

Kane Moon (SBN 249834)
Allen Feghali (SBN 301080)
Jacquelyne VanEmmerik (SBN 339338)
MOON & YANG, APC
1055 West Seventh Street, Suite 1880
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125
Email: kane.moon@moonyanglaw.com
Email: allen.feghali@moonyanglaw.com
Email: jacquelyne.vanemmerik@moonyanglaw.com

*Attorneys for Plaintiffs,
Shavonne Hammers and Kilda Chiloquin*

Stephen C. Tedesco (SBN 130325)
Garrick Y. Chan (SBN 315739)
LITTLER MENDELSON, P.C.
333 Bush Street, 34th Floor
San Francisco, California 94104
Telephone: (415) 433-1940
Fax: (415) 399-8490
Email: stedesco@littler.com

*Attorneys for Defendant,
Redwood Oil Company, Inc.*

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SONOMA**

SHAVNNE HAMMERS, individually, and on
behalf of all others similarly situated,

Plaintiff,

vs.

REDWOOD OIL COMPANY, INC., a
California corporation; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: SCV-269625

[Honorable Jennifer V. Dollard, Department
18]

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

Complaint Filed: November 3, 2021
Trial Date: Not Set

1 This Joint Stipulation of Class and PAGA Action Settlement is entered into between
2 Plaintiffs Shavonne Hammers and Kilda Chiloquin (“Plaintiffs”) and Defendant Redwood Oil
3 Company, Inc. (“Defendant”) (together with Plaintiffs, “Parties”).

4 **DEFINITIONS**

5 1. Action. “Action” means the class action lawsuit entitled *Shavonne Hammers, et. al.*
6 *v. Redwood Oil Company, Inc.*, filed in the Superior Court of California, County of Sonoma, Case
7 Number SCV-269625.

8 2. Agreement. “Agreement” means the instant Joint Stipulation of Class and PAGA
9 Action Settlement.

10 3. Attorneys’ Costs. “Attorneys’ Costs” means the amount to be reimbursed to Class
11 Counsel (as defined below) for their litigation costs and expenses. Attorneys’ Costs shall not
12 exceed Fifteen Thousand Dollars and Zero Cents (\$15,000.00).

13 4. Attorneys’ Fees. “Attorneys’ Fees” means the amount to be awarded to Class
14 Counsel (as defined below) for the work they have performed in furtherance of the Action.
15 Attorneys’ Fees shall not exceed Three Hundred Ninety-Three Thousand Three Hundred Thirty-
16 Three Dollars and Thirty-Three Cents (\$393,333.33), which represents Thirty-Three and One-
17 Third percent (33 1/3%) of the Maximum Settlement Amount (as defined below).

18 5. Class Counsel. “Class Counsel” means Kane Moon, Allen Feghali, and Jacquelyne
19 VanEmmerik of Moon & Yang, APC.

20 6. Class/Class Members. “Class” or “Class Members” (individually, “Class Member”)
21 means all current and former non-exempt, hourly-paid employees who have worked for Defendant
22 in the State of California at any time during the Class Period (as defined below) totaling
23 approximately One Thousand Two Hundred Thirty-One (1,231).

24 7. Class Notice. “Class Notice” means the Notice of Class and PAGA Action
25 Settlement mutually agreed upon by the Parties and approved by the Court to be sent to the Class
26 Members and PAGA Members (as defined below) following Preliminary Approval of the
27 Settlement, which includes the scope of release language for Settled Claims (as defined below) and
28 Settled PAGA Claims (as defined below), notifies Class Members and PAGA Members of the

Settlement, explains the Class Members' options, including how Class Members may opt out or object to the Settlement, and explains the facts and methods with which the Class Members' and PAGA Members' estimated Settlement Payments (as defined below) and PAGA Payments (as defined below) are calculated, substantially in the form attached hereto as **Exhibit A**.

8. Class Period. "Class Period" means the period from November 3, 2017 through the earlier of Preliminary Approval or November 30, 2022.

9. Complaint. "Complaint" means the operative First Amended Class Action and Representative Action Complaint.

10. Court. "Court" means the Superior Court of California, County of Sonoma, or other court, that will approve the Agreement.

11. Day(s). "Day(s)" means calendar day(s) unless otherwise stated. If any designated date or deadline falls on a weekend or holiday, the designated date or deadline will occur on the next business day.

12. Defendant. "Defendant" means Redwood Oil Company, Inc.

13. Effective Date. "Effective Date" means the date the Settlement becomes effective, which is five (5) court days after all possible appeals of Final Approval of the Settlement have been exhausted. For purposes of this Settlement, the Final Approval becomes final and is no longer appealable at the later of: (a) the day after the last date by which a notice of appeal to the applicable Court of Appeal of the Final Approval Order may be timely filed and none is filed (i.e., 61 days from notice of entry of judgment); (b) if an appeal is filed, and the appeal is finally disposed of by ruling, dismissal, denial, or in any other manner that confirms the validity of the order and judgment, the day after the last date for filing a request for further review of the Final Approval Order passes, and no further review is requested; or (c) if an appeal is filed and the order approving this Settlement is affirmed and further review of the order is requested, the day after the review is finally resolved and the Final Approval Order is affirmed. In the event that: (i) the Court does not approve the Settlement as provided herein; or (ii) the Effective Date does not occur for any other reason, then this Settlement

1 Agreement, and any documents generated to bring it into effect, will be null and void, and the
2 Parties will be returned to their respective positions.

3 14. Final Approval Order. “Final Approval Order” means the Order entered and filed by
4 the Court granting Final Approval of the Settlement and entry of the Final Judgment (as defined
5 below).

6 15. Final Judgment. “Final Judgment” means the judgment entered and filed by the
7 Court that: (1) ultimately approves the Settlement; and (2) awards and orders the payment of all
8 required amounts pursuant to the terms of the Settlement. Final Judgment will constitute a binding
9 and final resolution, have full *res judicata* effect, and discharge Defendant and Released Parties (as
10 defined below) from liability for any and all claims by the Named Plaintiffs (as defined below),
11 all Settlement Class Members (as defined below) as to all Settled Claims (as defined below), and
12 all PAGA Members (as defined below) and the State of California as to all Settled PAGA Claims
13 (as defined below).

14 16. Final Approval Hearing. “Final Approval Hearing” means the hearing at which the
15 Court shall consider the motion for final approval of the Settlement, determine whether to fully and
16 finally approve the fairness and reasonableness of the Settlement, and enter the Final Approval
17 Order and Final Judgment.

18 17. Last Known Address. “Last Known Address” means the most recently recorded
19 mailing address for a Class Member and/or PAGA Member (as defined below) contained in
20 Defendant’s payroll records.

21 18. Maximum Settlement Amount. “Maximum Settlement Amount” means the
22 maximum total payment of One Million One Hundred Eighty Thousand Dollars and Zero Cents
23 (\$1,180,000.00), payable by Defendant within fifteen (15) days of the Effective Date. The
24 Maximum Settlement Amount shall cover: (1) Attorneys’ Costs; (2) Attorneys’ Fees; (3)
25 Settlement Payments (as defined below); (4) the PAGA Allocation (as defined below); (5)
26 Settlement Administration Costs (as defined below); and (6) Service Payments (as defined below).
27 The Maximum Settlement Amount shall not cover the employer’s share of applicable taxes, such
28 as FICA and FUTA. The Maximum Settlement Amount is non-reversionary, which means no

1 portion will revert to Defendant. However, with the exception of the circumstances discussed in
2 paragraphs 53(e) (Employer Payroll Taxes) and 65 (Pro Rata Adjustment to Maximum Settlement
3 Amount) below, in no event shall Defendant be required to pay any amount above the Maximum
4 Settlement Amount to effectuate this Agreement. Each of the Class Members and PAGA Members
5 (as defined below) shall be responsible for paying any additional taxes due on his or her Settlement
6 Payment (as defined below).

