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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO

LUZ GOMEZ, an individual, PHILIP
HUGHES, an individual, individually, and on
behalf of all other members similarly situated
individuals,

Plaintiffs,

v.

4400 WE TECHNOLOGIES, INC. d/b/a
PATTERN JOBS; PATTERN LABS, INC. and
RADIAL, INC.,

Defendants.

Case No. CIVSB2207056

Assigned to Hon. David Cohn

**CLASS ACTION SETTLEMENT
AGREEMENT**

Date Action Filed: April 7, 2022

This Class Action Settlement Agreement (“Settlement” or “Agreement”) is entered into between Plaintiffs Luz Gomez and Philip Hughes (collectively, “Plaintiffs”), individually and in their capacity as the representatives of Settlement Class Members and Allegedly Aggrieved Individuals as defined herein, on the one hand, and Defendants 4400 WE Technologies, Inc., d/b/a Pattern Jobs (“Pattern”), Pattern Labs, Inc, Pattern Interactive Inc., Radial, Inc., and Metro Air Service Inc. (“Defendants”), on the other hand, subject to the terms and conditions hereof and the approval of the Court. Plaintiffs and Defendants are referenced collectively herein as “the Parties.”¹

This Settlement is made in compromise of disputed claims as set forth in Plaintiffs’ lawsuits captioned: (1) *Philip Hughes v. Pattern Interactive, Inc., d/b/a Pattern Jobs, et. al.*, which is now pending in Los Angeles County Superior Court as Case No. 21STCV45026; (“*Hughes Action*”) (2) *Luz Gomez v. 4400 WE Technologies, Inc., d/b/a Pattern Jobs, et. al.*, which is now pending in the United States District Court for the Central District of California as Case No. 5:22-cv-00283 JGB (SPx) (“*Gomez Federal Action*”); and (3) *Luz Gomez v. 4400 WE Technologies, Inc., d/b/a Pattern Jobs, et. al.*, which is now pending in San Bernardino County Superior Court as Case No. CIVSB2207056 (“*Gomez State Action*”) (collectively, these three lawsuits will be referred to as “the Lawsuits.”) This Agreement is made for the sole purpose of settling the Lawsuits on a class-wide basis.

The Parties (as defined in Section 2 of this Agreement) enter into this Agreement on a conditional basis. In the event that the Court does not enter the Final Approval Order, or a Judgment is not entered that disposes of the Lawsuits, or the conditions precedent are not met for any reason, this Settlement shall be deemed null and void *ab initio*, it shall be of no force or effect whatsoever, it shall not be referred to or utilized for any purpose whatsoever, and the negotiations, terms and entry of the Agreement shall remain subject to the provisions of California Evidence Code sections 1119 and 1152 and any other analogous rules of evidence that might apply.

¹ Capitalized terms are defined in Section 3 unless otherwise noted.

Defendants deny all claims as to liability, damages, penalties, interest, fees, restitution, injunctive relief, and all other forms of relief as well as the class allegations asserted in the Lawsuits. Defendants have agreed to resolve the Lawsuits through this Settlement, but to the extent this Settlement is deemed void, Defendants do not waive, but rather expressly reserve, all rights to challenge all such claims and allegations in the Lawsuits upon all procedural and factual grounds, including without limitation the ability to challenge class, collective, and representative action treatment on any grounds, as well as asserting any and all other potential defenses or privileges. The Class Representative/PAGA Representative Plaintiffs and Class Counsel agree that Defendants retain and reserve these rights.

II. PARTIES TO AGREEMENT

This Agreement is made and entered into by and among the following, herein referred to as the “Parties”: (i) the Class Representative/PAGA Representative Plaintiffs (on behalf of themselves and each of the Class Members and Allegedly Aggrieved Individuals), with the assistance of Class Counsel; and (ii) Defendants, with the assistance of its counsel of choice. The Parties intend this Agreement to fully, finally, and forever resolve, discharge, and settle the Released Claims upon and subject to the terms and conditions hereof.

