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CREATING A LEGACY, INC.

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF RIVERSIDE – HISTORIC COURTHOUSE**

EDUARDO HERNANDEZ, individually, and on
behalf of all other similarly situated,

Plaintiff,

vs.

CREATING A LEGACY, INC., a California
corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: CVRI2105846

CLASS ACTION

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

*[Assigned for All Purposes to the Hon.
Harold W. Hopp; Dept. 01]*

Complaint Filed: December 29, 2021

FAC Filed: June 22, 2022

Trial: Not Yet Set

This Joint Stipulation of Class Action Settlement and Release of Claims (“Settlement” or “Agreement”) is made and entered into by and between Plaintiff EDUARDO HERNANDEZ (“Plaintiff” or “Class Representative”), individually and on behalf of all putative class members, and Defendant CREATING A LEGACY, INC. (“Defendant”). Plaintiff and Defendant are collectively

referred to herein as “the Parties.”

I. DEFINITIONS

The following definitions are applicable to this Settlement, in addition to other terms defined elsewhere in this Settlement:

1. “Action” shall mean the operative Complaint of the civil action commenced on August 24, 2021, filed and maintained by Plaintiff against Defendant designated *Hernandez v. Creating a Legacy, Inc.*, in the Superior Court of the County of Riverside, County of Riverside, Case No. CVRI2105846.

2. “Aggrieved Employees” means all current and former non-exempt employees who worked for Defendant in California during PAGA Period (or if any such person is incompetent, deceased, or unavailable due to military service, the person’s legal representative or successor in interest evidenced by reasonable verification).

3. “Class” or “Eligible Employee(s)” shall mean all current and former non-exempt employees who worked for Defendant in California during the Class Period.

4. “Class Counsel” shall mean the attorneys representing Plaintiff and the Putative Class in the Action, Kane Moon, Lilit Ter-Astvatsatryan, Esq., and Edwin Kamarzarian of Moon Law Group, PC.

5. “Class Counsel Fees Payment” shall mean one-third of the Maximum Settlement Amount, of up to one-third of the Maximum Settlement Amount, or \$195,000.00 in attorneys’ fees, subject to approval by the Superior Court as Class Counsel’s attorneys’ fees incurred in connection with the Action, including fees incurred in pre-filing investigation, filing of the Action, and all related litigation activities, this Settlement, and all post-Settlement compliance procedures.

6. “Class Counsel Litigation Expenses Payment” shall mean the actual litigation expenses and/or costs expended by Class Counsel subject to approval by the Superior Court incurred in connection with the Action, including pre-filing investigation, filing of the Action, and all related litigation activities, this Settlement, and all post-Settlement compliance procedures. Class Counsel’s expenses are not to exceed Eighteen Thousand Dollars and Zero Cents (\$18,000.00).

7. “Class Members” shall mean individuals who are a member of the Class (or if any

1 such person is incompetent, deceased, or unavailable due to liminary service, the person's legal
2 representative or successor in interest evidenced by reasonable verification). The term "Class
3 Members" shall not include any person who submits a timely and valid request for exclusion.

4 8. "Class Notice" shall mean the Notice of Proposed Settlement, Preliminary Approval
5 of Settlement, and Hearing Date for Final Court Approval, a sample of which is attached hereto as
6 **Exhibit A**. The Class Notice shall further contain (i) a Class Member's first and last name, (ii) last
7 known address, (iii) employee identification number, if applicable, (iv) the Class Member's
8 Individual Workweeks, (v) the PAGA Group Member's Individual Workweeks, if applicable; (vi) the
9 Class Member's estimated amount of the Settlement Share; and (vii) the PAGA Group Member's
10 estimated PAGA Payment Share, if applicable. The Class Notice shall also provide the Class
11 Members with instructions on how to opt-out of and/or object to the Settlement. The Class Notice
12 shall be translated into Spanish.

13 9. The "Class Period" shall be defined as the time from December 29, 2017 to June
14 29, 2024.

15 10. "Class Representative Payment" shall mean the special payment made to Plaintiff in
16 his capacity as Class Representative to compensate him for prosecuting the Action, and performing
17 work in support of the Action, in the amount of Five Thousand, Five Hundred Dollars and Zero Cents
18 (\$5,000.00), subject to approval by the Superior Court. This enhancement payment is in addition to
19 the payment to which he is entitled as a Settlement Class Member.

20 11. "Defendant" means the Defendant named by Plaintiff in his Complaint in the Action,
21 Creating a Legacy, Inc.

22 12. "Defense Counsel" shall mean the attorneys representing Defendant in the Action,
23 David Mulé, Esq. and Jana FitzGerald, Esq. of FitzGerald & Mulé, LLP.

24 13. "Effective Date" shall mean the following occurrences: (i) if no Class Member both
25 objects and files either a timely motion to intervene and/or timely motion to vacate the judgment, then
26 the date the Court enters an order granting Final Approval of the Settlement; (ii) if a Class Member
27 both objects and either files a timely motion to intervene or timely motion to vacate the judgment,
28 then sixty (60) days following the date the Court enters an order granting final approval, assuming no

1 appeal is filed; or (iii) if a Class Member both objects and also files a timely motion to intervene or
2 files a motion to vacate the Judgment and also files a timely appeal, then the date of final resolution
3 of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final
4 and complete judicial approval of the Settlement in its entirety, with no further challenge to the
5 Settlement being possible. The occurrence of the Effective Date is a prerequisite to any obligation of
6 Defendants to pay any funds into the Settlement Account.

7 14. "Employer's Payroll Taxes" shall mean Defendant's share of all payroll taxes payable
8 to any and all government agencies incurred for any payments of Settlement Shares to Participating
9 Class Members pursuant to this Settlement.

10 15. "Final Approval Hearing" shall mean the hearing to be conducted by the Superior
11 Court to determine whether to finally approve and implement the terms of this Settlement.

12 16. "Individual Pay Periods" shall mean the number of Pay Periods for an individual
13 PAGA Group Member.

14 17. "Individual Workweeks" shall mean the number of Workweeks for an individual Class
15 Member.

16 18. "Judgment" shall mean the Order of Final Judgment entered by the Superior Court that
17 the Parties anticipate will be entered following a Final Approval Hearing on the Settlement in this
18 Action.

19 19. "LWDA Payment" shall mean the payment to the California Labor and Workforce
20 Development Agency ("LWDA") constituting seventy-five percent (75%) of the value assigned to
21 the claim for penalties under the California Labor Code Private Attorneys General Act, California
22 Labor Code Section 2698, *et seq.* ("PAGA"). Specifically, Forty-Five Thousand, Dollars and Zero
23 Cents (\$45,000.00), which shall constitute the LWDA's seventy-five percent (75%) share of Sixty
24 Thousand (\$60,000.00) in civil penalties paid under this Settlement. The remaining Fifteen
25 Thousand, Dollars and Zero Cents (\$15,000.00) in civil penalties shall be distributed on a *pro rata*
26 basis based upon the number workweeks worked by each PAGA Group Member ("PAGA Payment").

27 20. "Maximum Settlement Amount" shall mean the maximum settlement amount of Five
28 Hundred Eighty-Five Thousand Dollars and Zero Cents (\$585,000.00) (unless increased pursuant to

Paragraph 34 below) in full and complete settlement of this matter, which sum includes all payments to Settlement Class Members, Aggrieved Employees, Class Counsel's attorney's fees and litigation costs, third-party administration costs, payment to the Labor Workforce Development Agency ("LWDA"), and the enhancement award to Plaintiff. exclusive of the normal employer's share of any payroll taxes attributable to the Settlement Share payments allocated to wages.

21. "Net Settlement Amount" shall mean the Maximum Settlement Amount, less (i) the Class Representative Payment approved by the Superior Court; (ii) the Class Counsel Fees Payment approved by the Superior Court; (iii) the Class Counsel Litigation Expenses Payment approved by the Superior Court; (iv) the LWDA Payment approved by the Superior Court; (v) the PAGA Payment approved by the Superior Court; (vi) the Settlement Administrator Payment approved by the Superior Court; and (vii) any other fees or expenses (other than Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment) incurred in implementing the terms and conditions of this Agreement as approved by the Superior Court. The Net Settlement Amount shall be distributed on a *pro rata* basis to Class Members, subject to the distribution formula agreed upon by the Parties.

