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Attorney for Defendant Broken Arrow Communications, Inc.

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

SHONIE SHOEMAKER, individually, on behalf
of other members of the general public similarly
situated, and on behalf of aggrieved employees
pursuant to the Private Attorneys General Act
("PAGA");

Plaintiff,

v.

BROKEN ARROW COMMUNICATIONS,
INC., a New Mexico corporation; and DOES 1
through 100, inclusive;

Defendants.

CASE NO.: 21CV-03517

Assigned for All Purposes to:
Hon. Brian McCabe
Courtroom 8

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

Complaint Filed: October 20, 2021

1 **JOINT STIPULATION OF CLASS ACTION SETTLEMENT**

2 This Joint Stipulation of Class Action Settlement and Release (“Agreement” or “Stipulation of
3 Settlement” or “Settlement”) is made and entered into by and between Plaintiff Shonie Shoemaker
4 (“Plaintiff” or “Class Representative”), individually and on behalf of other members of the general
5 public similarly situated and/or other aggrieved employees, on the one hand, and Defendant Broken
6 Arrow Communications, Inc. (“Defendant”), on the other hand (collectively, the “Parties”).

7 Subject to approval of the Court pursuant to the California Rules of Court, this Stipulation of
8 Settlement shall be binding on Plaintiff, Class Counsel, the Class, aggrieved employees (including the
9 State of California as their representative), and Defendant, along with the other Released Parties,
10 subject to the terms and conditions hereof and the approval of the Court.

11 **RECITALS**

12 1. On April 12, 2021, Plaintiff, a former employee of Defendant, filed a wage-and-hour
13 class action lawsuit against Defendant in the Superior Court of California, County of Los Angeles,
14 entitled *Shoemaker v. Broken Arrow Communications, Inc.*, Case Number 21STCV13873. The class
15 action lawsuit alleged violation of: (1) California Labor Code sections section 510 and 1198 (unpaid
16 overtime); (2) California Labor Code sections 226.7 and 512(a) (unpaid meal period premiums); (3)
17 California Labor Code section 226.7 (unpaid rest period premiums); (4) California Labor Code
18 section 1194 and 1197 (unpaid minimum wages); (5) California Labor Code section 201 and 202
19 (final wages not timely paid); (6) California Labor Code section 226(a) (non-compliant wage
20 statements); (7) California Labor Code sections 2800 and 2802 (unreimbursed business expenses); and
21 (8) California Business & Professions Code sections 17200, *et seq.*

22 2. On May 14, 2021, Plaintiff’s wage-and-hour class action lawsuit was removed to the
23 United States District Court, Central District of California, Case Number 2:21-cv-04070-MAA.

24 3. On September 10, 2021, the Parties participated in mediation before Deborah Crandall
25 Saxe, Esq. (“Mediator”), a respected mediator of wage-and-hour class action. After a full day of
26 negotiations, under the auspices of the Mediator, the Parties agreed to settle and stipulated to the
27 material terms of this Stipulation of Settlement now before this Court. The Mediator’s supervision of
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1 the mediation and negotiations was critical in managing the expectations of the Parties and providing a
2 useful and neutral analysis of the issues and risks to both sides.

3 4. In line with the Parties' decision to enter a settlement, Plaintiff agreed to dismiss her
4 wage-and-hour class action lawsuit pending in United States District Court, Central District of
5 California, Case Number 2:21-cv-04070-MAA, without prejudice and to file a new wage-and-hour
6 class action lawsuit in the Superior Court of California, County of Merced.

7 5. On October 19, 2021, Plaintiff provided written notice to the California Labor and
8 Workforce Development Agency ("LWDA") and Defendant of the specific provisions of the
9 California Labor Code she contends were violated, and the theories supporting her contentions.
10 Plaintiff believes that on or about December 23, 2021, the sixty-five (65) day notice period expired
11 and the LWDA did not take any action to investigate or prosecute this matter. Therefore, Plaintiff
12 exhausted the statutory time period to bring this action.

13 6. On October 20, 2021, Plaintiff filed a wage-and-hour class action lawsuit against
14 Defendant in the Superior Court of California, County of Merced, entitled *Shoemaker v. Broken*
15 *Arrow Communications, Inc.*, Case Number 21CV-03517. The class action lawsuit alleged violation
16 of: (1) California Labor Code sections section 510 and 1198 (unpaid overtime); (2) California Labor
17 Code sections 226.7 and 512(a) (unpaid meal period premiums); (3) California Labor Code section
18 226.7 (unpaid rest period premiums); (4) California Labor Code section 1194 and 1197 (unpaid
19 minimum wages); (5) California Labor Code section 201 and 202 (final wages not timely paid); (6)
20 California Labor Code section 226(a) (non-compliant wage statements); (7) California Labor Code
21 sections 2800 and 2802 (unreimbursed business expenses); (8) California Labor Code sections 2698,
22 *et seq.* (Private Attorneys General Act of 2004 ("PAGA")); and (9) California Business & Professions
23 Code sections 17200, *et seq.*

24 7. Defendant denies all material allegations set forth in this action and has asserted
25 numerous affirmative defenses. Nonetheless, in the interest of avoiding further litigation, Defendant
26 desires to settle all actual or potential claims fully and finally by the Class and aggrieved employees.

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8. Plaintiff’s counsel in the Action, Justice Law Corporation (“Class Counsel”), diligently investigated the proposed Class’s claims against Defendant, including all applicable defenses and the applicable law. The investigation included, *inter alia*, the exchange of information pursuant to informal discovery methods, review of numerous corporate policies and practices, and the time and wage data of numerous employees in the putative class.

9. The settlement discussions during and after mediation were conducted at arm's-length and this Stipulation of Settlement is the result of an informed and detailed analysis of Defendant's total potential liability exposure in relation to the costs and risks associated with continued litigation.

10. Based on the data produced pursuant to informal discovery, as well as Class Counsel's own independent investigation and evaluation, and the Mediator's efforts, Class Counsel believes that the settlement with Defendant for the consideration and on the terms set forth in this Stipulation of Settlement is fair, reasonable, and adequate and is in the best interest of the Class and aggrieved employees considering all known facts and circumstances.

11. This Stipulation of Settlement is made and entered into by and between Plaintiff individually, and on behalf of all other members of the general public similarly situated, aggrieved employees, and Defendant, and is subject to the terms and conditions hereof, and to the Court's approval. The Parties expressly acknowledge that this Stipulation of Settlement is entered solely for the purpose of compromising significantly disputed claims and that nothing herein is an admission of liability or wrongdoing by Defendant. If for any reason this Stipulation of Settlement is not approved, it will be of no force or effect, and the Parties will settle the Action, including the PAGA claims, for an amount not to exceed Six Hundred Fifty Thousand Dollars (\$650,000).

DEFINITIONS

The following definitions are applicable to this Stipulation of Settlement. Definitions contained elsewhere in this Stipulation of Settlement will also be effective:

12. “Action” means the lawsuit in the matter entitled *Shoemaker v. Broken Arrow Communications, Inc.*, Case Number 21CV-03517, filed on October 20, 2021 in the Merced County Superior Court.

13. "Attorneys' Fees and Costs" means attorneys' fees agreed upon by the Parties and approved by the Court for Class Counsel's litigation and resolution of this Action, and all litigation costs and expenses incurred and to be incurred by Class Counsel in the Action, including, but not limited to, costs and expenses associated with mediation, documenting the Settlement, securing the Court's approval of the Settlement, obtaining entry of a Judgment terminating this Action, and expenses for any experts. Class Counsel will collectively request attorneys' fees not to exceed one-third (1/3) of the Maximum Settlement Amount, or up to Three Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$333,333.33). Class Counsel will also request reimbursement of Class Counsel's litigation costs and expenses, not to exceed Twenty Thousand Dollars (\$20,000). For any Attorneys' Fees and Costs approved by the Court, the Claims Administrator may purchase an annuity to utilize US treasuries and bonds or other attorney fee deferral vehicles for Class Counsel. Defendant has agreed not to oppose Class Counsel's request for fees and reimbursement of costs and expenses as set forth above. Any portion of the Attorneys' Fees and Costs not awarded to Class Counsel will be a part of the Net Settlement Amount, for distribution in conformity with this Agreement.

14. “Claimants” means all Class Members who submit timely and valid Claim Forms for participation in the Class Action Settlement.

15. “Claim Form” means the document, substantially in the form attached as **Exhibit B**, Class Members must complete and postmark by the Response Deadline (as defined below) to receive a proportional share of the Net Settlement Amount in the form of an Individual Settlement Payment.

16. “Claims Administrator” means any third-party class action settlement claims administrator agreed to by the Parties and approved by the Court for purposes of administering this Settlement. The Parties each represent that they do not have any financial interest in the Claims Administrator or otherwise have a relationship with the Claims Administrator that could create a conflict of interest.

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17. “Claims Administration Costs” means the costs payable from the Maximum Settlement Amount to the Claims Administrator for administering this Settlement, including, but not limited to, (a) printing, distributing, and tracking documents for this Settlement; (b) calculating Individual Settlement Payments for each Class Member; (b) tax reporting; (c) distributing the appropriate settlement amounts to the appropriate persons and entities; (d) providing necessary reports and declarations; and (e) performing other duties and responsibilities set forth herein to process this Settlement and as requested by the Parties. The Claims Administration Costs are currently estimated not to exceed Twenty Thousand Dollars (\$20,000). Any portion of the Claims Administration Costs that are not awarded to the Claims Administrator will flow through to the Net Settlement Amount.

18. “Class Counsel” means Justice Law Corporation, which will seek to be appointed counsel for the Class.

19. “Class Lists” mean a complete list of all Class Members within the Class that Defendant will diligently and in good faith compile from its records and provide only to the Claims Administrator within twenty (20) business days of the Court’s Preliminary Approval of this Stipulation of Settlement. Defendant will diligently and in good faith request records from third-party staffing agencies, to compile the Class List but cannot warrant the timeliness or accuracy of third-party data. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include each Class Member’s: (a) full name; (b) most recent mailing address and telephone number known to Defendant; (c) Social Security Number; dates of employment as a non-exempt employee in the State of California; and (d) any other relevant information needed to calculate their settlement payments.