III. DEFINITIONS

As used in this Agreement, the following terms shall have the meanings specified below:

3.1 “Allegedly Aggrieved Individuals” means all individuals engaged by Defendant Pattern as independent contractors or non-exempt employees in the State of California, including those who performed services for Defendants Radial, Inc., Metro Air Service Inc., or those assigned to work at a facility operated by Defendants Radial, Inc. or Metro Air Service, Inc. or at any other facility in California, at any time during the period from October 5, 2020 (one year and 65 days preceding the filing of the Hughes action) and the date of the Court granting preliminary approval or within 120 days of the execution of this Agreement by all Parties, whichever is sooner (the “PAGA Period”). Allegedly Aggrieved Individuals do not have the option to opt out of the PAGA portion of the settlement.

3.2 “Attorneys’ Fees” means the fees for work performed by Class Counsel and

1 approved for payment by the Court as set forth in Section 8.2 of this Agreement.

2 3.3 "Class Members" means all individuals engaged by Defendant Pattern as
3 independent contractors or non-exempt employees in the State of California, including those who
4 performed services for Defendants Radial, Inc., Metro Air Service Inc. or those assigned to work
5 at a facility operated by Defendants Radial, Inc. or Metro Air Service, Inc. or at any other facility
6 in California, from December 9, 2017, through the date of the Court granting preliminary
7 approval or within 120 days of the execution of this Agreement by all Parties, whichever is
8 sooner. "Settlement Class Members" or "Settlement Class" are those Class Members who do not
9 opt out of the Settlement.

10 3.4 "Class Counsel" means:

11 **SCHNEIDER WALLACE**
12 **COTTRELL KONECKY LLP**
13 CAROLYN HUNT COTTRELL (SBN 166977)
14 ORI EDELSTEIN (SBN 268145)
15 EUGENE ZINOVYEV (SBN 267245)
16 PHILIPPE M. GAUDARD (SBN 331744)
17 2000 Powell Street, Suite 1400
Emeryville, California 94608
Tel: (415) 421-7100
Fax: (415) 421-7105
Counsel for Plaintiff Luz Gomez

18 **LAW OFFICES OF BUCHSBAUM & HAAG, LLP**
19 BRENT S. BUCHSBAUM (SBN 194816)
20 LAUREL N. HAAG (SBN 211279)
100 Oceangate, Suite 1200
Long Beach, CA 90802
21 Counsel for Plaintiff Philip Hughes

22 3.5 "Class Period" means the period from December 9, 2017, through the date of the
23 Court granting preliminary approval or within 120 days of the execution of this Agreement by all
24 Parties, whichever is sooner.

25 3.6 "Class Representatives," "PAGA Representative Plaintiffs," and "Plaintiffs"
26 means Plaintiffs Luz Gomez and Philip Hughes.

27 3.7 "Court" means the Superior Court for the State of California, County of San
28

Bernardino. The Parties agree that approval of this Settlement will be requested in the *Gomez* State Action currently pending in the Court, and that the Court shall retain jurisdiction over the Parties to enforce the Settlement until performance in full of the terms of the Settlement.

3.8 “Day” means calendar day, unless expressly stated otherwise.

3.9 “Defendants” means defendants 4400 WE Technologies, Inc., d/b/a Pattern Jobs (“Pattern”), Pattern Labs, Inc, Pattern Interactive Inc., Radial, Inc., and Metro Air Service Inc.

3.10 “Defendants’ Counsel” means:

ORRICK, HERRINGTON & SUTCLIFFE LLP

ANDREW R. LIVINGSTON (SBN 148646)

ALEXANDRA STATHOPOULOS (SBN 286681)

PAUL RODRIGUEZ (SBN 307139)

The Orrick Building

405 Howard Street

San Francisco, CA 94105-2669

Telephone: +1 415 773 5700

Facsimile: +1 415 773 5759

Counsel for Defendants 4400 WE Technologies, Inc., d/b/a Pattern Jobs (“Pattern”), Pattern Labs, Inc, Pattern Interactive Inc.