22. "Non-Participating Class Member" shall mean a Class Member who submits a complete, valid, and timely request to be excluded from the Settlement pursuant to the instructions provided in the Class Notice.

23. The "PAGA Group" shall mean (a) all persons who, during the PAGA Period, have previously been or currently are employed in California by Defendant Creating a Legacy, Inc., as an hourly-paid, non-exempt employee. "PAGA Group Member" shall mean an individual who is a member of the PAGA Group (or if any such person is incompetent, deceased, or unavailable due to military service, the person's legal representative or successor in interest evidenced by reasonable verification).

24. The "PAGA Payment" shall be Fifteen Thousand Dollar (\$15,000.00) in civil penalties representing 25% of the Sixty Thousand Dollard (\$60,00.00) allocation to PAGA.

25. "PAGA Payment Share" shall mean the value of each PAGA Group Member's share of the PAGA Payment as provided by this Agreement.

26. The "PAGA Period" shall mean the period of time from December 29, 2020, through

1 June 29, 2024.

2 27. "Participating Class Member" shall mean all Class Members who have not submitted
3 a complete, valid, and timely request to be excluded from the Settlement pursuant to the instructions
4 provided in the Class Notice.

5 28. "Pay Period" shall mean any pay period in which a Class Member actually received
6 payment from Defendant as an hourly-paid, non-exempt employee.

7 29. "Preliminary Approval" shall mean the Superior Court's preliminary approval of the
8 Settlement without material change that the Parties anticipate will be made following submission of
9 this Agreement to the Court.

10 30. "Settlement Administrator" shall mean Apex Class Action Administrators who was
11 selected and mutually agreed upon by the Parties on the basis of cost and competence, with the best
12 interests of the Settlement Class Members in mind, and appointed by the Superior Court to administer
13 the Settlement.

14 31. "Settlement Administrator Payment" shall mean the payment to the Settlement
15 Administrator for its fees and expenses in administering this Settlement.

16 32. "Settlement Share" shall mean the value of each Participating Class Member's share
17 of the Net Settlement Amount as provided by this Agreement.

18 33. "Superior Court" shall mean the Superior Court of California for the County of
19 Riverside.

20 34. "Workweek" shall mean any week in which a Class Member performed at least one
21 (1) day of work for Defendant during the Class Period as an hourly-paid, non-exempt employee.
22 Defendant represents that as of April 30, 2024, the number of Workweeks in the Class Period is
23 approximately 32,860. If it is determined that the workweeks through the earlier of either (1)
24 Saturday, June 29, 2024 or (2) preliminary approval exceeds 15% of this estimate (i.e. more than
25 37,789 workweeks) then Defendant shall have the option of (1) increasing the Maximum
26 Settlement Amount in proportion to the increase above 37,789 workweeks (e.g., payment of
27 \$18.26 per workweek over 37,780 such that an increase to 47,4789 workweeks increases the
28 Gross Settlement Amount by \$182,600 to \$767,600) or (2) changing the end date of the Class

1 Period to a date for which there are no more than 32,860 workweeks.

2
3 **II. RECITALS**

4 35. On December 24, 2021, Class Counsel, on behalf of Plaintiff and the PAGA Group,
5 gave written notice to the Labor Workforce and Development Agency ("LWDA") of the Labor Code
6 violations Defendant is alleged to have violated ("LWDA Exhaustion Letter"). On December 29,
7 2021, Plaintiff commenced the Action against Defendant by filing a Complaint in the Superior Court.
8 In the Complaint, Plaintiff, on behalf of himself and all others similarly situated alleged causes of
9 action for: (1) Failure to Pay Minimum Wages; (2) Failure to Provide Overtime Compensation; (3)
10 Failure to Provide Meal Periods; (4) Failure to Provide Rest Periods; (5) Failure to Indemnify
11 Necessary Business Expenses; (6) Failure to Timely Pay Final Wages; (7) Failure to Provide Accurate
12 and Itemized Wage Statements; (8) Violation of Business & Professional Code section 17200. On
13 June 22, 2022, Class Counsel amended the Complaint to add a ninth cause of action for Civil Penalties
14 pursuant to the Private Attorney's General Act of 2004, Labor Code §§ 2698, *et seq.* Based on these
15 allegations, Plaintiff alleged that he and all others similarly situated were entitled to unpaid wages,
16 liquidated damages, statutory penalties, civil penalties, restitution, injunctive relief, declaratory relief,
17 attorneys' fees, and costs of litigation, among other remedies.

18
19 36. Defendant denies and continues to deny all of Plaintiff's material allegations.
20 Specifically, Defendant contends (1) it provided the Class with all meal periods according to law; (2)
21 it provided the Class with all rest periods according to law (3) it did not fail to pay the Class the
22 minimum wage; (4) it did not require or permit the Class to work off the clock and paid the Class the
23 overtime compensation to which they were entitled; (5) it did not require the Class to incur any
24 business-related expenses; (6) it provided the Class with accurate itemized wage statements,
25 consistent with Labor Code Section 226; (7) it did not fail to timely pay the Class wages due and
26 owing upon separation; (8) it did not violate Business & Professions Code Section 17200, *et seq.*; (9)
27 the PAGA Group is not entitled to penalties under PAGA; and (10) Defendant is not liable for
28

1 damages, including unpaid wages, liquidated damages, statutory penalties, civil penalties, attorneys'
2 fees, or costs of litigation to the Class.

3 37. In connection with the Action, and in order to work toward a mediated resolution
4 without the time and expense of formal discovery, the Parties produced voluminous documents and
5 data (including, by Defendant, human resource documents and policies, time records, and payroll data
6 during the Class Period) which were reviewed, investigated, and analyzed by Class Counsel.

7 38. On April 30, 2024, the Parties in Action participated in a full day of mediation before
8 an experienced employment and class action mediator, Steve Serratore, Esq., which resulted in a
9 settlement of the Action (the "Mediation").

10 39. The Settlement described in this Agreement represents a compromise and settlement
11 of highly disputed claims. Nothing in this Settlement is intended or will be construed as an admission
12 by Defendant that Plaintiff's claims in the Action have any merit or that it faces any liability to
13 Plaintiff, the Class, the PAGA Group or the State on those claims, or as an admission by Plaintiff that
14 Defendant's defenses in Action have any merit. This Settlement is intended to fully, finally, and
15 forever compromise, release, resolve, discharge, and settle the released claims subject to the terms
16 and conditions set forth in this Settlement.

17 40. Based on its own thorough, independent investigation and evaluation of this case,
18 Class Counsel is of the opinion that the Settlement of this Action with Defendant for the consideration
19 and on the terms set forth in this Settlement is fair, reasonable, adequate, and in the best interest of
20 the Class in light of all known facts and circumstances, including the risk of significant costs and
21 delay, the risk of non-certification of the Class, the defenses asserted by Defendant including the risks
22 of adverse determinations on the merits and numerous potential appellate issues. Although Defendant
23 contends that it has no liability in the Action, Defense Counsel shares Class Counsel's belief that the
24 Settlement represents a fair and adequate settlement given the respective risks associated with the
25 case.

26 41. Based on the foregoing Recitals, the Parties agree as follows:
27
28

1 **III. PROCEDURE FOR APPROVING SETTLEMENT**

2 42. **Motion for Preliminary Approval of Settlement by the Superior Court.** Plaintiff
3 will move the Superior Court for an order granting Preliminary Approval of the Settlement, setting a
4 date for the Final Approval Hearing no earlier than 100 days from the date of the order granting
5 Preliminary Approval of the Settlement, and approving the Class Notice (attached as **Exhibit A** to
6 this Stipulation) (“Motion for Preliminary Approval”). Any unresolved disagreement among the
7 Parties concerning the Class Notice or other documents necessary to implement the Settlement will
8 be referred first to Steve Serratore, Esq., and if no resolution is reached, then to the Superior Court.

9 43. At the hearing on the Motion for Preliminary Approval, the Parties anticipate that they
10 will jointly appear, support the granting of the Motion for Preliminary Approval, and obtain an order
11 granting Preliminary Approval, granting approval of the Class Notice, and setting a date for the Final
12 Approval Hearing no earlier than 100 days from the date of the order granting Preliminary Approval.

