

## JOINT STIPULATION AND SETTLEMENT AGREEMENT

Subject to final approval by the Court, this Settlement Agreement is between Plaintiff Daniel Perez on his own behalf and on behalf of individuals similarly situated (“Plaintiff”) and Defendants The GEO Group, Inc. d/b/a GEO Group California; GEO Secure Services, LLC; GEO Corrections and Detentions, LLC; and GEO Corrections Holdings, Inc. (“Defendants”). Plaintiff and Defendants collectively are referred to in this Agreement as the “Parties.”

### I. DEFINITIONS

In addition to the other terms defined in this Agreement, the terms below have the following meanings:

- A. **Administration Costs**: The costs incurred by the Settlement Administrator to administer this Settlement, which is currently estimated at \$58,000. All Administration Costs shall be paid from the Qualified Settlement Fund.
- B. **Agreement, Settlement Agreement, Joint Stipulation, or Settlement**: The settlement agreement reflected in this document, titled “Joint Stipulation and Settlement Agreement.”
- C. **Attorney Fee Award**: The amount, not to exceed one-third of the Gross Settlement Amount, finally approved by the Court and awarded to Class Counsel. The Attorney Fee Award shall be paid from the Qualified Settlement Fund and will not be opposed by Defendants.
- D. **Case(s) or Lawsuit(s)**: The lawsuit pending before the Superior Court of California for the County of San Diego, Case No. 37-2022-00000670-CU-OE-CTL, the operative First Amended Class and Collective Action Complaint attached hereto as Exhibit “D” in which contains the claims and allegations of two prior lawsuits filed by Plaintiff Daniel Perez against Defendants:
  - 1. The Class and Collective Action filed on November 1, 2021 in the United States District Court for the Southern District of California, Case No. 21CV1846 BAS DDL (the “Class/Collective Action Lawsuit”), including the Complaint and any amended complaint filed therein.
  - 2. The PAGA Representative Action filed on January 6, 2022 in the Superior Court of the State of California for the County of San Diego, Case No. 37-2022-00000670-CU-OE-CTL (the “PAGA Lawsuit”) including the Complaint and any amended complaint filed therein.
- E. **Class**: “Class Members” or “the Class” shall refer to all of the FLSA Putative Collective Members, State Law Class Members, California Settlement Class Members, and PAGA Settlement Members, defined as follows:
  - 1. **California Settlement Class Members**: All current and former employees of any Defendant(s) who (1) worked in the State of California at any time

from November 1, 2017 through January 9, 2023 (“California Settlement Class Period”), and (2) were paid overtime wages, California Labor Code 226.7 premiums and/or sick pay under California Labor Code 246 in the same pay period in which they were also paid cash-in-lieu of benefits (including but not limited to cash payments in lieu of Health and Welfare benefits such California Settlement Class Members were entitled to receive under the Service Contract Act).

2. **State Law Class Members:** All current and former employees of any Defendant(s) who (1) worked in the States of Washington, New Mexico, North Carolina, Virginia, Indiana, Michigan, Pennsylvania, Colorado, or Arizona, at any time from November 1, 2018 through January 9, 2023 (“State Law Class Period”), and (2) were paid overtime wages in the same pay period in which they were also paid cash-in-lieu of benefits (including but not limited to cash payments in lieu of Health and Welfare benefits such State Law Class Members were entitled to receive under the Service Contract Act).
  3. **California PAGA Settlement Members:** All current and former employees of any Defendant(s) who (1) worked in the State of California at any time from October 25, 2020 through January 9, 2023 (“PAGA Settlement Period”), and (2) were paid overtime wages, California Labor Code 226.7 premiums and/or sick pay under California Labor Code 246 in the same pay period in which they were also paid cash-in-lieu of benefits (including but not limited to cash payments in lieu of Health and Welfare benefits such California PAGA Settlement Members were entitled to receive under the Service Contract Act).
  4. **FLSA Putative Collective Members:** All current and former employees of any Defendant(s) who (1) worked in the United States (who did not work in the States of California, Washington, New Mexico, North Carolina, Virginia, Indiana, Michigan, Pennsylvania, Colorado, or Arizona) at any time from November 1, 2018 through January 9, 2023 (“FLSA Collective Period”), and (2) were paid overtime wages in the same pay period in which they were also paid cash-in-lieu of benefits (including but not limited to cash payments in lieu of Health and Welfare benefits such FLSA Putative Collective Members were entitled to receive under the Service Contract Act).
- F. **Class Counsel:** Nicholas J. Ferraro and Lauren Vega of Ferraro Vega Employment Lawyers, Inc., and Rick Waltman of Rick Waltman Law, APC.
- G. **Class Member:** Each person eligible to participate in this Settlement who is a member of any of the Classes that are defined above.

- H. **Class Notice or Notice:** The Notice of Class Action Settlement and the Notice of FLSA Settlement, substantially similar to the forms attached hereto as **Exhibit A and B**, subject to Court approval.
- I. **Class Periods:** Refers to the California Settlement Class Period, State Law Class Period(s), California PAGA Settlement Period, and FLSA Putative Collective Periods, as follows:
1. **California Settlement Class Period:** November 1, 2017 through January 9, 2023.
  2. **State Law Class Period:** November 1, 2018 through January 9, 2023.
  3. **California PAGA Settlement Period:** October 25, 2020 through January 9, 2023.
  4. **FLSA Putative Collective Period:** November 1, 2018 through January 9, 2023.
- J. **Class Representative or Plaintiff:** Daniel Perez.
- K. **Class Representative Service Award:** The amount the Court awards to Plaintiff Daniel Perez for his service as a Class Representative, which will not exceed \$20,000. The payment shall be paid from the Qualified Settlement Fund and will not be opposed by Defendants. This Service Payment is subject to approval of the Court. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount.
- L. **Complaint(s):** The operative First Amended Class and Collective Action Complaint in the State Court Action (defined below), which comprises the claims alleged in the Class/Collective Action Lawsuit (referred to as “the Class/Collective Action Complaint”) and the prior complaint in the PAGA Lawsuit (referred to as “the PAGA Complaint”).
- M. **Cost Award:** The amount that the Court awards Class Counsel for payment of actual litigation costs, which shall not exceed \$37,500.00. The Cost Award will be paid from the Qualified Settlement Fund and will not be opposed by Defendants. The Cost Award is subject to Court approval. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount.
- N. **Counsel for Defendants:** Attorneys Susan Eisenberg, Jason Barsanti, and Brett Greving of Cozen O'Connor.
- O. **Court(s):** California Superior Court - San Diego County (“State Court”); United States District Court – Southern District of California (“Federal Court”).
- P. **Cy pres beneficiary:** Hire Heroes USA.