BLANK ROME LLP

CAROLINE P. DONELAN (SBN 268762)

2029 Century Park East, 6th Floor,

Los Angeles, CA 90067

Telephone: (424) 239-3476

Facsimile: (424) 239-3862

Counsel for Defendant Radial, Inc.

COLLINS KIM LLP

TAE KIM (SBN 210465)

515 S. Flower Street, 18th Floor

Los Angeles, California 90071

Telephone: (213) 341-0238

Facsimile: (213) 341-0239

Counsel for Defendant Metro Air Services, Inc.

3.11 “Effective Date” means the later of: (1) the date on which the Court’s Final Approval Order becomes final, or (2) the date on which the courts in the *Gomez* Federal Action and *Hughes* State Action have both approved dismissals of those actions. For purposes of this paragraph, the Court’s Final Approval Order “becomes final” upon the last to occur of the following: (a) the date of final affirmance on appeal of the Judgment; (b) the date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding to review the Judgment; or (c) if no appeal is filed, the expiration date of the time for the filing or noticing of

1 any appeal from the Court's Judgment.

2 3.12 "Final Approval Order" means an Order Granting Final Approval of this
3 Settlement.

4 3.13 "Gross Settlement Amount" is the sum of One Million, Nine Hundred Thousand
5 Dollars and No Cents (\$1,900,000.00), which shall cover payment of all claims on behalf of the
6 Settlement Class Members and Allegedly Aggrieved Individuals, Settlement Administration
7 Costs, Attorneys' Fees, Litigation Expenses, the PAGA Penalty Payment, and the Service
8 Enhancement Payments to the Class Representatives. The Gross Settlement Amount excludes
9 employer's side taxes on wage payments, but otherwise is the maximum amount to be paid by
10 any Defendant in settlement of the Lawsuits.

11 3.14 "Individual Settlement Payment" means the total amount due to an individual
12 Settlement Class Member, which shall be calculated as described in Section 8.6 of this
13 Agreement.

14 3.15 "Judgment" means a judgment entered by the Court following entry of the Final
15 Approval Order.

16 3.16 "Last Known Address" means the most recently recorded mailing address for a
17 Class Member as such information is contained in the business records maintained by
18 Defendants.

19 3.17 "Lawsuits" means the *Hughes* Action, *Gomez* Federal Action, and *Gomez* State
20 Action.

21 3.18 "Litigation Expenses" means the expenses and costs of litigation incurred by Class
22 Counsel as detailed in their billing statement and approved for reimbursement by the Court as set
23 forth in Section 8.2 of this Agreement.

24 3.19 "LWDA" means the California Labor and Workforce Development Agency.

25 3.20 "Net Settlement Amount" means the Gross Settlement Amount less Class
26 Counsel's Attorneys' Fees, Litigation Expenses, Settlement Administration Costs, the portion of
27 the PAGA Penalty Payment payable to the LWDA, and the Service Enhancement Payments to the
28 Class Representatives. To the extent the Court does not approve the full requested amount of

Attorneys' Fees, Litigation Expenses, Settlement Administration Costs, or the Service Enhancement Payments, the Net Settlement Amount will increase accordingly.

3.21 "Notice of Pendency of Class Action Settlement and Final Hearing" or "Notice" shall mean the notice of this Settlement to be provided to Class Members and Allegedly Aggrieved Individuals, in the same or substantially same form as set forth in **Exhibit A** to this Agreement, pending approval by the Court.

3.22 "Notice Packet" refers collectively to the documents mailed to the Class Members and Allegedly Aggrieved Individuals pursuant to the terms of this Settlement and includes the following: (1) Notice (**Exhibit A**).

