to avoid the burden, expense, and uncertainty of continuing the Action. Any stipulations or
5 statements by Defendant contained in this Agreement are made for settlement purposes only.

6 **2.5. Class Counsel's Evaluation.** Based on Class Counsel's investigation and
7 evaluation, Class Counsel is of the opinion that the terms set forth in this Agreement are fair, reasonable,
8 adequate, and in the best interest of the Class Members. Class Counsel diligently and effectively
9 investigated Plaintiffs' claims, drafted the various Complaints, prepared discovery, and reviewed and
10 analyzed documents produced.

11 **2.6. The Parties' Intent.** It is the desire of the Parties to fully, finally, and forever
12 settle, compromise, and discharge any and all claims, rights, demands, charges, complaints, causes of
13 action, obligations or liability of any and every kind that were or could have been asserted in the Action,
14 to the extent that such claims arise out of the alleged facts, circumstances, and occurrences underlying
15 the allegations as set forth in the claims asserted in the Action.

16 **2.7. Certification of Settlement Classes.** This Agreement is contingent upon
17 approval of class certification under California Code of Civil Procedure § 382 by the Court of the Class
18 asserted on behalf of the Class for purposes of this Settlement only. Defendant does not waive, and
19 instead expressly reserves, their right to challenge the propriety of class certification or representative
20 treatment for any other purpose should the Court not approve the Settlement Agreement. If for any
21 reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional
22 agreement to class certification will be inadmissible and will have no effect in this matter or in any
23 claims brought on the same or similar allegations, and the Parties shall revert to the respective positions
24 they held prior to entering into the Settlement Agreement.

25 **2.8. The Parties' Agreement to Cooperate.** The Parties agree to cooperate and to
26 take all steps necessary and appropriate to effectuate all aspects of this Settlement Agreement, to obtain
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1 a Preliminary Approval Order and Final Approval Order of this Settlement Agreement, and to request a
2 Judgment upon the terms and conditions set form in this Settlement Agreement.

3 **NOW THEREFORE**, in consideration of the covenants and agreements set forth herein, and of
4 the release of all Released Claims, the Parties stipulate and agree to the terms and provisions of this
5 Settlement Agreement, subject to the approval of the Court.

6 **3. NOTICE TO CLASS MEMBERS**

7 3.1. **Disputed Pay Periods On Notice of Settlement Award.** Class Members will
8 have an opportunity to dispute the number of Pay Periods indicated on the Notice of Settlement and
9 Notice of Settlement Award. To do so, Class Members may submit, by no later than the deadline to
10 submit the Request for Exclusion or Objection, credible written evidence to the Settlement
11 Administrator showing that such information is inaccurate. The Settlement Administrator will decide the
12 dispute, after consultation with Class Counsel and Defense Counsel. The Settlement Administrator's
13 decision on all pay period disputes will be final and non-appealable. Defendant's records will be
14 presumed correct, but the Settlement Administrator will evaluate the evidence submitted by the Class
15 Member and will make the final decision as to the merits of the dispute. All disputes will be decided
16 within ten (10) business days of the deadline for Class Members to submit their Request for Exclusion
17 or Objection.

18 3.2. **Settlement Administrator.** The Parties request that the Court appoint CPT
19 Group, Inc. as the Settlement Administrator. The Parties agree that settlement administration costs shall
20 not exceed \$15,000. All disputes relating to the Settlement Administrator's performance of its duties,
21 after good-faith efforts by the Parties to first resolve such disputes, will be referred to the Court, if
22 necessary, which will have continuing jurisdiction over this Agreement until all payments and
23 obligations contemplated by this Agreement have been fully completed.

24 3.3. **Class Data for Settlement Administrator.** Within thirty (30) calendar days of
25 the entry of a Preliminary Approval Order, Defendant shall provide the Class Data to the Settlement
26 Administrator.

1 3.4. **Mailing of Notice of Class Action Settlement.** The Settlement Administrator
2 shall mail the Notice of Class Action Settlement And Notice of Settlement Award to Class Members
3 within thirty (30) calendar days of receiving the Class Data from Defendant.

4 3.5. **Confidentiality of Class Data.** The Settlement Administrator shall keep the
5 Contact Information and Social Security Numbers provided by Defendant strictly confidential and shall
6 use it only for the purposes described in this Agreement. The Notice of Class Action Settlement And
7 Notice of Settlement Award will direct Settlement Class Members to the Settlement Administrator with
8 any questions or concerns. Should a Settlement Class Member contact the Settlement Administrator with
9 questions or concerns about the Settlement that the Settlement Administrator is unable to answer, with
10 or without the assistance of Class Counsel and Defendant’s counsel, the Settlement Administrator will
11 notify the Settlement Class Member that they have 48-hours to object in writing to disclosure of their
12 Contact Information to Class Counsel. If no written objection is received within 48 hours, the Settlement
13 Administrator will inform Defendant’s Counsel and Class Counsel will be provided Contact Information
14 for that Settlement Class Member, and Settlement Class Member’s total number of workweeks if
15 necessary to resolve the Settlement Class Member’s questions or concerns.

16 3.6. **Mailing of Notice.** The Settlement Administrator shall (i) run the names of all
17 Settlement Class Members through the National Change of Address (“NCOA”) database to determine
18 any updated addresses for Settlement Class Members; (ii) update the address of any Settlement Class
19 Member for whom an updated address was found through the NCOA search; (iii) calculate the estimated
20 Settlement Award for each Settlement Class Member; and (iv) mail a Notice Packet to each Settlement
21 Class Member at their last known address or at the updated address found through the NCOA search via
22 First Class U.S. Mail, and retain proof of mailing. Any mailing returned to the Settlement Administrator
23 as undeliverable shall be sent within five (5) calendar days via First Class U.S. Mail to the forwarding
24 address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall attempt
25 to determine the correct address using a computer-based skip-trace search, and it shall then perform a
26 single re-mailing via First Class U.S. Mail with three (3) business days.

1 3.7. **Proof of Mailing.** At least twenty (20) business days prior to the Fairness
2 Hearing, the Settlement Administrator shall provide a declaration of due diligence and proof of mailing
3 with regard to mailing of the Notice of Class Action Settlement And Notice of Settlement Award to
4 Class Counsel and Defendant's Counsel, which they shall in turn provide to the Court.

5 **4. CLASS MEMBERS' OPTIONS TO RESPOND**

6 4.1. **Class Members' Consideration Period.** Class Members shall have sixty (60)
7 calendar days to exercise any rights with regard to the Settlement Agreement as set forth below,
8 following the postmark date of the initial mailing of the Notice of Class Action Settlement And Notice
9 of Settlement Award. Except as specifically provided herein, no Class Member responses of any kind
10 that are postmarked more than sixty (60) calendar days after the initial mailing of Class Notice shall be
11 considered.

12 4.2. **Request for Exclusion and Opt Out Rights.** Class Members shall be given the
13 opportunity to opt out of the Settlement Agreement. Opt-Out Rights do not apply to the Released
14 PAGA Claims and will not exclude PAGA Members from the release of Released PAGA Claims. That
15 is because the Parties agree there is no statutory right for any PAGA Member to object, opt out or
16 otherwise exclude himself or herself from the PAGA part of the Settlement. Except as otherwise stated,
17 Plaintiffs will vigorously defend against any attempt by any PAGA Member or by any entity or agency
18 to intervene in this matter or object to/opt-out of this settlement. The Parties further agree there is no
19 right or opportunity for any PAGA Member to appeal the approval of the Settlement by the Court. The
20 Parties will jointly defend against any appeal filed as it pertains to the PAGA part of the Settlement.

21 4.2.1 **Opt Out Procedures.** Class Members may opt out of the Settlement by
22 mailing to the Settlement Administrator a Request for Exclusion. Any such Request for Exclusion must
23 be postmarked not more than sixty (60) calendar days after the postmark date of the initial mailing of the
24 Notice of Class Action Settlement and Notice of Settlement Award. To be a valid Request for Exclusion,
25 a Class Member must provide their name (and former names, if any), current address, current telephone
26 number, and last four digits of their social security number, and a statement that they wish to be
27 excluded from the Settlement Agreement. Any Request for Exclusion that does not include all of the
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1 required information, is not signed and dated, or that is not submitted in a timely manner will be deemed
2 null, void, and ineffective. If there is a dispute regarding the timeliness or validity of a Request for
3 Exclusion, the Settlement Administrator shall make the determination, after consultation with Class
4 Counsel and Defense Counsel.

5 **4.2.2 Effect of Opt Out.** Any Class Member who opts out of the Settlement
6 may not object to the Settlement, shall not receive any Individual Settlement Payment, and shall not be
7 bound by the Released Claims provisions in this Settlement Agreement. If a Class Member submits both
8 a Request for Exclusion and an Objection, the Settlement Administrator shall send a notice to the Class
9 Member indicating that it received both a Request for Exclusion and an Objection, that a Class Member
10 cannot both object and request to be excluded, and request the Class Member clarify whether the Class
11 Member elects to proceed with the Objection or Request for Exclusion within ten (10) days of receipt of
12 the Objection and Request for Exclusion. If the Class Member fails to respond to the Settlement
13 Administrator's request for clarification, the Class Member's Objection will be valid and be deemed to
14 invalidate the Request for Exclusion.

15 Each Class Member who does not opt out of the Settlement Agreement shall be
16 bound by the applicable Released Claims provisions in this Settlement Agreement.

17 **4.2.3 Defendant's Rights to Withdraw.** Defendant has the right, at its sole
18 option, to withdraw from this Settlement Agreement if the number of Class Members opting out exceeds
19 five percent (5%) of the total number of Class Members. Defendant agrees to notify Class Counsel of
20 any such decision no later than ten (10) business days following the opt out deadline. This right to
21 withdraw is a material term of the Agreement and Defendant has the right, at its sole option, to withdraw
22 from this Settlement Agreement if this material term is not approved by the Court. If Defendant
23 exercises this right to withdraw, it will be responsible for all Settlement Administration Costs incurred
24 by the Settlement Administrator.

25 **4.3. Objection Rights.** Because the Settlement Class will be certified by the Court,
26 only Class Members who do not opt out of the Settlement shall be entitled to object to the terms of the
27 Settlement.
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1 **4.3.1 Objection Procedures.** Class Members' objections to the Settlement
2 Agreement may be made using the procedures set forth in the Notice of Class Action Settlement. Any
3 objection must be sent to the Settlement Administrator and postmarked no later than sixty (60) calendar
4 days after the first postmark date of mailing the Notice of Class Action Settlement And Notice of
5 Settlement Award. An objection shall be deemed to be submitted as of the postmarked date. The written
6 objection must contain: (1) the name and case number of this Action: *Priscilla Aguilar, et al. v. Owens-*
7 *Brockway Glass Container, Inc.*, Los Angeles, Case No. 21STCV33017; (2) the full name, last four
8 digits of their social security number, and current address of the Class Member making the objection;
9 (3) the specific reason(s) for the objection; (4) any and all evidence and supporting papers (including,
10 without limitation, all briefs, written evidence, and declarations) for the Court to consider; and (5) be
11 signed and dated by the Class Member. Class Members may also object by appearing at the Fairness
12 Hearing. Class Members who submit an objection remain bound by this Settlement Agreement.