7 19. Named Plaintiffs. “Named Plaintiffs” means Plaintiffs Shavonne Hammers and
8 Kilda Chiloquin.

9 20. Net Distribution Fund. “Net Distribution Fund” means the Maximum Settlement
10 Amount less the amount the Court awards for: (1) Attorneys’ Costs; (2) Attorneys’ Fees; (3) the
11 PAGA Allocation less the share allocated to the LWDA; (4) Settlement Administration Costs (as
12 defined below); and (5) Service Payments (as defined below). The Settlement Payment(s) (as
13 defined below) will be made from the Net Distribution Fund.

14 21. Objection. “Objection” means an objection to the Settlement that a Settlement Class
15 Member (as defined below) submits in writing to the Settlement Administrator (as defined below).
16 Each “Objection” must (1) contain the name, address, and telephone number of the Settlement
17 Class Member and the case name and number of the Action; (2) be signed by the Settlement Class
18 Member; (3) be postmarked, e-mailed, or fax stamped on or before the Response Deadline (as
19 defined below) and returned to the Settlement Administrator at the specified address, e-mail
20 address, or fax number; and (4) give the legal and factual basis for the objection.

21 22. Opt Out Request. “Opt Out Request” means a request by a Class Member to be
22 excluded from the Settlement of Settled Claims (as defined below). Each “Opt Out Request”
23 should (1) contain the name, address, and telephone number of the Class Member requesting
24 exclusion and the case name and number of the Action; (2) be signed by the Class Member; (3) be
25 postmarked, e-mailed or fax stamped on or before the Response Deadline (as defined below) and
26 returned to the Settlement Administrator at the specified address, e-mail address, or fax number;
27 and (4) contain a statement substantially similar to:
28

1 “I WISH TO BE EXCLUDED FROM THE SETTLEMENT OF CLASS CLAIMS
2 IN THE *SHAVONNE HAMMERS, ET. AL. V. REDWOOD OIL COMPANY, INC.*
3 LAWSUIT. I UNDERSTAND THAT THE PAGA CLAIM WILL STILL BE
4 RELEASED AND SETTLED.”

5 23. Parties. “Parties” means the Named Plaintiffs, individually on behalf of themselves
6 and on behalf of all Class Members, PAGA Members (as defined below), and interests of the
7 LWDA, and Defendant.

8 24. PAGA Allocation. “PAGA Allocation” means the amount to be allocated to the
9 LWDA and PAGA Members (as defined below) for the settlement of the Settled PAGA Claims (as
10 defined below). The PAGA Allocation shall be One Hundred Twenty Thousand Dollars and Zero
11 Cents (\$120,000.00).

12 25. PAGA Members. “PAGA Members” (individually, “PAGA Member”) means all
13 Class Members who are employed or have been employed by Defendant in the State of California
14 during the PAGA Period (as defined below).

15 26. PAGA Payment(s). “PAGA Payment(s)” means individual settlement payments
16 made to PAGA Members from the PAGA Allocation, as provided for in this Agreement.

17 27. PAGA Period. “PAGA Period” means from November 3, 2020 through the earlier
18 of Preliminary Approval or November 30, 2022.

19 28. Pay Period(s). “Pay Period” means any bi-weekly pay period (*i.e.*, period beginning
20 on Sunday and ending on the second following Saturday) in which a Class Member or PAGA
21 Member performed work for Defendant on at least one day.

22 29. Preliminary Approval Order. “Preliminary Approval Order” is the Order entered
23 and filed by the Court that preliminarily approves the terms and conditions of this Agreement,
24 including approval of the Parties’ Agreement that specifies the content of notice and manner in
25 which notice will be provided to and responded to by the Class.

26 30. Released Parties. “Released Parties” include Defendant and each of its owners,
27 members, partners, shareholders, agents (including, without limitation, investment bankers,
28 accountants, insurers, reinsurers, attorneys, and any past, present, or future officers, directors, and

employees), servants, assigns, subsidiaries, affiliates, independent contractors, volunteers, predecessors, successors, parent companies and organizations, and any and all other persons, firms, companies, and corporations in which Defendant may have an interest.

31. Response Deadline. “Response Deadline” means the day that is sixty (60) days after the date the Class Notice is mailed to Class Members via First-Class U.S. Mail and is the deadline to submit an Opt Out Request, Objection, and/or Dispute (as defined below). The Response Deadline shall be extended fourteen (14) days where the Class Notice must be remailed.

32. Service Payments. “Service Payments” means the amounts awarded to the Named Plaintiffs for their service in furtherance of the Action and in consideration of their General Release (as defined below) and waiver of Civil Code section 1542 rights. Service Payments shall not exceed Five Thousand Dollars and Zero Cents (\$5,000.00) each, or Ten Thousand Dollars and Zero Cents (\$10,000.00) total.

33. Settlement. “Settlement” means the agreement of the Parties to settle the claims as set forth and embodied in this Agreement.

34. Settlement Administrator. “Settlement Administrator” means ILYM Group, Inc., a neutral administrator mutually chosen by the Parties and approved by the Court.

35. Settlement Administration Costs. “Settlement Administration Costs” means the costs of administering the Settlement to be paid to the Settlement Administrator. The Settlement Administration Costs shall not exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00).

36. Settlement Class/Settlement Class Member(s). “Settlement Class” or “Settlement Class Member(s)” means all Class Members who have not timely and validly submitted an Opt Out Request.

37. Settlement Payment(s). “Settlement Payment(s)” means the individual settlement payments made to Settlement Class Member(s) from the Net Distribution Fund, as provided for in this Agreement.

38. Settled Claims. “Settled Claims” means all claims, charges, complaints, liens, demands, causes of action, obligations, damages and liabilities, arising during the Class Period that

each Class Member had, now has, or may hereafter claim to have against the Released Parties and that were asserted in the Complaint, or that could have been asserted based on or arising from any of the factual allegations and legal theories alleged in the Complaint, regardless of whether such claims arise under federal, state, and/or local law, statute, ordinance, regulation, common law, or other source of law. The Settled Claims specifically include, but are not limited to, claims for: (1) Violation of California Labor Code sections 1194, 1194.2, 1197, and 1197.1 (failure to pay minimum and straight time wages); (2) Violation of California Labor Code sections 510 and 1198 (failure to pay overtime wages); (3) Violation of California Labor Code sections 226.7 and 512(a) (failure to provide compliant meal periods and associated premiums); (4) Violation of California Labor Code section 226.7 (failure to provide compliant rest periods and associated premiums); (5) Violation of California Labor Code sections 2800 and 2802 (failure to indemnify business expenses); (6) Violation of California Labor Code sections 201, 202 and 203 (failure to timely pay final wages); (7) Violation of California Labor Code section 204 (failure to timely pay wages during employment); (8) Violation of California Labor Code section 226(a) (failure to provide compliant wage statements); (9) Violation of California Labor Code section 1174(d) (failure to keep requisite payroll records); (10) Violation of California Business and Professions Code sections 17200, *et seq.*; and (11) incorporated or related claims asserted through PAGA for any of the above alleged California Labor Code violations.

39. Settled PAGA Claims. “Settled PAGA Claims” means any of the Settled Claims that may serve as a basis for any claim under PAGA for *any* of the California Labor Code violations and/or violations of Wage Orders alleged within the Complaint or which could have been alleged in the Complaint, including, but not limited to, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802.

40. Settlement Proceeds Distribution Deadline. “Settlement Proceeds Distribution Deadline” means the date that is fourteen (14) days after the Maximum Settlement Amount has been deposited by Defendant.