20. “Class Member(s)” or “Class” collectively refer to: all current and former non-exempt California employees of Defendant from October 13, 2016, through the earlier of December 9, 2021 (90 days from mediation) or date of preliminary approval of this settlement.

21. "Class Period" means the period from October 13, 2016, through the earlier of December 9, 2021 (90 days from mediation) or date of preliminary approval of this settlement.

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22. "Class Representative" means Shonie Shoemaker, who will seek to be appointed as the representative for the Class.

23. "Class Representative Enhancement Payment" means the amounts to be paid to the Class Representative in recognition of her efforts and work in prosecuting the Action on behalf of the Class Members. The Parties agree the Class Representative will be paid up to Ten Thousand Dollars (\$10,000) subject to Court approval, from the Maximum Settlement Amount for her services on behalf of the Class, including her assistance as the Plaintiff and Class Representative, subject to the Court granting final approval of this Stipulation of Settlement and subject to the exhaustion of any and all appeals. Any portion of the Class Representative Enhancement Payment not awarded to Plaintiff will be a part of the Net Settlement Amount, for distribution in conformity with this Agreement.

24. "Court" means the Superior Court of the State of California for the County of Merced or any other court taking jurisdiction of the Action.

25. "Defendant" means Broken Arrow Communications, Inc.

26. "Defendant's Counsel" means counsel for Defendant who are:

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LITTLER MENDELSON PC
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Irvine, California 92612
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27. "Effective Date" means the date on which the settlement embodied in this Stipulation of Settlement shall become effective after all of the following events have occurred: (i) this Stipulation of Settlement has been executed by all Parties and by counsel for the Class and Defendant; (ii) the Court has given preliminary approval to the Settlement; (iii) the notice has been given to the Class Members, providing them with an opportunity to object to the terms of the Stipulation of Settlement or to opt out of the Stipulation of Settlement by filing a Request for Exclusion (as defined below); and (iv) (a) in the event the Court has held a formal fairness hearing and, having heard no objections to the Settlement, entered a final order and judgment certifying the Class, and approving this Stipulation of Settlement or (b) only in the event that there are written objections filed prior to the

1 formal fairness hearing that are not later withdrawn or denied, the later of the following events: five
2 (5) business days after the period for filing any appeal, writ or other appellate proceeding opposing the
3 Court's final Order approving the Stipulation of Settlement has elapsed without any appeal, writ or
4 other appellate proceeding having been filed; or, if any appeal, writ or other appellate proceeding
5 opposing the Court's final Order approving the Stipulation of Settlement has been filed, five (5)
6 business days after any appeal, writ or other appellate proceedings opposing the Stipulation of
7 Settlement has been finally and conclusively dismissed with no right to pursue further remedies or
8 relief.

9 28. "Individual Settlement Payment" means each Claimant's share of the Net Settlement
10 Amount.

11 29. "Maximum Settlement Amount" means the maximum settlement amount of up to One
12 Million Dollars (\$1,000,000) to be paid by Defendant in full satisfaction of all claims arising from the
13 Action, which includes all Individual Settlement Payments to Claimants, the Class Representative
14 Enhancement Payment, the Claims Administration Costs to the Claims Administrator, the Attorneys'
15 Fees and Costs to Class Counsel, and the PAGA Payment. This Maximum Settlement Amount has
16 been agreed to by Plaintiff and Defendant based on the aggregation of the agreed-upon settlement
17 value of individual claims. In no event will Defendant be liable for more than the Maximum
18 Settlement Amount.

19 30. "Net Settlement Amount" means the portion of the Maximum Settlement Amount
20 remaining after deduction of the approved the Class Representative Enhancement Payment, the Claims
21 Administration Costs, the PAGA Payment (as defined in Paragraph 34), and the Attorneys' Fees and
22 Costs. The Net Settlement Amount will be distributed to Claimants in accordance with Paragraphs 59
23 and 60. Plaintiff and Defendant agree that the amount distributed to the Claimants will equal at least
24 fifty percent (50%) of the Net Settlement Amount. Net Settlement Amount shall also be used to satisfy
25 employer side payroll taxes. If the total Individual Settlement Payments to the Claimants would equal
26 less than fifty percent (50%) of the Net Settlement Amount, the Claims Administrator will
27 proportionately increase the Individual Settlement Payment for each Claimant to ensure that total
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Individual Settlement Payments equal fifty percent (50%) of the Net Settlement Amount. Except as otherwise provided in Paragraph 59, any unclaimed amounts above fifty percent (50%) of the Net Settlement Amount will be the exclusive property of Defendant.

31. “Notice of Objection” or “Objection” means a Class Member’s valid and timely written objection to this Stipulation of Settlement. For the Notice of Objection to be valid, it must include: (a) the objector’s full name, signature, address, and telephone number, (b) a written statement of all grounds for the objection accompanied by any legal support for such objection, (c) a clear reference to the title of this case and case number, and (d) copies of any papers, briefs, or other documents upon which the objection is based.

32. “Notice Packet” means the Notice of Class Action Settlement and Claim Form, substantially in the forms attached as **Exhibit A**, and **Exhibit B** respectively.

33. “PAGA Aggrieved Employee” means all current and former non-exempt California employees of Defendant between October 19, 2020, through the earlier of December 9, 2021 (90 days from mediation) or date of preliminary approval of this settlement.

34. “PAGA Payment” means the amount of Fifty Thousand Dollars (\$50,000), which the Parties have agreed to allocate for penalties pursuant to the Private Attorneys’ General Act, California Labor Code sections 2698, *et seq.* The Parties have agreed that the PAGA Payment will be paid out of the Maximum Settlement Amount. Pursuant to PAGA, the Labor and Workforce Development Agency (“LWDA”) shall be paid seventy-five percent (75%) or Thirty-Seven Thousand Five Hundred Dollars (\$37,500) of the PAGA Payment (“LWDA Payment”), and twenty-five percent (25%) or Twelve Thousand Five Hundred Dollars (\$12,500) of the PAGA Payment will be distributed, pro rata, based on weeks worked to all PAGA Aggrieved Employees.

35. “PAGA Period” means the period from October 19, 2020, through the earlier of December 9, 2021 (90 days from mediation) or date of preliminary approval of this settlement.

36. “Parties” means Plaintiff and Defendant collectively.

37. “Plaintiff” means Shonie Shoemaker.

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38. “Preliminary Approval” means the Court order granting preliminary approval of this Stipulation of Settlement.

39. “Qualified Settlement Fund” or “QSF” means a fund within the meaning of Treasury Regulations § 1.46B-1, 26 C.F.R. § 1.468B-1 *et seq.* that is established by the Claims Administrator for the benefit of Claimants, Plaintiff, and Class Counsel.

40. “Released Claims” as it pertains to Class Members include, but are not limited to, statutory, constitutional, contractual or common law claims for wages, damages, unpaid costs, penalties, liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs, restitution, or equitable relief, for the following categories of allegations: (a) all claims for failure to pay wages for hours worked, including, but not limited to, claims for failure to pay overtime at the appropriate regular rate or for all overtime periods worked, claims for off-the-clock work, and claims for improper rounding; (b) all claims for failure to pay the minimum wage in accordance with applicable law, including but not limited to claims for off-the-clock work and claims for improper rounding; (c) all claims for the failure to provide meal and/or rest periods in accordance with applicable law, including payments for missed, short, or late meal and/or rest periods and alleged non-payment of wages or premium pay for meal periods and rest periods worked and not taken; (d) all claims for failure to reimburse business expenses; (e) all claims for failure to properly calculate and pay sick leave in accordance with the California Labor Code; and (f) any and all claims for recordkeeping or pay stub violations, waiting time penalties and all other statutory penalties, including those recoverable under the California Unfair Competition Act, and in particular, California Bus. & Prof. Code sections 17200 *et seq.*, California Code of Civil Procedure section 1021.5; and any other provision of the California Labor Code, including but not limited to Labor Code sections 2698 *et seq.* or any applicable California Industrial Welfare Commission Wage Orders, in all their iterations.

41. “Released Claims Period” means the period from October 13, 2016, through the earlier of December 9, 2021 (90 days from mediation) or date of preliminary approval of this settlement.

42. “Released Parties” means Defendant, its parents, subsidiaries, its officers and employees, successors, assigns, insurers, and attorneys, etc.

43. “Request for Exclusion” means a timely letter submitted by a Class Member indicating a request to be excluded from the Settlement. The Request for Exclusion must: (a) be signed by the Class Member; (b) contain the name, address, telephone number, and the last four digits of the Social Security Number of the Class Member requesting exclusion; (c) clearly state the name of this case, the case number, and that the Class Member does not wish to be included in the Settlement; (d) be returned by mail to the Claims Administrator at the specified address and/or facsimile number; and (e) be postmarked on or before the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. A Class Member who does not request exclusion from the Settlement (“Settlement Class Member”) will be bound by all terms of the Settlement if the Settlement is granted final approval by the Court.

44. “Response Deadline” means the deadline by which Class Members must postmark to the Claims Administrator valid Claim Forms, Requests for Exclusion, Notices of Objection, or written disputes regarding the Settlement. The Response Deadline will be forty-five (45) calendar days from the initial mailing of the Notice Packet by the Claims Administrator, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline for Claim Forms or Requests for Exclusion will be extended fifteen (15) calendar days for any Class Member who is re-mailed a Notice Packet by the Claims Administrator, unless the 15th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defendant. Under no circumstances, however, will the Claims Administrator have the authority to extend the deadline for Class Members to submit a Claim Form, Request for Exclusion, Notice of Objection, or written disputes regarding the Settlement.

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45. “Workweeks” means the number of weeks of employment that a Class Member worked for Defendant as a non-exempt employee in California at any time during the Class Period (as defined above). The Claims Administrator will calculate the number of Workweeks by calculating the number of days each Class Member was employed during the Class Period, dividing by seven (7), and rounding up or down to the nearest whole number, as appropriate (for example, 7.50 would round to 8; 7.49 would round to 7). Each Claimant shall be entitled to payment for at least one workweek.