3.23 "Notice Period" means a period of forty-five (45) calendar days from the date the Settlement Administrator first mails the Notice Packet to Class Members and Allegedly Aggrieved Individuals. If the 45th day falls on a Sunday or holiday, the Notice Period shall end on the next business day that is not a Sunday or holiday.

3.24 "Notice Response Deadline" shall be the last day of the Notice Period.

3.25 "PAGA Penalty Payment" means the \$50,000 to be paid to settle any and all PAGA Released Claims for which penalties under California's Private Attorneys General Act ("PAGA"), California Labor Code sections 2698 *et seq.*, may be sought or are otherwise available, as set forth in Section 8.6 of this Agreement. Pursuant to California Labor Code section 2699(i), seventy-five percent of that amount (\$37,500.00) will be paid out of the Gross Settlement Amount to the LWDA. Twenty-five percent of that amount (\$12,500.00) will remain part of the Net Settlement Amount and will be distributed separately from the Individual Settlement Payments to Allegedly Aggrieved Individuals as set forth in Section 8.6 of this Agreement.

3.26 "PAGA Period" means period from January 17, 2021 (one year and 65 days preceding the filing of FAC in the Hughes action, March 23, 2022), and the date of the Court granting preliminary approval or within 120 days of the execution of this Agreement by all Parties, whichever is sooner.

3.27 "PAGA Work Weeks" means the total number of Work Weeks worked by an Allegedly Aggrieved Individual during the PAGA Period, rounded up to the next full week.

1 3.28 “Parties” mean the Plaintiffs/Class Representatives/PAGA Representative Plaintiffs
2 and the Defendants.

3 3.29 “QSF” shall mean the Qualified Settlement Fund established by the Settlement
4 Administrator for the benefit of the Settlement Class Members and Allegedly Aggrieved
5 Individuals and from which the Settlement Payments shall be paid.

6 3.30 “Reasonable Address Verification Measure” means utilization of the National
7 Change of Address Database maintained by the United States Postal Service prior to the initial
8 mailing of the Notice Packets, the customary skip-tracing measures used by the Administrator
9 upon the return of undelivered Notice Packets, and the forwarding of Notice Packets returned to
10 the Administrator with updated addresses affixed thereto by the U.S. Postal Service to the
11 updated address.

12 3.31 “Released Claims” shall have the meaning set forth in Section 11 of this
13 Agreement.

14 3.32 “Released Parties” means Defendants and their past or present officers, directors,
15 shareholders, employees, agents, principals, heirs, representatives, accountants, auditors,
16 attorneys, consultants, insurers, and their respective successors and predecessors in interest,
17 assigns, subsidiaries, affiliates, parents, and the third-party facilities in California where
18 Settlement Class Members and Allegedly Aggrieved Individuals worked shifts through Pattern’s
19 technology platform and their past and present parents, subsidiaries, affiliates, predecessors,
20 successors, assigns, and their present and former officers, agents, shareholders, fiduciaries, plan
21 administrators, employees, attorneys, insurers, and representatives, in their individual and
22 corporate capacities.

23 3.33 “Request for Exclusion” means a written request timely submitted by a Class Member to
24 request exclusion from the Settlement.

25 3.34 “Service Enhancement Payment” shall have the meaning set forth in Section 8.4 of
26 this Agreement.

27 3.35 “Settlement” means the terms and conditions set forth in this Agreement.

28 3.36 “Settlement Administrator” or “Administrator” means ILYM who the

1 Parties have selected to administer this Settlement. The Parties may jointly select a different
2 settlement administrator, subject to the approval of the Court.