41. Updated Address. “Updated Address” means a mailing address that was updated by a reasonable address verification measure of the Settlement Administrator or by an updated mailing address provided by the United States Postal Service for a Class Member or PAGA Member.

42. Workweek. “Workweek” means any calendar week (*i.e.*, week beginning on Sunday and ending on Saturday) in which a Class Member or PAGA Member performed work for Defendant at least one day. The Parties agree that, for purposes of determining Workweeks of Class Members and PAGA Members under this Agreement, Defendant may also calculate Workweeks by either (1) multiplying the number of Pay Periods attributable to a Class Member and/or PAGA Member by 2, or (2) calculating the number of days between the hire and termination dates and rehire and termination dates based on a 360-day year (using Microsoft Excel’s DAYS360 function which returns the number of days between two dates based on a 360-day year (*i.e.*, twelve 30-day months)) and dividing the result by 7. The workweeks at issue are subject to final calculation, but are estimated to be Seventy Thousand (70,000).

RECITALS

43. The Action was filed on November 3, 2021 in the Superior Court of California, County of Sonoma. The Complaint alleges the following causes of action: (1) Failure to Pay Minimum Wages [Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197]; (2) Failure to Pay Overtime Compensation [Cal. Lab. Code §§ 1194 and 1198]; (3) Failure to Provide Meal Periods [Cal. Lab. Code §§ 226.7, 512]; (4) Failure to Authorize and Permit Rest Breaks [Cal. Lab. Code §§ 226.7]; (5) Failure to Timely Pay Final Wages at Termination [Cal. Lab. Code §§ 201-203]; (6) Failure to Provide Accurate Itemized Wage Statements [Cal. Lab. Code § 226]; (7) Unfair Business Practices [Cal. Bus. & Prof. Code §§ 17200, *et seq.*]; and (8) Civil Penalties Under PAGA [Cal. Lab. Code §§ 2698, *et seq.*]

44. Defendant filed an Answer and denied all allegations and claims asserted in the Complaint on February 2, 2022.

45. Defendant and Class Counsel, on behalf of the Named Plaintiffs, Class Members, and PAGA Members attended mediation with Mark Rudy, Esq. on August 23, 2022. Through settlement discussions, the Parties reached the Agreement herein. The Parties agree that the terms

1 and conditions of this Agreement are the result of lengthy, intensive arms-length negotiations
2 between the Parties supervised by an experienced employment law mediator. The Parties agree that
3 this Agreement is entered into in good faith as to each Class Member and PAGA Member and that
4 the Settlement is fair, reasonable, and adequate as to each Class Member and PAGA Member.

5 **TERMS AND CONDITIONS OF SETTLEMENT**

6 NOW THEREFORE, in consideration of the recitals listed above and the promises and
7 warranties set forth below, and intending to be legally bound and acknowledging the sufficiency of
8 the consideration and undertakings set forth herein, the Named Plaintiffs, individually on behalf of
9 themselves and on behalf of the Class Members, PAGA Members, and LWDA, on the one hand,
10 and Defendant, on the other hand, agree that the Action shall be and is finally and fully
11 compromised and settled on the following terms and conditions.

12 46. Non-Admission of Liability. The Parties enter into this Agreement to resolve the
13 Action and to avoid the burden, expense, and risk of continued litigation. In entering into this
14 Agreement, Defendant does not admit, and specifically denies, that it has: (1) violated any federal,
15 state, or local law; (2) violated any regulations or guidelines promulgated pursuant to any statute or
16 other applicable laws, regulations, or legal requirements; (3) breached any contract; or (4) engaged
17 in any other culpable, wrongful, or unlawful conduct with respect to its employees or any other
18 person or entity. Neither this Agreement, nor any of its terms or provisions, nor any of the
19 negotiations connected with it or proceedings, payouts, or other events associated with it, shall be
20 construed as an admission or concession by Defendant of any such violation(s) or failure(s) to
21 comply with any applicable law by Defendant or any Released Parties. Except as necessary in a
22 proceeding to approve, interpret, or enforce the terms of this Agreement, this Agreement and its
23 terms and provisions shall not be offered or received as evidence in any action or proceeding to
24 establish any admission on the part of Defendant or to establish the existence of any condition
25 constituting a violation of, or noncompliance with, federal, state, local or other applicable law. The
26 Parties intend this Settlement to be contingent upon the Preliminary Approval and Final Approval
27 of this Agreement; and in the event Final Approval of this Agreement is not obtained, the Parties
28 do not waive, and instead expressly reserve, their respective rights to prosecute and defend the

1 Action as if this Agreement never existed. In the event Final Approval of this Agreement is denied
2 by the Court, fails to become effective, or is reversed, withdrawn, or modified by the Court or any
3 other court with jurisdiction over the Action, this Agreement shall become null and void *ab initio*
4 and shall have no bearing on, and shall not be admissible in connection with, further proceedings in
5 the Action.

6 47. Stipulation for Class Certification. The Parties stipulate to the certification of the
7 Class for purposes of this Settlement only. If, however, this Settlement does not become final for
8 any reason, the Parties' Agreement shall become null and void *ab initio* and shall have no bearing
9 on, and shall not be admissible in connection with, class certification, whether class certification
10 would be appropriate in any other context in the Action.

11 48. Confidentiality: The Parties agree that, in the interest of protecting the Settlement,
12 the Named Plaintiffs and Defendant, and their respective Counsel, will not advertise or promote the
13 Settlement, through social media or their website, and will limit public statements on the
14 Settlement to those made in Court. Plaintiffs and their Counsel, and Defendant and its Counsel
15 agree that they will not issue any press releases, initiate any contact with the press, respond to any
16 press inquiry or have any communication with the press about the fact, amount or terms of the
17 Settlement Agreement prior to Final Approval. Plaintiffs and their Counsel agree that they will not
18 advertise or promote this Settlement, through social media or their website, and will limit public
19 statements on the settlement to those made in Court. Nothing in this Settlement Agreement shall
20 limit Defendant's ability to fulfill disclosure obligations reasonably required by law or in
21 furtherance of business purposes, including the fulfillment of obligations stated in this Settlement
22 Agreement. Plaintiffs' Counsel shall not be precluded by this provision from communicating with
23 Class Members about this Settlement, to the fullest extent necessary to satisfy their obligations as
24 Class Counsel

25 49. Release of Settled Claims. As of the Effective Date and after payment of all funds
26 due under the terms of the Settlement, the Named Plaintiffs and all Settlement Class Members
27 hereby do and shall be deemed to have fully, finally, and forever released, settled, compromised,
28 relinquished, and discharged any and all Settled Claims against any and all Released Parties. The

1 Settlement includes a release of all Settled Claims during the Class Period by Settlement Class
2 Members. The Parties agree that it is their intent that the terms set forth in this Agreement will
3 release any further attempt, by lawsuit, administrative claim or action, arbitration, demand, or other
4 action of any kind, by each and every Settlement Class Member to obtain any recovery based on
5 the Settled Claims.

6 a. The Parties agree for settlement purposes only that, because the Class
7 Members are so numerous, it is impossible or impracticable to have each Class Member execute
8 this Agreement. Accordingly, the Class Notice will advise all Class Members of the binding nature
9 of the release of Settled Claims and Settled PAGA Claims and such notice shall have the same
10 force and effect as if this Agreement were executed by each Class Member.

11 b. Named Plaintiffs and Class Counsel represent, covenant, and warrant that
12 they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
13 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action,
14 cause of action, or rights herein released and discharged, except as set forth herein.

15 c. The Parties agree that this is a settlement of disputed claims not involving
16 undisputed wages and that Labor Code Section 206.5 is therefore inapplicable.