46. “Workweek Value” means the value of each compensable Workweek, as determined by the formula set forth herein.

CLASS CERTIFICATION

47. Solely for purposes of settling the Action, and not for purposes of class certification should the matter not be settled or for any other reason, the Parties stipulate and agree that the requisites for establishing class certification with respect to the Class have been met and are met. More specifically, the Parties stipulate and agree that:

a. The Class is ascertainable and so numerous as to make it impracticable to join all Class Members;

b. There are common questions of law and fact including, but not limited to:

i. Whether Defendant properly compensated Class Members;

ii. Whether Defendant failed to provide meal and rest breaks;

iii. Whether Defendant failed to pay penalties for missed meal and/or rest breaks;

iv. Whether Defendant failed to provide Class Members compliant wage statements;

v. Whether Defendant failed to timely pay Class Members their final wages;

vi. Whether Defendant engaged in unfair business practices affecting the Class; and

vii. Whether the Class Representative and the Class she purports to represent are entitled to injunctive and/or declaratory relief.

48. Should this Settlement not be approved or be terminated, these stipulations shall be null and void and shall not be admissible for any purpose whatsoever.

49. The Class Representative's claims are typical of the claims of the members of the Class. Should this Settlement not be approved or be terminated, this stipulation shall be null and void and shall not be admissible for any purpose whatsoever.

50. The Class Representative and Class Counsel will fairly and adequately protect the interests of the Class. Should this Settlement not be approved or be terminated, this stipulation shall be null and void and shall not be admissible for any purpose whatsoever.

51. The prosecution of separate actions by individual members of the Class would create the risk of inconsistent or varying adjudications, which would establish incompatible standards of conduct. Should this Settlement not be approved or be terminated, this stipulation shall be null and void and shall not be admissible for any purpose whatsoever.

52. With respect to the Class, the Class Representative believes that questions of law and fact common to the members of the Class predominate over any questions affecting any individual member in such Class, and a class action is superior to other available means for the fair and efficient adjudication of the controversy.

53. Should this Settlement not be approved, the Parties will settle the Action, including the PAGA claims, for an amount not to exceed Six Hundred Fifty Thousand Dollars (\$650,000). Plaintiff will draft a proposed long form agreement reflecting this alternative settlement should this course of action be necessary.

TERMS OF AGREEMENT

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

54. Funding of the Maximum Settlement Amount. Within three (3) business days after the Final Approval of the Settlement, the Claims Administrator will provide the Parties with an accounting of the amounts to be paid by Defendant pursuant to the terms of the Settlement. Defendant will deposit all Court-approved costs, fees, and payments, and claim amounts from the Maximum

Settlement Amount into a Qualified Settlement Fund account to be established by the Claims Administrator within fifteen (15) business days of the Effective Date.

55. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application or motion by Class Counsel for Attorneys' Fees and Costs of not more than one-third (1/3) of the Maximum Settlement Amount or up to Three Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$333,333.33), plus the reimbursement of costs and expenses associated with Class Counsel's litigation and settlement of the Action, not to exceed Twenty Thousand Dollars (\$20,000), both of which will be paid from the Maximum Settlement Amount. Any Attorneys' Fees and Costs awarded by the Court shall not constitute payment to any Class Member(s). To the extent that the Court approves less than the amount of attorney's fees and/or costs that Class Counsel requests, the difference between the requested and awarded amounts will be reallocated to the Net Settlement Amount. Except for the Attorneys' Fees and Costs set forth in this Agreement, the Parties agree to bear their own attorneys' fees and costs related to this Action. In consideration of their awarded Attorneys' Fees and Costs, Class Counsel waives all claims to any further attorneys' fees and expenses in connection with the Settlement.

56. Class Representative Enhancement Payment. In recognition of Plaintiff's effort and work in prosecuting the Action on behalf of Class Members, and in exchange for a full release of all known and unknown claims, Defendant agrees not to oppose or impede any application or motion for Class Representative Enhancement Payment of up to Ten Thousand Dollars (\$10,000) to Plaintiff. The Class Representative Enhancement Payment will be paid from the Maximum Settlement Amount and shall not constitute payment to any Claimant(s) (other than Plaintiff). To the extent that the Court approves less than the amount of the Class Representative Enhancement Payment that Class Counsel requests, the difference between the requested and awarded amounts will be reallocated to the Net Settlement Amount. Because it is the intent of the Parties that the Class Representative Enhancement Payment represent payment to Plaintiff for her services to the Class Members, and not wages, the Settlement Administrator will not withhold any taxes from the Class Representative Enhancement Payment. The Claims Administrator will issue an IRS Form 1099 for the Class Representative

Enhancement Payment to Plaintiff, and she shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received.

General Release by Class Representative. As a condition of the class action settlement, Plaintiff, as the Class Representative, shall separately release the Released Parties from the following: any and all claims, obligations, demands, actions, rights, causes of action, and liabilities against the Releasees, of whatever kind and nature, character, and description, whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law or contract, whether known or unknown, and whether anticipated or unanticipated, including all unknown claims covered by California Civil Code section 1542, by the Class Representative, arising at any time up to and including the date on which the Court enters the Order of Final Approval, for any type of relief, including without limitation claims for wages, premium and other forms of pay, unpaid/unreimbursed costs, penalties (including waiting time penalties and wage statement penalties), general damages, compensatory damages, liquidated damages, punitive damages, interest, attorneys' fees, litigation and other costs, expenses, restitution, and equitable and declaratory relief. The Class Representative's Released Claims include, but are not limited to, the Released Claims as well as any other claims under any provision of the Fair Labor Standards Act ("FLSA"), the California Labor Code, any applicable California Industrial Welfare Commission Wage Orders, any city or county Living Wage Ordinances, and claims under state or federal discrimination statutes, including, without limitation, the California Government Code, the Unruh Civil Rights Act, California Civil Code, the California Constitution, the California Business and Professions Code, including but not limited to §§ 17200 *et seq.*, the United States Constitution, the Age Discrimination in Employment Act ("ADEA") and the Older Workers Benefit Protection Act, the Uniformed Services Employment and Reemployment Rights Act, Title VII of the Civil Rights Act of 1964, 42 U.S.C. sections 2000 *et seq.*, the Family and Medical Leave Act, to the extent not

1 prohibited by law, the Americans with Disabilities Act, 42 U.S.C. sections 12101 *et seq.*,
2 and the Employee Retirement Income Security Act of 1974, 29 U.S.C. sections 1001 *et*
3 *seq.*, and all their implementing regulations and interpretive guidelines. As a condition to
4 this settlement, the Class Representative will provide or have provided a full and general
5 release of all known and unknown claims, including but not limited to, all claims alleged
6 or that could have been alleged in the Action.

7 57. Claims Administration Costs. The Claims Administrator will be paid for the reasonable
8 costs of administration of the Settlement and distribution of payments from the Maximum Settlement
9 Amount, which is currently estimated not to exceed Twenty Thousand Dollars (\$20,000). These costs,
10 which will be paid from the Maximum Settlement Amount, will include, *inter alia*, the required tax
11 reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing
12 the Notice Packets, sending reminder notices, calculating shares and payment, distributing the
13 Maximum Settlement Amount in accordance with the Settlement and the Court's order, and providing
14 necessary reports and declarations. Any portion of the Claims Administration Costs that are not
15 awarded to the Claims Administrator will be reallocated to the Net Settlement Amount.

16 58. Acknowledgement of Potential Administration Cost Increases. The Parties
17 acknowledge that Claims Administration Costs may increase above the current estimate of Twenty
18 Thousand Dollars (\$20,000) and that any such additional Claims Administration Costs will be taken
19 out of the Maximum Settlement Amount. Any portion of the estimated or designated Claims
20 Administration Costs which are not in fact required to fulfill the total Claims Administration Costs
21 will flow though to the Net Settlement Amount.

22 59. PAGA Payment. Subject to Court approval, the Parties agree that the amount of Fifty
23 Thousand Dollars (\$50,000) from the Maximum Settlement Amount will be designated for satisfaction
24 of the PAGA Aggrieved Employees' PAGA claims. Pursuant to PAGA, seventy-five percent (75%),
25 or Thirty-Seven Thousand Five Hundred Dollars (\$37,500), of this sum will be paid to the LWDA and
26 Twenty-Five Percent (25%), or Twelve Thousand Five Hundred Dollars (\$12,500), will be distributed,
27 pro rata, based on weeks worked to all PAGA Aggrieved Employees. The Claims Administrator will
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calculate the total number of Workweeks worked by each individual PAGA Aggrieved Employee to determine the total number of Workweeks worked by all PAGA Aggrieved Employees (“Total PAGA Workweeks”) between October 19, 2020, and the earlier of December 9, 2021 (90 days from mediation) or date of preliminary approval of this settlement. Defendant shall provide the Claims Administrator such information as is necessary to calculate the individual PAGA Aggrieved Employee’s Workweeks and Total PAGA Workweeks. To determine each PAGA Aggrieved Employee’s estimated PAGA Payment, the Claims Administrator will use the following formula: Estimated individual PAGA Payment = (\$12,500 ÷ Total PAGA Workweeks) x individual Workweeks for each individual PAGA Aggrieved Employee. The portion of the PAGA Payment paid to PAGA Aggrieved Employees shall be designated as one hundred percent (100%) penalties, for which an IRS Form 1099 will issue.

60. Net Settlement Amount. The Net Settlement Amount will be used to satisfy Individual Settlement Payments to Claimants in accordance with the terms of this Agreement and shall also be used to satisfy employer side payroll taxes. If the total claimed Individual Settlement Payments would equal less than fifty percent (50%) of the Net Settlement Amount, the Claims Administrator will proportionately increase the Individual Settlement Payment for each Claimant so that the amount actually distributed to Claimants will equal at least fifty percent (50%) of the Net Settlement Amount. Any unclaimed amounts above fifty percent (50%) of the Net Settlement Amount will be the exclusive property of Defendant.