- Q. Defendants:** The GEO Group, Inc. d/b/a GEO Group California; GEO Secure Services, LLC; GEO Corrections and Detentions, LLC; and GEO Corrections Holdings, Inc.
- R. Effective Final Settlement Date:** The effective date of this Settlement will be when the final approval of the settlement can no longer be appealed, or, if there are no objectors and no Plaintiff in intervention at the time the Court grants final approval of the settlement, the date the court enters judgment granting final approval of the settlement.
- S. Eligible Aggrieved Employees:** All current and former employees of any Defendant(s) who (1) worked in the state of California at any time during the PAGA Settlement Period, and (2) were paid overtime wages, California Labor Code 226.7 premiums and/or sick pay under California Labor Code 246 in the same pay period in which they were also paid cash-in-lieu of benefits (including but not limited to cash payments in lieu of Health and Welfare benefits such California PAGA Settlement Members were entitled to receive under the Service Contract Act).
- T. Exclusion Form:** The Election Not To Participate or Opt-out Form, substantially similar to the form attached hereto as **Exhibit C**, subject to Court approval.
- U. Judgment or Final Approval:** The final order entered by the Court finally approving this Agreement.
- V. Gross Settlement Amount or GSA:** The total value of the Settlement is a non-reversionary Five Million and Two-Hundred Fifty Thousand Dollars and Zero Cents (\$5,250,000.00), to pay any and all settlement related payments, including, but not limited to, payments to Plaintiff and members of the California Settlement Class, Participating FLSA Collective Members, State Law Class Members, California PAGA Settlement Members (respectively, as defined herein), the California Labor and Workforce Development Agency ("LWDA"), attorney's fees and litigation costs/expenses incurred by or on behalf of Plaintiff as approved by the Court, the Service Award to Plaintiff as approved by the Court, and all fees and costs incurred in administering the settlement, exclusive of Defendants' share of applicable payroll taxes, which will be paid by Defendants separately.
- W. Individual Settlement Share(s):** The amount payable to each Participating Class or FLSA Member under the terms of this Settlement Agreement. The California Settlement Class, State Law Class, and California PAGA Settlement Members are not required to submit a claim form to receive their Individual Settlement Shares pursuant to this Agreement. Rather, those Participating Class Members will receive an Individual Settlement Share automatically, and thereby release their claims without the return of any claim form. However, the FLSA Putative Collective Members must opt-in to receive an individual settlement share through the consent procedures outlined in this Agreement. Those FLSA Putative Collective Members who do not opt-in through the consent procedures outlined in this Agreement shall not be participants in this Settlement.

- X. **LWDA**: California Labor and Workforce Development Agency.
- Y. **Net Settlement Amount or NSA**: The total amount of money available for payout to Participating Class Members, which is the GSA less the Attorney Fee Award, Cost Award, Class Representative Service Award, and the portion of the PAGA Payment paid to the LWDA, and Administration Costs. In other words, the NSA is the portion of the GSA that will be distributed to Participating Class Members and to the Participating FLSA Collective Members.
- Z. **PAGA**: The California Labor Code Private Attorneys General Act of 2004 (Cal. Labor Code §§ 2698 *et seq.*).
- AA. **PAGA Payment**: The PAGA Payment consists of \$100,000 of the Gross Settlement Amount allocated to satisfy the PAGA penalties claim as alleged in this matter. Seventy-five percent (75%) of the PAGA Payment (\$75,000) shall be paid to the LWDA, and twenty-five percent (25%) (\$25,000) of the PAGA Payment shall be part of the Net Settlement Amount distributed to Eligible Aggrieved Employees, on a pro rata basis, as set forth below.
- BB. **Participating Class Members**: All California Settlement Class, State Law Class, and California PAGA Settlement Members who do not submit a valid and timely request to exclude themselves from this Settlement.
- CC. **Participating FLSA Members**: The FLSA Putative Collective Members who opt-in to the Settlement.
- DD. **Parties**: Plaintiff Daniel Perez on his own behalf and on behalf of individuals similarly situated and Defendants: The GEO Group, Inc. d/b/a GEO Group California; GEO Secure Services, LLC; GEO Corrections and Detentions, LLC; and GEO Corrections Holdings, Inc.
- EE. **Preliminary Approval or Preliminary Approval Order**: The Court's order preliminarily approving the proposed Settlement.
- FF. **Qualified Settlement Fund or QSP**: A fund within the meaning of Treasury Regulation § 1.46B-1, 26 C.F.R. § 1.468B-1 *et seq.*, that is established by the Settlement Administrator for the benefit of Participating FLSA and Class Members, Plaintiff and Class Counsel.
- GG. **Released Claims as to All Participating Class and FLSA Members**: Upon Court Approval and as of the Effective Date and payment by Defendant of the Gross Settlement Amount to the Settlement Administrator, Plaintiff and Participating Class Members waive, release, discharge, and promise never to assert in any forum against Defendants and Released Parties for the Class Periods as follows:
1. **Released Claims for FLSA Collective Members**: All FLSA Putative Collective Members who opt-in to the Collective (as provided in the below section entitled "FLSA Procedure") will be deemed to have waived all legal

claims pled in the First Amended Class and Collective Action Complaint arising from the factual allegations in the First Amended Class and Collective Action Complaint, including the claims and factual allegations pled in the amended complaint attached as **Exhibit D**.

2. Released Claims for California Settlement Class Members: All California Settlement Class Members who do not submit a timely opt-out form will be deemed to have waived the claims pled in the Class/Collective Action Complaint, including the claims and factual allegations pled in the amended complaint attached as **Exhibit D**, regardless of whether such respective claims were known or unknown to each participating California Settlement Class Member. The release includes all derivative state and federal claims (including any FLSA claims arising from the factual allegations in the First Amended Class and Collective Action Complaint. Specifically, the release covers claims based on the core primary allegation that Defendants failed to include cash-in-lieu of benefits in the regular rate of pay/compensation for purposes of calculating and paying overtime, sick leave, and meal and rest period premiums. The release specifically covers the alleged claims for (1) unpaid overtime, (2) unpaid wages upon separation of employment, (3) failure to timely pay wages pursuant to Labor Code sections 204, 204b, and 210, (4) failure to pay meal and rest break premiums at the lawful rate pursuant to Labor Code section 226.7, (5) failure to provide accurate itemized wage statements, (6) failure to pay paid sick leave under Labor Code section 246, and (7) the corresponding violations of Business and Professions Code section 17200 et seq. to the extent that such claims relate to the alleged underpayment of overtime, paid sick leave pay, and/or 226.7 premiums due to Defendants' alleged failure to include cash-in-lieu of benefits payments in the regular rate of pay.

The release does not apply to any time worked by California Settlement Class Members that is subject to another California Wage and Hour settlement.

3. Released Claims for California PAGA Settlement Members: All California PAGA Settlement Members and the LWDA will be deemed to have waived those claims under PAGA pled in the PAGA Lawsuit, including the claims and factual allegations pled in the amended complaint attached as **Exhibit D**, to the extent that such claims are predicated upon the underpayment of overtime, 226.7 premiums, and/or 246 sick pay payments due to Defendants' alleged failure to include cash-in-lieu of benefits payments in the regular rate of pay.
4. Released Claims for State Law Class Members: All State Law Class Members who do not submit a timely opt-out form will be deemed to have waived the claims pled in the Class/Collective Action Complaint, including the claims and factual allegations pled in the amended complaint attached as **Exhibit D**, regardless of whether such respective claims were known or

unknown to each participating State Law Settlement Class Member. The release includes all derivative state and federal claims (including any FLSA claims) arising from the factual allegations in the First Amended Class and Collective Action Complaint. Specifically, the release covers claims based on the core primary allegation that Defendants failed to include cash-in-lieu of benefits in the regular rate of pay/compensation for purposes of calculating and paying overtime.

5. Released Claims for Plaintiff Daniel Perez: Subject to Court approval, Plaintiff agrees to a full and general release of all claims, both known and unknown, against Defendants and the Released Parties.