3 3.37 "Settlement Administration Costs" mean the fees and expenses reasonably and
4 necessarily incurred by the Settlement Administrator as a result of performing the settlement
5 administration procedures and functions required by this Settlement and shall include all costs of
6 administering the Settlement, including but not limited to: formatting, printing and mailing the
7 Notice Packet, including filling in individuating information about the amount each Class
8 Members and Allegedly Aggrieved Individuals is estimated to receive; performing a National
9 Change of Address database search of Class Member addresses to update prior to the initial
10 mailing of the Notice Packet; skip-tracing of bad addresses upon the return of undelivered Notice
11 Packets; establishing a toll-free phone number and post office box for receipt of Class Member
12 communications; establishing a website where Class Members and Allegedly Aggrieved
13 Individuals may view and download the operative complaints, this Settlement Agreement, the
14 Settlement Notice, and approval motions/briefing; calculating, processing, reviewing, and issuing
15 Settlement Payments to Settlement Class Members and Allegedly Aggrieved Individuals and
16 others as ordered by the Court; reviewing and resolving Class Members' disputed claims
17 regarding payments under this Agreement; calculating tax withholdings, making related payments
18 to federal and state tax authorities, and issuing tax forms relating to payments made under the
19 Settlement; establishing a QSF or other appropriate vehicle for receipt of the Gross Settlement
20 Amount and disbursement of payments provided by this Agreement and ordered by the Court;
21 preparing any tax returns and any other filings required by any governmental taxing authority or
22 agency; and any other costs and fees incurred and/or charged by the Settlement Administrator in
23 connection with the execution of its duties under this Agreement. Settlement Administration
24 Costs shall not exceed Twenty-Five Thousand Dollars and No Cents (\$25,000.00).

25 3.38 "Updated Address" means a mailing address that was updated via a Reasonable
26 Address Verification Measure, or an updated mailing address provided by the United States
27 Postal Service, an Class Members/Allegedly Aggrieved Individuals, or any other valid source.

28 3.39 "Work Weeks" means the total number of weeks worked by a Class Member

1 during the Class Period, rounded up to the next full week. A week is defined as any week where a
2 Class Member worked at least one shift.

3 **IV. PROCEDURAL BACKGROUND**

4 On December 9, 2021, Plaintiff Philip Hughes filed a class action lawsuit (i.e., the *Hughes*
5 Action) in Los Angeles Superior Court (Case No. 21STCV45026) on behalf of himself and a
6 putative class of “All current and former California employees of Defendant PATTERN who
7 worked in non-exempt positions for PATTERN during the 4 years preceding the filing of this
8 Complaint, including those that performed services for RADIAL and METRO,” and several
9 subclasses, as well as a PAGA representative claim on behalf of similarly “aggrieved employees”
10 in California. In his Complaint, Hughes alleges eight claims against Pattern Interactive Inc.,
11 Radial, Inc., and Metro Air Service Inc.: (1) unpaid overtime and minimum wages (§§ 510, 119,
12 1198), (2) noncompliant wage statements (§§ 226(a), 1174), (3) failure to pay all wages earned on
13 a timely basis (§§ 201–203), (4) unpaid meal period premiums (§§ 226.7, 512(a)), (5) unpaid rest
14 period premiums (§ 226.7), (6) unreimbursed business expenses (§ 2802), (7) minimum wage
15 violations (§ 1194), and (8) a claim under the California Business and Professions Code § 17200
16 for unfair business practices. On March 23, 2022, Hughes filed a first amended complaint adding
17 4400 WE Technologies, Inc. as the properly named party (instead of Pattern Interactive, Inc.), and
18 adding an additional claim for derivative civil penalties under PAGA.