17 50. Release of Settled PAGA Claims. As of the Effective Date and after payment of all
18 funds due under the terms of this Settlement, Named Plaintiffs, individually, and on behalf of the
19 State of California and all PAGA Members, hereby do and shall be deemed to have fully, finally,
20 and forever released, settled, compromised, relinquished, and discharged any and all of the
21 Released Parties of and from any and all Settled PAGA Claims during the PAGA Period. The
22 Parties agree that it is their intent that the terms set forth in this Agreement will release any further
23 attempt, by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind,
24 by each and every PAGA Member to obtain any recovery based on the Settled PAGA Claims. All
25 PAGA Members shall release claims arising under PAGA regardless of their decision to participate
26 in the Settlement.

27 51. Individual Release of Claims for the Named Plaintiffs. In addition to all other
28 releases set forth in this Agreement, and except as to claims specifically excluded (as discussed in

1 this paragraph), the Named Plaintiffs make the additional following general release of all claims,
2 known or unknown. The Named Plaintiffs release the Released Parties from all claims, demands,
3 rights, liabilities, and causes of action of every nature and description whatsoever, known or
4 unknown, asserted or that might have been asserted—whether based upon federal, state, or local
5 constitutional law, tort law, contract law, statute/rule/regulation, or any other legal or equitable
6 theory of recovery—arising out of, relating to, or in connection with any act or omission by or on
7 the part of any of the Released Parties committed or omitted through the execution of this
8 Agreement. The Named Plaintiffs also specifically agree and acknowledge that they are waiving all
9 claims under the Civil Rights Act of 1964, the California Fair Employment and Housing Act, the
10 Americans with Disabilities Act, the Family and Medical Leave Act, the California Family Rights
11 Act, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the
12 Employee Retirement Income Security Act, the Fair Labor Standards Act, the California Labor
13 Code, California’s Wage Orders, all other laws governing the payment of wages, the California
14 Government Code, and the California Business and Professions Code. (The release set forth in this
15 Paragraph shall be referred to as the “General Release”). The Named Plaintiffs agree not to sue or
16 otherwise make a claim against any of the Released Parties that is in any way related to the General
17 Release to the maximum extent permitted by law. The General Release includes any unknown
18 claims the Named Plaintiffs do not know or suspect to exist in their favor at the time of the General
19 Release, which, if known, might have affected the Named Plaintiffs’ settlement with, and release
20 of, the Released Parties or might have affected their respective decisions not to object to this
21 Settlement or the General Release. With respect to the General Release, the Named Plaintiffs
22 stipulate and agree that they shall be deemed to have, and by operation of the Final Judgment shall
23 have, expressly waived and relinquished, to the fullest extent permitted by law, the provisions,
24 rights and benefits of Section 1542 of the California Civil Code, which states:

25 “A general release does not extend to claims that the creditor or releasing party does not
26 know or suspect to exist in his or her favor at the time of executing the release and that, if
27 known by him or her, would have materially affected his or her settlement with the debtor
28 or released party.”

1 This General Release shall not affect or bar any claims that the Named Plaintiffs may have
2 for Unemployment or Disability Insurance, for Workers' Compensation, or under the National
3 Labor Relations Act, and shall not affect or bar the Named Plaintiffs' right to receive benefits
4 under any retirement plan or to elect COBRA continuation of health insurance benefits. Nor shall
5 the General Release preclude the Named Plaintiffs from filing a charge with any applicable
6 administrative agency or for claims outside the Class Period. The Named Plaintiffs understand and
7 agree, however, that by way of the General Release, they individually release any right to recover
8 monetary damages in an action brought by an administrative agency.

9 52. Settlement Payments and Calculation of Claims. Subject to final Court approval and
10 the conditions specified in this Agreement, and in consideration of the mutual covenants and
11 promises set forth herein, Defendant agrees to make a payment or payments as set forth herein
12 totaling an amount of, but not to exceed, the Maximum Settlement Amount. The Maximum
13 Settlement Amount shall be apportioned as follows:

14 a. Attorneys' Costs. Class Counsel will apply to the Court for an award of
15 litigation costs in an amount not to exceed Fifteen Thousand Dollars and Zero Cents (\$15,000.00)
16 (*i.e.*, Attorneys' Costs). Attorneys' Costs shall be paid and deducted from the Maximum Settlement
17 Amount. Defendant will not oppose such application. Any un-awarded Attorneys' Costs shall
18 become part of the Net Distribution Fund for allocation to Settlement Class Members. Any
19 reduction by the Court shall not constitute grounds for revocation or cancellation of this Agreement
20 by the Named Plaintiffs. Attorneys' Fees as specified in the subsequent paragraph and Attorneys'
21 Costs as specified in this paragraph shall cover all claimed and unclaimed Attorneys' Fees,
22 Attorneys' Costs, and other amounts payable or awardable against Defendant for Class Counsel's
23 work, effort, or involvement in the Action and in carrying out this Agreement and includes any and
24 all work, effort, or involvement to carry out the terms of this Agreement and as may be potentially
25 or actually necessary or advisable to defend this Agreement and/or Settlement through appeal, or
26 collateral attack or in any other forum or proceeding.

27 b. Attorneys' Fees. Class Counsel will apply to the Court for an award of
28 attorneys' fees in an amount not to exceed Three Hundred Ninety-Three Thousand Three Hundred

1 Thirty-Three Dollars and Thirty-Three Cents (\$393,333.33), which represents Thirty-Three and
2 One-Third percent (33 1/3%) of the Maximum Settlement Amount (*i.e.*, Attorneys' Fees).
3 Attorneys' Fees shall be paid and deducted from the Maximum Settlement Amount. Defendant will
4 not oppose such application. Any un-awarded Attorneys' Fees shall become part of the Net
5 Distribution Fund for allocation to Settlement Class Members. Any reduction by the Court shall
6 not constitute grounds for revocation or cancellation of this Agreement by the Named Plaintiffs.
7 Attorneys' Fees as specified in this paragraph and Attorneys' Costs as specified in the preceding
8 paragraph shall be the sole payment for attorneys' fees and costs and, otherwise, the Parties and
9 Class Members and their counsel shall bear their own fees and costs in connection with the Action.

10 c. Settlement Administration Costs. Class Counsel will apply to the Court for
11 costs of settlement administration in an amount not to exceed Twenty-Five Thousand Dollars and
12 Zero Cents (\$25,000.00) (*i.e.*, Settlement Administration Costs). Settlement Administration Costs
13 shall be paid and deducted from the Maximum Settlement Amount. Defendant will not oppose
14 such application. Any un-awarded amount shall become part of the Net Distribution Fund for
15 allocation to Settlement Class Members. Class Counsel will specify the amount sought for such
16 costs, up to the foregoing maximum, in the Named Plaintiffs' motion for final approval of the
17 Settlement.