**HH. Released Parties:** Defendants and each of their predecessors in interest, successors in interest, parents, subsidiaries, affiliated companies, shareholders, directors, officers, members, managers, employees, attorneys, and agents.

**II. Response Deadline:** California Settlement Class Members and State Law Class Members shall be given **60 days** from the notice of settlement to object or opt out of the settlement. FLSA Putative Collective Members must opt-in and are not provided an opportunity to object or opt out of the settlement.

**JJ. Settlement Administrator:** The third party administrator agreed upon by Parties to administer this Settlement is CPT.

**KK. Workweek(s):** Any week during the applicable Class Period(s) when any Class or Collective Member was paid overtime wages (or California Labor Code 226.7 premiums or sick pay under California Labor Code 246) in the same pay period in which they were also paid cash-in-lieu of benefits (including but not limited to cash payments in lieu of Health and Welfare benefits such Class Members were entitled to receive under the Service Contract Act). The Parties agree for purposes of this Agreement, Workweeks are equal to pay-periods divided by two.

## **II. RECITALS**

**A. Benefits of Settlement to Class Members.** Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to continue the litigation against Defendants through trial and through any possible appeals. Plaintiff and Class Counsel also have taken into account the uncertainty and risk of further litigation, the potential outcome, and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel have conducted extensive evaluation and settlement negotiations, including before, during, and after two mediation conferences conducted on August 18 and 19, 2022. Based on the foregoing, Plaintiff and Class Counsel believe the Settlement set forth in this Agreement is a fair, adequate, and reasonable settlement, and is in the best interests of the Class Members.

**B. Defendants' Reasons for Settlement.** Defendants recognize that the defense of this litigation will be protracted and expensive. Substantial amounts of time,

energy, and resources of Defendants have been and, unless this Settlement is made, will continue to be devoted to the defense of the claims asserted by Plaintiff. Defendants, therefore, have agreed to settle in the manner and upon the terms set forth in this Agreement to put to rest the Released Claims.

- C. **Defendants' Denial of Wrongdoing.** Defendants generally and specifically deny any and all liability or wrongdoing of any sort with regard to any of the claims alleged, make no concessions or admissions of liability of any sort, and contend that for any purpose other than settlement, the Complaints are not appropriate for class or collective treatment. Defendants assert a number of defenses to the claims, and have denied any wrongdoing or liability arising out of any of the alleged facts or conduct in the Lawsuits. Neither this Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Agreement, is or may be construed as, or may be used as an admission, concession, or indication by or against Defendants or any of the Released Parties of any fault, wrongdoing, or liability whatsoever. Nor should the Agreement be construed as an admission that Plaintiff can serve as an adequate Class Representative in the event the Settlement is not approved by the Court and the matter is litigated instead of resolved. There has been no final determination by any court as to the merits of the claims asserted by Plaintiff against Defendants or as to whether a class, classes or collective should be certified, other than for settlement purposes only.
- D. **Plaintiff's Claims.** Neither this Agreement nor any documents referred to or contemplated herein, nor any action taken to carry out this Agreement is, may be construed as, or may be used as an admission, concession or indication by or against Plaintiff, Class Members, or Class Counsel as to the merits of any claims or defenses asserted, or lack thereof, in the Lawsuits. However, in the event that this Settlement is finally approved by the Court, none of Plaintiff, Class Members, or Class Counsel will oppose Defendants' efforts to use this Agreement to prove that Plaintiff and Class Members have resolved and are forever barred from re-litigating the Released Claims under the terms of this Settlement.

### **III. SETTLEMENT TERMS AND CONDITIONS**

- A. **Gross Settlement Amount.** Subject to the terms and conditions of this Agreement, the Gross Settlement Amount that Defendants are obligated to pay under this Settlement Agreement is Five Million Two Hundred and Fifty Thousand Dollars and Zero Cents (\$5,250,000.00).
- B. **Notice to the Labor and Workforce Development Agency ("LWDA").** On October 25, 2021, Plaintiff filed and served his Notice of Labor Code Violations Pursuant to Labor Code Section 2699.3 and did not receive notice from the LDWA that it will investigate. Thus, Plaintiff has satisfied his notice and administrative exhaustion obligations under the PAGA.
- C. **Class and Collective Certification.** Solely for the purposes of this Settlement, the Parties stipulate and agree to certification of the claims asserted on behalf of Class

Members. As such, the Parties stipulate and agree that in order for this Settlement to occur, the Court must certify the Class and FLSA Putative Collective as defined in this Agreement.

- D. Conditional Nature of Stipulation for Certification.** The Parties stipulate and agree to the certification of the claims asserted on behalf of Plaintiff and Class Members for purposes of this Settlement only. If the Settlement does not become effective, the fact that the Parties were willing to stipulate to certification as part of the Settlement shall not be admissible or used in any way in connection with the question of whether the Court should certify any claims in a non-settlement context in these Lawsuits or in any other lawsuit. If the Settlement does not become effective, Defendants reserve the right to contest any issues relating to class and collective certification and liability.
- E. Appointment of Class Representative.** Solely for the purposes of this Settlement, the Parties stipulate and agree Plaintiff shall be appointed as the representative for the Class. Should the Settlement not be approved, Defendants reserve the right to challenge Plaintiff's adequacy as a Class Representative.
- F. Appointment of Class Counsel.** Solely for the purpose of this Settlement, the Parties stipulate and agree that the Court appoint Class Counsel to represent the Class.
- G. Individual Settlement Share.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will calculate and pay all Individual Settlement Shares from the Net Settlement Amount to each Participating Class Member and FLSA Collective Member. The Parties shall approve the Settlement Administrator's Individual Settlement Share calculations.
- 1. Individual Settlement Share Calculations.** The Net Settlement Amount shall be available for distribution to the California Settlement Class Members, State Law Class Members, and FLSA Collective Members, and is based on each Class Member's Workweeks (as defined above). Thirty-Five Percent of the Net Settlement Amount allocated to California Settlement Class, and Sixty-Five Percent allocated to the remaining claims.

California Settlement Class Members will receive a pro rata share of the Thirty-Five Percent of the Net Settlement Amount that is equal to (A) an initial flat payment of Ten Dollars (\$10.00), plus (B) an amount based on weeks worked that is equal to (i) the Workweeks during the Class Period based on the Class data provided by Defendants, divided by (ii) the total number of Workweeks for any and all Participating California Settlement Class Members during the Class Period based on the same Class data, which is then multiplied by the Thirty-Five Percent of the Net Settlement Amount. Workweeks for the California Settlement Class Members that are subject to another California Wage and Hour settlement are not included in an individual settlement share calculation.

The FLSA Collective and State Law Class Members will also receive a pro rata share of Sixty-Five Percent of the Net Settlement Amount that is equal to (A) an initial flat payment of Ten Dollars (\$10.00), plus (B) an amount based on weeks worked that is equal to (i) the Workweeks during the respective Class Periods based on the Class data provided by Defendants, divided by (ii) the total number of Workweeks by any and all Participating State Law Class Members and FLSA Putative Collective Members during the Class Period based on the same Class data, which is then multiplied by the Sixty-Five Percent of the Net Settlement Amount.

**2. Tax Withholdings.**

PAGA Payment. The amount paid directly to California PAGA Settlement Members may be allocated as 100% 1099 penalties and interest.