13 44. Should the Superior Court require any amendments to this Agreement or the Motion
14 for Preliminary Approval, the Parties agree to work jointly to resolve any issues in order to secure the
15 Superior Court’s Preliminary Approval and agree to comply with the Court’s Case Management
16 Order in securing approval.

17 45. **Class Notice.** After the Superior Court enters its order granting Preliminary Approval,
18 every Class Member will be provided with the Class Notice (which will include the Class Notice
19 completed to reflect the order granting Preliminary Approval of the Settlement and the Class
20 Member’s information as follows:

21 (a) Within twenty-one (21) days after the Motion for Preliminary Approval is
22 granted, Defendant will provide to the Settlement Administrator the “Class Members’ Data,” which
23 shall consist of an electronic database containing (i) each Class Member’s first and last name, (ii) last
24 known mailing address, (iii) the Class Member’s Social Security number or Tax ID, (iv) the Class
25 Member’s employee identification number, if applicable, based on Defendant’s payroll records, (v)
26 the Class Member’s total number of Individual Workweeks, and (vi) the PAGA Group Members’
27 total number of Individual Pay Periods, if applicable. If any or all of the Class Members’ Data are
28 unavailable to Defendant, Defendant will so inform Class Counsel prior to the date on which

1 Defendant is required to submit the Class Members' Data to the Settlement Administrator and the
2 Parties will make their best efforts to reconstruct or otherwise agree upon the Class Members' Data
3 prior to when it must be submitted to the Settlement Administrator. If the Parties are unable to agree,
4 the dispute will be resolved by the Settlement Administrator as provided in Paragraph 49. This
5 information will otherwise remain confidential and will not be disclosed to anyone, except as required
6 to applicable taxing authorities, as required to carry out the reasonable efforts to identify Class
7 Member information as described in this Paragraph 46(c), pursuant to Defendant's express written
8 authorization, or by order of the Superior Court.

9 (b) Upon receipt of the Class Members' Data, the Settlement Administrator will
10 conduct a national change of address search and an in-depth skip trace for the most current address
11 of all Class Members and will update such employees' addresses as necessary prior to the mailing of
12 the Class Notice. Within seven (7) days after receiving the Class Members' Data, or as soon thereafter
13 as it is able to do so, the Settlement Administrator will mail the Class Notice to all identified Class
14 Members via first-class U.S. Mail using the mailing address information provided by Defendant,
15 unless modified by any updated address information that the Settlement Administrator obtains in the
16 course of administration of the Settlement.

17 (c) If a Class Notice is returned by the U.S. Postal Service because of an incorrect
18 address, the Settlement Administrator will promptly, and not later than five (5) days from receipt of
19 the returned packet, search for a more current address for the Class Member and re-mail the Class
20 Notice to the Class Member. The Settlement Administrator will use the Class Members' Data and
21 otherwise work with Defense Counsel or utilize its own resources such as skip traces to find a more
22 current address. The Settlement Administrator will be responsible for taking reasonable steps,
23 consistent with its agreed-upon job parameters, court orders, and fee, to trace the mailing address of
24 any Class Member for whom a Class Notice is returned by the U.S. Postal Service. These reasonable
25 steps shall include the tracking of all undelivered mail; performing address searches for all mail
26 returned without a forwarding address; and promptly re-mailing to Class Members for whom new
27 addresses are found. Any such Class Members who failed to receive a Class Notice, or who were
28 subject to a re-mailing of the Class Notice as described herein shall be given an additional fourteen

1 (14) days to opt out or object to the Settlement.

2 (d) The Settlement Administrator will inform Class Counsel and Defense Counsel
3 of the number of returned Class Notices it receives and Class Notices re-mailed in a weekly status
4 report.

5 (e) The Settlement Administrator shall create a page on its website within fourteen
6 (14) days after Preliminary Approval where this Agreement will be available (the "Case Website").
7 Within fourteen (14) days of Final Approval, the Settlement Administrator shall post a copy of the
8 Judgment on the Case Website. The Case Website will be available for 90 days after Final Approval.

9 (f) Not later than the filing of the Motion for Final Approval Hearing, the
10 Settlement Administrator will serve on the Parties a declaration of due diligence setting forth its
11 compliance with its obligations under this Settlement and authenticating the requests for exclusions
12 and/or objections received. The declaration will be filed with the papers submitted with the Motion
13 for Final Approval. Prior to the Final Approval Hearing, the Settlement Administrator will
14 supplement its declaration of due diligence if any material changes occur from the date of the filing
15 of its prior declaration.

16 **46. Participating Class Members; Requests for Exclusion from Class Settlement; and**
17 **Objections to Settlement.** Class Members may submit requests to be excluded from the effect of
18 the Settlement; or objections to the Settlement, pursuant to the following procedures:

19 (a) **Participating Class Members.** Each Class Member shall be deemed to be a
20 Participating Class Member unless they submit a complete, timely, and valid request to be excluded
21 from the effect of the Settlement as provided below. All Participating Class Members shall be bound
22 by the provisions and releases contained in this Settlement.

23 (b) **Request for Exclusion from Settlement.** Class Members who wish to
24 exclude themselves from the Settlement ("opt out" of the Settlement) must submit to the Settlement
25 Administrator, not later than forty-five (45) days after the date that the Settlement Administrator first
26 mails the Class Notices, an Exclusion Request ("the Exclusion Period"). Exclusion Requests must
27 be mailed or delivered to the Settlement Administrator via U.S. Mail, Fax, or E-mail. Class Members
28 must complete, sign, date, and timely return an Exclusion Request (attached hereto as Exhibit B) to

1 the Settlement Administrator to exclude themselves from the Settlement, setting forth information
2 necessary to identify the person as a class member. The Settlement Administrator shall contact any
3 Class Member who submits an Exclusion Request to clarify any uncertainty that may exist. A Class
4 Member who does not complete and submit a valid and timely Exclusion Request in the manner and
5 by the deadline specified above will remain a Participating Class Member and, if the Court approves
6 the Settlement, will be bound by all terms and conditions of the Settlement and by the Judgment. Per
7 the Court's Case Management Order, Class Members may use the Request for Exclusion Form, which
8 is attached to the Class Notice as a means to exclude themselves from the settlement. A Class Member
9 who timely submits a valid Exclusion Request will not participate in, or be bound by, the Settlement
10 of the Judgment and will not receive any payment pursuant to the Settlement except for a payment
11 from the portion of the PAGA Payment to the PAGA Group if the Class Member is a PAGA Group
12 Member, and will not be bound by the terms of the Settlement, except for the release of the PAGA
13 Group Released Claims if the Class Member is a PAGA Group Member, and will not have any right
14 to object, appeal, or comment thereon. To be valid, Exclusion Requests must be completed in full,
15 signed, and returned to the Settlement Administrator before the expiration of the Exclusion Period.
16 Non-Participating Class Members will not be permitted to file objections to the Settlement and/or
17 appear at the Final Approval Hearing to voice any objections to the Settlement. Members of the
18 PAGA Group cannot seek to exclude themselves from the Settlement of the PAGA claim but retain
19 all rights to exclude themselves from the Class Settlement as delineated herein. No later than fourteen
20 (14) calendar days after the close of the Exclusion Period, the Settlement Administrator shall provide
21 Counsel for both Parties with a complete list of all Class Members who have submitted timely and
22 valid Requests for Exclusion. Per the Court's Case Management Order, the Settlement Administrator
23 shall provide a declaration authenticating the requests for exclusion at the time that the motion for
24 final approval is due.

25 (c) **Objections to Settlement.** The Class Notice will provide that any Class
26 Member who does not request exclusion from the Settlement and who wishes to object to the
27 Settlement must serve on the Settlement Administrator, not later than forty-five (45) days after the
28 Settlement Administrator initially mails the Class Notice, a written objection to the Settlement which

1 sets forth the grounds for the objection and the other information required by Paragraph 47(d) or by
2 sending the Objection Form which is attached to the Class Notice.