13 **4.3.2 Obligations of Individuals Who Submit an Objection.** Class Members
14 who timely submit an objection must be available for deposition if Plaintiffs or Defendant choose to take
15 their deposition, and the party seeking to obtain the deposition(s) appropriately seeks and obtains
16 approval from the Court to do so. The Court will determine whether objections have been waived by the
17 refusal to be deposed. Class Members may withdraw their objections at any time.

18 **4.3.3 Waiver of Objection Rights.** Class Members who fail to make objections
19 in the manner specified in the Notice of Class Action Settlement And Notice of Settlement Award may
20 be deemed to have waived any objections and foreclosed from making any objection, whether by appeal
21 or otherwise, to this Settlement Agreement, if so determined by the Court.

22 **4.4. Proof of Class Members' Responses.** By not later than seventy-five (75)
23 calendar days after the initial mailing of the Notice of Class Action Settlement And Notice of Settlement
24 Award and at least twenty (20) business days prior to the Fairness Hearing, the Settlement Administrator
25 will prepare and submit a declaration attesting to (by number of relevant individuals), its mailing of the
26 Notice of Class Action Settlement And Notice of Settlement Award, its inability to deliver any mailing
27 due to invalid addresses, and its receipt of valid Requests for Exclusion.
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1 4.5. **Binding Effect of Settlement.** Although some Class Members might not receive
2 the Notice of Class Action Settlement And Notice of Settlement, as provided under this Settlement
3 Agreement, due to inability to locate their current address following the procedures set forth in this
4 Settlement Agreement, such individuals shall nonetheless be bound by all of the terms of this Settlement
5 Agreement and the Final Order and Judgment.

6 **5. DISTRIBUTION OF GROSS SETTLEMENT AMOUNT**

7 5.1. **Gross Settlement Amount.** Defendant agrees to pay up to a maximum potential
8 Settlement Amount of \$3,700,000.00. The \$3,700,000.00 Gross Settlement Amount refers to the
9 maximum settlement payment Defendant may be obligated to make in connection with the Settlement or
10 Agreement, and shall include all Individual Settlement Payments made to Class Members, all
11 administration costs, the employees' share of payroll taxes, the Class Representative Incentive Payment,
12 the PAGA Payment, and attorneys' fees and costs. The Gross Settlement Amount does not include the
13 employer's share of payroll taxes.

14 5.2. **Pay Period Estimates and Escalator Clause.** Defendant has represented that the
15 workweek equivalents between March 8, 2017 and December 19, 2022 are approximately 154,522. If
16 the actual number of workweek equivalents during this timeframe exceeds 154,522 by more than 10%
17 (i.e., more than 169,975 workweeks), the overall Gross Settlement Amount will be increased by the
18 percentage beyond the 10%, and the attorneys' fees shall be calculated as a percentage of the adjusted
19 Gross Settlement Amount.

20 5.3. **Administration Costs.** If the Court does not issue a Final Approval Order
21 approving the Settlement, Class Counsel shall reimburse Defendant for one-half of the Administration
22 Costs. If Defendant withdraws from the Settlement pursuant to this Agreement, Defendant shall be
23 responsible for payment of the Settlement Administration Costs incurred to the date of withdrawal.

24 5.4. **Attorneys' Fees and Costs.** Class Counsel intends to request—and Defendant
25 agrees not to oppose—that the Court approve an attorneys' fees and costs award for (a) attorneys' fees
26 in an amount up to thirty-five percent (35%) of the Gross Settlement Amount (or \$1,295,000.00); and
27 (b) costs submitted by Class Counsel, not to exceed \$25,000, supported by adequate documentation by
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1 Class Counsel. Except as provided in this Agreement, Defendant shall have no liability for any other
2 attorneys' fees or costs.

3 **5.4.1 Approval of Attorneys' Fees and Costs Award Not Material.** The
4 Court's approval of an attorneys' fees or costs award is not a material term of the Settlement Agreement.
5 If the Court does not approve or approves only a lesser amount than that requested by Class Counsel for
6 attorneys' fees or costs, the other terms of the Settlement and this Agreement shall still apply. The
7 Court's refusal to approve the attorneys' fees or costs award requested by Class Counsel does not give
8 the Class Representatives, the Class Members, or Class Counsel any basis to abrogate the Settlement
9 Agreement. Any amount of an attorneys' fees and costs award requested by Class Counsel but
10 unapproved by the Court shall be allocated to the Net Settlement Amount.

11 **5.4.2 Timing of Payment of Attorneys' Fees and Costs.** The Settlement
12 Administrator shall pay to Class Counsel any approved attorneys' fees and costs award within thirty (30)
13 calendar days after the Effective Date. Class Counsel are responsible for allocating this payment among
14 themselves. The Settlement Administrator shall issue an Internal Revenue Service Form 1099 to Class
15 Counsel for any attorneys' fees and costs award payment. Class Counsel shall be solely and legally
16 responsible for paying all applicable taxes on any attorneys' fees and costs award payments and shall
17 indemnify and hold harmless Defendant from any claim or liability for taxes, penalties, or interest
18 arising as a result of the payment.

19 **5.5. Class Representative Incentive Payment.** Class Counsel intends to request—
20 and Defendant agrees not to oppose—that the Court approve a Class Representative Incentive Payment
21 of up to \$15,000 for each Class Representative, for their additional participation in the Action, and such
22 payments shall not be subject to payroll taxes or withholdings. Any Class Representative Incentive
23 Payment is in addition to the Class Representatives' Individual Settlement Payment.

24 **5.5.1 Reduction of Class Representative Incentive Payment Not Material.**
25 The Court's approval of a Class Representative Incentive Payment is not a material term of the
26 Settlement Agreement. If the Court approves only a lesser amount than that requested by Class Counsel
27 for a Class Representative Incentive Payment, the other terms of the Settlement and this Agreement shall
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1 apply. The Court’s refusal to approve the Class Representative Incentive Payment requested by Class
2 Counsel does not give the Class Representatives or Class Counsel any basis to abrogate the Settlement
3 Agreement. Any amount of a Class Representative Incentive Payment requested by Class Counsel but
4 unapproved by the Court shall be allocated to the Net Settlement Amount.

5 **5.5.2 Timing of Class Representative Incentive Payment.** The Settlement
6 Administrator shall pay to the Class Representatives any approved Class Representative Incentive
7 Payments within thirty (30) calendar days after the Effective Date. The Settlement Administrator shall
8 issue an IRS Form 1099 to the Class Representatives for any Class Representative Incentive Payments.
9 The Class Representatives shall be solely and legally responsible for paying all applicable taxes on any
10 Class Representative Incentive Payments and shall indemnify and hold harmless Defendant from any
11 claim or liability for taxes, penalties, or interest arising as a result of the payment.

12 **5.6. Settlement Administration Costs.** Class Counsel intends to request—and
13 Defendant agrees not to oppose—that the Court approve Settlement Administration Costs of up to
14 \$10,000. Any amount of Settlement Administration Costs requested by Class Counsel but unapproved
15 by the Court shall be allocated to the Net Settlement Amount. Upon completion of administration of the
16 Settlement, the Settlement Administrator shall provide written certification of such completion to Class
17 Counsel and Defendant’s Counsel. The Parties agree to cooperate in the settlement administration
18 process and to make all reasonable efforts to control and to minimize settlement administration costs.

19 **5.7. PAGA Payment.** The Parties will seek approval for a \$300,000.00 payment out
20 of the Gross Settlement Amount (the “PAGA Payment”), which shall be allocated as \$225,000.00 to the
21 LWDA as the LWDA’s share of the settlement of civil penalties paid under this Agreement pursuant to
22 the PAGA (“LWDA Payment”), and as \$75,000.00 to PAGA Penalties for distribution to the PAGA
23 Members. The PAGA Penalties will be divided by the total number of PAGA Pay Periods worked
24 during the PAGA Period credited to all PAGA Members (“PAGA Pay Period Rate”). Each PAGA
25 Member’s Individual PAGA Payment is equal to the PAGA Pay Period Rate multiplied by his or her
26 individual PAGA Pay Periods pursuant to the records of Defendant.

1 **5.7.1 Reduction Of PAGA Payment Not Material.** The Court's reduction of a
2 PAGA Payment is not a material term of the Settlement Agreement. If the Court approves only a lesser
3 amount than that requested by Class Counsel for the PAGA Payment, the other terms of the Settlement
4 and this Agreement shall apply. The Court's reduction of the PAGA Payment requested by Class
5 Counsel does not give the Class Representatives, Defendant, or Class Counsel any basis to abrogate the
6 Settlement Agreement so long as the reduction of the PAGA Payment does not result in a reduction to
7 the Gross Settlement Amount.

8 **5.8. Individual Settlement Payments From the Net Settlement Amount.** This
9 Settlement shall be a non-reversionary Settlement. Each individual in the Settlement Class shall be
10 entitled to an Individual Settlement Payment consisting of their share of the Net Settlement Amount, in
11 accordance with the formula set forth below.

12 **5.8.1** One-Hundred Percent (100%) of the Net Settlement Amount shall be
13 allocated to Settlement Class members who worked during the Class
14 Period, as follows: each Settlement Class member shall receive a
15 proportionate settlement share based upon the pro-rata number of Pay
16 Periods they worked during the Class Period, the numerator of which is
17 the Settlement Class member's total Pay Periods during the Class Period,
18 and the denominator of which is the total Pay Periods worked by all
19 Settlement Class members who worked during the Class Period [i.e.,
20 (individual Pay Periods ÷ total Pay Periods by all Settlement Class
21 members)]. Partial Pay Periods will be rounded up. The Settlement
22 Administrator will calculate the number of Pay Periods that each Class
23 Member worked during the Class Period.

24 **5.9. Distribution of Individual Settlement Payments.** Each Class Member's portion
25 of the Net Settlement Amount shall be distributed as one single check.

26 **5.9.1 Settlement Check.** The settlement check shall be for the amount of each
27 Class Member's Individual Settlement Payment.
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1 **5.10. Timing of Individual Settlement Payment.** The Settlement Administrator shall
2 issue the checks constituting the Individual Settlement Payments no later than thirty (30) calendar days
3 after the Effective Date.

4 **5.11. Allocation of Individual Settlement Payment.** The settlement administrator
5 shall allocate 33% of the payments made to the main class as wage income to be reported by IRS Form
6 W-2, 33% of payments to the main class shall be regarded as penalties as non-wage income, and 33% of
7 the payments to the main class shall be regarded as interest. Interest and non-wage income payments
8 shall be reported on an IRS Form 1099. Settlement Class members shall be solely and legally
9 responsible for paying all other applicable taxes on their respective Individual Settlement.

10 **5.11.1 Payments and Indemnification.** Each Settlement Class Member shall
11 indemnify and hold harmless Defendant from the Settlement Class Member's failure to timely pay for
12 taxes, penalties, or interest arising as a result of their respective Individual Settlement Payment.

13 **5.11.2 Allocation of Individual Settlement Payment Not Material.** The
14 Court's approval of the allocation of the Individual Settlement Payment for Form W-2 or 1099 income is
15 not a material term of the Settlement or this Agreement. If the Court does not approve or approves a
16 different allocation of the Individual Settlement Payments, the other terms of the Settlement and this
17 Agreement shall apply. The Court's refusal to approve the allocation for the Individual Settlement
18 Payments requested by the Parties does not give the Parties any basis to abrogate the Settlement or this
19 Agreement.