California Settlement Class. Payments to each California Settlement Class Member (the non-PAGA Payments) shall be allocated 25% to W-2 wages and 75% to 1099 penalties and interest.

State Law Class and FLSA Collective. Payments to the State Law Class Members and FLSA Collective Members shall be allocated 50% to W-2 wages and 50% to 1099 penalties and interest.

The amounts paid above as wages shall be subject to all tax withholdings customarily made from an employee's wages and all other authorized and required withholdings and shall be reported by W-2 forms. Payment of all amounts will be made subject to backup withholding unless a duly executed W-9 form is received from the payee(s). The amounts paid as penalties and interest shall be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms. The employees' share of payroll tax withholdings shall be withheld from each persons' Individual Settlement Share.

**H. Settlement Disbursement.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will make the following payments out of the Gross Settlement Amount:

- 1. To the Plaintiff, Daniel Perez.** In addition to his Individual Settlement Share, and subject to the Court's approval, Plaintiff Daniel Perez will receive up to Twenty Thousand Dollars and Zero Cents (\$20,000.00) as a Class Representative Service Award. The Settlement Administrator will pay the Class Representative Service Payment out of the Qualified Settlement Fund. An IRS Form 1099 will be issued to Plaintiff with respect to his Class Representative Service Payment. In the event the Court does not approve the entirety of the application for the Class Representative Service Payment, the Settlement Administrator shall pay whatever amount

the Court awards, and neither Defendants nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Plaintiff, the difference shall become part of the NSA.

2. **To Class Counsel.** Class Counsel will apply to the Court for, and Defendants agree not to oppose, a total Attorney Fee Award not to exceed one third (33 1/3%) of the GSA and a documented Cost Award which shall be subject to the Court's approval and which Class Counsel presently estimates will be less than Thirty-Seven Thousand and Five-Hundred Dollars (\$37,500). The Settlement Administrator will pay the court-approved amounts for the Attorney Fee Award and Cost Award out of the Gross Settlement Fund. The Settlement Administrator may purchase an annuity to utilize US treasuries and bonds or other attorney fee deferral vehicles for Class Counsel. Payroll tax withholding and deductions will not be taken from the Attorney Fee Award or the Cost Award. IRS Forms 1099 will be issued to Class Counsel with respect to these payments. If the amount awarded for the Attorney Fee and/or Cost Award is less than the amount requested by Class Counsel for the Attorney Fee Award and/or Cost Award, the difference shall become part of the NSA and neither Defendants nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded.
3. **To the Responsible Tax Authorities.** The Settlement Administrator will pay the amount of the Participating Class and FLSA Collective Members' portion of normal payroll withholding taxes out of each person's Individual Settlement Share. The Settlement Administrator will calculate the amount of the Participating Class and FLSA Collective Members' and Defendants' portion of payroll withholding taxes. The Settlement Administrator will submit Defendants' portion of payroll withholding tax and forward those amounts along with each person's Individual Settlement Share withholdings to the appropriate taxing authorities.
4. **To the Settlement Administrator.** The Settlement Administrator will pay to itself Administration Costs (reasonable fees and expenses) approved by the Court and estimated to be \$58,000. This will be paid out of the Qualified Settlement Fund. If the actual amount of Administration Costs is less than the amount estimated and/or requested, the difference shall become part of the NSA.
5. **To Participating Class Members.** The Settlement Administrator will pay Participating Class Members according to the Individual Settlement Share calculations set forth above. All payments to Participating Class and FLSA Collective Members shall be made from the Qualified Settlement Fund.
6. **To FLSA Collective Members.** The Settlement Administrator will send settlement checks to the FLSA Collective Members above according to the

Individual Settlement Share calculations set forth above, which checks shall bear the Opt-In language provided below. All payments to FLSA Collective Members shall be made from the Qualified Settlement Fund.

7. **To Eligible Aggrieved Employees.** The Settlement Administrator shall pay each eligible aggrieved employee according to their proportional share (which will be calculated by the Settlement Administrator and approved by the Parties) and will be based upon the total number of Workweeks he or she worked during the PAGA Period. The individual share will be calculated by determining the total number of Workweeks the Eligible Aggrieved Employees were employed during the PAGA Period (i.e., the sum of all Workweeks for each eligible aggrieved employee), and then the \$25,000 amount allocated to Eligible Aggrieved Employees will be divided by that number to determine the monetary value assigned to each Workweek. That number will then be multiplied by the individual eligible aggrieved employee's total number of Workweeks during the PAGA Period to determine that individual's proportional share.

- I. **Appointment of Settlement Administrator.** Solely for the purposes of this Settlement, the Parties stipulate and agree that CPT shall be retained to serve as Settlement Administrator. The Settlement Administrator shall be responsible for establishing the QSF, preparing, printing, and mailing the Class and FLSA Notices to the Class/FLSA Members; keeping track of any objections or requests for exclusions; performing skip traces and re-mailing Class/FLSA Notices and Individual Settlement Shares to Class Members; calculating any and all payroll tax deductions as required by law; calculating each Class Member's Individual Settlement Share; providing weekly status reports to Defendants' Counsel and Class Counsel, which is to include updates on any objections or requests for exclusion that have been received; providing a due diligence declaration for submission to the Court prior to the Final Approval hearing; mailing the FLSA Checks and mailing Individual Settlement Shares to Participating Class Members; placing the opt-in legend on the back of the settlement checks sent to the FLSA Collective Members; generating a list of all Participating FLSA Collective Members, by name only, as proof of payment and consent on the part of those individuals who have "opted-in" to the FLSA Collective; saving and filing copies of the cashed, deposited, or otherwise negotiated FLSA Checks with the Court (and providing copies to Counsel), with private information redacted except the FLSA Collective's names; calculating and mailing the aggrieved employees Payment to the LWDA; distributing the Attorney Fee Award and Cost Award to Class Counsel; printing and providing Class Members and Plaintiff with W-2s and 1099 forms as required under this Agreement and applicable law; providing a due diligence declaration for submission to the Superior Court upon the completion of the Settlement; providing any funds remaining in the QSF as a result of uncashed checks to the California State Controller's Office's Unclaimed Property Division; calculating and paying any redistributed amounts to the Participating Class Members and/or to the Cy pres beneficiary, including the administration of related tax reimbursements; and for such other tasks as the Parties mutually agree. The

Parties each represent that they do not have any financial interest in CPT or otherwise have a relationship with CPT that could create a conflict of interest.

**J. Procedure for Approving Settlement.**

**1. Amendment of Class/Collective Action Complaint.** The Parties will stipulate to and Plaintiff will file a First Amended Class and Collective Action Complaint in the State Court Action adding causes of action to proceed under California Code of Civil Procedure § 382 (the California counterpart to FRCP Rule 23) in the form attached as **Exhibit D** for a putative failure by Defendants to correctly pay overtime predicated upon the alleged underpayment of overtime due to Defendants' alleged failure to include cash-in-lieu of benefits payments into the regular rate of pay in accordance with all applicable law, including but not limited to the following state laws of Washington, New Mexico, North Carolina, Virginia, Indiana, Michigan, Pennsylvania, Colorado, and Arizona:

- Failure to Pay All Overtime Wages Owed (Rev. Washington Code §§ 49.46.130);
- Failure to Pay All Overtime Wages Owed (New Mexico Stat. Ann. §§ 50-4-22(E));
- Failure to Pay All Overtime Wages Owed (North Carolina Gen. Stat. §§ 95-25.4);
- Failure to Pay All Overtime Wages Owed (Virginia Code Ann. §§ 40.1-29);
- Failure to Pay All Overtime Wages Owed (Indiana Code §§ 22-2-2-4(k));
- Failure to Pay All Overtime Wages Owed (Michigan Stat. §§ 408.934a);
- Failure to Pay All Overtime Wages Owed (34 Pennsylvania Code § 231.41);
- Failure to Pay All Overtime Wages Owed Upon Termination/Discharge (Colorado Min. Wage Order No. 33-35, 7 CCR 1103-1, Colorado Rev. Statute § 8-4-109);
- Failure to Pay All Overtime Wages [Arizona Rev. Statute § 23-351, FLSA].