61. Individual Settlement Payment Calculations. Individual Settlement Payments will be calculated and apportioned from the Net Settlement Amount based on the number of Workweeks a Class Member worked during the Class Period. Specific calculations of Individual Settlement Payments will be made as follows:

61(a) The Claims Administrator will calculate the total number of Workweeks worked by each individual Class Member (“Individual Workweeks”) to determine the total number of Workweeks worked by all Class Members (“Class Workweeks”) during the Class Period. Defendant shall provide the Claims Administrator such

information to calculate the Individual Workweeks and Class Workweeks.

61(b) To determine each Class Member's estimated Individual Settlement Payment, the Claims Administrator will use the following formula: Estimated Individual Settlement Payment = (Net Settlement Amount ÷ Class Workweeks) x Individual Workweeks for each individual Class Member.

61(c) If the total Individual Settlement Payments actually claimed by Claimants equals less than fifty percent (50%) of the Net Settlement Amount, the Individual Settlement Payments will proportionately increase for each Claimant submitting a Claim Form such that the total Individual Settlement Payments equal not less than fifty percent (50%) of the Net Settlement Amount.

61(d) The Individual Settlement Payment will be reduced by any required deductions for each Claimant as set forth herein, including employee-side tax and withholdings with respect to wage portion of Individual Settlement Payments.

62. Individual Settlement Payments Do Not Trigger Additional Benefits. All Individual Settlement Payments to Class Members shall be deemed to be paid to such Class Members solely in the year in which such payments actually are received by the Class Members. It is expressly understood and agreed that the receipt of such Individual Settlement Payments will not entitle any Class Member to additional compensation or benefits under any company bonus, contest or other compensation or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle any Class Member to any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits. It is the intent of this Settlement that the Individual Settlement Payments provided for in this Settlement are the sole payments to be made by Defendant to the Class Members, and that the Class Members are not entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Payments (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Settlement).

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1 63. Claims Administration Process. The Parties agree to cooperate in the administration of
2 the Settlement and to make all reasonable efforts to control and minimize the costs and expenses
3 incurred in administration of the Settlement.

4 64. Delivery of the Class List. Within twenty (20) business days of Preliminary Approval,
5 Defendant will provide the Class List(s) to the Claims Administrator.

6 65. Notice by First-Class U.S. Mail. Within fifteen (15) calendar days of receipt of the
7 Class List(s), the Claims Administrator will perform a search based on the National Change of
8 Address Database ("NCOA"), or any other similar services available, and mail a Notice Packet to all
9 Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses
10 available.

11 66. Confirmation of Contact Information in the Class List. Prior to mailing, the Claims
12 Administrator will perform a NCOA check, such as provided by Experian or any other similar services
13 available, for information to update and correct for any known or identifiable address changes. Any
14 Notice Packets returned to the Claims Administrator as non-deliverable on or before the Response
15 Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed
16 thereto and the Claims Administrator will indicate the date of such re-mailing on the Notice Packet. If
17 no forwarding address is provided, the Claims Administrator will promptly attempt to determine the
18 correct address using a skip-trace and will then perform a single re-mailing within five (5) days after
19 return of the Notice Packet. Those Class Members who receive a re-mailed Notice Packet, whether by
20 skip-trace or by request, will have between the later of (a) an additional fifteen (15) days or (b) the
21 Response Deadline to postmark a Claim Form, Request for Exclusion, Notice of Objection, or written
22 dispute regarding the Settlement.

23 67. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice Packet
24 will provide: (a) information regarding the nature of the Action; (b) a summary of the Settlement's
25 principal terms; (c) the Class definition; (d) the total number of Workweeks each respective Class
26 Member worked for Defendant during the Class Period; (e) each Class Member's estimated Individual
27 Settlement Payment and the formula for calculating Individual Settlement Payments; (f) the dates
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1 which comprise the Class Period; (g) instructions on how to submit valid Claim Forms, Requests for
2 Exclusion, Notices of Objection, or written disputes regarding Workweeks; (h) the requirements
3 relating to, and deadlines by which the Class Member must submit Claim Forms, Requests for
4 Exclusions, Notices of Objection, and written disputes regarding Workweeks; (i) the claims to be
5 released, as set forth herein; and (j) the date for the Final Approval Hearing.

6 68. Disputed Information on Notice Packets. Class Members may dispute the information
7 provided in their Notice Packets, but must do so in writing, via first class mail, and it must be
8 postmarked by the Response Deadline. To the extent Class Members dispute the number of
9 Workweeks to which they have been credited or the amount of their Individual Settlement Payment,
10 Class Members must produce evidence to the Claims Administrator showing that such information is
11 inaccurate. Absent evidence rebutting Defendant's records, Defendant's records will be presumed
12 determinative. However, if a Class Member produces evidence to the contrary, the Parties will
13 evaluate the evidence submitted by the Class Member and will make the final decision as to the
14 number of eligible Workweeks that should be applied and/or the Individual Settlement Payment to
15 which the Class Member may be entitled. If the Parties are unable to resolve the dispute, the Claims
16 Administrator will be the final arbiter of the Workweeks for each Class Member during the Class
17 Period, based on the information provided to it.

18 69. Claim Form Procedures. To receive Individual Settlement Payments, all Class
19 Members will be required to submit a timely and valid Claim Form by the Response Deadline. All
20 Claim Forms must be signed and returned to the Claims Administrator via first class mail or fax and
21 postmarked or faxed by the Response Deadline. The date of the postmark on the return mailing
22 envelope will be the exclusive means to determine whether a Claim Form has been timely submitted.
23 However, it is not the intention of the Parties to exclude Class Members from obtaining payment in
24 the Settlement for technical reasons that do not interfere with the orderly administration of the
25 Settlement. Therefore, the Claims Administrator will compile a list of Claim Forms rejected for (1)
26 failure to cure an unsigned Claim Form; or (2) late submission of the Claim Form. As to the Class
27 Members on that rejected claims list, any Class Member who requests, in a signed letter, to receive
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1 payment in the Settlement will be treated like a Claimant so long as that written request is received by
2 the Effective Date.

3 70. Request for Exclusion Procedures. Any Class Member wishing to opt-out from this
4 Stipulation of Settlement must sign and postmark a written Request for Exclusion to the Claims
5 Administrator within the Response Deadline. The date of the postmark on the return mailing envelope
6 will be the exclusive means to determine whether a Request for Exclusion has been timely submitted.
7 All Requests for Exclusion will be submitted to the Claims Administrator, who will certify jointly to
8 Class Counsel and Defendant's Counsel the Requests for Exclusion that were timely submitted.
9 PAGA Aggrieved Employees cannot exclude themselves from the PAGA portion of the settlement.

10 71. Defective Submissions. If a Class Member's Claim Form or Request for Exclusion is
11 defective as to the requirements listed herein, that Class Member will be given an opportunity to cure
12 the defect(s). The Claims Administrator will mail the Class Member a cure letter within three (3)
13 business days of receiving the defective submission to advise the Class Member that his or her
14 submission is defective and that the defect must be cured to render the Claim Form or Request for
15 Exclusion valid. The Class Member will have ten (10) calendar days from the date of the cure letter to
16 postmark a revised Claim Form or Request for Exclusion. If a Class Member responds to a cure letter
17 by filing a defective claim, then the Claims Administrator will have no further obligation to give
18 notice of a need to cure. If the revised Claim Form is not postmarked or received within that period, it
19 will be deemed untimely.

20 72. Objection Procedures. To object to this Stipulation of Settlement, a Class Member
21 must file a valid Notice of Objection with the Court and serve copies of the Notice of Objection on the
22 Parties before the Response Deadline. The Notice of Objection must be signed by the Class Member
23 and contain all information required by this Stipulation of Settlement. The postmark date of the filing
24 and service will be deemed the exclusive means for determining that the Notice of Objection is timely.
25 Class Members who fail to object in the specific and technical manner specified above will be deemed
26 to have waived all objections to the Settlement and will be foreclosed from making any objections and
27 seeking any adjudication or review, whether by appeal or otherwise, to this Stipulation of Settlement.

At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to this Stipulation of Settlement or appeal from the Order and Judgment. However, Class Counsel, Defendant's Counsel, and Defendant may respond to inquiries from Class Members with truthful information. Class Counsel will not represent any Class Members with respect to any such objections to this Settlement.

73. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class Member who does not affirmatively opt-out of this Stipulation of Settlement by submitting a timely and valid Request for Exclusion ("Settlement Class Member") will be bound by all its terms, including those pertaining to the Released Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the Settlement.

74. Reminders. Not earlier than twenty (20) days or later than thirty (30) days after the initial mailing, the Claims Administrator will send a Reminder Postcard to all Class Members who have not returned a Claim Form or a Request for Exclusion. All Reminder Postcards will include the Response Deadline and the contact information for Class Counsel and the Claims Administrator.

75. Certification Reports Regarding Individual Settlement Payment Calculations. The Claims Administrator will provide Defendant's Counsel and Class Counsel a weekly report which certifies: (a) the number of Class Members who have submitted Claim Forms; (b) the number of Claimants; (c) the number of Class Members who have submitted valid Requests for Exclusion; (d) the then current amount and percentage of the Net Settlement Amount claimed by Claimants; and (e) whether any Class Member has submitted a challenge to any information contained in their Claim Form or Notice Packet. The Claims Administrator will also provide to counsel for both Parties any updated reports regarding the administration of this Stipulation of Settlement as needed or requested.

76. Payment Schedule for All Court-Approved and Individual Settlement Payment Amounts. Within three (3) business days of the Court granting final approval, the Claims Administrator will calculate all payments due. Individual Settlement Payments shall be mailed by regular First-Class U.S. Mail to the respective Claimant's last known mailing address within fourteen (14) calendar days after Defendant deposits all Court-approved and claim amounts from the Maximum

Settlement Amount into a QSF.

77. Unclaimed Funds from the Net Settlement Amount. After all Individual Settlement Payments have been made, any remaining or unclaimed funds from the Net Settlement Amount above fifty percent (50%) shall remain the property of the Defendant.

78. Payroll Taxes. Any and all applicable employer-side payroll taxes relating to the portion of the Individual Settlement Payments paid as wages shall be paid out of the Net Settlement Amount.