18 d. Service Payments. Class Counsel will apply to the Court for an enhancement
19 award in an amount not to exceed Five Thousand Dollars and Zero Cents (\$5,000.00) to each
20 Named Plaintiff, or Ten Thousand Dollars and Zero Cents (\$10,000.00) to the Named Plaintiffs
21 total (*i.e.*, Service Payments). Service Payments shall be paid and deducted from the Maximum
22 Settlement Amount, and are for the Named Plaintiffs' service in furtherance of the Action and in
23 consideration for a General Release of all claims and waiver of Civil Code section 1542 rights by
24 the Named Plaintiffs. Defendant will not oppose such application. Any un-awarded amount shall
25 become part of the Net Distribution Fund for allocation to Settlement Class Members. Any
26 reduction by the Court shall not constitute grounds for revocation or cancellation of this Agreement
27 by the Named Plaintiffs.

e. Employer Payroll Taxes. Defendant agrees to pay its share of payroll taxes and contributions in connection with the portion of the settlement allocated towards wages, which it will pay in addition to the Maximum Settlement Amount.

f. PAGA Allocation and PAGA Payment(s). Pursuant to California Labor Code Sections 2698, *et seq.*, the Parties designate One Hundred Twenty Thousand Dollars and Zero Cents (\$120,000.00) of the Maximum Settlement Amount to resolve the Settled PAGA Claims (*i.e.*, the PAGA Allocation). Pursuant to the California Labor Code, seventy-five percent (75%) of the PAGA Allocation, which is Ninety Thousand Dollars and Zero Cents (\$90,000.00), will be paid to the LWDA. The remaining Thirty Thousand Dollars and Zero Cents (\$30,000.00) (“Net PAGA Distribution Amount”) shall be paid to PAGA Members on a *pro rata* basis based on the number of Workweeks worked by the PAGA Member during the PAGA Period as follows:

i. The Settlement Administrator will determine the total number of Workweeks worked by a PAGA Member during the PAGA Period (“Qualifying PAGA Workweek(s)”) as reflected in the Class List to be provided by Defendant to the Settlement Administrator;

ii. Each PAGA Member is eligible to receive a *pro rata* share of the Net PAGA Distribution Amount based on his or her share of the total number of Qualifying PAGA Workweeks worked.

iii. The value of a single Qualifying PAGA Workweek shall be determined by dividing the Net PAGA Distribution Amount by the total number of Qualifying PAGA Workweeks worked by all PAGA Members. Each PAGA Member shall receive a PAGA Payment equal to his or her Qualifying PAGA Workweeks multiplied by the value of a single Qualifying PAGA Workweek. PAGA Members shall receive their respective PAGA Payments regardless of whether they opt out with respect to their class claims.

g. Settlement Payments to Settlement Class Members. Settlement Payments to the Settlement Class Members will be calculated as follows:

i. The Settlement Administrator will determine the total number of Workweeks worked by Settlement Class Members during the Class Period (“Qualifying

Workweek(s)”) as reflected in the Class List to be provided by Defendant to the Settlement Administrator;

ii. Each of the Class Members is eligible to receive a *pro rata* share of the Net Distribution Fund based on his or her share of the total number of Qualifying Workweeks worked.

iii. The value of a single Qualifying Workweek shall be determined by dividing the Net Distribution Fund by the total number of Qualifying Workweeks by all Settlement Class Members. Each Settlement Class Member shall receive a gross individual payment (“Individual Settlement Payment”) equal to his or her Qualifying Workweeks multiplied by the value of a single Qualifying Workweek.

h. The Parties agree that under no circumstances shall Defendant be obligated to pay any amount under this Agreement to any Class Member other than all Settlement Class Members and PAGA Members, except as provided for by this Agreement.

i. The Parties acknowledge and agree that the formula used to calculate Settlement Payments and PAGA Payments does not imply that all of the elements of damages covered by the release are not being taken into account.

53. No Credit Toward Benefit Plans. The Settlement Payments made to Settlement Class Members and PAGA Payments made to PAGA Members under this Agreement shall not be utilized to calculate any additional benefits under any benefit plans to which any Settlement Class Members or PAGA Members may be eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties’ intention that this Agreement will not affect any rights, contributions, or amounts to which any Settlement Class Members and PAGA Members may be entitled under any benefit plans.

54. Taxation of Settlement Proceeds.

a. The Parties agree that the Settlement Payments shall be allocated as follows: twenty percent (20%) to wages, subject to all applicable employee state and federal tax withholdings; forty percent (40%) to penalties; and forty percent (40%) to interest and any other

1 non-wage related amount. The payment for wages shall be reported on an IRS Form W-2. The
2 payments for penalties, interest, and other non-wage related amounts will be reported on an IRS
3 Form 1099.

4 b. The PAGA Payments to PAGA Members will be designated entirely as
5 payments for alleged penalties.

6 c. The Settlement Administrator shall calculate, withhold from the Individual
7 Settlement Payments, and remit to applicable governmental agencies sufficient amounts, if any, as
8 may be owed by Settlement Class Members for applicable employee taxes. The Settlement
9 Administrator will issue appropriate tax forms, as required, to each such Settlement Class Member
10 and PAGA Member consistent with the above allocations.

11 d. All Parties represent that they have not received, and shall not rely on,
12 advice or representations from other Parties or their agents regarding the tax treatment of payments
13 under federal, state, or local law. In this regard, Defendant makes no representations regarding the
14 taxability of the Settlement Payments, PAGA Payments, or any other payments made under this
15 Agreement.

16 e. Class Counsel will be issued an IRS Form 1099 for the Attorneys' Costs and
17 Attorneys' Fees awarded by the Court.

18 f. Named Plaintiffs will be issued IRS Form 1099s for any Service Payments
19 approved by the Court. The Service Payments payable to the Named Plaintiffs shall be in addition
20 to their Settlement Payments and, if applicable, PAGA Payments that they will receive.

21 55. Provisional Approval of Settlement. The Named Plaintiffs shall file a motion in the
22 Action and take all other necessary steps to request that the Court enter the Preliminary Approval
23 Order based on an agreed-upon Settlement schedule, subject to Court approval, including:

24 a. Seeking class certification on the terms set forth in this Agreement solely for
25 purposes of Settlement;

26 b. Preliminarily approving the proposed Settlement and this Agreement,
27 including the payments to the Settlement Class Members, Class Counsel, Named Plaintiffs, PAGA
28 Members, Settlement Administrator, and LWDA;

- c. Preliminarily approving the appointment of Named Plaintiffs as representatives of the Class for settlement purposes;
- d. Preliminarily approving the appointment of counsel for Named Plaintiffs as Class Counsel;
- e. Appointing and approving the Settlement Administrator, to comply with the duties and obligations as required by this Agreement;
- f. Approving the form of the Class Notice mutually agreed on by the Parties;
- g. Scheduling the Final Approval Hearing for consideration of final approval of this Agreement; and
- h. Approving the procedure to submit an Opt Out Request, Objection, or Dispute.

Defendant shall not oppose Class Counsel's motions for preliminary approval and final approval of the Settlement so long as the motions and supporting papers are consistent with the terms of this Agreement. Class Counsel shall provide Defendant with five (5) business days to review and provide comments on the motions for preliminary and final approval of the Settlement before the motion and supporting papers are filed with the Court. Failure of the Court to grant a Preliminary Approval Order will be grounds for the Parties to terminate the Settlement and the terms of the Agreement, provided that, should the Court fail to approve this Settlement for any reason, the Parties first agree that they will return to and attend mediation with a mutually agreed mediator in an effort to reach a settlement that may be approved by the Court. A request by the Court for supplemental brief, or a preliminary denial pending additional briefing, shall not be deemed a denial of preliminary approval. To the extent the Court requests further or supplemental briefing, the Parties will work in good faith to address the Court's concerns and questions.