**2. Motion for FLSA Putative Collective Settlement Approval, Preliminary Approval and Conditional Certification.**

- a.** In the Action in State Court, Plaintiff will move for an order conditionally certifying the Class for settlement purposes only, for approval of FLSA Collective settlement, including approving the FLSA opt in procedure, for Preliminary Approval of the Settlement, setting a date for the Final Approval hearing, and the Class and FLSA Notices and Exclusion Form. Class Counsel will submit to

Defendants' counsel for review drafts of the Motion for Preliminary Approval of settlement at least six (6) business days prior to filing.

- b. At the Preliminary Approval hearing, the Plaintiff will appear, support the granting of the motion, and submit a proposed Order granting conditional certification of the Class and Preliminary Approval of the Settlement; Approval of the FLSA Collective Settlement, appointing the Class Representative, Class Counsel, and Settlement Administrator; approving the Class and FLSA Notices; and setting the Final Approval hearing.
  - c. Should the Court decline to conditionally certify the Class or to Preliminarily Approve all material aspects of the Settlement, the Settlement will be null and void, and the Parties will have no further obligations under it, unless Plaintiff is permitted to file a renewed motion or provide supplemental briefing, in which case Plaintiff shall be permitted to file the same without the Agreement becoming null and void in the interim period. A material aspect would include, but not necessarily be limited to, any alteration of the Gross Settlement Amount, FLSA opt-in procedure and form of the release.
  - d. In the event the Court declines to certify the Class or grant approval, the Parties agree to work in good faith to amend this Agreement to effectuate the settlement terms contained here in order to further seek approval in a subsequent motion.
  - e. The Parties shall work together to obtain the necessary stipulations, dismissals, and/or other approvals to facilitate this settlement approval and to further obtain any necessary stipulations or agreements to preserve the status quo in the event the settlement is not approved.
3. **Dismissal of Federal Court Action.** Prior to preliminary approval of the settlement by the State Court, Plaintiff will file a request for dismissal without prejudice of the pending federal court action (Case No. 21CV1846 BAS DDL).
4. **FLSA Opt-In Procedure.** Checks for the amount allocated to each FLSA Putative Collective Member will be mailed directly to those individuals and will bear language on the reverse of the check similar to the following, with the pending case accurately referenced ("FLSA Check(s)");

By endorsing this check, I hereby consent to join the lawsuit entitled *Daniel Perez, et al. v. The GEO Group, Inc. et al.*, Superior Court of California for the County of San Diego, Case No. 37-2022-00000670-CU-OE-CTL, pursuant to the provisions of the Fair Labor Standards Act ("FLSA"), 29 USC Section 216(b), for purposes of participating in the settlement. I further

understand and agree that my signing, cashing, depositing, or otherwise negotiating this check constitutes a full and complete release of any and all FLSA Claims I may have based on the factual allegations of the above-entitled action. I agree that a copy of this check reflects my consent to join this action and may be filed with the Court, with personal information other than my name redacted, as evidence of my consent.

All individuals who sign, cash, deposit, or otherwise negotiate their FLSA Check within one hundred eighty (180) calendar days after the date on which the FLSA Check is issued will be Participating FLSA Collective Members who are bound by all terms and conditions of this Settlement, including the release of claims. All individuals who do not sign, cash, deposit, or otherwise negotiate the check shall be deemed to have not waived such released claims.

Checks that are not cashed, deposited, or otherwise negotiated by the FLSA Collective Members, if any, will be redistributed on a pro rata basis based on respective settlement share to the Participating FLSA Collective Members, or if the amount to be redistributed to any FLSA Collective is of a value that exceeds the cost of redistribution, be sent to a cy pres beneficiary selected by the Parties, Hire Heroes USA. Cy pres checks should be made payable to: "Hire Heroes USA" with a cover letter from the Administrator explaining the cy pres nature of the payment for identification and reference purposes.

**5. Notice to California Settlement Class Members and State Law Class Members.** After the Court enters its Preliminary Approval Order, every California Settlement Class Member and State Law Class Member will be provided with the Class Notice (substantially in the form of **Exhibit A**) or the FLSA Notice (substantially in the form of **Exhibit B**) in accordance with the following procedure:

- a. Within Thirty (30) calendar days after entry of the Preliminary Approval Order, Defendants shall deliver to the Settlement Administrator an electronic database, which will list for each Class Member: (1) first and last name; (2) last known mailing address; (3) social security number; (4) state where the Class Member worked for the Defendants during the Class Periods and if multiple states, the time periods working for each State; (5) the total number of Workweeks for each Class Member (less any Workweeks covered by a prior wage and hour class action settlement release); and if applicable (6) number of Workweeks during the PAGA Period (less any Workweeks covered by a prior wage and hour class action settlement release.) ("Database"). If any or all of this information is unavailable to Defendants, Defendants will so inform Class Counsel and the Parties will make their best efforts to reconstruct or otherwise agree upon how to deal with the unavailable information.

The Settlement Administrator will conduct a skip trace for the address of all former employee Class Members. The Database shall be based on Defendants' payroll, personnel, and other business records. The Settlement Administrator shall maintain the Database and all data contained within the Database as private and confidential.

- b. Within forty-five (45) calendar days after entry of the Preliminary Approval Order, the Settlement Administrator will mail the California Settlement Class, State Law Class, and FLSA Putative Collective Notices to all identified Class Members via first-class regular U.S. Mail using the mailing address information provided by Defendants and the results of the skip trace performed on all former employee Class Members.
- c. If a California Settlement Class, State Law Class or FLSA Putative Collective Notice is returned because of an incorrect mailing address, within ten (10) days from receipt of the returned Notice, the Settlement Administrator will conduct a search for a more current address for the Class Member and re-mail the Class/FLSA Notice to the Class Member. The Settlement Administrator will use the National Change of Address Database and skip traces to attempt to find the current address. The Settlement Administrator will be responsible for taking reasonable steps to trace the mailing address of any Class Member for whom a Class/FLSA Notice is returned by U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing to Class Members for whom new addresses are found. If the Settlement Administrator is unable to locate a better address, the Class/FLSA Notice shall be re-mailed to the original address. If the Class/FLSA Notice is re-mailed, the Settlement Administrator will note for its own records the date and address of each re-mailing. Those Class Members who receive a re-mailed Class Notice, whether by skip-trace or forwarded mail, will have between the later of (a) an additional ten (10) days or (b) the Response Deadline to postmark an Exclusion Form, or file and serve an objection to the Settlement. The Settlement Administrator shall mark on the envelope whether the Class Notice is a re-mailed notice.
- d. Class Members may dispute the information provided in their Class/FLSA Notice, but must do so in writing, via first class mail, and it must be postmarked by the Response Deadline. To the extent Class Members dispute the number of Workweeks to which they have been credited or the amount of their Individual Settlement Share, Class Members must produce evidence to the Settlement

Administrator showing that such information is inaccurate. Absent evidence rebutting Defendants' records, Defendants' records will be presumed determinative. However, if a Class Member produces evidence to the contrary, the Parties will evaluate the evidence submitted by the Class Member and will make the final decision as to the number of eligible Workweeks that should be applied and/or the Individual Settlement Share to which the Class Member may be entitled. However, any such increase to Class Member Workweeks merely increases that Class Members pro rata share, and does not obligate Defendants to pay any additional amount over the Gross Settlement Amount.