79. Uncashed Settlement Checks. Any checks issued by the Claims Administrator to Claimants will be negotiable for at least one hundred eighty (180) calendar days. Those funds represented by settlement checks returned as undeliverable and those settlement checks remaining uncashed for more than one hundred eighty (180) calendar days after issuance will be sent Legal Aid At Work.

80. Certification of Completion. Five (5) calendar days after the Response Deadline, the Claims Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties. The declaration will include any attempts to obtain valid mailing addresses for and re-sending of any returned Notice Packets, as well as the number of valid and timely exclusions and objections that the Claims Administrator received.

81. Administration Costs if Settlement Fails or is Delayed. If the Settlement is voided or rescinded, for any reason other than set forth in Paragraph 90, any costs incurred by the Claims Administrator will be paid equally by the Parties (half by Defendant and half by Class Counsel), unless otherwise specified in this Agreement.

82. Effect of Non-Approval. If this Settlement is not approved, the Parties will settle the Action, including the PAGA claims, for an amount not to exceed Six Hundred Fifty Thousand Dollars (\$650,000). Plaintiff will also draft a proposed long form agreement reflecting this alternate settlement should such prove necessary.

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1 83. Treatment of Individual Settlement Payments. For purposes of this Stipulation of
2 Settlement, all Individual Settlement Payments will be allocated as follows: one-third (1/3) of each
3 Individual Settlement Payment will be allocated as wages, one-third (1/3) will be allocated as interest,
4 and one-third (1/3) will be allocated as penalties. The amounts paid as wages shall be subject to all tax
5 withholdings customarily made from an employee's wages and all other authorized and required
6 withholdings and shall be reported by W-2 forms. The amounts paid as penalties and interest shall be
7 subject to all authorized and required withholdings other than the tax withholdings customarily made
8 from employees' wages and shall be reported by IRS 1099 forms.

9 84. Administration of Taxes by the Claims Administrator. The Claims Administrator will
10 be responsible for issuing to Plaintiff, Claimants, and Class Counsel any W-2, 1099, or other tax
11 forms as may be required by law for all amounts paid pursuant to this Agreement. The Claims
12 Administrator will also be responsible for forwarding all payroll taxes and penalties to the appropriate
13 government authorities.

14 85. Tax Liability. Defendant makes no representation as to the tax treatment or legal effect
15 of the payments called for hereunder; and Plaintiff and Claimants are not relying on any statement,
16 representation, or calculation by Defendant or by the Claims Administrator in this regard. Plaintiff
17 and Claimants understand and agree that except for Defendant's payment of the employer's portion of
18 any payroll taxes, they will be solely responsible for the payment of any taxes and penalties assessed
19 on the payments described herein and will defend, indemnify, and hold Defendant free and harmless
20 from and against any claims resulting from treatment of such payments as non-taxable damages.

21 86. No Assignments. The Parties and their counsel represent, covenant, and warrant that
22 they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer,
23 or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action
24 or right herein released and discharged. Further, none of the rights, commitments, or obligations
25 recognized under this Agreement may be assigned by any Party, Class Member, Class Counsel, or
26 Defendant's Counsel without the express written consent of each other Party and their respective
27 counsel. The representations, warranties, covenants, and agreements contained in this Agreement are
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for the sole benefit of the Parties under this Agreement and shall not be construed to confer any right or to avail any remedy to any other person.

87. Release of Claims by Class Members. Upon the Effective Date, Plaintiff and all Class Members who have not submitted valid and timely Requests for Exclusion, will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged with respect to all the Released Parties all Released Claims for any period during the Released Claims Period.

88. Waiver of California Civil Code Section 1542. Furthermore, pursuant to the terms of the Settlement, and solely with respect to the Released Claims, Plaintiff expressly waives and relinquishes any rights or benefits available to her under the provisions of section 1542 of the California Civil Code, which 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.”

89. Duties of the Parties Prior to Court Approval. The Parties shall promptly submit this Stipulation of Settlement to the Court in support of Plaintiff’s Motion for Preliminary Approval and determination by the Court as to its fairness, adequacy, and reasonableness. Promptly upon execution of this Stipulation of Settlement, the Parties shall apply to the Court for the entry of an order scheduling a fairness hearing on the question of whether the proposed settlement, including payment of Attorneys’ Fees and Costs, and Plaintiff’s Class Representative Enhancement Payment, should be finally approved as a fair, reasonable, and adequate settlement. As part of Plaintiff’s Motion for Preliminary Approval, Plaintiff shall also apply to the Court for the entry of an order as follows:

- a. Certifying the Class for the purpose of settlement;
- b. Approving, as to form and content, the proposed Notice of Class Action Settlement;
- c. Approving as to form and content the proposed Claim Form;

- d. Approving the manner and method for Class Members to request exclusion from the Settlement as contained herein and within the Notice of Class Action Settlement;
- e. Directing the mailing of the Notice of Class Action Settlement, Claim Form, and Reminder Postcards to the Class Members, in accordance with the Settlement Agreement;
- f. Preliminarily approving the Settlement subject only to the objections of Class Members and final review by the Court; and
- g. Enjoining Plaintiff and any Class Member from filing or prosecuting any claims, suits, or administrative proceedings (including filing claims with the California Division of Labor Standards Enforcement and the LWDA) regarding the Released Claims unless and until such Class Members have filed valid Requests for Exclusion with the Claims Administrator.

90. Duties of the Parties Following Final Court Approval. Following final approval by the Court of the Settlement provided for in this Stipulation of Settlement, Class Counsel will submit a proposed final order of approval and judgment as follows:

- a. Approving the Settlement, adjudging the terms thereof to be fair, reasonable, and adequate, and directing consummation of its terms and provisions;
- b. Approving Class Counsel's application for an award of Attorneys' Fees and Costs;
- c. Approving the Class Representative Enhancement Payment to Plaintiff;
- d. Setting a date when the Parties shall report to the Court the total amount that was actually paid to the Class Members; and
- e. Entering judgment in this Action consistent with this Agreement.

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91. Defendant's Option to Terminate the Settlement. If five percent (5%) or more of the Class Members opt out of the Settlement by filing Requests for Exclusion, Defendant may, at its discretion, rescind the Settlement and all actions taken in furtherance of it will thereby be null and void. Defendant must exercise this right of rescission, in writing, to Class Counsel within ten (10) calendar days after the Claims Administrator notifies the Parties of the total number of opt-outs received by the Response Deadline. If the option to rescind is exercised, the Settlement shall be considered void ab initio, shall be of no force or effect whatsoever, and shall not be referred to or utilized for any purpose whatsoever. Defendant will also be solely responsible for all costs of the Claims Administrator accrued to that point.

92. Nullification of Stipulation of Settlement. In the event that: (a) the Court does not finally approve the Settlement as provided herein; or (b) the Settlement does not become final for any other reason, then this Stipulation of Settlement, and any documents generated to bring it into effect, will be null and void. Any order or judgment entered by the Court in furtherance of this Stipulation of Settlement will likewise be treated as void from the beginning.

93. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to request the Preliminary Approval of this Stipulation of Settlement, and the entry of a Preliminary Approval Order for: (a) conditional certification of the Class for settlement purposes only, (b) Preliminary Approval of the proposed Stipulation of Settlement, and (c) setting a date for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the Notice Packet to be sent to all Class Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will submit this Stipulation of Settlement, which sets forth the terms of this Settlement, and will include the proposed Notice Packet (*i.e.*, the proposed Notice of Class Action Settlement documents and the proposed Claim Form, attached as **Exhibit A** and **Exhibit B** respectively). Class Counsel will be responsible for drafting all documents necessary to obtain preliminary approval. Defendant agrees not to oppose the Motion for Preliminary Approval.

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94. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the deadlines to postmark Claim Forms, Requests for Exclusion, Notices of Objections, or written disputes regarding this Stipulation of Settlement, and with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to determine the Final Approval of this Stipulation of Settlement along with the amounts properly payable for: (a) Individual Settlement Payments; (b) the Attorneys' Fees and Costs; (c) the Class Representative Enhancement Payment; and (d) all Claims Administration Costs, as well as confirming the total amount to be allocated towards the PAGA Payment. Class Counsel will be responsible for drafting all documents necessary to obtain final approval. Class Counsel will also be responsible for drafting the Attorneys' Fees and Costs application to be heard at the final approval hearing and shall submit to the Court a Proposed Final Approval Order. Defendant agrees not to oppose the Motion for Final Approval and Attorneys' Fees and Costs.

95. Either Party's Option to Terminate the Settlement. Subject to the obligation(s) of mutual full cooperation, either Party may terminate this Settlement if the Court declines to enter the Preliminary Approval Order, the Final Approval Order, or final judgment in substantially the form submitted by the Parties, or this Stipulation of Settlement as agreed does not become final because of appellate court action. The terminating Party shall give to the other Party (through its counsel) written notice of its decision to terminate no later than ten (10) business days after receiving notice that one of the enumerated events has occurred. Termination shall have the following effects:

- a. The Stipulation of Settlement shall be terminated and shall have no force or effect, and no Party shall be bound by any of its terms;
- b. In the event the Settlement is terminated, Defendant shall have no obligation to make any payments to any Party, Class Member, or attorney, except that the Terminating Party shall pay the Claims Administrator for services rendered up to the date the Claims Administrator is notified the Settlement has been terminated;
- c. The Preliminary Approval Order, Final Approval Order and Judgment, including any order of class certification, shall be vacated;

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d. The Stipulation of Settlement and all negotiations, privileged statements and proceedings relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective positions in the Action prior to this Stipulation of Settlement; and

e. Neither this Stipulation of Settlement, nor any ancillary documents, actions, statements, or filings in furtherance of this Stipulation of Settlement (including all matters associated with the mediation) shall be admissible or offered into evidence in the Action or any other action for any purpose whatsoever.

96. Exhibits Incorporated by Reference. The terms of this Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Agreement are an integral part of this Stipulation of Settlement.