19 On February 14, 2022, Gomez filed her class action complaint in the United States
20 District Court for the Central District of California (Case No. 5:22-cv-00283 JGB (SPx)). In her
21 Complaint, Gomez alleges seven claims against 4400 WE Technologies, Inc., d/b/a Pattern Jobs;
22 Pattern Labs, Inc., and Radial, Inc. that largely mirror the claims in *Hughes*: (1) failure to pay for
23 all hours worked (§ 204), (2) failure to pay minimum wage for all hours worked (§§ 204, 1194,
24 1197, 1198), (3) failure to pay overtime wages (§510), (4) failure to authorize and permit and/or
25 make available meal and rest periods (§§ 226.7, 512), (5) failure to provide timely and accurate
26 itemized wage statements (§226), (6) waiting time penalties (§§ 201–203), and (7) a claim under
27 the California Business and Professions Code § 17200 for unfair business practices. On April 6,
28 2022, Gomez filed a separate complaint in the San Bernardino County Superior Court alleging

1 one claim to recover civil penalties under PAGA premised on the same Labor Code violations
2 alleged in her federal court complaint.

3 In her class action, Gomez seeks to represent a proposed class of workers under Fed. R.
4 Civ. Proc. § 23 that includes “All current and former hourly, non-exempt workers including, but
5 not limited to, warehouse clerks, picking associates, fulfillment associates, shipping associates,
6 site routers, forklift operators, maintenance technicians, facilities technicians, inventory control
7 specialists, commonly referred to as warehouse associates and other workers with similar job
8 duties, who performed services for Defendants Pattern Labs, Inc., Pattern Interactive, Inc., Pattern
9 Jobs, and/or Radial, Inc. in California any time starting four years prior to the filing of this
10 Complaint until resolution of this action.” In her PAGA complaint, she seeks to represent a
11 PAGA representative class of similarly “allegedly aggrieved employees” in California.

12 In March 2022, Defendants and Hughes agreed to private mediation with David A.
13 Rotman to try to resolve Hughes’ claims. Defendants informed Gomez’ counsel of the mediation,
14 and Gomez agreed to attend mediation to try to resolve Gomez’ claims. Prior to mediation, the
15 parties engaged in informal discovery. Defendants produced information and data related to Class
16 Members and Allegedly Aggrieved Individuals, including relevant policies and time and pay
17 records for all Class Members and Allegedly Aggrieved Individuals. In total, Defendants
18 produced hundreds of pages of documents and data.

19 On June 1, 2022, the Parties engaged in a full day mediation session with David A.
20 Rotman, who has extensive experience in labor and employment litigation. The Parties were not
21 able to resolve their disputes at the mediation. Following mediation, the Parties engaged in
22 informal settlement discussions for several months while litigating the Lawsuits. On October 20,
23 2022, the Parties agreed to key terms of the Settlement, which was memorialized in a
24 memorandum of understand signed by all parties on December 13, 2022.

25 The Parties agree that approval of this Agreement will be requested in the *Gomez* State
26 Action currently pending in San Bernadino County Superior Court (i.e., the Court). Accordingly,
27 the Parties agree that the Court in the *Gomez* State Action shall retain jurisdiction over the Parties
28 to enforce the settlement until performance in full of the terms of the settlement. The Parties agree

1 that, following execution of this Agreement, and subject to the Court's approval, they will
2 stipulate to amend the operative complaint in the *Gomez* State Action to add all class claims and
3 all labor code violations alleged in the *Gomez* Federal Action, the *Hughes* Action, and the Parties
4 will also add a claim for failure to provide paid sick days pursuant to Labor Code section 246.
5 The Parties agree that they will stay the *Gomez* Federal Action and *Hughes* State Action until
6 final approval of the Settlement at which time those actions will be dismissed.

7 The Parties and their counsel are sufficiently familiar with the facts of this case and the
8 applicable laws to make an informed judgment as to the fairness of the Settlement, the respective
9 strengths and weaknesses of the claims for which Allegedly Aggrieved Individuals seek penalties
10 and that class Plaintiffs seek to certify, and the risks of proceeding in litigation. The Parties are
11 represented by competent counsel and have had the opportunity to consult with counsel prior to
12 the signing this Agreement.