20 **5.12. Undeliverable or Uncashed Checks.** Any settlement checks distributing
21 Individual Settlement Payments returned to the Settlement Administrator as undeliverable shall be sent
22 within five (5) calendar days via First Class U.S. Mail to the forwarding address affixed thereto. If no
23 forwarding address is provided, the Settlement Administrator shall attempt to determine the correct
24 address using a single computer skip-trace search, and it shall then perform a re-mailing within five (5)
25 calendar days. A reminder postcard will be mailed to all Class Members who have not cashed their
26 checks within ninety (90) calendar days. Any check not cashed within 180 calendar days will be void.
27 The amount of any Individual Settlement Payments that remain undeliverable or uncashed 180 calendar
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1 days after the postmarked date of the initial mailing of the Individual Settlement Payments shall be
2 transmitted to the California Controller's Unclaimed Property Fund in the name of the Class Member in
3 the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of
4 California Code of Civil Procedure Section 384(b). The Settlement Administrator shall notify Class
5 Counsel and Defendant's Counsel of any undeliverable checks.

6 **5.13. Funding of Gross Settlement Amount.** Defendant shall deposit into an the QSF
7 established by the Settlement Administrator the Gross Settlement Amount and the employer's share of
8 payroll taxes within fifteen (15) calendar days after the Effective Date.

9 **5.14. Tax Payment Considerations.** Class Counsel and Defendant are not giving any
10 tax advice in connection with the Settlement or any payments to be made pursuant to this Agreement.

11 **5.15. No Tax Advice or Liability.** Each Class Member agrees to indemnify, and to
12 hold harmless, Defendant from any liability for taxes, fees, costs, or assessments resulting from the
13 Class Member's failure to timely pay taxes, interest, fees, or penalties owed.

14 **5.16. No ERISA Impact.** None of the payments made pursuant to the Settlement and
15 this Agreement shall be considered for purposes of determining eligibility for, vesting or participation
16 in, or contributions to any benefit plan, including, without limitation, all plans subject to the Employee
17 Retirement and Income Security Act of 1974 ("ERISA"). Any payments to Plaintiffs or Settlement Class
18 members shall not be considered as a payment of wages or compensation under the terms of any
19 applicable benefit plan and shall not affect participation in, eligibility for, vesting in, the amount of any
20 past or future contribution to, or level of benefits under any applicable benefit plan. Any amounts paid
21 will not impact or modify any previously credited hours of service or compensation taken into account
22 under any benefit plan sponsored or contributed to by Defendant or any jointly-trusted benefit plan. For
23 purposes of this Agreement, "benefit plan" means each and every "employee benefit plan," as defined in
24 29 U.S.C. Section 1002(3), and, even if not thereby included, any 401(k) plan, bonus, pension, stock
25 option, stock purchase, stock appreciation, welfare, profit sharing, retirement, disability, vacation,
26 severance, hospitalization, insurance, incentive, deferred compensation, or any other similar benefit
27 plan, practice, program, or policy.
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1 **6. RELEASES**

2 6.1. **Release by Settlement Class Members.** By operation of the entry of the Final
3 Approval Order and Judgment, and except as to such rights or claims as may be created by this
4 Agreement, including, without limitations, individuals who submit a valid Request for Exclusion, each
5 Settlement Class member, and each of their respective executors, administrators, representatives, agents,
6 heirs, successors, assigns, trustees, spouses, or guardians, will release each of the Released Parties of
7 and from any and all claims, rights, demands, charges, complaints, causes of action, obligations, or
8 liability that were or could have been raised based on the factual allegations made in the Action through
9 April 30, 2023. This includes, but is not limited to, California Labor Code sections 201, 202, 203, 204,
10 210, 218.5, 218.6, 223, 225.5, 226, 226.2, 226.3, 226.7, 246, 510, 512, 558, 1174, 1194, 1194.2, 1197,
11 1197.1, 1198, , 2800, 2802; California Industrial Commission Wage Orders, Cal. Code Regs., Title 8,
12 Section 11040, et seq.; and Business and Professions Code Sections 17200, et seq.; and including all
13 claims for or related to alleged failure to pay wages, overtime or double time wages, minimum and
14 regular wages, regular rate of pay; wages timely during employment, wages timely at separation, meal
15 periods and meal period premiums, rest periods and rest period premiums, off-the-clock work; wage
16 statements, written notice of sick leave, payroll records and recordkeeping; unreimbursed business
17 expenses; failure to pay additional 401(k) benefits and/or deferred compensation benefits and/or
18 matching benefits for payments received under the Settlement; unfair competition; unfair business
19 practices; conversion; class actions; representative actions; aggrieved party claims; injunctive relief;
20 declaratory relief; accounting; punitive damages; liquidated damages; penalties of any nature (including
21 but not limited to civil penalties, waiting-time penalties,); interest; attorneys' fees and costs; and any
22 other claims arising out of or related to or filed in the Action through April 30, 2023. This Release does
23 not constitute a general waiver under California Civil Code Section 1542.

24 6.2. **Release By PAGA Members.** By operation of the entry of the Final Approval
25 Order and Judgment, and except as to such rights or claims as may be created by this Agreement, each
26 PAGA Member, and each of their respective executors, administrators, representatives, agents, heirs,
27 successors, assigns, trustees, spouses, or guardians, will release each of the Released Parties of and from
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1 all claims for PAGA penalties that were or could have been raised based on the factual allegations made
2 in the Action through April 30, 2023. This includes, but is not limited to, PAGA penalties based on
3 alleged violation of California Labor Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 223, 225.5,
4 226, 226.2, 226.3, 226.7, 246, 510, 512, 558, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802;
5 California Industrial Commission Wage Orders, Cal. Code Regs., Title 8, Section 11040, et seq.; and
6 includes all claims for or related to alleged failure to pay wages, overtime or double time wages,
7 minimum and regular wages, regular rate of pay; wages timely during employment, wages timely at
8 separation, meal periods and meal period premiums, rest periods and rest period premiums, off-the-clock
9 work; wage statements, written notice of sick leave, payroll records and recordkeeping; unreimbursed
10 business expenses; and any other claims arising out of or related to or filed in the Action through April
11 30, 2023.

12 **6.3. Additional Release by Class Representatives.** In addition to the above release
13 applicable to the Settlement Class members and PAGA Members, the Class Representatives also
14 generally release any and all claims against each of the Released Parties. This general release includes
15 any and all claims arising from the employment relationship with Defendant between March 8, 2017 and
16 the date they sign this Agreement, except as to those that cannot be released as a matter of law. This
17 general release by the Class Representatives also includes a waiver of California Civil Code Section
18 1542. The Class Representatives expressly waive all rights provided by California Civil Code Section
19 1542, or other similar statutes, that the Class Representatives may have against each of the Released
20 Parties. California Civil Code Section 1542 states:

21 A general release does not extend to claims that the creditor or releasing
22 party does not know or suspect to exist in his or her favor at the time of
23 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.

24 **6.4. Class Representatives Acknowledgements.** The Class Representatives
25 acknowledge that they have read this Agreement in its entirety, including the above language from the
26 California Civil Code, and that they fully understand both this Settlement Agreement and the California
27 Civil Code section. By executing this Agreement, Class Representatives expressly waive any benefits
28

1 and rights granted pursuant to California Civil Code Section 1542 or any statute, rule, or principle of
2 common law or equity, in any jurisdiction, that is similar, comparable, or equivalent, in whole or in part,
3 to California Civil Code Section 1542. The Class Representatives acknowledge and agree that this
4 knowing and voluntary waiver is an essential and material term of this Agreement, and the Agreement
5 would not have been entered into without such a waiver.

6 **6.5. Injunction from Pursuing Released Claims.** As part of the preliminary approval
7 of the Settlement, Class Members whose notice mailings are not returned as undeliverable and do not
8 submit a valid Request for Exclusion shall be enjoined from filing, initiating, or continuing to prosecute
9 any actions, claims, complaints, or proceedings in any court, or with the DLSE, or with the California
10 Labor and Workforce Development Agency (“LWDA”), or with any other entity regarding the Released
11 Claims, unless otherwise prohibited by law. This provision is intended to provide all Class Members the
12 opportunity to participate in or to opt out of the Settlement, and to ensure finality of the Settlement and
13 the Released Claims to the fullest extent permitted by law.

14 This Settlement is conditioned upon the release by the Settlement Class as
15 described herein, and upon covenants by the Settlement Class whose notice mailings are not returned as
16 undeliverable and do not submit a valid Request for Exclusion that they will not participate in any
17 actions, lawsuits, proceedings, complaints, or charges brought individually by the DLSE, LWDA, or by
18 any other agency, persons, or entity in any court or before any administrative body related to the
19 Released Claims.

20 **6.6. Settlement Class Acknowledgement.** As to the Released Claims only, the
21 Settlement Class acknowledges that they may hereafter discover facts or law different from, or in
22 addition to, the facts or law they know or believe to exist. The Settlement Class agrees that this
23 Agreement and the Released Claims shall be effective in all respects regardless of the different or
24 additional facts or law discovered. These releases do not include any claims that cannot be waived as a
25 matter of law, but the Settlement Class agrees that they will not accept any monetary recovery or benefit
26 from any proceedings relating to any such claims.

1 **6.7. No Admission of Liability.** By entering into this Agreement, Defendant in no
2 way admits any violation of law or any liability whatsoever to Class Members, individually or
3 collectively, and expressly deny all such liability. Neither this Agreement, nor any other Settlement
4 documents, shall be offered in any case or proceeding as evidence of any admission by Defendant of any
5 liability on any claim for damages, penalties, restitution, or any other relief. Likewise, by entering into
6 this Agreement, Defendant in no way admits to the suitability of this case for class action, collective
7 action, or representative litigation, other than for purposes of Settlement. Rather, Defendant enters into
8 this Agreement to avoid further protracted litigation and to resolve and to settle all disputes with the
9 Settlement Class.

10 The Parties understand and agree that this Agreement and Exhibit thereto are
11 settlement documents and shall be inadmissible for any purpose in any proceeding, except an action or
12 proceeding to approve, interpret, or enforce the terms of this Agreement. The Parties agree that, to the
13 extent permitted by law, this Agreement may be pleaded as a full and complete defense to, and may be
14 used as the basis for an injunction against any action, suit, or other proceeding that may be instituted,
15 prosecuted, or attempted in breach of this Agreement.

16 **7. SETTLEMENT APPROVAL PROCEDURE**

17 **7.1. Amended Complaint.** Prior to filing the Motion for Preliminary approval,
18 Plaintiffs will file a stipulation to amend the Class Complaint and First Amended Complaint, adding the
19 PAGA claim and revising the class definition to conform to the allegations in this case. Plaintiffs will
20 dismiss the PAGA Complaint with prejudice within ten (10) days of the filing of the First Amended
21 Complaint.

22 **7.2. Preliminary Approval.** Plaintiffs shall submit to the Court a Motion for
23 Preliminary Approval of Class Action Settlement unless otherwise ordered by the Court. This motion
24 shall seek an order to preliminarily approve the proposed Settlement according to the terms in this
25 Agreement and provide for the Notice of Class Action Settlement And Notice of Settlement Award to be
26 sent to Class Members as specified in this Settlement Agreement. This motion shall include the bases for
27 the Gross Settlement Amount and why the amount is reasonable in light of the facts and controlling
28

authorities pertaining to the claims alleged in the Action. The motion shall also be accompanied by signed declarations by Class Counsel, discussing the risks of continued litigation and the decision that the best interests of the Parties are served by the terms of this Agreement.