97. Confidentiality. The Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about the fact, amount, or terms of the Settlement prior to the Settlement being preliminarily approved by the Court. In addition, the Parties and their counsel agree that they will not engage in any advertising or distribute any marketing materials relating to the Settlement of this case prior to the Settlement being preliminarily approved by the Court, including but not limited to, any postings on any websites maintained by Class Counsel. Any communication about the Settlement to Class Members prior to the Settlement being preliminarily approved by the Court will be limited to a statement that a settlement has been reached and the details will be communicated in a forthcoming Court-approved notice. Nothing set forth herein, however, shall prohibit (a) Defendant from providing truthful disclosure about the Settlement, including its amount, in its periodic filings on Form 10-Q or Form 10-K with the United States Securities and Exchange Commission, or (b) the Parties from providing this Agreement to the Court in connection with the Parties' efforts to seek the Court's approval of this Settlement. Neither Plaintiff nor Class Counsel shall hold a press conference or otherwise seek to affirmatively contact the media about the Settlement. If contacted by the media regarding the Settlement, Class Counsel will direct any media inquiries to the public records of the

1 Action on file with the Court. Also, neither Plaintiff nor Class Counsel will disparage the Settlement.

2 98. Entire Agreement. This Stipulation of Settlement and any attached Exhibits constitute
3 the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral
4 agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil
5 Code section 1625 and California Code of Civil Procedure section 1856(a), which provide that a
6 written agreement is to be construed according to its terms and may not be varied or contradicted by
7 extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms
8 will modify, vary, or contradict the terms of this Agreement.

9 99. Amendment or Modification. This Stipulation of Settlement may be amended or
10 modified only by a written instrument signed by the named Parties and counsel for all Parties or their
11 successors-in-interest.

12 100. Authorization to Enter Into Stipulation of Settlement. Counsel for all Parties warrant
13 and represent they are expressly authorized by the Parties whom they represent to negotiate this
14 Stipulation of Settlement and to take all appropriate action required or permitted to be taken by such
15 Parties pursuant to this Stipulation of Settlement to effectuate its terms and to execute any other
16 documents required to effectuate the terms of this Stipulation of Settlement. The Parties and their
17 counsel will cooperate with each other and use their best efforts to effect the implementation of the
18 Settlement. If the Parties are unable to reach agreement on the form or content of any document
19 needed to implement the Settlement, or on any supplemental provisions that may become necessary to
20 effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such
21 disagreement.

22 101. Signatories. It is agreed that because the members of the Class are so numerous, it is
23 impossible or impractical to have each member of the Class execute this Stipulation of Settlement.
24 The Notice of Class Action Settlement, attached hereto as Exhibit A, will advise all Class Members
25 of the binding nature of the release, and the release shall have the same force and effect as if this
26 Stipulation of Settlement were executed by each Settlement Class Member.

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1 102. Binding on Successors and Assigns. This Stipulation of Settlement will be binding
2 upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

3 103. California Law Governs. All terms of this Stipulation of Settlement and Exhibits
4 hereto will be governed by, construed, and interpreted according to the laws of the State of California,
5 irrespective of the State of California's choice of law principles.

6 104. Execution and Counterparts. This Stipulation of Settlement is subject only to the
7 execution of all Parties. However, the Agreement may be executed in one or more counterparts. All
8 executed counterparts and each of them, including facsimile and scanned copies of the signature page,
9 will be deemed to be one and the same instrument.

10 105. Acknowledgement that the Settlement is Fair, Reasonable, and Adequate. The Parties
11 believe this Stipulation of Settlement is a fair, adequate, and reasonable settlement of the Action and
12 have arrived at this Settlement after arm's-length negotiations and in the context of adversarial
13 litigation, considering all relevant factors, present and potential. The Parties further acknowledge that
14 they are each represented by competent counsel and that they have had an opportunity to consult with
15 their counsel regarding the fairness and reasonableness of this Agreement. In addition, the Mediator
16 may execute a declaration supporting the Settlement and the reasonableness of the Settlement and the
17 Court may, in its discretion, contact the Mediator to discuss the Settlement and whether or not the
18 Settlement is objectively fair and reasonable.

19 106. Invalidity of Any Provision. Before declaring any provision of this Stipulation of
20 Settlement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
21 possible consistent with applicable precedents so as to define all provisions of this Stipulation of
22 Settlement valid and enforceable.

23 107. Plaintiff's Waiver of Right to Be Excluded and Object. Plaintiff agrees to sign this
24 Stipulation of Settlement and, by signing this Stipulation of Settlement, is hereby bound by the terms
25 herein. For good and valuable consideration, Plaintiff further agrees that she will not request to be
26 excluded from this Stipulation of Settlement. Any such Request for Exclusion by Plaintiff will be void
27 and of no force or effect.

1 108. Non-Admission of Liability. The Parties enter into this Agreement to resolve the
2 dispute that has arisen between them and to avoid the burden, expense, and risk of continued
3 litigation. By entering into this Agreement, Defendant does not admit, and specifically denies, it has
4 violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to
5 any statute or any other applicable laws, regulations, or legal requirements; breached any contract;
6 violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other
7 unlawful conduct with respect to its employees or the Class Members. Neither this Agreement, nor
8 any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an
9 admission or concession by Defendant of any such violations or failures to comply with any
10 applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this
11 Agreement and its terms and provisions shall not be offered or received as evidence in any action or
12 proceeding to establish any liability or admission on the part of Defendant or to establish the existence
13 of any condition constituting a violation of, or a non-compliance with, federal, state, local or other
14 applicable law.

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

18 110. Waiver. No waiver of any condition or covenant contained in this Agreement or failure
19 to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a
20 further waiver by such party of the same or any other condition, covenant, right or remedy.

21 111. Meet and Confer Regarding Disputes. Should any dispute arise among the Parties or
22 their respective counsel regarding the implementation or interpretation of this Agreement, a
23 representative of Class Counsel and a representative of Defendant's Counsel shall meet and confer to
24 resolve such disputes prior to submitting such disputes to the Court.

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1 112. Enforcement Actions. If one or more of the Parties institutes any legal action or other
2 proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare
3 rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to
4 recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert
5 witness fees incurred in connection with any enforcement actions. To the extent consistent with class
6 action procedure, this Agreement shall be enforceable by the Court pursuant to California Code of
7 Civil Procedure section 664.6 and California Rule of Court 3.769(h). The Disposition entered by the
8 Court will not adjudicate the merits of the Action or the liability of the Parties resulting from the
9 allegations of the Action. Its sole purpose is to adopt the terms of the Settlement and to retain
10 jurisdiction over its enforcement. To that end, the Court shall retain continuing jurisdiction over this
11 Action and over all Parties and Class Members to the fullest extent to enforce and effectuate the terms
12 and intent of this Agreement

13 113. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
14 conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly against
15 one Party than another merely by virtue of the fact that it may have been prepared by counsel for one
16 of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties,
17 all Parties have contributed to the preparation of this Agreement.

18 114. Representation By Counsel. The Parties acknowledge that they have been represented
19 by counsel throughout all negotiations that preceded the execution of this Agreement, and that this
20 Agreement has been executed with the consent and advice of counsel and reviewed in full. Plaintiff
21 and Class Counsel also warrant and represent that there are no liens on this Stipulation of Settlement.

22 115. All Terms Subject to Final Court Approval. All amounts and procedures described in
23 this Stipulation of Settlement herein will be subject to final Court approval.

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

To Plaintiff and the Class:

Douglas Han, Esq.
Shunt Tatavos-Garajeh, Esq.
Phillip Song, Esq.
Josh B. Tran
JUSTICE LAW CORPORATION
751 N. Fair Oaks Avenue, Suite 101
Pasadena, California 91103

To Defendant BROKEN ARROW COMMUNICATIONS, INC.:

Matthew E. Farmer, Esq.
LITTLER MENDELSON PC
18565 Jamboree Road, Suite 800
Irvine, California 92612
Telephone (949) 705-3000
Facsimile: (949) 724-1201

117. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Stipulation of Settlement.

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

119. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Agreement, and further intend that this Agreement will be fully enforceable and binding on all Parties and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

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1 120. Escalation Clause. Defendant estimates that the Class included approximately 23,884
2 workweeks as of September 2021. If the actual number of total workweeks at the end of the Class
3 Period is exceeds 23,884 by more than ten (10%) (*i.e.*, the number of workweeks exceed 26,272),
4 Defendant, shall increase the Maximum Settlement Amount on a pro rata basis according to the
5 number of additional compensable workweeks over 26,272 workweeks.

6 IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint
7 Stipulation of Settlement and Release Between Plaintiff and Defendant as of the date(s) set forth below:

8 ///

9 ///

10 ///

PLAINTIFF AND CLASS COUNSEL
READ CAREFULLY BEFORE SIGNING

DATED: 10/29/2021

Shonie Shoemaker

SHONIE SHOEMAKER
Plaintiff

DEFENDANT BROKEN ARROW
COMMUNICATIONS, INC.

DATED: 11/5/21

By: *[Signature]*

Jonath Pearce VP & Secretary: Director

APPROVED AS TO FORM

JUSTICE LAW CORPORATION

DATED: 11/11/21

By: *[Signature]*

DOUGLAS HAN
SHUNT TATAVOS-GARAJEH
PHILLIP SONG
JOSH B. TRAN
Attorneys for Plaintiff Shonie Shoemaker, and the Class

LITTLER MENDELSON PC

DATED: _____

By: _____

MATTHEW E. FARMER
Attorneys for Defendant Broken Arrow Communications,
Inc.

PLAINTIFF AND CLASS COUNSEL

READ CAREFULLY BEFORE SIGNING

DATED: _____

SHONIE SHOEMAKER
Plaintiff

DEFENDANT BROKEN ARROW
COMMUNICATIONS, INC.

DATED: _____

By: _____

APPROVED AS TO FORM

JUSTICE LAW CORPORATION

DATED: _____

By: _____

DOUGLAS HAN
SHUNT TATAVOS-GARAJEH
PHILLIP SONG
JOSH B. TRAN
Attorneys for Plaintiff Shonie Shoemaker, and the Class

LITTLER MENDELSON PC

DATED: _____

By:  _____

MATTHEW E. FARMER
Attorneys for Defendant Broken Arrow Communications,
Inc.