13 **V. DEFENDANTS' DENIAL OF LIABILITY**

14 Defendants specifically and generally deny any and all liability or wrongdoing of any sort
15 with regard to any of the Released Claims and make no concessions or admissions of liability of
16 any sort. Defendants maintain that for any purpose other than settlement, the Lawsuits are not
17 appropriate for class action treatment pursuant to California Code of Civil Procedure § 382 or
18 Federal Rule of Civil Procedure, Rule 23, and a PAGA trial would be unmanageable.
19 Nonetheless, Defendants have concluded that further litigation would be protracted, distracting
20 and expensive, and that it is desirable that the Lawsuits be fully and finally settled in the manner
21 and upon the terms and conditions set forth in this Agreement. Defendants have also considered
22 the uncertainty and risks inherent in any litigation. Defendants have therefore determined that it is
23 desirable and beneficial to settle the Lawsuits in the manner and upon the terms and conditions
24 set forth in this Agreement.

25 The Parties agree there is a bona fide dispute as to whether wages and/or penalties are
26 owed to Plaintiffs and the Class Members and Allegedly Aggrieved Individuals and neither this
27 Agreement, nor the Settlement-related documents, nor the Settlement itself shall be construed as
28 an admission of either fact or law on any issue by any Party.

1 **VI. CLAIMS OF THE CLASS/PAGA REPRESENTATIVE PLAINTIFFS AND**
2 **BENEFITS OF SETTLEMENT**

3 The Class Representative/PAGA Representative Plaintiffs believe that the claims asserted
4 in the Lawsuits have merit and that evidence developed to date supports the claims. However, the
5 Class Representative/PAGA Representative Plaintiffs recognize and acknowledge the significant
6 expense, resources and time required to continue proceedings necessary to prosecute the Lawsuits
7 against Defendants through trial and through appeals. The Class Representative/PAGA
8 Representative Plaintiffs have also considered the uncertain outcome and the risks of litigation,
9 the difficulties and delays inherent in this and similar litigation, and the problems of proving
10 liability and damages and rebutting possible defenses to the claims alleged in the Lawsuits. Based
11 upon their evaluation, the Class Representative/PAGA Representative Plaintiffs have determined
12 that the settlement set forth in this Agreement is fair, reasonable, adequate, and in the best
13 interests of the Class Representative/PAGA Representative Plaintiffs, the Settlement Class, and
14 the State of California. Both Class Representative/PAGA Representative Plaintiffs believe that
15 the settlement set forth in this Agreement confers substantial benefits upon the Settlement Class
16 and each of the Settlement Class Members and Allegedly Aggrieved Individuals.

17 **VII. CONDITIONS PRECEDENT TO EFFECTIVENESS OF AGREEMENT**

18 7.1 The Parties enter into this Agreement and the Settlement on a conditional basis.
19 This Agreement and Settlement will become final and effective only upon the occurrence of all of
20 the following events:

21 7.1.1 The Court approves the Parties' request to file an amended complaint to
22 add (1) Philip Hughes as a Plaintiff in this case, and (2) a claim for failure
23 to provide paid sick days, Labor Code section 246.

24 7.1.2 The Final Approval Order becomes final, and any challenge to the
25 Settlement, whether by objection or appeal, is resolved in favor of enforcement of the Settlement.
26 The Court's Final Approval Order "becomes final" upon the last to occur of the following: (a) the
27 date of final affirmance on appeal of the Judgment; (b) the date of final dismissal of any appeal
28 from the Judgment or the final dismissal of any proceeding to review the Judgment; or (c) if no

1 appeal is filed, the expiration date of the time for the filing or noticing of any appeal from the
2 Court's Judgment; and

3 7.1.3 The *Gomez* Federal Action and *Hughes* State Action are dismissed or
4 otherwise resolved.

5 7.2 Unless the Court orders otherwise or agreed in writing by the Parties, this
6 Agreement shall be deemed null and void *ab initio* upon the failure of any of the conditions set
7 forth in Sections 7.1.2 and 7.1.3 to occur.