7.3. Effect of Failure to Obtain Preliminary Approval. If this Settlement Agreement is not preliminarily approved, the Action shall proceed as if no settlement had been attempted, unless the Parties jointly agree to seek reconsideration of the ruling or Court approval of a renegotiated settlement. Defendant retains the right to contest whether any aspect of the Action should be maintained as a class action or representative action, or to contest the merits of the claims being asserted by the Class Representatives or Class Members in the Action.

7.4. Final Approval. Plaintiffs shall submit to the Court a Motion for Final Approval Order sixteen (16) court days in advance of the date the Court sets for the Fairness Hearing. The motion shall request the entry of a Final Approval Order, which shall include findings and orders: (a) approving the Settlement Agreement; (b) adjudging the terms to be fair, reasonable, and adequate; (c) reciting the release terms in full; (d) directing that the Settlement terms and provisions be carried out; and (e) retaining jurisdiction to oversee administration and enforcement of the terms of this Agreement and the Court's orders.

7.5. Motion for Attorneys' Fees and Costs Award. Class Counsel's Motion for Final Approval shall include a request for approval of Class Counsel's attorneys' fees and costs award in the amount of (a) up to thirty-five percent (35%) of the Gross Settlement Amount (or \$1,295,000.00); and (b) actual costs submitted by class counsel up to \$25,000. Defendant will not oppose the motion provided it is consistent with this paragraph. Defendant will not be required to support such a motion.

7.6. Motion for Class Representative Incentive Payment. Class Counsel's Motion for Final Approval shall include a request for a Class Representative Incentive Payment of up to \$15,000 for each Class Representative. Defendant will not oppose the motion provided it is consistent with this paragraph. Defendant will not be required to support such a motion.

7.7. Entry of Judgment. The Fairness Hearing is expected to be set by the Court on or about that time it issues the Preliminary Approval Order. At the Fairness Hearing, the Parties shall

request that the Court, among other things: (a) enter final judgment in accordance with this Agreement and without further fees or costs to any party except as expressly set forth in this Agreement; (b) approve this Agreement as fair, reasonable, adequate, and binding on all members of the Settlement Class; (c) enter an order as to Class Counsel's request for an attorneys' fees and costs award; (d) enter an order as to the request for a Class Representative Incentive Payment; and (e) enter an order permanently enjoining all members of the Settlement Class from pursuing or seeking to reopen claims that have been released by this Agreement.

7.8. **Effect of Failure to Obtain Final Judgment.** In the event the Court fails to enter final judgment in accordance with this Agreement, or such final judgment is vacated or reversed, the Action shall proceed as if no settlement had been attempted, unless the Parties jointly agree to seek reconsideration or appellate review of the ruling or Court approval of a renegotiated settlement. Defendant retains the right to contest whether any aspect of the Action should be maintained as a class action or representative action, or to contest the merits of the claims being asserted by the Class Representatives or Class Members in the Action.

7.9. **Waiver of Appeal Rights.** By accepting this Settlement and upon final approval of the settlement being granted, the Parties hereby waive any and all rights they may have to appeal any judgment, ruling, or order made by the Court in this Action, including, without limitation, any order granting final approval of this Settlement. This includes all rights to any post-judgment proceeding and appellate proceeding, such as, but not limited to, a motion to vacate judgment, a motion for new trial, and any extraordinary writ, and the Judgment therefore will become nonappealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceedings, or post-judgment proceedings. If an appeal is taken from the Judgment, the time for consummation of the Settlement (including making payments under the Settlement) will be suspended until such time as their appeal is finally resolved and the Judgment becomes final.

8. MISCELLANEOUS

8.1. **Interim Stay of Proceedings.** The Parties agree to refrain from further litigation, except such proceedings necessary to implement and to obtain a Preliminary Approval Order and Final

1 Approval Order of the terms of the Agreement. If the Settlement is not finally approved, the Parties
2 agree that they will revert to their positions in the lawsuit prior to the time the Settlement was reached,
3 and no agreements set forth in this Agreement or any documents generated or orders issued related to
4 the Settlement will be admissible in any future proceeding in this or any other action.

5 8.2. **Language of Notices to Class Members.** The Notice of Class Action Settlement
6 And Notice of Settlement Award shall be in English unless otherwise directed by the Court. The Notice
7 of Class Action Settlement And Notice of Settlement Award shall identify the telephone numbers of the
8 Settlement Administrator and Class Counsel and state that Class Members may direct any questions to
9 said telephone numbers.

10 8.3. **Parties' Authority.** The signatories hereto represent that they are fully authorized
11 to enter into this Agreement and are fully authorized to bind the Parties to all terms stated herein. It is
12 agreed that Class Members are so numerous that it is impossible or impractical to have each Class
13 Member execute this Agreement. It is agreed that this Agreement may be executed on behalf of Class
14 Members by Class Representatives and Class Counsel.

15 8.4. **Entire Agreement.** This Agreement, which includes the Definitions, Recitals,
16 and all Exhibits attached hereto, constitutes the entire agreement between the Parties with regard to the
17 subject matter contained herein, and all prior and contemporaneous negotiations and understandings
18 between the Parties shall be deemed merged into this Agreement.

19 8.5. **Materiality of Terms.** The Parties have arrived at this Agreement as a result of
20 arm's-length negotiations. Except as otherwise stated in this Agreement, all terms and conditions of this
21 Agreement in the exact form set forth in this Agreement are material to this Agreement and have been
22 relied upon by the Parties in entering into this Agreement.

23 8.6. **Counterparts.** This Agreement may be executed in counterparts, and when each
24 party has signed and delivered at least one such counterpart, each counterpart shall be deemed an
25 original, and when taken together with other signed counterparts, shall constitute one signed Agreement,
26 which shall be binding upon and effective as to all Parties.

1 8.7. **Facsimile or Scanned Signatures.** Any Party may sign and deliver this
2 Agreement by signing on the designated signature block and transmitting that signature page via
3 facsimile or as an attachment to an e-mail to counsel for the other Party. Any signature made and
4 transmitted by facsimile or as an attachment to an e-mail for the purpose of executing this Agreement
5 shall be deemed an original signature for purposes of this Agreement and shall be binding upon the party
6 who transmits the signature page.

7 8.8. **Binding Effect.** This Agreement shall be binding upon the Parties and, with
8 respect to the Class Representatives, Class Members, their spouses, children, representatives, heirs,
9 administrators, executors, beneficiaries, conservators, attorneys, and assigns.

10 8.9. **Waivers and Modifications to Be in Writing.** No waiver, modification, or
11 amendment of the terms of this Agreement, whether purportedly made before or after the Court's
12 approval of this Agreement, shall be valid or binding, unless in writing, signed by or on behalf of all
13 Parties and then only to the extent set forth in such written waiver, modification, or amendment, subject
14 to any required Court approval. Any failure by any Party to insist upon the strict performance by the
15 other Party of any of the provisions of this Agreement shall not be deemed a waiver of future
16 performance of the same provisions or of any of the other provisions of this Agreement, and such Party,
17 notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of
18 any and all of the provisions of this Agreement. The time periods and dates provided in this Agreement
19 with respect to giving of notices and hearings are subject to Court approval and modification by the
20 Court or by written stipulation of Class Counsel and Defendant's Counsel.

21 8.10. **Construction.** The determination of the terms and conditions of this Agreement
22 has been by mutual agreement of the Parties. Each Party participated jointly in the drafting of this
23 Agreement, and the terms and conditions of this Agreement are not intended to be, and shall not be,
24 construed against any party by virtue of draftsmanship.

25 8.10.1 **Exhibits Incorporated by Reference.** The terms of this
26 Agreement include the terms set forth in any attached exhibit, which are incorporated by this reference
27 as though fully set forth herein. Any exhibit to this Agreement is an integral part of the Settlement.
28

1 8.10.2 **Captions.** The captions or headings of the sections and paragraphs
2 of this Agreement have been inserted for convenience of reference only and shall have no effect upon
3 the construction or interpretation of any part of this Agreement.

4 8.10.3 **Invalidity of Any Provision.** If a court finds any part of this
5 Agreement unenforceable, that part shall be modified and the rest enforced. If a court finds any such part
6 incapable of being modified, it shall be severed and the rest enforced.

7 8.11. **Further Acts and Cooperation Between the Parties.** The Parties shall cooperate
8 fully with each other and shall use their best efforts to obtain the Court's approval of this Agreement and
9 all of its terms. Each of the Parties, upon the request of another, agrees to perform such further acts and
10 to execute and to deliver such other documents as are reasonably necessary to carry out the provisions of
11 this Agreement.

12 8.12. **No Prior Assignments or Undisclosed Liens.** The Class Representatives and
13 Class Counsel represent and warrant that they have not assigned, transferred, conveyed, or otherwise
14 disposed of, or purported to assign, transfer, convey, or otherwise dispose of, any Released Claims or
15 the attorneys' fees and costs award to be paid pursuant to this Agreement. Class Representatives and
16 Class Counsel further represent and warrant that there are not any liens or claims against any of the
17 amounts to be paid by Defendant pursuant to this Agreement. The Class Representatives and Class
18 Counsel agree to defend, to indemnify, and to hold Defendant harmless from any liability, losses,
19 claims, damages, costs, or expenses, including reasonable attorneys' fees, resulting from a breach of
20 these representations or from any lien or assignment by the respective party.

21 8.13. **Waiver of Right to Object by the Class Representatives.** The Class
22 Representatives agree to sign this Agreement, and by signing this Agreement, the Class Representatives
23 are thereby bound by the terms of this Agreement. The Class Representatives further agree that they
24 shall not object to any of the terms of this Agreement.

25 8.14. **No Solicitation of Objections.** The Parties further represent and warrant that they
26 have not and will not solicit, encourage, or assist in any fashion any effort by any entity or person to
27 object to or to seek exclusion from the Settlement set forth in this Agreement.
28

1 8.15. **Discovery of Confidential Documents and Information.** Class Counsel agree
2 that they will destroy all confidential documents and information provided to them by Defendant. Class
3 Counsel further agrees that none of the documents and information provided to them by Defendant shall
4 be used for any purpose other than prosecution of this Action or the defense or prosecution of a
5 malpractice action.

6 8.16. **No Tax Advice.** Neither Class Counsel nor Defendant's Counsel intend anything
7 contained in this Settlement Agreement to constitute advice regarding taxes or taxability, nor shall
8 anything in this Settlement Agreement be relied upon as such within the meaning of United States
9 Treasury Department Circular 230 (31 C.F.R. Part 10, as amended) or otherwise.

10 8.17. **No Media Announcements.** Neither side shall make any public statements to the
11 news, print, electronic, or Internet media concerning the Settlement, and both sides shall decline to
12 respond to media inquiries concerning the Settlement. Class Counsel shall not publicize the settlement in
13 their marketing materials, website, or other advertising media, or otherwise disclose the settlement, its
14 terms or the parties on their website. Plaintiffs and Class Counsel further agree that if contacted
15 regarding this case, they will state only that the lawsuit exists and has been resolved. Notwithstanding
16 this provision, the Parties agree to provide notice of the Final Approval Order to Class Members by the
17 posting of the Final Approval Order on the Settlement Administrator's website for a period of ninety
18 (90) days following the Court's issuance of the Final Approval Order.