- e. If any Exclusion Form received is incomplete or deficient, the Settlement Administrator shall send a letter informing the Class Member of the deficiency and allow fourteen (14) days to cure the deficiency. If after the cure period the Exclusion Form is not cured, it will be determined that the Class Member did not exclude himself or himself from the Settlement and will be bound by the Settlement.
  - f. The Settlement Administrator shall provide a weekly status report to the Parties. As part of its weekly status report, the Settlement Administrator will inform Class Counsel and Defendants' Counsel of the number of Notice Packets mailed, the number of Notice Packets returned as undeliverable, the number of Notice Packets re-mailed, and the number of Exclusion Forms received.
  - g. No later than fourteen (14) calendar days after the Response Deadline, the Settlement Administrator will serve on the Parties a declaration of due diligence setting forth its compliance with its obligations under this Agreement. The declaration from the Settlement Administrator shall also be filed with the Court by Class Counsel no later than ten (10) calendar days before the Final Approval hearing. Before the Final Approval hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.
6. **Objections to Settlement.** The Class Notice will provide that the Class Members who wish to object to the Settlement must do so in writing, signed, dated, and mailed to the Settlement Administrator postmarked no later than the Response Deadline. The Response Deadline to submit an objection will be increased for returned mailings, as provided above.
- a. **Format.** Any Objections shall state: (a) the objecting person's full name, address, and telephone number; (b) the words "Notice of Objection" or "Formal Objection;" (c) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (d)

list identifying witness(es) the objector may call to testify at the Final Approval hearing; and (e) provide true and correct copies of any exhibit(s) the objector intends to offer at the Final Approval hearing.

- b. **Notice of Intent to Appear.** Class Members who file objections to the Settlement may (though are not required to) appear at the Final Approval Hearing, either in person or through the objector's own counsel.

- 7. **Request for Exclusion from the Settlement ("Opt-Out").** The Class Notice will provide that Class Members who wish to exclude themselves from the Settlement must mail to the Settlement Administrator an Exclusion Form. The written request for exclusion must: (a) include the Class Member's name, address, and last four digits of the social security number; (b) be addressed to the Settlement Administrator; (c) be signed by the Class Member or his or his lawful representative; and (d) be postmarked no later than the Response Deadline.

- a. **Confirmation of Authenticity.** If there is a question about the authenticity of a signed request for exclusion, the Settlement Administrator may demand additional proof of the Class Member's identity. Any Class Member who returns a timely, valid, and executed Exclusion Form will not participate in or be bound by the Settlement and Judgment and will not receive an Individual Settlement Share. A Class Member who does not complete and mail a timely Exclusion Form will automatically be included in the Settlement, will receive an Individual Settlement Share, and be bound by all terms and conditions of the Settlement, if the Settlement is approved by the Court, and by the Judgment, regardless of whether he or she has objected to the Settlement.

- b. **Report.** No later than seven (7) calendar days after the Response Deadline, the Settlement Administrator will provide the Parties with a complete and accurate accounting of the number of Notices mailed to Class Members, the number of Notices returned as undeliverable, the number of Notices re-mailed to Class Members, the number of re-mailed Notices returned as undeliverable, the number of Class Members who objected to the Settlement and copies of their submitted objections, the number of Class Members who returned valid requests for exclusion, and the number of Class Members who returned invalid requests for exclusion.

- 8. **Defendants' Option to Terminate.** Defendants reserve the right to terminate this MOU and Agreement as to the California Settlement Class Members and State Law Class Members if more than seven (7)% of the

California Settlement Class Members and State Law Class Members opt out.

9. **No Solicitation of Objection or Requests for Exclusion.** Neither the Parties nor their respective counsel will solicit or otherwise encourage directly or indirectly any Class Member to object to the Settlement, request exclusion from the Settlement, or appeal from the Judgment.
10. **Notice Of Additional Claimants.** In the event Counsel for Plaintiff locates or is approached by any potential plaintiffs who are or would have been in the California Settlement Class, FLSA Putative Collective, State Law Class or PAGA Settlement Members but who failed to cash the FLSA settlement check or who were not otherwise included in the settlement, counsel for Plaintiff agrees to provide counsel for Defendants written notice of such additional claims within fifteen (15) day and allow Defendants to pay back pay to the additional claimant(s) in exchange for a release of claims.
11. **Motion for Final Approval.**
  - a. Class Counsel will file an unopposed motion and memorandum in support thereof for Final Approval of the Settlement and the following payments in accord with the terms of the Settlement: (1) the Attorney Fee Award; (2) the Cost Award; (3) Administrative Costs; (4) the Class Representative Service Payment; and (5) PAGA Payment. Class Counsel will also move the Court for and order of Final Approval (and associated entry of Judgment) releasing and barring any Released Claims of the Class Members who do not opt out of the Settlement.
  - b. If the Court does not grant Final Approval of the Settlement, or if the Court's Final Approval of the Settlement is reversed or materially modified on appellate review, then either Party shall have the independent right, but not the obligation, to void the Settlement, thus rendering it null and void. If that occurs, the Parties will have no further obligations under the Settlement, including any obligation by Defendants to pay the Gross Settlement Amount or any amounts that otherwise would have been owed under this Agreement. Further, should this occur, the Party electing to void the Settlement shall bear the Settlement Administrator's Administration Costs through that date, unless the Parties mutually agree to void the Settlement, in which case they shall be equally responsible for the Settlement Administrator's Administration Costs through that date. An award by the Court of a lesser or higher amount than requested by Plaintiff and Class Counsel for the Class Representative Service Payment, the Attorney Fee Award, and/or the Cost Award, will not constitute a material modification to the Settlement within the meaning of this paragraph. Furthermore, if the State Court does not

grant Final Approval of the Settlement, Plaintiff shall dismiss the State Court action, refile the action in the Federal Court and the Parties shall proceed with all applicable claims, and defenses in effect, all definitions contained in this Agreement including Class/Collective Members and Class Periods shall be applicable and the Parties will continue with litigation as of the status quo of the date this Agreement is signed by all Parties.

- c. Upon Final Approval of the Settlement, the Parties shall present to the Court a proposed Final Approval Order, approving the Settlement and entering Judgment in accordance therewith. After entry of Judgment, the Court shall have continuing jurisdiction over this matter for purposes of: (1) enforcing this Settlement Agreement; (2) addressing settlement administration matters, and (3) addressing such post-Judgment matters as may be appropriate under Court rules and applicable law.