3 (d) The written objection must provide the minimum information necessary to (i)
4 identify the objector as a person entitled to object to the settlement, (ii) describe the nature of and
5 basis for the objection, and (iii) contact the objector to clarify any uncertainties. A Class Member
6 may elect to use the Objection Form attached hereto as Exhibit C, which will be mailed along with
7 the Class Notice. A Class Member who does not serve a written objection in the manner and by the
8 deadline specified may appear at the Final Approval Hearing to state their objection to the Settlement.
9 If a Class Member fails to submit a written objection or make an oral objection at the Final Approval
10 Hearing, the Class Member will be deemed to have waived all objections and will be foreclosed from
11 making any objections – whether by appeal or otherwise – to the Settlement. Per the Court’s Case
12 Management Order, the Settlement Administrator shall provide a declaration to the Court no later
13 than the filing the Motion for Final Approval authenticating any and all objections received.

14 (e) If a Class Member submits both a Request for Exclusion and a written
15 objection, the Settlement Administrator shall attempt to contact and determine whether the Class
16 Member would like to withdraw either the Request for Exclusion or the objection. If the Class
17 Member does not withdraw the Request for Exclusion or if the Settlement Administrator cannot
18 contact a Class Member who submits both a Request for Exclusion and an objection, the Request for
19 Exclusion shall be valid and it shall be presumed that the Class Member does not wish to participate
20 in the Settlement.

21 (f) If the Superior Court rejects the Class Member’s objection, or if the Superior
22 Court approves the settlement despite any objections, the Class Member will be deemed to be a
23 Participating Class Member and will be bound by the terms of this Settlement.

24 (g) A Class Member who timely submits a valid Exclusion Request will not
25 participate in, or be bound by, the Settlement or the Judgment and will not receive any payment
26 pursuant to the Settlement except for a payment from the portion of the PAGA Payment to the PAGA
27 Group if the Class Member is a PAGA Group Member, and will not be bound by the terms of the
28 Settlement and Judgment, and will not have any right to object, appeal, or comment thereon.

1 **47. Report.** Not later than seven (7) days after the deadline for submission of requests to
2 be excluded and/or objections, the Settlement Administrator will provide Defense Counsel, with a
3 complete and accurate list of names for all Participating Class Members, all Non-Participating Class
4 Members, all PAGA Group members, and all Class Members who objected to the settlement. The
5 report shall also be accompanied by an itemized calculation of the Settlement Shares for each
6 Participating Class Member, with identifying information redacted, which shall be provided to both
7 Class and Defense Counsel. The Settlement Administrator shall also provide both Parties with a
8 report identifying the number of Participating Class Members, the number of Non-Participating Class
9 Members, the number of PAGA Group members, and the number of Class Members who submitted
10 a valid, timely, and complete objection. Class Counsel shall also receive a list of Class Members who
11 objected to the Settlement and/or excluded themselves from the Settlement, which will be used in the
12 Parties' Final Approval Order.

13 **48. Resolution of Class Member and PAGA Group Member Disputes.** If a Class
14 Member and/or PAGA Group Member disputes the number of his or her Individual Workweeks
15 and/or Individual Pay Periods stated in their Class Notice, the Class Member and/or PAGA Group
16 Member must, within forty-five (45) days after the Settlement Administrator initially mails the Class
17 Notice, ask the Settlement Administrator to resolve the matter by submitting a statement of the
18 number of Workweeks and/or Pay Periods that he or she contends were worked and include any
19 documentation the Class Member and/or PAGA Group Member has to support their contention. The
20 Settlement Administrator shall notify Defendants of the dispute and provide them with a copy of the
21 Class Notice and any documentation received in support of the dispute within three (3) court days of
22 receipt thereof. Defendant shall review its payroll and personnel records and verify the correct
23 number of Workweeks and/or Pay Periods within five (5) court days of the Settlement Administrator's
24 notification. Defendant's records will have a rebuttable presumption of accuracy. After consultation
25 with Class Counsel, Defense Counsel, and the applicable Class Member and/or PAGA Group
26 Member, the Settlement Administrator will, within three (3) court days of Defendant's verification,
27 make a determination of the Class Member's and/or PAGA Group Member's number of Workweeks
28 and/or Pay Periods and that determination will be final, binding on the Parties and the Class Member

and/or PAGA Group Member, and is not appealable.

49. **No Solicitation of Objection; Right to Void.** Neither the Parties, nor their respective counsel, will directly or indirectly solicit or otherwise encourage any Class Member to exclude him or herself from the Settlement, object to the Settlement, and/or appeal from the Judgment. If five percent (5%) or more of the Class Members submit a complete, valid, and timely request to be excluded from the Settlement and are deemed to be Non-Participating Class Members, then Defendant shall have the unilateral right to void this Settlement. Defendant may do so by giving notice to Plaintiff and the Court of its election to void the Settlement not later than fourteen (14) days after the Settlement Administrator issues its report identifying the number of Participating Class Members, the number of Non-Participating Class Members, and the number of Class Members who objected to the settlement as described in Paragraph 47. Notwithstanding any other provisions in this Settlement, no sums shall be payable by Defendants in the event that this Settlement is voided as provided for herein.

50. **Additional Briefing and Final Approval.**

(a) Not later than sixteen (16) court days before the Final Approval Hearing, the Plaintiff will prepare and file with the Superior Court a Motion for Final Approval of the Settlement, including payment of the Settlement Administrator's Payment, and a memorandum in support of their motion ("Motion for Final Approval"), which shall include a request for Awards of the Class Representative Payment, Class Counsel Fees Payment, and the Class Counsel Litigation Expenses Payment, pursuant to this Settlement, and memoranda in support of its motion. Plaintiff will seek fees pursuant to *Laffitte v. Robert Half Intern., Inc.* (2016) 1 Cal. 5th 480, 503. Plaintiff will not seek additional fees from Defendant or an increase in the Maximum Settlement Amount as part of the Motion for awards of the Class Representative Payment, Class Counsel Fees Payment, and the Class Counsel Litigation Expenses Payment.

(b) Not later than five (5) court days before the Final Approval Hearing, the Parties shall be entitled to file and serve a response to any Class Member's objection to the Settlement and/or reply in support of their Motion for Final Approval, to the extent that any opposition to said Motion is filed. Plaintiff and Class Counsel may file a reply in support of their Motion for Final Approval,

1 to the extent that any opposition to said Motion is filed.

2 (c) Upon final approval of the Settlement by the Superior Court at or after the Final
3 Approval Hearing, the Parties will present for the Superior Court's approval and entry a Proposed
4 Final Order and Judgment.

5 (d) After entry of the Judgment, the Superior Court will have continuing
6 jurisdiction over the Action and the Settlement solely for purposes of (i) enforcing this Settlement,
7 (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as
8 may be appropriate under court rules or applicable law. However, any judgment shall not: (i) expose
9 the Participating Class Members to a potential contempt charge by barring or otherwise enjoining the
10 Participating Class Members from prosecuting the released claims; (ii) include a provision that the
11 Participating Class Members shall be deemed to have agreed not to sue on any released claims, or
12 any other provision that may expose the Participating Class Members to potential liability for either
13 breach of contract or misrepresentation; and/or (iii) provide for the dismissal of the Action.

14 51. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the terms
15 and conditions of this Settlement, Plaintiff, Participating Class Members, Defendant, and their
16 respective counsel hereby waive any and all rights to appeal from the Judgment, including all rights
17 to any post-judgment proceeding and appellate proceeding, such as a motion to vacate judgment, a
18 motion for new trial, a motion under Code of Civil Procedure Section 473, and any extraordinary
19 writ, and the Judgment therefore will become non-appealable by them at the time it is entered. The
20 waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceedings,
21 or post-judgment proceedings. If an appeal is taken from the Judgment, the time for consummation
22 of the Settlement (including making payments under the Settlement) will be suspended until such
23 time as the appeal is finally resolved and the Judgment, consistent with the terms of this Settlement,
24 becomes Final.