19 8.18. **Continuing Jurisdiction.** The Court shall retain jurisdiction over the
20 implementation of this Agreement as well as any and all matters arising out of, or related to, the
21 implementation of this Agreement and Settlement. The Court shall not have jurisdiction to modify the
22 terms of the Agreement without the consent of all of the Parties.

23 8.19. **Disputes.** If the Parties have a dispute with regard to the language of this
24 Agreement, they agree to first attempt to resolve the dispute informally through good faith negotiations,
25 but if those efforts are unsuccessful, they agree to mediate any such dispute. The Parties will split the
26 costs of the mediator, and all parties will bear their own fees and costs.

1 8.20. **Governing Law.** This Settlement and Agreement was made and entered into in
2 the State of California. All terms of this Agreement shall be governed by and interpreted according to
3 the substantive laws of the State of California.
4

5 **SO AGREED AND STIPULATED:**

6
7 DATED: April 27, 2023

Respectfully submitted,

8 SEYFARTH SHAW LLP

9
10 By _____
11 Candace Bertoldi
12 Elizabeth MacGregor
13 Robin Devaux
Attorneys for Defendant
OWENS-BROCKWAY GLASS CONTAINER, INC.

14 DATED: _____

Respectfully submitted,

15 OWENS-BROCKWAY GLASS CONTAINER, INC.

16
17 By _____
18 _____

19 DATED: April 28, 2023

Respectfully submitted,

20 JAMES HAWKINS APLC

21 By  _____
22 James R. Hawkins
23 Christina M. Lucio
24 Mitchell J. Murray
Attorneys for Plaintiff

25 PRISCILLA AGUILAR

26 DATED: _____

27 By _____
28 Plaintiff Priscilla Aguilar

1 8.20. **Governing Law.** This Settlement and Agreement was made and entered into in
2 the State of California. All terms of this Agreement shall be governed by and interpreted according to
3 the substantive laws of the State of California.
4

5 **SO AGREED AND STIPULATED:**

6 DATED: April 27, 2023

Respectfully submitted,

SEYFARTH SHAW LLP

By


Candace Bertoldi
Elizabeth MacGregor
Robin Devaux

Attorneys for Defendant
OWENS-BROCKWAY GLASS CONTAINER, INC.

13 DATED: 4/26/23

Respectfully submitted,

OWENS-BROCKWAY GLASS CONTAINER, INC.

By


Michael J. Korte

18 DATED: _____

Respectfully submitted,

JAMES HAWKINS APCL

By

James R. Hawkins
Christina M. Lucio
Mitchell J. Murray
Attorneys for Plaintiff

24 DATED: _____

PRISCILLA AGUILAR

By

Plaintiff Priscilla Aguilar

JULIAN HARO

1
2 DATED: _____

JULIAN HARO

3 By _____
4 Plaintiff Julian Haro

5
6 DATED: Apr 28, 2023
7

JUAN MADERA

8 By  _____
9 Plaintiff Juan Madera

10 DATED: _____
11

RICHARD NUNEZ

12 By _____
13 Plaintiff Richard Nunez
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EXHIBIT A

Priscilla Aguilar, et al. v. Owens-Brockway Glass Container, Inc., No. 21STCV33017
SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF LOS ANGELES
NOTICE OF CLASS ACTION SETTLEMENT

You are not being sued. This notice affects your rights. Please read it carefully.

To: All persons who are employed or have been employed by Owens-Brockway Glass Container, Inc. in California as hourly-paid or non-exempt employees at any time during the time period from March 8, 2017 through April 30, 2023 (“Class Members”).

All persons who are employed or have been employed by Owens-Brockway Glass Container, Inc. in California as hourly-paid or non-exempt employees at any time during the time period from September 11, 2020 to April 30, 2023 (“PAGA Members”).

On [REDACTED], the Court in this case granted preliminary approval of this class action Settlement and ordered the litigants to notify all Class Members of the Settlement. **You have received this notice because Defendant’s records indicate that you are a Class Member, and therefore entitled to a payment from the Settlement. All checks will be negotiable for 180 days, after which funds represented by uncashed checks will be tendered to the Controller of the State of California.**

If you are a Class Member, unless you choose to opt out of the Settlement by following the procedures described below, you will be deemed a Settlement Class Member and, if the Court grants final approval of the Settlement, you will be mailed a check for your share of the settlement fund. If you are a PAGA Member, you will participate in the **Net PAGA Payment** portion of the Settlement (defined below) regardless of whether you opt out of the Settlement. The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at :00 .m. on , 2023 in Department 9 of the Los Angeles County Superior Court located at 312 North Spring Street, Los Angeles, California 90012.

Please note that the Final Fairness Hearing may be rescheduled by the Court to another date and/or time. You are not required to attend the hearing, but if you wish to attend, you may attend the hearing telephonically (remotely), which can be set up through LA Court Connect (www.lacourt.org/lacc/).

If you move from your residence, you must send the Settlement Administrator your new address; otherwise, you may never receive your Settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

Summary of the Litigation

Plaintiffs Priscilla Aguilar, Juan Haro, Juan Madera, and Richard Nunez (“Paintiffs”), on behalf of themselves and other current and former non-exempt employees, allege that Defendant failed to: (1) pay minimum wages and overtime; (2) provide meal periods and rest breaks; (3) timely pay wages during employment and at separation from employment; (4) furnish accurate, itemized wage statements and maintain timekeeping and payroll records; and (5) reimburse necessary expenses.

Counsel for Plaintiffs, and the attorneys appointed by the Court to represent the Class, James Hawkins APLC (“Class Counsel”), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit,

Class Counsel also recognize that the risk and expense of continued litigation justify Settlement. Based on the foregoing, Class Counsel believe the proposed Settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Defendant has denied, and continues to deny the factual and legal allegations in the case and believes that it has valid defenses to Plaintiffs' claims. By agreeing to settle, Defendant is not admitting liability on any of the allegations or claims in the case or that the case can or should proceed as a class or representative action. Defendant has agreed to settle the case as part of a compromise with Plaintiffs.

Summary of the Proposed Settlement Terms

Plaintiffs and Defendant have agreed to settle the underlying Class and PAGA claims in exchange for a Class Settlement Amount of \$3,700,000.00 ("Gross Settlement Amount"). This amount is inclusive of: (1) individual settlement payments to all Settlement Class and PAGA Members; (2) a Class Representative Enhancement Payment of \$15,000 each to Priscilla Aguilar, Juan Haro, Juan Madera, and Richard Nunez for their services on behalf of the Class, and for a release of all claims arising out of their employment with Defendant; (3) \$1,295,000.00 in attorneys' fees and up to \$25,000.00 in litigation costs and expenses; (4) a \$300,000 settlement of claims under the Labor Code Private Attorneys General Act of 2004 ("PAGA Payment"), inclusive of a \$225,000 payment to the California Labor and Workforce Development Agency ("LWDA Payment"), and a \$75,000.00 payment ("Net PAGA Payment") to all PAGA Members; and (5) reasonable Settlement Administrator's fees and expenses of up to \$15,000.00. After deducting the above payments from the Gross Settlement Amount, the remaining amount will be allocated to Class Members who do not opt out of the Settlement Class ("Net Settlement Amount"). All PAGA Members will receive a proportional share of the \$75,000.00 Net PAGA Payment, regardless of whether they opt out of the Settlement.

Payments from Net Settlement Amount.

Payments to Class Members. The Individual Settlement Payment to a Settlement Class Member will be calculated based on Pay Periods worked by each Settlement Class Member during the time period of March 8, 2017 through April 30, 2023. Individual Settlement Payments for the Class Members for that time period will be calculated by dividing the number of Eligible Pay Periods attributed to the Class Member by all Eligible Pay Periods attributed to all Settlement Class Members, multiplied by the Net Settlement Amount allocated to the Class. Otherwise stated, the formula for a Class Member is: (individual's Eligible Pay Periods ÷ total Settlement Class Eligible Pay Periods) × Net Settlement Amount. The Individual Settlement Payment will be reduced by any required deductions for each Class Member as specifically set forth herein, including employee-side tax withholdings or deductions, but excluding any employer-side taxes which Defendant shall pay separately. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase each Settlement Class Member's share of the Net Settlement Amount according to the number of Pay Periods worked, so that the amount actually distributed to the Class equals 100% of the Net Settlement Amount.

According to Defendant's records, you worked during the Class Period in a non-exempt position for a total of [REDACTED] Pay Periods. Accordingly, your estimated payment from the Net Settlement Amount is approximately \$[REDACTED].

Payments to PAGA Members. The Individual PAGA Payment to a PAGA Member from the Net PAGA Payment will be calculated based on Pay Periods worked by each PAGA Member during the time period of September 11, 2020 to April 30, 2023. Individual PAGA Payments for that time period will be calculated by dividing the Net PAGA Payment by the total number of PAGA Pay Periods worked during the PAGA Period credited to all PAGA Members ("PAGA Pay Period Rate"). Each PAGA Member's Individual PAGA Payment is equal to the PAGA Pay Period Rate multiplied by his or her individual PAGA Pay Periods pursuant to the records of Defendant. A Request for Exclusion does not exclude a PAGA Member from the release of claims under California Labor Code §§ 2698, *et seq.* and the PAGA Member will receive his or her portion of the Net PAGA Payment even if he or she submits a valid Request for Exclusion.

According to Defendant's records, you worked during the PAGA Period in a non-exempt position for a total of [redacted] Pay Periods. Accordingly, your estimated payment from the Net PAGA Payment is approximately \$ [redacted].

If you believe the Pay Period information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked or faxed on or before [insert date of Response Deadline] and must be sent to:

Settlement Administrator
c/o _____

Taxes on Settlement Payments. IRS Forms W-2 and 1099 will be distributed to Settlement Class Members and the appropriate taxing authorities reflecting the payments they receive under the Settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this Settlement, each Individual Settlement Payment will be allocated as 33% wages, 33% to interest, and 33% to penalties and non-wage income.

Your Options Under the Settlement

Option 1 – Automatically Receive a Payment from the Settlement

If you want to receive your payment from the Settlement, then no further action is required on your part. You will automatically receive your Settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the Settlement, you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released claims as follows:

By operation of the entry of the Final Approval Order and Judgment, and except as to such rights or claims as may be created by this Agreement, including, without limitations, individuals who submit a valid Request for Exclusion, each Settlement Class member, and each of their respective executors, administrators, representatives, agents, heirs, successors, assigns, trustees, spouses, or guardians, will release each of the Released Parties of and from any and all claims, rights, demands, charges, complaints, causes of action, obligations, or liability that were or could have been raised based on the factual allegations made in the Action through April 30, 2023. This includes, but is not limited to, California Labor Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 223, 225.5, 226, 226.2, 226.3, 226.7, 246, 510, 512, 558, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802; California Industrial Commission Wage Orders, Cal. Code Regs., Title 8, Section 11040, et seq.; and Business and Professions Code Sections 17200, et seq.; and including all claims for or related to alleged failure to pay wages, overtime or double time wages, minimum and regular wages, regular rate of pay; wages timely during employment, wages timely at separation, meal periods and meal period premiums, rest periods and rest period premiums, off-the-clock work; wage statements, written notice of sick leave, payroll records and recordkeeping; unreimbursed business expenses; failure to pay additional 401(k) benefits and/or deferred compensation benefits and/or matching benefits for payments received under the Settlement; unfair competition; unfair business practices; conversion; class actions; representative actions; aggrieved party claims; injunctive relief; declaratory relief; accounting; punitive damages; liquidated damages; penalties of any nature (including but not limited to civil penalties, waiting-time penalties,); interest; attorneys' fees and costs; and any other claims arising out of or

related to or filed in the Action through April 30, 2023. This Release does not constitute a general waiver under California Civil Code Section 1542.