**12. Vacating, Reversing, or Modifying Judgment on Appeal.** If, after a notice of appeal, the reviewing court vacates, reverses, or modifies the Judgment such that there is a material modification to the Settlement, and that court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher court, then either Party shall have the right but not the obligation to void this Settlement, thus rendering it null and void, in which case the Parties will have no further obligations under it. A material modification would include, but not necessarily be limited to, any alteration of the Gross Settlement Amount, except as provided in the pro rata increase portions of this Agreement, but does not include any change to the amount of the Attorney Fee Award, the Cost Award, or the Class Representative Service Payment.

**13. Disbursement of Settlement Shares and Payments.** Subject to the Court finally approving the Settlement, the Settlement Administrator shall distribute funds pursuant to the terms of this Agreement and the Court's Final Approval Order and Judgment. The maximum amount Defendants can be required to pay under this Settlement for any purpose is the Gross Settlement Amount. The Settlement Administrator shall keep Defendants' Counsel and Class Counsel apprised of all distributions from the Gross Settlement Amount. The Settlement Administrator shall respond to questions from Defendants' Counsel and Class Counsel.

- a. **Funding the Settlement:** No later than twenty-one (21) calendar days after the date the court enters judgment granting final approval of the settlement, Defendants shall deposit the Gross Settlement Amount of Five Million Two Hundred Fifty Thousand Dollars and Zero Cents (\$5,250,000.00) needed to pay the entire GSA and an amount for Defendants' portion of payroll taxes on the wage portion of the Class Members' Individual Settlement Shares which is not

included in the Gross Settlement Amount, by wiring the funds to the Settlement Administrator. In the event there are objectors to the Joint Stipulation and Settlement Agreement, payment shall be made within twenty-one (21) calendar days after the time to appeal has run or all appeals have been exhausted, whichever occurs later. Defendants shall also at this time provide any tax information that the Settlement Administrator may need to calculate each Participating Class and FLSA Members' Individual Settlement Share.

- b. **Disbursement:** Within fourteen (14) calendar days after the Funding of the Settlement, the Settlement Administrator shall calculate and pay all payments as approved by Class Counsel due under the Settlement Agreement, including all Individual Settlement Shares, the Attorney Fee Award, the Cost Award, the Class Representative Service Payment, the PAGA Payment, and the Administration Costs, and will send all the FLSA Checks. The Settlement Administrator will forward a check for 75% of the PAGA Payment to the LWDA for settlement of the PAGA claim. After such payment, Defendants shall have no liability for PAGA claims by or on behalf of Participating Class Members during the Class Period, which are released under this Agreement.
- c. **QSF:** The Parties agree that the QSF is intended to be a "Qualified Settlement Fund" under Section 468B of the Code and Treasury Regulations § 1.4168B-1, 26 C.F.R. § 1.468B-1 *et seq.*, and will be administered by the Settlement Administrator as such. The Parties and Settlement Administrator shall treat the QSF as coming into existence as a Qualified Settlement Fund on the earliest date permitted as set forth in 26 C.F.R. § 1.468B-1, and such election statement shall be attached to the appropriate returns as required by law.

- 14. **Uncashed Checks.** Participating Class Members and FLSA Putative Collective Members must cash or deposit their Individual Settlement Share checks within one hundred eighty (180) calendar days after the checks are mailed to them. If any checks are not redeemed or deposited within ninety (90) calendar days after mailing, the Settlement Administrator will send a reminder postcard indicating that unless the check is redeemed or deposited in the next ninety (90) calendar days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced. If any checks remain uncashed or not deposited by the expiration of the 90-day period after mailing the reminder notice, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, pay the amount of the Individual Settlement Share in the Participating Class Member's name to the California State Controller's Office's Unclaimed Property Division so that the Participating Class Member will have his or

his Individual Settlement Share available to him or his per the applicable claim procedure to request that money from the State of California.

FLSA Checks that are not cashed, if any, will not be sent to California State Controller's Office's Unclaimed Property Division but will be redistributed on a pro rata basis to the participating FLSA Collective members, or if the amount to be redistributed is of a value that exceeds the cost of retribution, be sent to the Cy pres beneficiary.

15. **Final Reports by Settlement Administrator.** Within ten (10) calendar days after the disbursement of all funds, the Settlement Administrator will serve on the Parties a declaration providing a final report on the disbursements of all funds. Within ten (10) calendar days after the 180 days expiration of the FLSA Checks, the Settlement Administrator shall also file a declaration with the Court providing a list of all Participating FLSA Collective Members, by name only, as proof of payment and consent on the part of those individuals who have opted-in to the FLSA Collective. The Settlement Administrator is authorized to and shall file copies of the cashed, deposited, or otherwise negotiated FLSA Payments with the Court upon request of the Court or either Party as an exhibit to the Declaration, with private information redacted except the Participating FLSA Collective Members' names, if so ordered by the Court as a condition of approval of this Settlement. The Administrator shall provide a copy of all consent forms (i.e., cashed FLSA Checks) to Class Counsel within Thirty (30) Days of the check cashing deadline in PDF or similar format.
  16. **Defendants' Legal Fees.** Defendants are responsible for paying for all of Defendants' own legal fees, costs, and expenses incurred in this matter outside of the Gross Settlement Fund.
- K. **Release of Claims.** As of the Effective Final Settlement Date, Class Members, who do not submit a timely and valid request for exclusion, and FLSA Collective Members who signed, cashed, deposited, or otherwise negotiated, the FLSA Checks, hereby release, remise and forever discharge the Released Parties from the Released Claims for the respective Class Periods. Participating Class and FLSA Collective Members agree not to sue or otherwise make a claim against any of the Released Parties for any of the Released Claims.
- L. **Release of PAGA Claims.** As of the Effective Final Settlement Date, this settlement forever bars Plaintiff, the LWDA, and any other representative, proxy, or agent thereof, including, but not limited to, any and all Eligible Aggrieved Employees during the PAGA Period, from pursuing any claims under the California Labor Code Private Attorneys General Act of 2004 ("PAGA"), Labor Code §§ 2698, *et seq.*, against, the Released Parties to the extent that such claims are predicated upon the underpayment of overtime, 226.7 premiums, and/or 246 sick pay payments due to Defendants' alleged failure to include cash-in-lieu of benefits payments into the regular rate of pay.

**M. Plaintiff's General Release of Claims.** As of the Effective Final Settlement Date, and in exchange for the Class Representative Service Payment to the Plaintiff in an amount approved by the Court but not to exceed \$20,000.00 (Twenty Thousand Dollars and No Cents) in recognition of his work and efforts in obtaining the benefits for the Class, and undertaking the risk for the payment of costs in the event this matter had not successfully resolved, waives, releases, acquits, and forever discharges the Released Parties from any and all claims, actions, charges, complaints, grievances, and causes of action, of any nature arising from or related to Plaintiff's employment with Defendants, whether known or unknown, which exist or may exist as of the Parties' execution of this Agreement. This includes, but is not limited to, all claims arising from or based on Plaintiff's employment with Defendant, or Plaintiff's separation from employment as well as any claims attributable to: common law; contract, quasi-contract or tort; claims for promissory estoppel; claims of entitlement to any pay; claims of wrongful denial of insurance and employee benefits (except workers' compensation benefits); claims for failure to hire, public policy violations, defamation, invasion of privacy, fraud, misrepresentation, emotional distress, assault/battery, or other common law or tort matters; claims of harassment, retaliation or discrimination based on age, race, color, religion, sex, national origin, ancestry, physical or mental disability, protected activity, medical condition, marital status, sexual preference, union activity, or veteran status; claims under Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Americans With Disabilities Act; Section 1981 of the Civil Rights Act of 1866; age discrimination under the Age Discrimination in Employment Act, as amended by the Older Workers Benefit Protection Act; the Family and Medical Leave Act; the Employee Retirement Income Security Act ("ERISA"); claims for unfair competition; claims based on legal restrictions on Defendants' right to terminate, not to hire or promote employees, or to change an employee's compensation; and claims based on any federal, state or other governmental statute, regulation or ordinance, all statutory, constitutional, contractual or common law claims for wages, damages, unpaid costs or expenses, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief, or any other claims arising under the Fair Labor Standards Act, California Labor Code, or Industrial Welfare Commission Wage Orders.