56. Notice Procedure.

- a. *Class and PAGA Member Data.* Within fourteen (14) calendar days after notice of entry of the Preliminary Approval Order, Defendant shall provide to the Settlement Administrator Microsoft Office Excel data file(s) identifying each Class Member by: (1) full name; (2) last known address; (3) last known telephone number, if known; (4) social security number, if

known; (5) start and end dates of active employment for Class Members; (6) data necessary to determine Qualifying Workweeks for each Class Member; (7) data necessary to determine Qualifying PAGA Workweeks for each PAGA Member; and (8) any other information required by the Settlement Administrator in order to effectuate the terms of the Settlement (collectively referred to as the “Class List”). The Settlement Administrator will keep the Class List confidential and shall not provide to anyone, including Class Counsel absent express written approval from Defendant, and shall use it only for the purposes described herein, take adequate safeguards to protect confidential or private information, and return or certify the destruction of the information upon completion of the Settlement Administration process.

b. *Settlement Administrator Duties.* Prior to mailing the Class Notice, the Settlement Administrator will update the addresses for the Class Members and PAGA Members using the National Change of Address database and other available resources deemed suitable by the Settlement Administrator. To the extent this process yields a different address from the one supplied by Defendant (“Updated Address”), that Updated Address shall replace the address supplied by Defendant (*i.e.*, Last Known Address) and be treated as the new Last Known Address for purposes of this Agreement and for subsequent mailings in particular.

c. *Notice Process.* Within fourteen (14) days following receipt of the Class List, the Settlement Administrator shall prepare and mail the approved Class Notice. The Settlement Administrator shall deliver the Class Notice by First-Class U.S. Mail to each Class Member and PAGA Member’s Last Known Address or Updated Address (if applicable).

d. *Opt Out Request.* Any Class Member may exclude himself or herself from the Settlement. Any such Opt Out Request must be submitted to the Settlement Administrator in writing on or before the Response Deadline. Opt Out Requests do not apply to the Settled PAGA Claims and will not exclude PAGA Members from the release of Settled PAGA Claims.

e. *Objections.* Any Settlement Class Member may object to the Settlement by submitting an Objection to the Settlement Administrator on or before the Response Deadline. Any Settlement Class Member may also choose to appear at the Final Approval Hearing to state his or her objection. The Parties shall be permitted to file responses to any Objections no later than five

(5) court days prior to the Final Approval Hearing. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to submit any Objections to the Settlement or appeal from the Order of Final Approval and/or Final Judgment. Class Counsel shall not represent any Settlement Class Members with respect to any such Objections. The Settlement Administrator shall file or otherwise submit to the Court and serve on the Parties all Objections received by the Settlement Administrator within ten (10) days after the Response Deadline.

f. *Disputes.* Class Members will have the right to challenge the number of Qualifying Workweeks and/or Qualifying PAGA Workweeks allocated to them. Class Members shall have until the Response Deadline to submit to the Settlement Administrator their dispute *in writing* (“Dispute”) at the address indicated on the Class Notice. Each Dispute must (1) contain the name, address, and telephone number of the Class Member and the case name and number of the Action; (2) be signed by the Class Member; (3) be postmarked, e-mailed, or fax stamped on or before the Response Deadline and returned to the Settlement Administrator at the specified address, e-mail address, or fax number; (4) clearly state the number of Qualified Workweeks and/or Qualified PAGA Workweeks he or she believes is correct; and (5) attach any documentary evidence the Class Member has to prove the number of contended Qualified Workweeks and/or Qualified PAGA Workweeks. Defendant shall have the right to respond to any Dispute submitted by any Class Members. The Settlement Administrator will inform Class Counsel and Defendant’s Counsel in writing of any timely submitted Disputes and will determine all such Disputes. Subject to Court approval, Disputes will be resolved without hearing by the Settlement Administrator, who will make a decision based on Defendant’s records and any documents or other information presented by the Class Member making the Dispute, Class Counsel, or Defendant.

g. *Settlement Administrator Follow-Up Efforts.*

i. The Settlement Administrator shall re-mail by First-Class U.S. mail the Class Notice returned by the Post Office with a forwarding address, and shall re-mail by First-Class U.S. mail the Class Notice to any individual who personally provides an updated address to

1 the Settlement Administrator. Any re-mailing shall occur within five (5) business days of receipt
2 by the Settlement Administrator of the returned Class Notice.

3 ii. In the event the first mailing of the Class Notice to any Class
4 Member and PAGA Member is returned without a forwarding address, the Settlement
5 Administrator will immediately perform a skip trace search using the social security number
6 provided by Defendant and National Change of Address searches, as needed, to obtain an updated
7 mailing addresses.

8 h. *Documenting Communications.* The Settlement Administrator shall date
9 stamp documents it receives, including Opt Out Requests, Objections, Disputes, and any
10 correspondences and documents from Class Members and PAGA Members.

11 i. *Settlement Administrator Declaration.* At least ten (10) days prior to the
12 filing of the motion for final approval, the Settlement Administrator shall prepare, subject to the
13 Parties' input and approval, a declaration setting forth the due diligence and proof of mailing of the
14 Class Notice, the results of the Settlement Administrator's mailings, including tracing and re-
15 mailing efforts, and the Class Members' and PAGA Members' responses to those mailing, and
16 provide additional information deemed necessary to approve the settlement.

17 j. *Settlement Administrator Written Reports.* Each week after initially mailing
18 the Class Notices and prior to the Response Deadline, the Settlement Administrator shall provide
19 the Parties with a report listing the number of Class Members that submitted Opt Out Requests and
20 Objections as well as the number of re-mailed and/or undeliverable class notices. Within seven (7)
21 days after the Response Deadline, the Settlement Administrator will provide a final report listing
22 the number of Class Members who submitted Opt Out Requests or Objections.

23 k. *Settlement Administrator Calculations of Settlement Payments.* Within seven
24 (7) days after resolving all Disputes made by Settlement Class Members, and following the Final
25 Approval Order, the Settlement Administrator shall provide to the Parties a report showing, by
26 employee ID number and without individual names, its calculation of all Settlement Payments to
27 be made to Settlement Class Members and PAGA Payments to be made to PAGA Members. After
28 receiving the Settlement Administrator's report, Class Counsel and Defendant's counsel shall

review the same to determine if the calculation of payments to Settlement Class Members and PAGA Members is consistent with this Agreement, and shall notify the Settlement Administrator if either counsel does not believe the calculation is consistent with the Agreement. After receipt of comments from counsel, the Settlement Administrator shall finalize its calculation of Settlement Payments and PAGA Payments, at least five (5) days prior to the distribution of such payments, and shall provide Class Counsel and Defendant's Counsel with a final report listing, by employee ID number and without individual names, the amount of all payments to be made to each Settlement Class Member from the Net Distribution Fund and listing the amount of all payments to be made to each PAGA Member from the Net PAGA Distribution Amount. The Settlement Administrator will also provide information that is requested and approved by both Parties regarding its duties and other aspects of the Settlement and that is necessary to carry out the terms of the Settlement.

1. *Case Website.* The Settlement Administrator shall establish a static website and, on the website, post this stipulation, any preliminary approval order and the Final Approval Order and Judgment, for a duration of at least 180 days after the Effective Date, unless otherwise ordered by the Court. Posting of the Final Approval Order and Judgment on such website shall constitute notice of judgment to the Settlement Class, as required by California Rule of Court 3.771(b).

57. Requirements for Recovery of Settlement Payments.

a. *Class Members.* No claim form is necessary to participate in the Settlement. Unless a Class Member submits a valid and timely Opt Out Request, that Class Member will be a Settlement Class Member, bound by the Final Judgment, and will receive a payment from the Net Distribution Fund (*i.e.*, a Settlement Payment). All Class Members except for those who timely and validly opt out of the Settlement (*i.e.*, Settlement Class Members) shall be bound by the release of Settled Claims in this Agreement.

b. *PAGA Members.* All PAGA Members shall be bound by the release of Settled PAGA Claims in this Agreement irrespective of whether they submit an Opt Out Request.

1 c. *Late Submissions.* The Settlement Administrator shall not accept as valid
2 any Opt Out Request postmarked after the Response Deadline. It shall be presumed that, if an Opt
3 Out Request or Objection is not postmarked by, facsimiled, or otherwise received on or before the
4 Response Deadline, the Class Member did not return the Opt Out Request or Objection in a timely
5 manner.

6 d. *Opt-Out Procedure.* A Class Member will not be entitled to opt out of the
7 Settlement established by this Agreement unless he or she submits to the Settlement Administrator
8 a timely and valid Opt Out Request.