25 52. **Vacating, Reversal, or Material Modification of Judgment on Appeal or Review.**
26 If, after a notice of appeal, a petition for review, or a petition for *certiorari*, or any other motion,
27 petition, writ, or application, the reviewing court vacates, reverses, or modifies the Judgment such
28 that there is a material modification to the Settlement, and that court's decision is not completely

1 reversed and the Judgment is not fully affirmed on review by a higher court, then either Party will
2 have the right to void the Settlement, which the Party must do by giving written notice to the other
3 Parties, the reviewing court, and the Superior Court, not later than fourteen (14) days after the
4 reviewing court's decision vacating, reversing, or materially modifying the Judgment becomes final.
5 For the purposes of this paragraph, a "material change" is a change to the terms outlined in the
6 accepted Memorandum of Understanding, a copy of which is attached hereto as **Exhibit B**. A
7 vacation, reversal, or modification of the Superior Court's award of the Class Representative
8 Payment, the Class Counsel Fees Payment, and/or Class Counsel Litigation Expenses Payment will
9 not constitute a vacation, reversal, or material modification of the Judgment within the meaning of
10 this paragraph.

11 **53. Establishment of Settlement Account and Deposit of Maximum Settlement**
12 **Amount.** Within seven (7) calendar days after the Effective Date, the Settlement Administrator will
13 provide the Parties with an accounting of all anticipated payments from the Settlement Fund Account
14 as specified in this Settlement Agreement and approved by the Court, including, but not limited to:
15 (a) Plaintiff's Enhancement Payment; (b) the Class Counsel Fees Payment; (c) the Class Counsel
16 Litigation Expenses Pay; (d) Settlement Administration Costs; (e) the PAGA Payment; and (f)
17 Payment of Settlement Shares to Class Members and related taxes thereon. The Settlement
18 Administrator shall establish a Settlement Account within ten (10) days of the Effective Date and
19 notify the Parties when the Settlement Account has been established. On the later of 60 days after
20 entry of judgment or April 1, 2025, Defendant shall deposit \$195,00.00 (the "First Installment") into
21 the Settlement Account. Within 180 calendar days of the First Installment, Defendant shall deposit a
22 \$195,000.00 (the "Second Installment"). Lastly, within 180 calendar days of the Second Installment,
23 Defendant shall deposit a final \$195,000.00 (the "Third Installment"). Defendant shall have no
24 obligation to pay any additional funds into the Settlement Account, besides its share of employer
25 taxes.

26 **54. Payment of Settlement Shares and PAGA Payment Shares.** The Settlement
27 Administrator shall pay to each Participating Class Member his or her Settlement Share and to each
28 PAGA Group Member his or her PAGA Payment Share from the Settlement Account. The Settlement

1 Administrator shall pay each Settlement Share by sending a check in the appropriate amount after
2 withholdings to the Participating Class Member at the address indicated in the Class Member's Data.
3 The Settlement Administrator shall pay each PAGA Payment Share by sending a check in the
4 appropriate amount to the PAGA Group Member at the address indicated in the PAGA Group
5 Member's Data. Payment of Settlement Shares and PAGA Payment Shares shall be sent by the
6 Settlement Administrator via U.S. Mail within fourteen (14) days of its receipt of the First Installment
7 and the Second Instalment. After the First Installment, the Settlement Administrator will randomly
8 select a group of Participating Class Members and or PAGA Group Members who will receive their
9 payments from the First Installment. Those who do not receive payments from the First Installment
10 – including Participating Class Members and or PAGA Group Members, the LWDA, Class Counsel,
11 and the Settlement Administrator – will receive their payment within fourteen (14) days of the Second
12 Installment. Class Counsel's Fees will be due within seven (7) days of the Third Installment. The
13 Settlement Administrator shall mail a reminder postcard to any Class Member whose Settlement
14 Share and/or PAGA Payment Share has not been negotiated within 60 days after the first mailing. If
15 (i.) any of the Class Members are current employees of the Defendant, (ii) the distribution mailed to
16 those employees is returned to the Settlement Administrator as being undeliverable, and (iii) the
17 Settlement Administrator is unable to locate a valid mailing address, the Settlement Administrator
18 shall arrange with the Defendant to have those distributions delivered to the Class Member at their
19 place of employment.

20 **55. Uncashed Settlement Share and PAGA Payment Share Checks.** Any checks paid
21 to Participating Class Members and/or PAGA Group Members shall be negotiable for one hundred
22 and eighty (180) calendar days from the date of their issuance. A Participating Class Member must
23 cash his or her Settlement Share check within one hundred and eighty (180) calendar days after it is
24 mailed to him or her. A PAGA Group Member must cash his or her PAGA Payment Share check
25 within one hundred and eighty (180) calendar days after it is mailed to him or her. If a check remains
26 uncashed after one hundred and eighty (180) calendar days from the initial mailing, or if a check is
27 returned to the Settlement Administrator as undeliverable during the one hundred eighty-day period,
28 the Settlement Administrator shall take all reasonable efforts to identify the Participating Class

1 Member's and/or PAGA Group Member's correct address, including the performance of a "skip-
2 trace." If an updated address can be identified, the Settlement Administrator shall issue another check
3 to the Participating Class Member and/or PAGA Group Member and mail it to the Participating Class
4 Member and/or PAGA Group Member at his or her updated address. If an updated address for the
5 Participating Class Member and/or PAGA Group Member cannot be identified, if a reissued check is
6 once again returned to the Settlement Administrator as undeliverable, or if the reissued check remains
7 uncashed after one hundred eighty (180) calendar days, the Settlement Administrator will keep an
8 accounting of such funds and shall give notice to the Parties of the total balance of uncashed
9 Settlement Shares and/or PAGA Payment Shares. A Participating Class Member who fails to
10 negotiate or receive their Settlement Share check despite the procedures described above shall
11 nevertheless remain bound by the Settlement and the releases contained herein. A PAGA Group
12 Member who fails to negotiate or receive their PAGA Payment Share check despite the procedures
13 described above shall nevertheless remain bound by the Settlement, shall forfeit those funds, and
14 those funds shall be sent to the LWDA by the Administrator if the collective amount of those checks
15 do not justify the expense of a second distribution to aggrieved employees who did cash their checks.

16 56. The funds represented by Settlement Share and/or PAGA Payment Share checks
17 remaining uncashed for more than one hundred and eighty (180) calendar days after issuance shall be
18 voided and then shall be transmitted to the Controller of the State of California to be held pursuant to
19 the Unclaimed Property Law, California Civil Code Section 1500, *et seq.*, in the names of those
20 Participating Class Members and/or PAGA Group Members who did not cash their checks until such
21 time they claim their property. The Parties agree that this disposition results in no "unpaid residue"
22 under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out
23 to Participating Class Members, whether or not they all cash their settlement checks.

24 57. **Final Report by Settlement Administrator to Superior Court.** Within ten (10) days
25 after final disbursement of all funds from the Settlement Account, the Settlement Administrator will
26 serve on the Parties and file with the Superior Court a declaration providing a final summary report
27 on the disbursements of all funds from the Settlement Account. Within ten (10) days after
28 transmission of any remaining unclaimed funds to Controller of the State of California the Settlement

1 Administrator will serve on the Parties and file with the Superior Court a declaration providing a final
2 summary report on the transmission of any remaining unclaimed funds to Controller of the State of
3 California as outlined Paragraph 54.

4 **IV. SETTLEMENT TERMS AND CONDITIONS**

5 **58. Conditional Certification for Settlement Purposes.** Solely for the purposes of
6 effectuating this Settlement, and subject to Court approval, the Parties hereby stipulate to the
7 conditional certification of the following Settlement Class: “all persons who, during the Class Period,
8 have previously been or currently are employed in California by Defendant Creating a Legacy, Inc.
9 as an hourly-paid non-exempt employee.” The Parties agree that if for any reason the Settlement is
10 not preliminarily and/or finally approved, the conditional certification of the Settlement Class will be
11 of no force or effect, does not constitute an admission by Defendant that class certification is proper,
12 and will not be deemed admissible in this or any other proceeding, and that the Parties will litigate
13 the issue of class certification.

14 **59. Settlement Shares.** Subject to the terms and conditions of this Settlement, the
15 Settlement Administrator will calculate the estimated Settlement Shares for each Class Member
16 within ten (10) days after Defendant provide the Settlement Administrator with the Class Members’
17 Data. The Settlement Share for each Class Member will be calculated as follows, understanding that
18 the formulas below do not constitute an admission by either Party, and are intended only to provide a
19 practical means to simplify and administer the claims process:

20 (a) **Number of Class Members and Workweeks.** Defendant shall determine the
21 total number of Class Members and the aggregate number of Workweeks for those Class Members
22 who worked during the Class Period. This information shall be provided to the Settlement
23 Administrator along with the Class Members’ Data as described in Paragraph 47(a) above.