4888-2446-4130.1 / 112001-1001

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Shoemaker v. Broken Arrow Communications, Inc.

Merced County Superior Court Case No. 21CV-03517

(Complaint Filed October 20, 2021)

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

To: All current and former non-exempt California employees of Defendant Broken Arrow Communications, Inc. ("Defendant") from October 13, 2016, through the earlier of December 9, 2021 (90 days from mediation) or the date of preliminary approval of this settlement ("Class," "Class Member(s)")

You are receiving this Notice of Class Action Settlement because you have been identified as a person who worked or currently works as a non-exempt employee of Defendant within the State of California at any time during the period from October 13, 2016, through the earlier of December 9, 2021 (90 days from mediation) or the date of preliminary approval of this settlement ("Class Period").

On _____, 2021, the Honorable Brian McCabe of the Superior Court of the State of California for the County of Merced granted preliminary approval of this Class Action Settlement and ordered the litigants to notify all Class Members of the settlement. You have received this notice because Defendant's records indicate that you are a Class Member, and therefore entitled to a payment from the settlement.

YOU MAY BE ENTITLED TO MONEY UNDER THE PROPOSED CLASS ACTION SETTLEMENT. PLEASE READ THIS NOTICE CAREFULLY; IT INFORMS YOU ABOUT YOUR LEGAL RIGHTS.

The amount of your estimated payment is listed on the enclosed Claim Form.

To participate in the settlement and to receive your payment, you must mail a Claim Form to the Claims Administrator by no later than _____, 2022. If you fail to postmark or fax a Claim Form by _____, 2022, you will not receive a payment from the settlement, but you will be bound by its terms. The Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held on _____, 2022 in Courtroom 8 of the Merced County Superior Court located at 627 West 21st Street, Merced, California 95340. You are not required to attend the Hearing, but you are welcome to do so.

Summary of the Litigation

On April 12, 2021, Plaintiff Shonie Shoemaker ("Plaintiff"), a former employee of Defendant, filed a wage-and-hour class action lawsuit against Defendant in the Superior Court of California, County of Los Angeles, entitled *Shoemaker v. Broken Arrow Communications, Inc.*, Case Number 21STCV13873. The class action lawsuit alleged violation of: (1) California Labor Code sections 510 and 1198 (unpaid overtime); (2) California Labor Code sections 226.7 and 512(a) (unpaid meal period premiums); (3) California Labor Code section 226.7 (unpaid rest period premiums); (4) California Labor Code sections 1194 and 1197 (unpaid minimum wages); (5) California Labor Code sections 201 and 202 (final wages not timely paid); (6) California Labor Code section 226(a) (non-compliant wage statements); (7) California Labor Code sections 2800 and 2802 (unreimbursed business expenses); and (8) California Business & Professions Code section 17200, *et seq.*

On May 14, 2021, Plaintiff's wage-and-hour class action lawsuit was removed to the United States District Court, Central District of California, Case Number 2:21-cv-04070-MAA.

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On September 10, 2021, the Parties participated in mediation. After a full day of negotiations, the Parties agreed to enter a settlement on September 10, 2021. In line with the Parties' decision to enter a settlement, Plaintiff agreed to dismiss her wage-and-hour class action lawsuit pending in United States District Court, Central District of California, Case Number 2:21-cv-04070-MAA, without prejudice and to file a new wage-and-hour class action lawsuit in the Superior Court of California, County of Merced.

On October 19, 2021, Plaintiff provided written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendant of the specific provisions of the California Labor Code she contends were violated, and the theories supporting her contentions. Plaintiff believes that on or about December 23, 2021, the sixty-five (65) day notice period will expire, and Plaintiff will have exhausted the statutory time period to bring this action.

On October 20, 2021, Plaintiff filed a wage-and-hour class action lawsuit against Defendant in the Superior Court of California, County of Merced, entitled *Shoemaker v. Broken Arrow Communications, Inc.*, Case Number 21CV-03517. The class action lawsuit alleged violation of: (1) California Labor Code sections 510 and 1198 (unpaid overtime); (2) California Labor Code sections 226.7 and 512(a) (unpaid meal period premiums); (3) California Labor Code section 226.7 (unpaid rest period premiums); (4) California Labor Code sections 1194 and 1197 (unpaid minimum wages); (5) California Labor Code sections 201 and 202 (final wages not timely paid); (6) California Labor Code section 226(a) (non-compliant wage statements); (7) California Labor Code sections 2800 and 2802 (unreimbursed business expenses); (8) California Labor Code sections 2698, *et seq.* (Private Attorneys General Act of 2004 ("PAGA")); and (9) California Business & Professions Code sections 17200, *et seq.*

Counsel for Plaintiff, and the attorneys appointed by the Court to represent the Class, Justice Law Corporation ("Class Counsel"), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believes that the claims alleged in this lawsuit have merit, Class Counsel also recognizes that the risks and expenses of continued litigation justify settlement. Based on the foregoing, Class Counsel believes the proposed settlement is fair, adequate, reasonable, and in the best interests of the Class Members.

Defendant has denied and continues to deny the factual and legal allegations in Plaintiff's case and believes that the claims have no merit. By agreeing to settle, Defendant is not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Instead, Defendant has agreed to settle the case solely for economic efficiency.

Summary of Settlement Terms

Plaintiff and Defendant have agreed to settle the underlying class and PAGA claims in exchange for the Maximum Settlement Amount of up to \$1,000,000. This amount is inclusive of: (1) Individual Settlement Payments to all Class Members who submit timely and valid Claim Forms for participation in the Class Action Settlement ("Claimants"); (2) Class Representative Enhancement Payment in the amount of \$10,000 to Plaintiff; (3) Claims Administration Costs currently estimated at \$20,000; (4) \$333,333.33 in attorneys' fees and up to \$20,000 in litigation costs and expenses to Class Counsel; (5) PAGA Payment (civil penalties) in the amount of \$50,000, seventy-five percent (75%) (\$37,500) of which will be paid to the California Labor and Workforce Development Agency ("LWDA") and twenty-five percent (25%) (\$12,500) of which will be distributed to PAGA Aggrieved Employees.

After deducting the Class Representative Enhancement Payment, Claims Administration Costs, the PAGA Payment, and Attorneys' Fees and Costs, a total of approximately \$566,666.67 will be available to Claimants ("Net Settlement Amount").

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The Class Administrator will make settlement payments to each Claimant. All Claim Forms must be signed and completed in their entirety to be considered valid. The amount of settlement payment each Class Member receives will be based on the number of Workweeks each Class Member worked during the relevant Class Period. “Workweeks” means the number of weeks of employment that a Class Member worked for Defendant as a non-exempt employee in California at any time during the Class Period.

If the total Individual Settlement Payments to the Claimants would equal less than fifty percent (50%) of the Net Settlement Amount, the Claims Administrator will proportionately increase the Individual Settlement Payment for each Claimant to ensure that total Individual Settlement Payments equal fifty percent (50%) of the Net Settlement Amount.

The Claims Administrator will issue IRS Forms W-2 and 1099 to Claimants and will be responsible for forwarding all payroll taxes and penalties to the appropriate government authorities. Claimants should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, one-third (1/3) of each Class Member’s Individual Settlement Payment will be treated as wages, one-third (1/3) as interest, and one-third (1/3) as penalties.

PAGA Aggrieved Employees and PAGA Payment

Under the terms of the Settlement, \$50,000 has been set aside as a PAGA Payment. This portion is the total amount of civil penalties collected on behalf of the State of California. Of this amount, \$37,500 will be paid to the LWDA. The PAGA Aggrieved Employees will share the remaining \$12,500, based on the number of weeks they worked during the period between October 19, 2020, and the earlier of December 9, 2021 (90 days from mediation) or the date of preliminary approval of this settlement.

You are a “PAGA Aggrieved Employee” eligible to share the PAGA Payment under the settlement if you are a current or former non-exempt California employee of Defendant between October 19, 2020, through the earlier of December 9, 2021 (90 days from mediation) or the date of preliminary approval of this settlement (“PAGA Period”).

The Claims Administrator will calculate the total number of Workweeks worked by each individual PAGA Aggrieved Employee to determine the total number of Workweeks worked by all PAGA Aggrieved Employees (“Total PAGA Workweeks”) between October 19, 2020, and the earlier of December 9, 2021 (90 days from mediation) or date of preliminary approval of this settlement. To determine each PAGA Aggrieved Employee’s estimated PAGA Payment, the Claims Administrator will use the following formula: Estimated individual PAGA Payment = $(\$12,500 \div \text{Total PAGA Workweeks}) \times \text{individual Workweeks}$ for each individual PAGA Aggrieved Employee. The portion of the PAGA Payment paid to PAGA Aggrieved Employees shall be designated as one hundred percent (100%) penalties, for which an IRS Form 1099 will issue.

Based on your total number of pay periods within the PAGA Period, your portion of the PAGA Payment is \$ _____. You are responsible for paying any federal, state, or local taxes owed because of this PAGA Payment.

Because these penalties can only be sought by the State of California, you cannot exclude yourself from the PAGA portion of the settlement if the Court gives Final Approval. Even if you exclude yourself from the class action portion of the settlement, you will still be paid your portion of the civil penalties described above.

If you were not a current or former non-exempt California employee of Defendant within the PAGA Period of October 19, 2020, through the earlier of December 9, 2021 (90 days from mediation) or the date of preliminary approval of this settlement, you are not a PAGA Aggrieved Employee, and this Section does not apply to you.

Questions? Contact the Settlement Claims Administrator toll free at 1-800-542-0900

Your Options Under the Settlement

Important Note: Defendant will not retaliate against you in any way for either participating or not participating in this Settlement.