9 i. The Settlement Administrator shall not have the authority to extend
10 the deadline for Class Members to submit an Opt Out Request absent agreement by both Parties.

11 ii. Class Members shall be permitted to rescind in writing their Opt Out
12 Request by submitting a written rescission statement to the Settlement Administrator no later than
13 the filing date of the motion for Final Approval.

14 iii. If more than ten percent (10%) of Class Members, or if class
15 members representing ten percent (10%) of the qualifying workweeks, timely opt out of the
16 Settlement, Defendant shall have the sole and absolute discretion to nullify this Agreement within
17 fourteen (14) days after the Response Deadline and written notice from the Settlement
18 Administrator of the final opt out rate. Defendant shall provide written notice of such nullification
19 to Class Counsel. In the event Defendant elects to so nullify, the nullification shall have the effect
20 of termination of this Agreement for failure to satisfy a condition of the Settlement, and this
21 Agreement shall become null and void and have no further force or effect, and Defendant will be
22 responsible for any and all Settlement Administration Costs incurred thus far.

23 58. Final Fairness Hearing, Final Approval and Final Judgment.

24 a. *Entry of Final Judgment.* At the Final Approval Hearing, the Named
25 Plaintiffs will request, and Defendant will concur in said request, that the Court enter a Final
26 Judgment.

27 b. *Motion.* Named Plaintiffs will draft and file a motion for final approval in
28 conformity with any requirements from the Court and will take other action to request the entry of

1 Final Judgment in accordance with this Agreement. In conjunction with the motion for final
2 approval and requesting an award of Attorneys' Costs, Attorneys' Fees, and Service Payments,
3 Class Counsel shall file a declaration from the Settlement Administrator confirming that the Class
4 Notice was mailed to all Class Members as required by this Agreement, as well as any additional
5 information Class Counsel, with the input and approval of Defendant, deems appropriate to provide
6 to the Court.

7 c. *Order.* The Parties shall take all reasonable efforts to secure entry of the
8 Final Approval Order and Final Judgment. If the Court rejects the Agreement or denies Final
9 Approval of the Settlement, this Agreement shall be void *ab initio*, and Defendant shall have no
10 obligation to make any payments under the Agreement besides any Settlement Administration
11 Costs incurred thus far. The Final Approval Order shall contain the following provisions:

12 i. Wherein the Court enters Final Judgment, finding that this
13 Agreement and Settlement is fair, just, equitable, reasonable, adequate, and in the best interests of
14 the Class; was reached as a result of intensive, serious, and non-collusive arms-length negotiations;
15 and was achieved with the aid of an experienced mediator and in good faith as to each Class
16 Member;

17 ii. Affirming that each side will bear its own costs and fees (including
18 attorneys' fees), except as provided by the Agreement, and that Defendant shall not be required to
19 pay any amounts other than as set forth in the Agreement;

20 iii. Confirming that the certification of the Class for purposes of
21 Settlement only;

22 iv. Finding that the Settlement Administration process as carried out
23 afforded adequate protections to Class Members, provided the best notice practicable, and satisfied
24 the requirements of law and due process;

25 v. Rejecting any objections to the Settlement;

26 vi. Approving the settlement of Settled PAGA Claims consistent with
27 the Settlement;

1 vii. Retaining Court jurisdiction after entry of judgment to oversee
2 administration and enforcement of the terms of the Agreement; and

3 viii. Requiring the Parties to carry out the provisions of this Agreement.

4 59. Notice to the Labor and Workforce Development Agency. Class Counsel is
5 responsible for complying with all requirements of the PAGA governing notice to the LWDA of
6 settlement and/or final judgment. Specifically, Class Counsel will provide a copy of the proposed
7 settlement to the LWDA at the same time that it is submitted to the Court and will further provide a
8 copy of the Court's judgment to the LWDA within ten (10) days after entry of judgment or order as
9 required by Labor Code sections 2699(1)(2)-(3).

10 60. Payment of Settlement. Defendant will deposit the Maximum Settlement Amount
11 into an account established by the Settlement Administrator within fourteen (14) days of the
12 Effective Date.

13 a. The Parties agree that the Maximum Settlement Amount will qualify as a
14 settlement fund pursuant to the requirements of Section 468(B)(g) of the Internal Revenue Code of
15 1986, as amended, and Section 1.468B-1 *et seq.* of the income tax regulations. Furthermore, the
16 Settlement Administrator is hereby designated as the "Administrator" of the qualified Settlement
17 funds for purposes of Section 1.468B-2(k) of the income tax regulations. As such, all employee
18 taxes imposed on the gross income of that settlement fund and any tax-related expenses arising
19 from any income tax returns or other reporting documents that may be required by the Internal
20 Revenue Service or any state or local taxing body will be paid from the Net Distribution Fund by
21 the Settlement Administrator.

22 b. The Settlement Administrator shall be deemed to have timely distributed
23 Settlement Payments and PAGA Payments if it places said payment in the mail (First-Class U.S.).
24 If the Settlement Administrator receives notice from Settlement Class Members or PAGA
25 Members that they have not received their settlement check due to changes of address or other
26 circumstances, the Settlement Administrator shall make reasonable efforts to ensure the initial
27 payment is cancelled and re-mail the Settlement Payment to the Settlement Class Member and/or
28 PAGA Payment to the PAGA Member.

c. The distribution of Attorneys' Costs, Attorneys' Fees, Service Payments, Settlement Administration Costs, and the LWDA's portion of the PAGA Allocation shall occur no later than the Settlement Proceeds Distribution Deadline. Under no circumstances shall the foregoing payments be made prior to the distribution of Settlement Payments to Settlement Class Members and PAGA Payments to PAGA Members.

d. Settlement Class Members who are sent Settlement Payments and PAGA Members who are sent PAGA Payments shall have one hundred eighty (180) days after mailing by the Settlement Administrator to cash their settlement checks.

e. If such Settlement Class Members and/or PAGA Members do not cash their checks within the one hundred eighty (180) day period, those checks will become void and a stop payment will be placed on the uncashed checks. In the event settlement checks that are not cashed within one hundred eighty (180) days of mailing, or are returned to the Settlement Administrator, the Settlement Administrator shall send the uncashed funds to Center for Employment Opportunities, a jointly selected non-profit organization in compliance with California Code of Civil Procedure section 384. Settlement Class Members and PAGA Members who fail to deposit or negotiate their check(s) in a timely fashion shall remain subject to the terms of the Agreement and the Final Judgment.

f. Upon completion of administration of the Settlement, the Settlement Administrator shall provide written certification of such completion to the Court, Class Counsel, and Defendant's Counsel.

61. Binding Effect of Agreement on Settlement Class Members and PAGA Members. Subject to final Court approval, all Settlement Class Members and PAGA Members shall be bound by this Agreement and Final Judgment shall be entered in the Action.

62. Waiver of Appeal. Subject to preliminary and final approval of this Settlement, the Named Plaintiffs and all Class Members, except those Class Members who make timely and valid Objections pursuant to the terms of this Agreement, expressly waive the right to appeal.

63. Automatic Voiding of Agreement if Settlement Not Finalized. If for any reason the Effective Date does not occur, the Settlement shall be null and void and the orders, judgment, and

dismissal to be entered pursuant to this Agreement shall be vacated; and the Parties will be returned to the status quo prior to entering this Agreement with respect to the Action, as if the Parties had never entered into this Agreement. In addition, in such event, the Agreement and all negotiations, court orders, and proceedings relating thereto shall be without prejudice to the rights of any and all Parties hereto, and evidence relating to the Agreement and all negotiations shall not be admissible or discoverable in the Action or otherwise in any other proceeding.

64. No Injunctive Relief. The Parties agree that the Settlement does not include injunctive relief against Defendant or the Released Parties.