24 (b) **Calculation of the Workweek Value.** The Settlement Administrator shall
25 determine the value of a Workweek (“Workweek Value”) by taking the Net Settlement Amount and
26 dividing it by the sum of all Class Members’ Workweeks who do not opt out of the Settlement.

27 (c) **Calculation of Settlement Shares.** The Settlement Administrator shall assign
28 to each Participating Class Member a Settlement Share which shall be equal to the Workweek Value

multiplied by each Participating Class Member's Individual Workweeks. Upon calculation of the Participating Class Members' Settlement Shares, the Settlement Administrator shall furnish to Class Counsel and Defense Counsel a worksheet containing a list of employee identification numbers for the Class Members with their corresponding Individual Workweeks and Settlement Shares.

60. **PAGA Payment Shares.** Subject to the terms and conditions of this Settlement, the Settlement Administrator will calculate the PAGA Payment Shares for each PAGA Group Member within ten (10) days after Defendants provide the Settlement Administrator with the PAGA Group Members' Data. The PAGA Payment Share for each PAGA Group Member will be calculated as follows, understanding that the formulas below do not constitute an admission by either Party, and are intended only to provide a practical means to simplify and administer the claims process:

(a) **Number of PAGA Group Members and Pay Periods.** Defendant shall determine the total number of PAGA Group Members and the aggregate number of Pay Periods for those PAGA Group Members as of the time of Preliminary Approval. This information shall be provided to the Settlement Administrator along with the Class Members' Data as described in Paragraph 43(a) above.

(b) **Calculation of the Pay Period Value.** The Settlement Administrator shall determine the value of a Pay Period ("Pay Period Value") by taking the PAGA Payment amount and dividing it by the sum of all PAGA Group Members' Pay Periods.

(c) **Calculation of PAGA Payment Shares.** The Settlement Administrator shall assign to each PAGA Group Member a PAGA Payment Share which shall be equal to the Pay Period Value multiplied by each PAGA Group Member's Individual Pay Periods. Upon calculation of the PAGA Group Members' PAGA Payment Shares, the Settlement Administrator shall furnish to Class Counsel and Defense Counsel a worksheet containing a list of employee identification numbers for the PAGA Group Members with their corresponding Individual Pay Periods Pay Periods and PAGA Payment Shares.

61. **Taxes and Withholdings.** Each Settlement Share is intended to settle the Class Members' claims for unpaid wages and penalties. Accordingly, ten percent (10%) of each Settlement Share shall represent unpaid wages and the remaining ninety percent (90%) of each Settlement Share

1 shall represent penalties and interest. The portion of the Settlement Share representing unpaid wages
2 shall be paid to each Participating Class Member subject to any applicable employee-side tax
3 withholdings and deductions, and the Settlement Administrator shall issue an IRS Form W-2 to each
4 Participating Class Member for that amount. The portion of the Settlement Share representing
5 penalties shall be paid to the Participating Class Member in full without deductions or withholdings,
6 and the Settlement Administrator shall issue an IRS Form 1099 to each Participating Class Member
7 for that amount. Each Participating Class Member shall be individually responsible for their own
8 share of applicable income tax withholdings and deductions from the Settlement Share attributable to
9 the portion of the settlement for which an IRS Form 1099 will be issued. Defendant shall be
10 responsible for payment of the Employer Payroll Tax attributable to the Settlement Share payments
11 constituting wages. The Employer's Payroll Tax shall not be deducted from the Maximum Settlement
12 Amount and shall not be included in any payments of Settlement Shares. The Parties agree and
13 understand that Defendant has not made any representations regarding the tax obligations or
14 consequences, if any, related to this Settlement. The Parties agree that Defendant and each
15 Participating Class Member are solely responsible for determining the tax consequences of payments
16 made pursuant to this Settlement and for paying taxes, if any, which are determined to be owed by
17 each of them on such payments (including penalties and interest related thereto) by any taxing
18 authority, whether state, local, or federal.

19 62. Each PAGA Payment Share is intended to settle the PAGA Group Members' claims
20 for civil penalties. Accordingly, one hundred percent (100%) of each PAGA Payment Share shall
21 represent civil penalties. The PAGA Payment Share shall be paid to the PAGA Group Member in
22 full without deductions or withholdings, and the Settlement Administrator shall issue an IRS Form
23 1099 to each PAGA Group Member for that amount, to the extent the PAGA Group Member's PAGA
24 Payment Share is Six Hundred Dollars and Zero Cents (\$600.00) or more. Each PAGA Group
25 Member shall be individually responsible for his or her own share of applicable income tax
26 withholdings and deductions for his or her PAGA Payment Share.

27 63. **Total Payment Amount.** In no event will Defendants be required to pay more than
28 the Maximum Settlement Amount for distribution to the Plaintiff, Class Counsel, Participating Class

Members, PAGA Group Members, LWDA, Settlement Administrator, or for any other costs or expenses not otherwise enumerated. However, Defendant shall be responsible for paying any Employer Payroll Taxes for the payment of Settlement Shares attributable to wages, which shall not be paid from the Settlement Account and shall not be included in the Maximum Settlement Amount.

64. **Payments to Plaintiff and Class Counsel and Others.** Subject to the terms and conditions of this Settlement, the Settlement Administrator will make the following payments out of the Maximum Settlement Amount as follows:

(a) **To Plaintiff:** In addition to his Settlement Share, Plaintiff will apply to the Superior Court for a Class Representative Payment in an amount not to exceed Five Thousand Dollars and Zero Cents (\$5,000.00). Defendant will not oppose this Class Representative Payment. The Settlement Administrator will pay the Class Representative Payment approved by the Superior Court out of the Maximum Settlement Amount. Payroll tax withholding and deductions will not be taken from the Class Representative Payment and an IRS Form 1099 will be issued to Plaintiff for this payment.

(b) **To Class Counsel:** Class Counsel will apply to the Superior Court for the Class Counsel Fees Payment in an amount not to exceed One Hundred and Ninety Five Thousand Dollars and Zero Cents (\$195,000), or one-third (1/3) of the Maximum Settlement Amount. Class Counsel will also submit to the Superior Court a memorandum of costs for the Class Counsel Litigation Expenses Payment in an amount not to exceed Eighteen Thousand Dollars and Zero Cents (\$18,000.00) as request reasonable costs of suit to be paid from the Maximum Settlement Amount. Defendant will not oppose these requests. The Settlement Administrator will pay the amounts approved by the Superior Court out of the Maximum Settlement Amount. Withholding and deductions will not be taken from the Class Counsel Fees Payment or Class Counsel Litigation Expenses Payment and one or more IRS Forms 1099 will be issued to Class Counsel with respect to those payments.

(c) **To the LWDA:** As part of their Motions for Preliminary and Final Approval, the Parties will jointly apply to the Superior Court for approval of the LWDA Payment in the amount of Forty Five Thousand Dollars and Zero Cents (\$45,000.00), which shall constitute the LWDA's

seventy-five percent (75%) share of Sixty Thousand Dollars and Zero Cents (\$60,000.00) in civil penalties paid under this Settlement. The remaining Fifteen Thousand Dollars and Zero Cents (\$15,000.00) in civil penalties shall be distributed on a *pro rata* basis based upon the number of pay periods worked by each PAGA Group Member ("PAGA Payment").

(d) **To the Settlement Administrator:** The Settlement Administrator will be paid from the Maximum Settlement Amount its reasonable fees and expenses as approved by the Superior Court, which are estimated not to exceed \$7,000 (Seven Thousand Dollars and Zero Cents).