By operation of the entry of the Final Approval Order and Judgment, and except as to such rights or claims as may be created by this Agreement, each PAGA Member, and each of their respective executors, administrators, representatives, agents, heirs, successors, assigns, trustees, spouses, or guardians, will release each of the Released Parties of and from all claims for PAGA penalties that were or could have been raised based on the factual allegations made in the Action through April 30, 2023. This includes, but is not limited to, PAGA penalties based on alleged violation of California Labor Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 223, 225.5, 226, 226.2, 226.3, 226.7, 246, 510, 512, 558, 1174, 1194, 1194.2, 1197, 1197.1, 1198, , 2800, 2802; California Industrial Commission Wage Orders, Cal. Code Regs., Title 8, Section 11040, et seq.; and includes all claims for or related to alleged failure to pay wages, overtime or double time wages, minimum and regular wages, regular rate of pay; wages timely during employment, wages timely at separation, meal periods and meal period premiums, rest periods and rest period premiums, off-the-clock work; wage statements, written notice of sick leave, payroll records and recordkeeping; unreimbursed business expenses; and any other claims arising out of or related to or filed in the Action through April 30, 2023.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the Settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the Settlement, and desire to be excluded from the Settlement. The written Request for Exclusion must include your name (and former names, if any), current address, current telephone number, and last four digits of their social security number, and a statement that you wish to be excluded from the Settlement Agreement. Any Request for Exclusion that does not include all of the required information, is not signed and dated, or that is not submitted in a timely manner will be deemed null, void, and ineffective. Requests for Exclusion must be mailed by First Class U.S. Mail or equivalent, to the address below:

Settlement Administrator
c/o _____

The Request for Exclusion must be postmarked not later than [REDACTED], 2023. If you submit a Request for Exclusion which is not postmarked by [REDACTED], 2023, your Request for Exclusion will be rejected, and you will be included in the Settlement class.

If you choose **Option 2**, you will no longer be a Class Member, and you will:

- Not Receive a Payment from the Net Settlement Amount.
- Not release the Released Class Claims.
- You will, however, release claims for PAGA civil penalties predicated on the Released Claims, and will receive a payment from the PAGA Fund.

Option 3 – Object to the Settlement

If you decide to object to the Settlement, you may submit a written objection stating why you object to the Settlement, or you may instead appear at the Final Fairness Hearing to object to the Settlement. Your objection must provide: (1) the name and case number of this Action: Priscilla Aguilar, et al. v. Owens-Brockway Glass Container, Inc., Los Angeles, Case No. 21STCV33017; (2) your full name, last four digits of your social security number, and current address; (3) the specific reason(s) for the objection; and (4) any and all evidence and supporting papers (including, without limitation, all briefs, written evidence, and declarations) for the Court to consider. You must also sign and date your objection. The written objection must be mailed to the Settlement Administrator at [administrator's address].

All objections must be received by the Settlement Administrator by not later than [redacted], 2023. By submitting an objection, you are not excluding yourself from the Settlement. To exclude yourself from the Settlement, you must follow the directions described above. Please note that you cannot both object to the Settlement and exclude yourself. You must choose one option only.

If you choose **Option 3**, you will remain bound by this Settlement, release your class and PAGA claims described above, and you will receive your individual Settlement Share, if the Settlement is approved by the Court.

Final Approval of the Settlement

You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend the Final Approval Hearing to listen to the proceedings or to object to the Settlement. You may remotely appear at the Final Approval Hearing by using the Court Connect procedure at <https://www.lacourt.org/lacc/>. You may also attend the Final Approval Hearing in person.

Additional Information

This Class Notice summarizes the Settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by going to the Settlement Administrator's website at [redacted] or by contacting the Settlement Administrator or Class Counsel, whose contact information are listed below. You may also get more details by examining the Court's file using the court's website at <http://www.lacourt.org/> and entering the Case No. 21STCV33017 in the website's case access page, or by going to the Clerk's Office located at 312 N. Spring Street, Los Angeles, California 90012 during regular business hours. You may also direct inquiries to the Settlement Administrator or Class Counsel:

JAMES HAWKINS APLC
James R. Hawkins (SBN 192925)
james@Jameshawkinsaplc.com
Christina M. Lucio (SBN 253677)
christina@Jameshawkinsaplc.com
Mitchell J. Murray (SBN 285691)
mitchell@Jameshawkinsaplc.com
9880 Research Drive, Suite 200
Irvine, California 92618
Telephone: (949) 387-7200
Facsimile: (949) 387-6676

Settlement Administrator
c/o _____

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR DEFENDANT'S ATTORNEYS WITH INQUIRIES.

Exhibit 2

CASE NAME: ABRON V. UNITED HEALTHCARE ALLIANCE

Date: April 7, 2023

Requesting Attorney: Mitchell J. Murray

Plaintiff or Defense: Plaintiff

Firm Name: James Hawkins APLC

Telephone: 9880 Research Dr., Suite 200

Email: mitchell@jameshawkinsaplc.com

All-In Settlement

Class Size: 1,050

Opt-Out Rate: 1.5%

No. of Checks Issued: 1,034

Postage Total: \$1,618.40

Grand Total: \$21,091.50

DISCOUNTED FLAT FEE: \$14,500.00

The services and numbers reflected herein are an estimate provided by counsel. If the actual services and number are different, our cost estimate will change accordingly.

The attached Terms and Conditions are included as part of our cost proposal. By accepting our costs proposal for this matter, you are thereby agreeing to the Terms and Conditions.

CASE SETUP

Upon Intake of the Data, CPT will Scrub all Records to a Useable Format to Reduce Duplicates, Anomalies and Increase the Success Rate of Deliverability of the Class Notice. Class Members will be Assigned a Unique Mailing ID which will be Used Throughout Administration. The Notice Packet will be Translated into Spanish. All Pertinent Documents will be Posted on a Case Specific Website.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Manager: Case Intake & Review	\$95.00	7	\$665.00
Programming: Data Base Setup	\$150.00	7	\$1,050.00
Spanish Translation	\$1,200.00	1	\$1,200.00
Static Website	\$500.00	1	\$500.00
TOTAL			\$3,415.00

DIRECT MAIL NOTICE

To Ensure Mailing to the Most Current Address Possible, CPT will Perform an Address Update via NCOA. CPT will Mail a Full-Length Notice, Exclusion & Objection Form in Both English & Spanish.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Manager: Format Documents	\$95.00	2	\$190.00
National Change of Address Search (NCOA)	\$135.00	1	\$135.00
Print & Mail Notice Packets	\$1.50	1,050	\$1,575.00
First-Class Postage (up to 2 oz.)*	\$0.81	1,050	\$850.50
TOTAL			\$2,750.50

*Postage costs are subject to change at anytime. The final rate will be determined at the time of mailing.

PROCESS RETURNED UNDELIVERABLE MAIL

Based On CPT's Historical Data, 6% of the Notices will be Returned Undeliverable. Upon Receipt, CPT will Perform a Skip Trace in an Attempt to Obtain a Current Address; Thus, 91% of the Notice Packets are Remailed.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Clerical Staff	\$60.00	2	\$120.00
Update Undeliverable Mail Database	\$0.50	63	\$31.50
Skip Trace for Best Address	\$1.00	54	\$54.00
Print & Remail Notice Packets	\$1.50	49	\$73.50
First-Class Postage (up to 2 oz.)	\$0.81	49	\$39.69
TOTAL			\$318.69

OPT-OUT PROCESSING

CPT will Process and Validate all Opt-Outs and Other Responses from Class Members. Deficient Opt-Outs will Receive a Deficiency Notice by Mail and Provide an Opportunity to Cure. CPT will Scrub the Filed Opt-Outs to Eliminate Duplicates, Fraudulent, and Otherwise Invalid.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: De-duplication/Scrubbing	\$150.00	1	\$150.00
Project Manager: Validate Opt-Out Requests	\$95.00	1	\$95.00
Clerical Staff	\$60.00	1	\$60.00
Opt-Out & Change of Address Processing	\$2.00	16	\$31.50
Print & Mail Deficiency/Dispute Notices	\$1.50	1	\$1.50
First-Class Postage (up to 1 oz.)	\$0.60	1	\$0.60
Review & Process Deficiency Responses	\$10.00	1	\$10.00
		TOTAL	\$348.60

TELEPHONE SUPPORT

CPT will Maintain a Toll-Free Phone Number with IVR Capabilities and Live Class Member Support Representatives During Normal Business Hours, Monday-Friday, 9:00 AM - 5:30 PM, PT. The Dedicated Case Phone Number will Remain Active Up to 120 Days After Disbursement.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Toll-Free Number Establish/Setup	\$150.00	2	\$300.00
Live Call Center Support Reps.	\$3.00	210	\$630.00
		TOTAL	\$930.00

SSN VERIFICATION

Verify SSN for Validity with IRS / IRS Backup Withholdings

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: SSN Selection	\$150.00	1	\$150.00
Department Manager: Analysis & Reporting	\$95.00	3	\$285.00
IRS SSN Verification	\$0.10	1,034	\$103.43
		TOTAL	\$538.43

DISTRIBUTION SERVICES

CPT will Establish and Manage the Qualified Settlement Fund (QSF) for up to One Year After Disbursement. Upon Approval, CPT will Perform all Necessary Calculations and Disburse Funds. CPT will Mail an 8.5"x11" MICR Check to Valid Class Members. CPT Uses a Payee Positive Pay System to Reconcile Checks Cashed and Conducts Monthly Account Reconciliations for the QSF.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: Calculation Totals	\$150.00	3	\$450.00
Project Supervisor: Review of Distribution	\$150.00	3	\$450.00
Project Manager: Correspondence w/Parties	\$95.00	2	\$190.00
Programming: Setup & Printing of Checks	\$150.00	4	\$600.00
Obtain EIN, Setup QSF/Bank Account	\$150.00	3	\$450.00
Print & Mail Notice, Checks & W2/1099	\$2.50	1,034	\$2,585.63
First-Class Postage (up to 1 oz.)*	\$0.60	1,034	\$620.55
		TOTAL	\$5,346.18

*Postage costs are subject to change at anytime. The final rate will be determined at the time of mailing.