Plaintiff's general release provided herein is made with an express waiver and relinquishment of any claim, right, or benefit under California Civil Code § 1542.

Section 1542 of the California Civil Code provides as follows:

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

**N. Miscellaneous Terms**

1. **No Admission of Liability.** Defendants make no admission of liability or wrongdoing by virtue of entering into this Agreement. Additionally, Defendants reserve the right to contest any issues relating to class certification and liability if the Settlement is not approved. Defendants deny that they have engaged in any unlawful activity, have failed to comply with the law in any respect, have any liability to anyone under the claims asserted in the Complaint, or that but for the Settlement, a Class should be certified in the Class Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendants of liability or wrongdoing. This Settlement and Plaintiff's and Defendants' willingness to settle the Class Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with this Settlement).
2. **No Effect on Employee Benefits.** The Class Representative Service Payment and/or Individual Settlement Shares paid to Plaintiff and Participating Class and FLSA Collective Members shall not be deemed to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (*e.g.*, vacation, holiday pay, retirement plans, etc.) of Plaintiff or the Participating Class and FLSA Collective Members. The Parties agree that any Class Representative Service Payment and/or Individual Settlement Shares paid to Plaintiff or the Participating Class Members under the terms of this Agreement do not represent any modification of Plaintiff's or Participating Class and FLSA Collective Members' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendants. Further, any Class Representative Service Payment shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan or employee welfare benefit plan sponsored by Defendants.
3. **Publicity.** Class Counsel and Plaintiff agree to discuss the terms of this Settlement only in declarations submitted to a court to establish Class Counsel's adequacy to serve as class counsel, in declarations submitted to a court in support of motions for preliminary approval, Final Approval, for attorneys' fees/costs, and any other pleading filed with the Court in conjunction with the Settlement, and in discussions with any Putative FLSA Collective Member, State Law Class Member, California Settlement Class Member, or PAGA Settlement Member in the context of administering this Settlement until the Final Approval Order is issued, and after to direct Participating Class and FLSA Members to the Settlement Administrator. Class Counsel and Plaintiff agree to decline to respond to any media inquiries concerning the Settlement and agree not to hold any press conference regarding this Settlement or post any terms of the Settlement on any social media platform. This provision is not intended to bar or limit

Plaintiff or Class Counsel's ability to communicate with putative Class Members about the nature, scope or status of the settlement or this Agreement.

4. **Weekends and Holidays.** Any performance date in this Agreement that falls on a Saturday, Sunday, or a California Court holiday is deemed extended to the next business day.
5. **Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire Agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any party concerning this Agreement or its exhibits, other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.
6. **Authorization to Enter Into Settlement Agreement.** Class Counsel and Defendants' Counsel warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties under this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement this Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the Court, and in all cases, all such documents, supplemental provisions, and assistance of the Court will be consistent with this Agreement.
7. **Exhibits and Headings.** The terms of this Agreement include the terms set forth in the attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this Agreement are an integral part of the Settlement and must be approved substantially as written. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.
8. **Amendment or Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by counsel for all Parties or their successors-in-interest.
9. **Agreement Binding on Successors and Assigns.** This Agreement will be binding upon, and inure to the benefit of, the successors and assigns of the Parties, as previously defined.

10. **No Prior Assignment.** Plaintiff hereby represents, covenants, and warrants that he has 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.
11. **Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.
12. **Fair, Adequate, and Reasonable Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of this matter and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.
13. **No Tax or Legal Advice.** The Parties understand and agree that the Parties are neither providing tax or legal advice, nor making representations regarding tax obligations or consequences, if any, related to this Agreement, and that Class Members will assume any such tax obligations or consequences that may arise from this Agreement, and that Class Members shall not seek any indemnification from the Parties or any of the Released Parties in this regard. The Parties agree that, in the event that any taxing body determines that additional taxes are due from any Class Member, such Class Member assumes all responsibility for the payment of such taxes. Nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
14. **Jurisdiction of the Superior Court.** The State Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgment entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Superior Court of California for San Diego County for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders and judgments in connection therewith.
15. **Invalidity of Any Provision; Severability.** Before declaring any provision of this Agreement invalid, the Parties request that the Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable. In the event any provision of this Agreement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.

16. **Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
17. **Execution in Counterparts.** This Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile or PDF signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
18. **Approved as to Form.** This Agreement has been approved as to form by Class Counsel and Counsel for Defendants.

#### IV. EXECUTION BY PARTIES AND COUNSEL

The Parties execute this Agreement.

Dated: December 12, 2022 Defendant THE GEO GROUP, INC. D/B/A GEO GROUP CALIFORNIA:

[Signature]  
By: Joseph Negrón  
Its: GC and authorized representative

Dated: December 12, 2022 Defendant GEO SECURE SERVICES, LLC:

[Signature]  
By: Joseph Negrón  
Its: GC and authorized representative

Dated: December 12, 2022 Defendant GEO CORRECTIONS AND DETENTIONS, LLC:

[Signature]  
By: Joseph Negrón  
Its: GC and authorized representative

Dated: December 12, 2022 Defendant GEO CORRECTIONS HOLDINGS, INC.:

[Signature]  
By: Joseph Negrón  
Its: GC and authorized representative

Dated: Dec 2, 2022

Plaintiff Daniel Perez:

  
Daniel Perez [Dec 2, 2022 03:29 PST]

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Daniel Perez

# Perez-GEO - Final Settlement Agreement

Final Audit Report

2022-12-02

|                 |                                             |
|-----------------|---------------------------------------------|
| Created:        | 2022-12-01                                  |
| By:             | Rick Waltman (rick@rickwaltmanlaw.com)      |
| Status:         | Signed                                      |
| Transaction ID: | CBJCHBCAABAAbKjX65qlaNCLhT6CL_6fclBn165ZCuE |

## "Perez-GEO - Final Settlement Agreement" History

-  Document created by Rick Waltman (rick@rickwaltmanlaw.com)  
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-  Document emailed to donnypz@msn.com for signature  
2022-12-01 - 6:25:02 PM GMT
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2022-12-01 - 6:37:45 PM GMT- IP address: 50.159.148.78
-  Signer donnypz@msn.com entered name at signing as Daniel Perez  
2022-12-02 - 11:29:31 AM GMT- IP address: 50.159.148.78
-  Document e-signed by Daniel Perez (donnypz@msn.com)  
Signature Date: 2022-12-02 - 11:29:33 AM GMT - Time Source: server- IP address: 50.159.148.78
-  Agreement completed.  
2022-12-02 - 11:29:33 AM GMT