65. **Appointment of Settlement Administrator.** The Parties will ask the Superior Court to appoint Apex Class Action Administrators, a qualified and experienced administrator based in California where the Action is venued, to serve as the Settlement Administrator, which, as a condition of appointment, will agree to be bound by this Agreement with respect to the performance of its duties and its compensation. The Settlement Administrator's duties will include (i) calculating Settlement and PAGA Payment Shares; (ii) preparing, printing, and mailing the Class Notice to all Class Members; (iii) using reasonable measures to contact all Class Members, including conducting a National Change of Address search on all Class Members before mailing the Class Notice to each Class Member's address; (iv) re-mailing the Class Notice to the Class Member's new address for those Class Members whose address had changed; (v) setting up a toll-free telephone number to receive calls from Class Members; (vi) receiving requests for exclusion and objections to the Settlement; (vii) providing the Parties with weekly status reports about the delivery of Class Notices and any requests for exclusion and objections; (viii) issuing the checks to effectuate the payments due under the Settlement; (ix) using reasonable measures to deliver issued checks to Participating Class Members, including use of a "skip-trace" for undeliverable checks; and (x) otherwise administering the Settlement pursuant to this Agreement including paying and reporting the employer's share of the payroll taxes to the appropriate taxing agency. The Settlement Administrator will have the final authority to resolve all disputes concerning the calculation of a Participating Class Member's Settlement Share and/or PAGA Group Member's PAGA Payment Share, subject to the terms set forth in this Agreement. The Settlement Administrator's reasonable fees and expenses will be paid out of the Maximum Settlement Amount, as set forth herein, subject to Court approval.

1 **V. RELEASE OF CLAIMS**

2 66. **Plaintiff's Released Claims.** Plaintiff, individually and on behalf of Plaintiff's heirs,
3 executors, administrators, representatives, attorneys, successors and assigns knowingly and
4 voluntarily releases and forever discharges Defendant and each of its directors, officers, employees
5 and agents (collectively, "Plaintiff's Released Parties"), to the fullest extent permitted by law, of and
6 from any and all claims, known and unknown, asserted and unasserted, which Plaintiff has or may
7 have against the Plaintiff's Released Parties as of the date of execution of this Settlement
8 Agreement. Plaintiff is not waiving any rights Plaintiff may have to: (i) Plaintiff's own vested
9 accrued employee benefits under the Defendant's health, welfare or retirement benefits plans, if any,
10 as of the date of execution of this Settlement Agreement; (ii) benefits or rights to seek benefits under
11 applicable workers' compensation (except as to claims under Labor Code §§ 132a and 4553 which
12 are expressly released herein) or unemployment insurance or indemnification statutes; (iii) pursue
13 claims which by law cannot be waived by signing this Settlement Agreement; and (iv) enforce this
14 Settlement Agreement.

15 67. To affect a full and complete general release as described above, Plaintiff expressly
16 waives and relinquishes all rights and benefits of § 1542 of the Civil Code of the State of California,
17 without exception, except as may be prohibited by law, and does so understanding and acknowledging
18 the significance and consequence of specifically waiving § 1542. Thus, notwithstanding the
19 provisions of § 1542, and to implement a full and complete release and discharge of all parties,
20 Plaintiff expressly acknowledges this Settlement Agreement is intended to include in its effect,
21 without limitation, all claims Plaintiff does not know or suspect to exist in Plaintiff's favor at the time
22 of signing this Settlement Agreement, and that this Settlement Agreement contemplates the
23 extinguishment of any such claims. Plaintiff warrants Plaintiff has read this Settlement Agreement,
24 including this waiver of California Civil Code § 1542, and that Plaintiff has consulted with or had the
25 opportunity to consult with counsel of Plaintiff's choosing about this Settlement Agreement and
26 specifically about the waiver of § 1542, and that Plaintiff understands this Settlement Agreement and
27 the § 1542 waiver, and so Plaintiff freely and knowingly enters into this Settlement Agreement.
28 Plaintiff further acknowledges that Plaintiff later may discover facts different from or in addition to

1 those Plaintiff now knows or believes to be true regarding the matters released or described in this
2 Settlement Agreement, and even so Plaintiff agrees that the releases and agreements contained in this
3 Settlement Agreement shall remain effective in all respects notwithstanding any later discovery of
4 any different or additional facts. Plaintiff expressly assumes any and all risk of any mistake in
5 connection with the true facts involved in the matters, disputes or controversies released or described
6 in this Settlement Agreement or with regard to any facts now unknown to Plaintiff relating thereto.

7 **68. Participating Class Members Released Claims.** Upon the payment of the Third
8 Installment, each Participating Class Member, and without the need to manually sign a release
9 document, shall release the Released Parties from all causes of action and claims stated in the
10 complaint and those based solely upon the facts alleged in the complaint, including all of the following
11 claims for relief from December 29, 2017, through June 29, 2024: (1) Failure to Pay Minimum
12 Wages; (2) Failure to Provide Overtime Compensation; (3) Failure to Provide Meal Periods; (4)
13 Failure to Provide Rest Periods; (5) Failure to Indemnify Necessary Business Expenses; (6) Failure
14 to Timely Pay Final Wages; (7) Failure to Provide Accurate and Itemized Wage Statements; (8)
15 Violation of Business & Professional Code section 17200; and (8) Violation of Business &
16 Professional Code Section 17200. ("Class Released Claims"). The Class Released Claims for the
17 Participating Class Members excludes all claims for vested benefits, wrongful termination,
18 unemployment insurance, disability, social security, workers' compensation, claims while not an
19 Eligible Employee, and claims outside of the Class Period. The Class Released Claims only covers
20 the time period of from December 29, 2017, through June 29, 2024.

21 **69. The PAGA Group Released Claims:** As of the date of the Judgment, Plaintiff, and
22 the LWDA shall release, from December 29, 2020, through June 29, 2024, the Released Parties from
23 all claims for civil penalties under the California Labor Code Private Attorney's General Act of 2004
24 that were alleged in Plaintiff's LWDA Exhaustion Letter and/or in the Action, including claims for
25 relief for: (1) Failure to Pay Minimum Wages; (2) Failure to Provide Overtime Compensation; (3)
26 Failure to Provide Meal Periods; (4) Failure to Provide Rest Periods; (5) Failure to Indemnify
27 Necessary Business Expenses; (6) Failure to Timely Pay Final Wages; (7) Failure to Provide Accurate
28

1 and Itemized Wage Statements; (8) Violation of Business & Professional Code section 17200. The
2 PAGA Released Claims only cover the time period of December 29, 2020, through June 29, 2024.

3 70. Released Parties include Defendant Creating a Legacy, Inc., together with its past and
4 present, officers, directors, and employees.

5 71. The PAGA Released Claims, coupled with the approval Order and Judgment has full
6 *res judicata* effect, is final, and preclude and bar any future suits involving the PAGA Released
7 Claims from December 29, 2020, through June 29, 2024. *Arias v. Sup. Ct. (Angelo Dairy)* (2009) 46
8 Cal.4th 969, 986 (“Because an aggrieved employee action under the Labor Code Private Attorneys
9 General Act of 2004 functions as a substrate for an action brought by the government itself, a
10 judgment in that action binds all those, including nonparty aggrieved employees who would be bound
11 by a judgment in an action brought by the government”).

12 72. The Participating Class Members Released Claims and PAGA Released Claims
13 described in Paragraphs 69 and 70 expressly exclude all claims made for vested benefits, wrongful
14 termination, unemployment insurance, disability, social security, workers’ compensation, claims
15 while classified as exempt, and claims outside of the Class Period and/or PAGA Period.

16 73. **Class Counsel.** As of the Effective Date, and except as otherwise provided by this
17 Settlement, Class Counsel and any counsel associated with Class Counsel waive any further claims
18 to costs and attorneys’ fees and expenses against Defendant or the Releasees arising from or related
19 to the Action, including but not limited to claims based on the Labor Code, the Code of Civil
20 Procedure, PAGA, the Fair Labor and Standards Act, the Business and Professions Code, or any other
21 contract, statute or law (“Class Counsel Released Claims”).

22 74. **No Effect on Other Benefits.** The payment of Settlement Shares and/or PAGA
23 Payment Shares will not result in any additional employee benefit payments (such as 401(k), vacation,
24 or bonus) and shall not have any effect on the eligibility for, or calculation of, any employee benefit.