POST-DISTRIBUTION & TAX REPORTING

Any Check Returned Undeliverable is Skip Traced to Locate a Current Address and Remailed Accordingly. CPT will Process Requests for Check Reissues Continuously. CPT Prepares Annual Tax Reporting on Behalf of the QSF and Federal and State Taxes in Accordance with Current State and Federal Regulations. Upon the Conclusion of the Settlement, a Final Report and Declaration will be Provided to all Parties.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Supervisor: Account Reconciliation	\$150.00	10	\$1,500.00
Update Undeliverable Checks Database	\$0.50	83	\$41.50
Skip Trace for Best Address	\$1.00	83	\$83.00
Remail Undeliverable Checks	\$2.50	76	\$190.00
First-Class Postage (up to 1 oz.)	\$0.60	76	\$45.60
Re-Issue Checks as Required	\$5.00	52	\$260.00
First-Class Postage (up to 1 oz.)	\$0.60	52	\$31.20
Project Supervisor: Reconcile Uncashed Chk	\$150.00	1	\$150.00
Programming: Weekly & Final Reports	\$150.00	2	\$300.00
Project Supervisor: Final Declaration	\$150.00	2	\$300.00
Project Manager: Account Files Sent to Atty	\$95.00	2	\$190.00
CA Tax Preparation*	\$600.00	1	\$600.00
Annual Tax Reporting to IRS*	\$1,000.00	1	\$1,000.00
QSF Annual Tax Reporting	\$500.00	1	\$500.00
TOTAL			\$5,191.30

*CPT will file Federal and California taxes in accordance to current state and federal regulations. Additional charges will apply if the Settlement/Order/parties require(s) multiple state tax filings.

SCO ESCHEATMENT PROCESSING

Escheatment Processing to the State Controller Unclaimed Property Division / Uncashed Check Rate 21%

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
UPEnterprise Reporting Services	\$0.15	217	\$32.55
Project Manager: SCO Fall Reporting	\$95.00	2	\$190.00
Project Supervisor: Review of SCO Reports	\$150.00	1	\$150.00
Certified Mail Report to SCO	\$8.53	1	\$8.53
Check Reissues for Winter/Spring QTR	\$5.00	22	\$110.00
First-Class Postage (up to 1 oz.)	\$0.60	22	\$13.20
Project Supervisor: June Remittance	\$150.00	1	\$150.00
Project Manager: June Remittance	\$95.00	2	\$190.00
Certified Mail Report to SCO	\$8.53	1	\$8.53
Add'l Account Recons	\$150.00	6	\$900.00
Add'l QSF Annual Tax Reporting	\$500.00	1	\$500.00
TOTAL			\$2,252.81

GRAND TOTAL \$21,091.50

TERMS AND CONDITIONS

These Terms and Conditions are made a part of, and incorporated by reference into, any cost proposal or Bid presented by CPT Group, Inc. to Client

1. Definitions.

- a) **"Affiliate"** means a party that partially (at least 50%) or fully controls, is partially or fully controlled by, or is under partial (at least 50%) or full common control with another party.
- b) **"Approved Bank"** means a financial institution insured by the Federal Deposit Insurance Corporation with capital exceeding \$1 billion.
- c) **"Case"** means the particular judicial matter identified by the name of plaintiff(s) and defendant(s) on the applicable Order.
- d) **"Claims Administrator"** means CPT Group, Inc., a reputable third-party Claims Administrator selected by all the Parties (Plaintiff and Defense Counsel) to administer the Settlement or Notification Mailing.
- e) **"Client"** means collectively Plaintiff Counsel and Defense Counsel.
- f) **"Client Content"** means all Class Member written document communications relating to the Case, including claim forms, opt-out forms, and objections, which contain Client Data.
- g) **"Client Data"** means proprietary or personal data regarding Client or any of its Class Members under this Agreement, as provided by Client.
- h) **"Class Member"** means an individual who is eligible under the Settlement Agreement to receive a designated amount of the Settlement, including the named Plaintiff(s) in the Case and all other putative persons so designated or addressed therein.
- i) **"Confidential Information"** means any non-public information of CPT or Client disclosed by either party to the other party, either directly or indirectly, in writing, orally or by inspection of tangible objects, or to which the other party may have access, which a reasonable person would consider confidential and/or which is marked "confidential" or "proprietary" or some similar designation by the disclosing party. Confidential Information shall also include the terms of this Agreement, except where this Agreement specifically provides for disclosure of certain items. Confidential Information shall not, however, include the existence of the Agreement or any information which the recipient can establish: (i) was or has become generally known or available or is part of the public domain without direct or indirect fault, action, or omission of the recipient; (ii) was known by the recipient prior to the time of disclosure, according to the recipient's prior written documentation; (iii) was received by the recipient from a source other than the discloser, rightfully having possession of and the right to disclose such information; or (iv) was independently developed by the recipient, where such independent development has been documented by the recipient.
- j) **"Court Order"** means a legal command or direction issued by a court, judicial office, or applicable administrative body requiring one or more parties to the Case to carry out a legal obligation pursuant to the Case.
- k) **"Defendant"** means the named party and/or parties in the Case against whom action is brought.
- l) **"Defense Counsel"** means the attorney of record for the defendant(s) in the Case.
- m) **"Intellectual Property Right"** means any patent, copyright, trade or service mark, trade dress, trade name, database right, goodwill, logo, trade secret right, or any other intellectual property right or proprietary information right, in each case whether registered or unregistered, and whether arising in any jurisdiction, including without limitation all rights of registrations, applications, and renewals thereof and causes of action for infringement or misappropriation related to any of the foregoing.
- n) **"Order"** means a Product purchase in a schedule, statement of work, addendum, exhibit, or amendment signed by Client and CPT.
- o) **"Parties"** shall mean collectively Defendants, Defense and Plaintiff as defined in the Settlement Agreement or Court Order.
- p) **"Plaintiff"** means the named party and/or parties in the Case who are bringing the action.
- q) **"Plaintiff Counsel"** means the attorney of record for plaintiff Class Members in the Case.
- r) **"Products"** means any and all CPT Services, and work products resulting from Services.
- s) **"Qualified Settlement Fund"** means the entity as defined by Treasury Regulation section 4686-1 under which a bank account is established to receive settlement funds from the Defendant in the Case, which such funds are then disbursed by CPT according to the Settlement Agreement and pursuant to Court Order.

- t) **"Service"** means any service rendered by CPT specifically to Client, including, but not limited to: (i) notifications to Class Members; (ii) setting up a Qualified Settlement Fund with a financial institution; (iii) management of disbursement of funds from the Qualified Settlement Fund to applicable parties pursuant to the Settlement Agreement; (iv) provision of customer support relating to the Case; (v) management of Case claim forms and correspondence; and/or (vi) any administrative or consulting service.
 - u) **"Software"** means any and all of CPT's proprietary applications, including, without limitation, all updates, revisions, bug-fixes, upgrades, and enhancements thereto.
 - v) **"Settlement"** means the total dollar amount agreed to between parties to the Case, as negotiated by Plaintiff Counsel and Defense Counsel, to resolve the Case to mutual satisfaction.
 - w) **"Settlement Agreement"** means the contract between parties to the Case to resolve the same, which specifies amounts to be disbursed from the Qualified Settlement Fund to attorneys, CPT, and individual Class Members.
 - x) **"Term"** means the term of the Agreement, as set forth in the Order.
 - y) **"Transmission Methods"** means the secure authorized manner to send Client Data and/or Wire Information as specified on a schedule or Order hereto.
 - z) **"Wire Information"** means instructions for (i) Defense Counsel to transfer funds from Defendant to the Qualified Settlement Fund or (ii) CPT to transfer funds from the Qualified Settlement Fund to applicable parties pursuant to the Settlement Agreement.
2. Client Obligations. Client will ensure that it has obtained all necessary consents and approvals for CPT to access Client Data for the purposes permitted under this Agreement and shall only transmit Client Data and/or Wire Instructions to CPT via the Transmission Methods. Client shall use and maintain appropriate administrative, technical, and physical safeguards designed to protect Client Data provided under this Agreement. Client shall not send, or attempt to send, Client Data and/or Wire Instructions via email, facsimile, unprotected spreadsheet, USB flash drive or other external or removable storage device, cloud storage provider, or any other method not specified in the Transmission Methods. Notwithstanding the foregoing, Client acknowledges and understands that the electronic transmission of information cannot be guaranteed to be secure or error free, and such information could be intercepted, corrupted, lost, and/or destroyed. Client further warrants that any Client Data and/or Wire Instructions it transmits shall be free of viruses, worms, Trojan horses, or other harmful or disabling codes which could adversely affect the Client Data and/or CPT. If Client is in breach of this section, CPT may suspend Services, in addition to any other rights and remedies CPT may have at law or in equity.
3. Security. The Parties and CPT shall each use reasonable administrative, technical, and physical safeguards that are reasonably designed to: (a) protect the security and confidentiality of any personally identifiable information provided by Class Members and/or Client under this Agreement; (b) protect against any anticipated threats or hazards to the security or integrity of such personally identifiable information; (c) protect against unauthorized access to or use of such personally identifiable information that could result in substantial harm or inconvenience to any individual; and (d) protect against unauthorized access to or use of such personally identifiable information in connection with its disposal. Each Party will respond promptly to remedy any known security breach involving the personally identifiable information provided by you and/or Client under this Agreement and shall promptly inform the other Parties of such breaches.
4. CPT Obligations. Provided that Client complies with all provisions of Section "Client Obligations", CPT will (i) maintain appropriate safeguards for the protection of Client Data, including regular back-ups, security and incident response protocols, and (ii) not access or disclose Client Data except (A) as compelled by law, (B) to prevent or address service or technical issues, (C) in accordance with this Agreement or the provisions of the Settlement Agreement, or (D) if otherwise permitted by Client.
5. Mutual Obligations.
- a) Resources. Each party agrees to: (i) provide the resources reasonably necessary to enable the performance of the Services; (ii) manage its project staffing, milestones, and attendance at status meetings; and (iii) ensure completion of its project deliverables and active participation during all phases of a Service project. The parties acknowledge that failure to cooperate during a Service project may delay delivery of the Service.

If there is a delay, the party experiencing the delay will notify the other party as soon as reasonably practicable, and representatives of each party will meet to discuss the reason for the delay and applicable consequences. Changes beyond the scope of an Order and/or a party's delay in performing its obligations may require an amended Order.

- b) **Incident Notification.** Each party will promptly inform the other parties in the event of a breach of Client Data in their possession and shall utilize best efforts to assist the other parties to mitigate the effects of such incident.
6. **Qualified Settlement Fund Account.** At Client's request, CPT shall be authorized to establish one or more bank accounts at an Approved Bank. The amounts held at the Approved Bank under this Agreement are at the sole risk of Client. Without limiting the generality of the foregoing, CPT shall have no responsibility or liability for any diminution of the funds that may result from the deposit thereof at the Approved Bank, including deposit losses, credit losses, or other claims made against the Approved Bank. It is acknowledged and agreed that CPT has acted reasonably and prudently in depositing funds at an Approved Bank, and CPT is not required to conduct diligence or make any further inquiries regarding such Approved Bank.
7. **Fees and Payment.** Pricing stated within the proposal is good for 90 Days. All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the Client data and/or notice documents. Client will be invoiced for any remaining fees according to the applicable Order. Pricing stated within any proposal from CPT to Client is for illustrative purposes only and is only binding upon an Order executed by CPT and Client. Payment of fees will be due within 30 days after the date of the invoice, except where this Agreement expressly prescribes other payment dates. All fees set forth in an Order are in U.S. dollars, must be paid in U.S. dollars, and are exclusive of taxes and applicable transaction processing fees. Late payments hereunder will incur a late charge of 1.5% (or the highest rate allowable by law, whichever is lower) per month on the outstanding balance from the date due until the date of actual payment. In addition, Services are subject to suspension for failure to timely remit payment therefor. If travel is required to effect Services, Client shall reimburse CPT for pre-approved, reasonable expenses arising from and/or relating to such travel, including, but not limited to, airfare, lodging, meals, and ground transportation.
8. **Term and Termination.**
 - a) **Term.** The Term is set forth in the Order. The Agreement may be renewed by mutual written agreement of the parties.
 - b) **Termination for Cause.** Either party may immediately terminate this Agreement if the other party materially breaches its obligations hereunder, and, where capable of remedy, such breach has not been materially cured within forty-five (45) days of the breaching party's receipt of written notice describing the breach in reasonable detail.
 - c) **Bankruptcy Events.** A party may immediately terminate this Agreement if the other party: (i) has a receiver appointed over it or over any part of its undertakings or assets; (ii) passes a resolution for winding up (other than for a bona fide scheme of solvent amalgamation or reconstruction), or a court of competent jurisdiction makes an order to that effect and such order is not discharged or stayed within ninety (90) days; or (iii) makes a general assignment for the benefit of its creditors.
 - d) **Effect of Termination.** Immediately following termination of this Agreement, upon Client's written request, Client may retrieve Client Data via Client's secure FTP site in the same format in which the Client Data was originally inputted into the Software, at no additional charge. Alternatively, Client Data can be returned in a mutually agreed format at a scope and price to be agreed. CPT will maintain a copy of Client Data and Client Content for no more than four (4) years following the date of the final check cashing deadline for Class Members under the Settlement Agreement, after which time any Client Data and Client Content not retrieved will be destroyed.
 - e) **Final Payment.** If Client terminates this Agreement due to Section "Termination", Client shall pay CPT all fees owed through the termination date. If CPT terminates the Agreement in accordance with Section "Termination," Client shall pay CPT all fees invoiced through the termination date, plus all fees remaining to be invoiced during the Term, less any costs CPT would have incurred had the Agreement not been terminated.