65. Pro Rata Adjustment to Maximum Settlement Amount Based on Workweeks. Defendant provided, among other things, a sample class list prior to the Parties' August 23, 2022 mediation that contained, among other things, the hire and termination dates and rehire and termination dates of Class Members for the period from November 3, 2017 to December 31, 2021. Using this class list, Class Counsel and Defendant's Counsel estimated 70,000 Workweeks worked by all Class Members for the period from November 3, 2017 to December 31, 2021. Accordingly, if the actual number of Workweeks for Class Members for the period from November 3, 2017 to December 31, 2021 *exceeds* the 70,000 estimate by more than fifteen percent (15%) (i.e., is 10,501 or more), the Parties agree the Net Distribution Fund shall be increased *pro rata* according to the percentage that the actual Workweek count is greater than 70,000. This provision is tied to the Class Period as defined herein, meaning it will apply from November 3, 2017 through the earlier of Preliminary Approval or November 30, 2022.

66. Destruction or Return of Evidence. Upon distribution of all settlement funds, the Parties shall destroy all confidential documents related to the Complaint. Within twenty-one (21) days of the distribution of all payments described in this Agreement, Class Counsel shall sign a declaration confirming the destruction of all Defendant's confidential information, including but not limited to, employees' ID numbers, timekeeping data, and payroll information related to the Class Members.

67. Modification in Writing. This Agreement may be altered, amended, modified or waived, in whole or in part, only in a writing signed by counsel for the Parties and, if a material

change, approved by the Court. Any waiver of any provision of this Agreement shall not constitute a waiver of any other provision of this Agreement unless expressly so indicated.

68. Ongoing Cooperation. Named Plaintiffs and Defendant, and each of their respective counsel, shall cooperate in good faith to execute all documents and perform all acts necessary and proper to effectuate and implement the terms of this Agreement, including but not limited to drafting and submitting the Motions for Preliminary and Final Approval, and defending the Agreement and Final Judgment against objections and appeals. The Parties to this Agreement shall use their best efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by order of the Court or otherwise, to effectuate this Agreement and the terms set forth herein.

69. No Prior Assignments. The Parties hereto represent, covenant, and warrant that they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights herein released and discharged except as set forth herein.

70. Binding on Successors. This Agreement shall be binding and shall inure to the benefit of the Parties and their respective successors, assigns, executors, administrators, heirs, and legal representatives, including the Released Parties.

71. Integration/Entire Agreement. The Parties warrant that no promise or inducement has been offered or made to any of the Parties except as set forth herein. This Agreement constitutes the full, complete and entire understanding, agreement and arrangement between the Named Plaintiffs, Class Members, and PAGA Members on the one hand, and Defendant and Released Parties on the other hand, with respect to the Settlement of the Action and the Settled Claims and Settled PAGA Claims against the Released Parties. This Agreement supersedes any and all prior oral or written understandings, agreements, and arrangements, written or oral, express or implied, between the Parties with respect to the Settlement of the Action and the Settled Claims and Settled PAGA Claims against the Released Parties. The Parties explicitly recognize California Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or

contradicted by extrinsic evidence, and agree that no such extrinsic oral or written representations or terms shall modify, vary, or contradict the terms of this Agreement.

72. Execution in Counterparts. This Agreement may be signed in one or more counterparts. A photographic, scanned, or facsimile copy of signatures shall be treated as an original signature for all purposes. All executed copies of this Agreement, and photocopies thereof (including facsimile or email copies of the signature pages), shall have the same force and effect and shall be as legally binding and enforceable as the original.

73. Captions. The captions and section numbers in this Agreement are inserted for the reader's convenience and in no way define, limit, construe, or describe the scope or intent of the provisions of this Agreement.

74. Governing Law. This Agreement shall be interpreted, construed, enforced, and administered in accordance with the laws of the State of California without regard to otherwise applicable principles of conflicts of laws.

75. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

76. Enforcement and Continuing Jurisdiction of the Court. To the extent consistent with class action procedure, this Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6. The Court shall retain continuing jurisdiction over this Action and over all Parties and Class Members, to the fullest extent to enforce and effectuate the terms and intent of this Agreement, and to adjudicate any claimed breaches of this Settlement Agreement. The Court may award reasonable attorneys' fees and costs to the prevailing party in any motion or action taken and based on an alleged violation of any material term of the Agreement.

77. Fair and Reasonable; Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement, which they believe represents a fair, adequate, and reasonable resolution of the Action. Accordingly, this Agreement shall not be

1 construed more strictly against one Party than another merely by virtue of the fact that it may have
2 been prepared by counsel for one of the Parties, it being recognized that, because of the arms-
3 length negotiations between the Parties, all Parties have contributed to the preparation of this
4 Agreement.

5 78. Resolution of Disputes. The Parties agree to refer any disputes related to the drafting
6 of the Agreement and attached documents to mediator, Mark S. Rudy, Esq.

7 79. Representation by Counsel. The Parties acknowledge that they have been
8 represented by counsel throughout all negotiations that preceded the execution of this Agreement,
9 and that this Agreement has been executed with the consent and advice of counsel.

10 80. Voluntary Agreement. The Parties acknowledge that they have entered into this
11 Settlement Agreement voluntarily, on the basis of their own judgment and without coercion,
12 duress, or undue influence of any Party, and not in reliance on any promises, representations, or
13 statements made by the other Parties other than those contained in this Agreement. Each of the
14 Parties hereto expressly waives any right they/it might ever have to claim that this Agreement was
15 in any way induced by fraud.

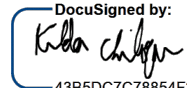
16 81. Parties' Authority. The signatories hereby represent that they are fully authorized to
17 enter into this Agreement and bind the Parties hereto to the terms and conditions hereof.

18
19 **IT IS SO AGREED.**
20
21
22
23
24
25
26
27
28

1 Dated: 10/26/2022, 2022

By: 
8BC1044C3F9B419...
SHAVONNE HAMMERS

3 Dated: 10/27/2022, 2022

By: 
43B5DC7C78854F2...
KILDA CHILOQUIN

7 Dated: _____, 2022

By: _____
REDWOOD OIL COMPANY, INC.
By: _____

APPROVED AS TO FORM ONLY:

12 Dated: _____, 2022

LITTLER MENDELSON, P.C.

By: _____
Stephen C. Tedesco
Garrick Y. Chan

*Attorneys for Defendant.
Redwood Oil Company, Inc.*

19 Dated: 10/26/2022, 2022

MOON & YANG, APC

22 By: 
Kane Moon
Allen Feghali
Jacquelyne VanEmmerik

*Attorneys for Plaintiffs,
Shavonne Hammers and Kilda Chiloquin*

26 4889-5606-3283.1 / 114537-1001

1 Dated: _____, 2022

2 By: _____
3 SHAVONNE HAMMERS

4 Dated: _____, 2022

5 By: _____
6 KILDA CHILOQUIN

7 Dated: 9/29, 2022

8 By: PC Van Alphen, CEO
9 REDWOOD OIL COMPANY, INC.
10 By: _____

11
12 Dated: October 4, 2022

13 APPROVED AS TO FORM ONLY:

14 LITTLER MENDELSON, P.C.

15 By: Stephen Tedesco
16 Stephen C. Tedesco
17 Garrick Y. Chan

18 *Attorneys for Defendant.*
19 *Redwood Oil Company, Inc.*

20 Dated: _____, 2022

21 MOON & YANG, APC

22 By: _____
23 Kane Moon
24 Allen Feghali
25 Jacquelyne VanEmmerik

26 *Attorneys for Plaintiffs,*
27 *Shavonne Hammers and Kilda Chiloquin*

28 4889-5606-3283.1 / 114537-1001