Option 1 – Submit a Claim Form to Be Eligible for Payment

If you want to receive money from the settlement, you **must** complete and sign the enclosed Claim Form (see prepaid return envelope). You need to complete the Claim Form and promptly mail it or fax it to the Claims Administrator postmarked no later than _____, 2022.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written request to the Claims Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written Request for Exclusion must: (a) be signed by you; (b) set forth your name, address, telephone number, and last four digits of your Social Security Number; (c) clearly state the name of this case, the case number, and that you do not wish to be included in the Settlement; (d) be returned by mail to the Claims Administrator at the specified address and/or facsimile number; and (e) be postmarked on or before the Response Deadline. Sign, date, and mail the Request for Exclusion by First Class U.S. Mail, or equivalent, to the address below.

Claims Administrator
c/o CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606

The written request to be excluded must be postmarked no later than _____, 2022. If you submit a Request for Exclusion which is not postmarked by _____, 2022, your Request for Exclusion will be rejected, and you will be included in the settlement class.

Option 3 – File an Objection with the Court

If you wish to object to the settlement because you find it unfair or unreasonable, you may file with the Court an objection stating why you object to the settlement. For the Notice of Objection to be valid, it must include: (a) your full name, signature, address, and telephone number; (b) a written statement of all grounds for the objection accompanied by any legal support for such objection; (c) a clear reference to the title of this case and case number; and (d) copies of any papers, briefs, or other documents upon which the objection is based. Further, if you intend to appear at the Final Approval Hearing, either in person or through counsel, you must include notice of that fact and state the purpose for your appearance in your objection. The objection must be filed with the Court and served on the attorneys listed below:

Douglas Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Phillip Song, Esq.
Josh B. Tran, Esq.
JUSTICE LAW CORPORATION
751 North Fair Oaks Avenue, Suite 101
Pasadena, California 91103
Telephone: (818) 230-7502
Class Counsel

Matthew E. Farmer, Esq.
LIGHTGABLER
18565 Jamboree Road, Suite 800
Irvine, California 92612
Telephone (949) 705-3000
Counsel for Broken Arrow Communications, Inc.

Questions? Contact the Settlement Claims Administrator toll free at 1-800-542-0900

All objections must be filed with the Court no later than _____, 2022. Late objections will not be considered. By filing an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described in Option 2 above. Please note that you cannot both object to the settlement and exclude yourself.

You may also, if you wish, appear at the Final Approval Hearing set for _____ at _____ a.m./p.m. in the Merced County Superior Court and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

Option 4 – *Do Nothing*

You may also do nothing in response to this notice. However, if you choose to do nothing, and if the Court grants final approval of the settlement, you will be deemed to have released the Released Claims even though you will not receive money from the settlement. If you do not want to be deemed to have released the Released Claims, you must exclude yourself from the settlement by following Option 2.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. If you choose **Option 4**, you will receive nothing. In addition, under both **Options 1 and 4** (or **3** if the Court approved the Settlement), you will be deemed to have released or waived the following claims:

The claims released by the Class Members (“Released Claims”) include, but are not limited to, statutory, constitutional, contractual or common law claims for wages, damages, unpaid costs, penalties, liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs, restitution, or equitable relief, for the following categories of allegations: (a) all claims for failure to pay wages for hours worked, including, but not limited to, claims for failure to pay overtime at the appropriate regular rate or for all overtime periods worked, claims for off-the-clock work, and claims for improper rounding; (b) all claims for failure to pay the minimum wage in accordance with applicable law, including but not limited to claims for off-the-clock work and claims for improper rounding; (c) all claims for the failure to provide meal and/or rest periods in accordance with applicable law, including payments for missed, short, or late meal and/or rest periods and alleged non-payment of wages or premium pay for meal periods and rest periods worked and not taken; (d) all claims for failure to reimburse business expenses; (e) all claims for failure to properly calculate and pay sick leave in accordance with the California Labor Code; and (f) any and all claims for recordkeeping or pay stub violations, waiting time penalties and all other statutory penalties, including those recoverable under the California Unfair Competition Act, and in particular, California Bus. & Prof. Code sections 17200 *et seq.*, California Code of Civil Procedure section 1021.5; and any other provision of the California Labor Code, including but not limited to Labor Code sections 2698 *et seq.* or any applicable California Industrial Welfare Commission Wage Orders, in all their iterations.

If you choose **Option 2**, you will no longer be a Class Member and will: (1) be barred from participating in the settlement, but you will not be deemed to have released the Released Claims; (2) be barred from filing an objection to the settlement; and (3) not receive a payment from the settlement.

If you choose **Option 3**, you will still be entitled to your share of the settlement funds, but only if you complete your Claim Form and postmark it by _____, 2022. Otherwise, if the Court overrules your objection, you will be deemed to have released the Released Claims.

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Additional Information

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact Class Counsel listed above, or the Claims Administrator at the telephone number listed below, toll free. Please refer to the Broken Arrow Communications, Inc. class action settlement.

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the Settlement Agreement, and other papers filed in the case. Copies of these documents may be obtained at the Merced County Superior Court Office of the Clerk located at 627 West 21st Street, Merced, California 95340.

DO NOT CONTACT THE CLERK OF THE COURT; THE JUDGE; BROKEN ARROW COMMUNICATIONS, INC.; OR BROKEN ARROW COMMUNICATIONS, INC.'S ATTORNEYS WITH INQUIRIES.

EXHIBIT B

CLAIM FORM
Return This Form To Receive Your Individual Settlement Payment

Shoemaker v. Broken Arrow Communications, Inc.
Merced County Superior Court Case Number 21CV-03517

MAIL OR FAX TO:

Claims Administrator
c/o CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606
Fax: (949) 428-1074

Your Claim Form must be completed and received by fax or postmarked on or before [REDACTED], or it will be rejected.

You are responsible for maintaining a copy of the fully completed Claim Form and proof of fax or mailing. If you move, please inform the Claims Administrator of your new address. It is your responsibility to keep a current address on file with the Claims Administrator.

||||| Claim #

First Name, Last Name

c/o

Address1 Address2

City, State, Zip, Country

Name/Address Changes (if any):

()

Area Code

Home Telephone Number

()

Area Code

Alternate Telephone Number

Calculation of Individual Settlement Payments: Each Claimant's share of the settlement is based on the number of Workweeks he or she worked for Defendant during the period from October 13, 2016, through the earlier of December 9, 2021 (90 days from mediation) or the date of preliminary approval of this settlement ("Class Period").

According to records maintained by Broken Arrow Communications, Inc. ("Defendant"), you worked for Defendant as a non-exempt employee within the State of California during the period from October 13, 2016, through the earlier of December 9, 2021 (90 days from mediation) or the date of preliminary approval of this settlement. In particular, the available records indicate that you worked for a total of [NUMBER] Workweeks during the Class Period. "Workweeks" means the number of weeks of employment that a Class Member worked for Defendant as a non-exempt employee in California at any time during the Class Period. Based on the preceding information, your estimated Individual Settlement Payment is [AMOUNT]. Your final actual share may vary depending on the number of Workweeks represented by the Claimants who are participating in this settlement.

If you disagree with the numbers stated above, please explain why you believe the records described above are mistaken and attach all supporting documentation:

CLAIM FORM
Return This Form To Receive Your Individual Settlement Payment

If you dispute the numbers stated above, the records described above will control unless you are able to provide documentation with this Claim Form that establishes otherwise. If there is a dispute about whether Defendant's information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Parties. Such a determination by the Parties will be final and binding with no opportunity for further appeal.

Your signature below constitutes a full release, waiver, and discharge of the following claims ("Released Claims"):

The claims released by the Class Members include, but are not limited to, statutory, constitutional, contractual or common law claims for wages, damages, unpaid costs, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief, for the following categories of allegations: (a) all claims for failure to pay wages for hours worked, including, but not limited to, claims for failure to pay overtime at the appropriate regular rate or for all overtime periods worked, claims for off-the-clock work, and claims for improper rounding; (b) all claims for failure to pay the minimum wage in accordance with applicable law, including but not limited to claims for off-the-clock work and claims for improper rounding; (c) all claims for the failure to provide meal and/or rest periods in accordance with applicable law, including payments for missed, short, or late meal and/or rest periods and alleged non-payment of wages or premium pay for meal periods and rest periods worked and not taken; (d) all claims for failure to reimburse business expenses; (e) all claims for failure to properly calculate and pay sick leave in accordance with the California Labor Code; and (f) any and all claims for recordkeeping or pay stub violations, waiting time penalties and all other statutory penalties, including those recoverable under the California Unfair Competition Act, and in particular, California Bus. & Prof. Code sections 17200 *et seq.*, California Code of Civil Procedure section 1021.5; and any other provision of the California Labor Code, including but not limited to Labor Code sections 2698 *et seq.* or any applicable California Industrial Welfare Commission Wage Orders, in all their iterations.

To achieve a full and complete release, Defendant, Plaintiff, and the Class Members acknowledge that this release is intended to include in its effect all Released Claims described above, both known and unknown. The period covered by the Released Claims extends from October 13, 2016, through the earlier of December 9, 2021 (90 days from mediation) or the date of preliminary approval of this settlement.

By signing on the next page, you acknowledge that, if you submit erroneous information in connection with this claim, your claim may be denied in whole or in part.

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CLAIM FORM
Return This Form To Receive Your Individual Settlement Payment

I declare under penalty of perjury under the laws of the State of California that the information supplied herein by the undersigned is true and correct and that this Claim Form was executed on

_____, 2022 in _____, _____
Date City State

Sign your name here

Print your name here

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PROOF OF SERVICE
1013A(3) CCP

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 751 N. Fair Oaks Avenue, Suite 101, Pasadena, California 91103 and my electronic service address is mking@justicelawcorp.com.

On November 12, 21, I served the foregoing document described as

JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE

for the following case: **Shoemaker v. Broken Arrow Communications, Inc.**
LWDA/Court Case No.: **LWDA Case No.: LWDA-CM- 849177-21**
Court Case No.: 21CV-03517
Merced County Superior Court

on interested parties in this action by electronically submitting as follows:

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

[X] BY ELECTRONIC SUBMISSION

Pursuant to California Senate Bill No. 836, I caused the documents described above to be electronically submitted by and through the procedure stated on the website of the State of California Labor and Workforce Development Agency.

[X] STATE

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on November 12, 2021, at Pasadena, California.


Madeline King