25 **VI. DUTIES OF THE PARTIES**

26 75. **Mutual Full Cooperation.** The Parties agree to cooperate fully with one another to
27 accomplish and implement the terms of this Stipulation. Such cooperation shall include, but not be
28

1 limited to, execution of such other documents and the taking of such other actions as may reasonably
2 be necessary to fulfill the terms of this Settlement unless the Court denies the Settlement with
3 prejudice. The Parties shall use their best efforts, including all efforts contemplated by this Stipulation
4 and any other efforts that may become necessary by court order or otherwise, to effectuate this
5 Stipulation and the terms set forth herein. As soon as practicable after execution of this Stipulation,
6 Class Counsel, with the cooperation of Defendant and Defense Counsel, shall take all necessary and
7 reasonable steps to secure the Court's approval of this Stipulation. The Parties will work together to
8 make any non-material modifications of the Settlement requested by the Court to obtain approval of
9 the Parties' Settlement.

10 **76. Duty to Support and Defend the Class Settlement.** The Parties agree to abide by
11 all of the terms of the Settlement in good faith and to support the Settlement fully and to use their best
12 efforts to defend this Settlement from any legal challenge, whether by appeal or collateral attack.

13 **77. Duties Prior to Court Approval.** Class Counsel shall promptly submit this
14 Stipulation to the Court for preliminary approval and determination by the Court as to its fairness,
15 adequacy, and reasonableness. Promptly upon execution of this Stipulation, Class Counsel shall
16 apply to the Court for the entry of a preliminary order, scheduling a hearing on the question of whether
17 the proposed Class Settlement should be approved as fair, reasonable, and adequate as to the Class
18 Members, approving as to form and content the proposed Class Notice attached hereto as **Exhibit A**,
19 respectively, and directing the mailing of the Class Notice to Settlement Class Members.

20 **VII. MISCELLANEOUS TERMS**

21 **78. No Admission of Liability.** Defendant denies that they have engaged in any unlawful
22 activity, have failed to comply with the law in any respect, or have any liability to anyone under the
23 claims asserted in the Action. This Settlement is entered into solely for the purpose of compromising
24 highly disputed claims. Nothing in this Settlement is intended or will be construed as an admission
25 of liability or wrongdoing by Defendant, an admission by Plaintiff that any of his claims were non-
26 meritorious, or any defense asserted by Defendant was meritorious. This Settlement and the fact that
27 Plaintiff and Defendant were willing to settle the Action will have no bearing on, and will not be
28 admissible in connection with, any litigation between the Parties (other than solely in connection with

1 the Settlement).

2 79. As it relates to the Parties only, the Parties also agree that this release constitutes a
3 resolution of a good faith dispute concerning wages and complies with Labor Code Section 206.5,
4 which reads in part:

5
6 “Execution of release of claim or right on account of wages due. No
7 employer shall require the execution of any release of any claim or
8 right on account of wages due, or to become due, or made, or made
9 as an advance on wages to be earned, unless payment of those wages
10 has been made.”

11 80. As it relates to the Parties only, whether or not the Judgment becomes Final, neither
12 the Settlement, any document, statement, proceeding or conduct related to the Settlement, nor any
13 reports or accounting of those matters, will be (i) construed as, offered or admitted in evidence as,
14 received as, or deemed to be evidence for any purpose adverse to Defendant or any other beneficiary
15 of the releases granted under this Settlement (the “Released Parties”), including, but not limited to,
16 evidence of a presumption, concession, indication or admission by any of the Released Parties of any
17 liability, fault, wrongdoing, omission, concession or damage; or (ii) disclosed, referred to or offered
18 in evidence against any of the Released Parties, or any other civil, criminal or administrative action
19 or proceeding except for purposes of effectuating this Settlement.

20 81. Notwithstanding Paragraph 82 of this Settlement, any and all provisions of this
21 Settlement may be admitted in evidence and otherwise used in any and all proceedings to enforce any
22 or all terms of this Settlement, or in defense of any claims released or barred by this Settlement.

23 82. **Confidentiality.** The Parties and their Counsel will keep the settlement confidential
24 through preliminary approval. Thereafter, the Parties will agree to make no comments to the media
25 or otherwise publicize the terms of the settlement. However, Plaintiff’s counsel shall be allowed to
26 discuss the Settlement Administration with Class Members and disclose the Settlement to any Court
27 for any matter for the of determining Plaintiff’s counsel’s adequacy as counsel.

28 83. **Integrated Agreement.** After this Settlement is signed and delivered by all Parties

1 and their counsel, this Settlement and its exhibits will constitute the entire agreement between the
2 Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties,
3 covenants, or inducements have been made to any Party concerning this Settlement or its exhibits
4 other than the representations, warranties, covenants, and inducements expressly stated in this
5 Settlement and its exhibits.

6 **84. Attorney Authorization.** Class Counsel and Defense Counsel warrant and represent
7 that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action
8 required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms,
9 and to execute any other documents required to effectuate the terms of this Settlement. The Parties
10 and their counsel will cooperate with each other and use their best efforts to affect the implementation
11 of the Settlement. In the event the Parties are unable to reach agreement on the form or content of
12 any document needed to implement the Settlement, or on any supplemental provisions that may
13 become necessary to effectuate the terms of this Settlement, the Parties will seek the assistance of
14 mediator Steve Rottman, Esq., and if no resolution is reached the Superior Court, and in all cases all
15 such documents, supplemental provisions and assistance of the court will be consistent with this
16 Settlement.

17 **85. Modification of Agreement.** This Agreement, and any and all parts of it, may be
18 amended, modified, changed, or waived only by an express written instrument signed by all Parties,
19 their successors-in-interest, and/or the Parties' respective counsel, as authorized.

20 **86. Settlement Binding on Successors.** This Settlement Agreement will be binding upon,
21 and inure to the benefit of, the successors of each of the Parties.

22 **87. Applicable Law.** All terms and conditions of this Settlement and its exhibits will be
23 governed by and interpreted according to the laws of the State of California, without giving effect to
24 any conflict of law principles or choice of law principles.

25 **88. Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation
26 of this Settlement. This Settlement will not be construed against any Party on the basis that the Party
27 was the drafter or participated in the drafting.

28 **89. Fair Settlement.** The Parties and their respective counsel believe and warrant that

1 this Settlement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at
2 this Settlement through arms-length negotiations, taking into account all relevant factors, current and
3 potential.

4 90. **Headings.** The descriptive heading of any section or paragraph of this Settlement is
5 inserted for convenience of reference only and does not constitute a part of this Settlement.

6 91. **Notice.** All notices, demands or other communications given under this Settlement
7 will be in writing and deemed to have been duly given as of the third business day after mailing by
8 U.S. Mail, addressed as follows:

9 *To Class Counsel:*

MOON LAW GROUP, PC
Kane Moon (SBN 249834)
Lilit Ter-Astvatsatryan (SBN 320389)
Edwin Kamarzarian (SBN 327830)
725 S. Figueroa Street, 31st Floor
Los Angeles, California 90017

13 *To Defense Counsel:*

FITZGERALD & MULÉ LLP
David B. Mulé (SBN 171238)
Jana B. FitzGerald (SBN 314085)
74-770 Highway 111, Suite 205
Indian Wells, CA 92210
TEL: (760) 325-5055

17 92. **Execution in Counterpart.** This Settlement may be executed in one or more
18 counterparts. All executed counterparts and each of them will be deemed to be one and the same
19 instrument provided that counsel for the Parties will exchange between themselves original signed
20 counterparts. Facsimile signatures, scanned PDF signatures, and electronic signatures will be
21 presumptive evidence of execution of the original, which shall be produced on reasonable request.
22 Any executed counterpart will be admissible to prove the existence and contents of this Settlement.

24 DATED: 7/3/2024 _____

EDUARDO HERNANDEZ

DocuSigned by:

Eduardo Hernandez _____

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1 DATED: 06/17/2024
2 _____

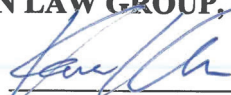
CREATING A LEGACY, INC.

3 By: 
4 _____

5 Its: Chief Executive Officer
6 _____

7 DATED: 7/3/2024
8 _____

MOON LAW GROUP, PC

9 By: 
10 _____

Kane Moon, Esq.

Lilit Ter-Astvatsatryan, Esq.

Edwin Kamarzarian, Esq.

Attorneys for Plaintiff

EDUARDO HERNANDEZ

11 DATED: 06/17/2024
12 _____

FITZGERALD & MULÉ LLP

13 By: 
14 _____

Jana FitzGerald

David Mulé

Attorneys for Defendant

CREATING A LEGACY, INC.