Confidentiality. Each of the parties agrees: (i) not to disclose any Confidential Information to any third parties except as mandated by law and except to those subcontractors of CPT providing Products hereunder who agree to be bound by confidentiality obligations no less stringent than those set forth in this Agreement; (ii) not to use any Confidential Information for any purposes except carrying out such party's rights and responsibilities under this Agreement; and (iii) to keep the Confidential Information confidential using the same degree of care such party uses to protect its own confidential information; provided, however, that such party shall use at least reasonable care. These obligations shall survive termination of this Agreement.

- a) **Compelled Disclosure.** If receiving party is compelled to disclose any Confidential Information by judicial or administrative process or by other requirements of law, such party shall (i) promptly notify the other party, (ii) reasonably cooperate with the other party in such party's efforts to prevent or limit such compelled disclosure and/or obtain confidential treatment of the items requested to be disclosed, and (iii) shall disclose only that portion of such information which each party is advised by its counsel in writing is legally required to be disclosed.
- b) **Remedies.** If either party breaches any of its obligations with respect to confidentiality or the unauthorized use of Confidential Information hereunder, the other party shall be entitled to seek equitable relief to protect its interest therein, including but not limited to, injunctive relief, as well as money damages.
10. **Intellectual Property.** As between the parties, CPT will and does retain all right, title and interest (including, without limitation, all Intellectual Property Rights) in and to the Products. Client retains all ownership rights to Client Data.
11. **Indemnification.** Client agrees to indemnify, defend, and hold harmless CPT, its Affiliates, and the respective officer, directors, consultants, employees, and agents of each (collectively, Covered CPT Parties") from and against any and all third party claims and causes of action, as well as related losses, liabilities, judgments, awards, settlements, damages, expenses and costs (including reasonable attorney's fees and related court costs and expenses) (collectively, "Damages") incurred or suffered by CPT which directly relate to or directly arise out of (i) Client's breach of this Agreement; (ii) CPT's performance of Services hereunder; (iii) the processing and/or handling of any payment by CPT; (iv) any content, instructions, information or Client Data provided by Client to CPT in connection with the Services provided by CPT hereunder. The foregoing provisions of this section shall not apply to the extent the Damages relate to or arise out of CPT's willful misconduct. To obtain indemnification, indemnitee shall: (i) give written notice of any claim promptly to indemnitor; (ii) give indemnitor, at indemnitor's option, sole control of the defense and settlement of such claim, provided that indemnitor may not, without the prior consent of indemnitee (not to be unreasonably withheld), settle any claim unless it unconditionally releases indemnitee of all liability; (iii) provide to indemnitor all available information and assistance; and (iv) not take any action that might compromise or settle such claim.
12. **Warranties.** Each party represents and warrants to the other party that, as of the date hereof: (i) it has full power and authority to execute and deliver the Agreement; (ii) the Agreement has been duly authorized and executed by an appropriate employee of such party; (iii) the Agreement is a legally valid and binding obligation of such party; and (iv) its execution, delivery and/or performance of the Agreement does not conflict with any agreement, understanding or document to which it is a party. CPT WARRANTS THAT ANY AND ALL SERVICES PROVIDED BY IT HEREUNDER SHALL BE PERFORMED IN A PROFESSIONAL MANNER CONSISTENT WITH PREVAILING INDUSTRY STANDARDS. TO THE EXTENT PERMITTED BY APPLICABLE LAW, CPT DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE.
13. **Liability.**
 - a) **Liability Cap.** EXCEPT FOR A PARTY'S WILLFUL MISCONDUCT, EACH PARTY'S MAXIMUM AGGREGATE LIABILITY ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, WILL BE LIMITED TO THE TOTAL CLAIMS ADMINISTRATOR FEES PAID OR PAYABLE BY CLIENT TO CPT HEREUNDER. THE EXISTENCE OF MORE THAN ONE CLAIM SHALL NOT EXPAND SUCH LIMIT. THE PARTIES ACKNOWLEDGE THAT THE FEES AGREED UPON BETWEEN CLIENT AND CPT ARE BASED IN PART ON THESE LIMITATIONS, AND THAT THESE LIMITATIONS WILL APPLY NOTWITHSTANDING ANY FAILURE OF ANY ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. THE FOREGOING LIMITATION SHALL NOT APPLY TO A PARTY'S PAYMENT OBLIGATIONS UNDER THE AGREEMENT.
 - b) **Exclusion of Consequential Damages.** NEITHER PARTY WILL BE LIABLE FOR LOST PROFITS, LOST REVENUE, LOST BUSINESS OPPORTUNITIES, LOSS OF DATA, INTERRUPTION OF BUSINESS, OR ANY OTHER INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
14. **Communications.** CPT may list Client's name and logo alongside CPT's other clients on the CPT website and in marketing materials, unless and until Client revokes such permission. CPT may also list the Case name and/or number, and certain Qualified Settlement Fund information, on the CPT website and in marketing materials, unless stated otherwise in the Settlement Agreement.

15. Miscellaneous Provisions.

- a) Governing Law; Jurisdiction. This Agreement will be governed by and construed in accordance with the laws of the State of California and the federal laws of the United States of America, without regard to conflict of law principles. CPT and Client agree that any suit, action or proceeding arising out of, or with respect to, this Agreement or any judgment entered by any court in respect thereof shall be brought exclusively in the state or federal courts of the State of California located in the County of Orange, and each of CPT and Client hereby irrevocably accepts the exclusive personal jurisdiction and venue of those courts for the purpose of any suit, action or proceeding.
- b) Force Majeure. Neither party will be liable for any failure or delay in its performance under this Agreement due to any cause beyond its reasonable control, including without limitation acts of war, acts of God, earthquake, flood, weather conditions, embargo, riot, epidemic, acts of terrorism, acts or omissions of vendors or suppliers, equipment failures, sabotage, labor shortage or dispute, governmental act, failure of the Internet or other acts beyond such party's reasonable control, provided that the delayed party: (i) gives the other party prompt notice of such cause; and (ii) uses reasonable commercial efforts to correct promptly such failure or delay in performance.
- c) Counterparts. This Agreement may be executed in any number of counterparts and electronically, each of which shall be an original but all of which together shall constitute one and the same instrument.
- d) Entire Agreement. This Agreement contains the entire understanding of the parties in respect of its subject matter and supersedes all prior agreements and understandings (oral or written) between the parties with respect to such subject matter. The schedules and exhibits hereto constitute a part hereof as though set forth in full herein.
- e) Modifications. Any modification, amendment, or addendum to this Agreement must be in writing and signed by both parties.
- f) Assignment. Neither party may assign this Agreement or any of its rights, obligations, or benefits hereunder, by operation of law or otherwise, without the other party's prior written consent; provided, however, either party, without the consent of the other party, may assign this Agreement to an Affiliate or to a successor (whether direct or indirect, by operation of law, and/or by way of purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of such party, where the responsibilities or obligations of the other party are not increased by such assignment and the rights and remedies available to the other party are not adversely affected by such assignment. Subject to that restriction, this Agreement will be binding on, inure to the benefit of, and be enforceable against the parties and their respective successors and permitted assigns.
- g) No Third-Party Beneficiaries. The representations, warranties, and other terms contained herein are for the sole benefit of the parties hereto and their respective successors and permitted assigns and shall not be construed as conferring any rights on any other persons.
- h) Statistical Data. Without limiting the confidentiality rights and Intellectual Property Rights protections set forth in this

Agreement, CPT has the perpetual right to use aggregated, anonymized, and statistical data ("Statistical Data") derived from the operation of the Software, and nothing herein shall be construed as prohibiting CPT from utilizing the Statistical Data for business and/or operating purposes, provided that CPT does not share with any third-party Statistical Data which reveals the identity of Client, Client's Class Members, or Client's Confidential Information.

- i) Export Controls. Client understands that the use of CPT's Products is subject to U.S. export controls and trade and economic sanctions laws and agrees to comply with all such applicable laws and regulations, including the Export Administration Regulations maintained by the U.S. Department of Commerce and the trade and economic sanctions maintained by the Treasury Department's Office of Foreign Assets Control.
- j) Severability. If any provision of this Agreement is held by a court or arbitrator of competent jurisdiction to be contrary to law, such provision shall be changed by the court or by the arbitrator and interpreted so as to best accomplish the objectives of the original provision to the fullest extent allowed by law, and the remaining provisions of this Agreement shall remain in full force and effect.
- k) Notices. Any notice or communication required or permitted to be given hereunder may be delivered by hand, deposited with an overnight courier, sent by electronic delivery, or mailed by registered or certified mail, return receipt requested and postage prepaid to the address for the other party first written above or at such other address as may hereafter be furnished in writing by either party hereto to the other party. Such notice will be deemed to have been given as of the date it is delivered, if by personal delivery; the next business day, if deposited with an overnight courier; upon receipt of confirmation of electronic delivery (if followed up by such registered or certified mail); and five days after being so mailed.
- l) Independent Contractors. Client and CPT are independent contractors, and nothing in this Agreement shall create any partnership, joint venture, agency, franchise, sales representative or employment relationship between Client and CPT. Each party understands that it does not have authority to make or accept any offers or make any representations on behalf of the other. Neither party may make any statement that would contradict anything in this section.
- m) Subcontractors. CPT shall notify Client of its use of any subcontractors to perform Client-specific Services. CPT shall be responsible for its subcontractors' performance of Services under this Agreement.
- n) Headings. The headings of the sections of this Agreement are for convenience only, do not form a part hereof, and in no way limit, define, describe, modify, interpret, or construe its meaning, scope or intent.
- o) Waiver. No failure or delay on the part of either party in exercising any right, power or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise or the exercise of any other right, power, or remedy.
- p) Survival. Sections of the Agreement intended by their nature and content to survive termination of the Agreement shall so survive.