8 **VIII. SETTLEMENT CONSIDERATION—NO CLAIM FORM REQUIRED;**
9 **DEDUCTIONS FROM THE GROSS SETTLEMENT AMOUNT; CALCULATION**
10 **OF SETTLEMENT PAYMENTS FROM THE NET SETTLEMENT AMOUNT**

11 This shall be an all-in Settlement without a reversion. Settlement Class Members and
12 Allegedly Aggrieved Individuals who do not request exclusion from the Settlement using the
13 procedures specified below will be automatically paid without submitting any claim form.

14 8.1 **Payment of the Gross Settlement Amount:** Defendant Pattern will pay the
15 Gross Settlement Amount in full and final settlement of the Lawsuits. The Gross Settlement
16 Amount will constitute adequate consideration for this Settlement. Since any uncashed settlement
17 check funds will be distributed pursuant to the *cy pres* doctrine, this Agreement and the
18 associated Judgment do not and will not create any unpaid residue or unpaid residual, and no
19 distribution of such shall be required. No money shall revert to any Defendant.

20 8.2 **Attorneys' Fees and Litigation Expenses:** Class Counsel will submit an
21 application for: (a) an award of Attorneys' Fees of no more than 1/3 or one third of the Gross
22 Settlement Amount, which is Six Hundred Thirty Three Thousand, Three Hundred and Thirty-
23 Three U.S. Dollars and Thirty-Three Cents (\$633,333.33); and (b) an award of Class Counsel's
24 actual Litigation Expenses which are currently \$24,677.74, both of which would be paid out of the
25 Gross Settlement Amount. The amounts set forth in this section will constitute complete
26 consideration for all work performed and expenses incurred to date and for all worked to be
27 performed and expenses to be incurred through the completion of the Lawsuits, their settlement,
28 and the effort to secure final Judgment by Class Counsel. The Attorneys' Fees shall be allocated
between the firms that serve as Class Counsel as set forth in their fee-sharing agreements which

1 will be submitted to the Court as part of filing the motion for preliminary approval.

2 8.2.1 In the event that the Court (or any appellate court) awards less than the
3 amount requested for Attorneys' Fees or Litigation Expenses, only the awarded amounts shall be
4 paid and shall constitute satisfaction of those obligations and full payment thereunder, and any
5 remaining or unawarded portion of the requested Attorneys' Fees or Litigation Expenses shall be
6 made a part of the Net Settlement Amount for distribution to Settlement Class Members. To the
7 extent the Court does not approve any or all of the amount of Attorneys' Fees or Litigation
8 Expenses, the Settlement shall remain binding except as otherwise provided.

9 8.2.2

10 Plaintiffs' warrant that other than Class Counsel, no attorneys or law firms have
11 represented them in relation to the claims asserted in the Lawsuits and that no attorneys or law
12 firms have any claims, liens, or other demands to be compensated out of the Gross Settlement
13 Amount for attorneys' fees and/or legal costs arising from prosecution of the Lawsuits against
14 Defendants. If it is ever determined that some portion of the Gross Settlement Amount should
15 have been paid as Plaintiffs' attorneys' fees and/or costs to some person or entity other than Class
16 Counsel, Plaintiffs warrant and agree to indemnify, defend, and hold Defendants harmless from
17 such liens or claims.

18 8.3 **Settlement Administration Costs:** From the Gross Settlement Amount,
19 Settlement Administration Costs shall be paid in an amount not to exceed Twenty-Five Thousand
20 Dollars and No Cents (\$25,000.00), subject to approval from the Court.

21 8.4 **Service Enhancement Payments to the Class Representatives:** From the Gross
22 Settlement Amount, Plaintiffs intend to request approval for, subject to Court approval, Service
23 Enhancement Payments of Ten Thousand Dollars (\$10,000.00) for each of the Class
24 Representatives, Luz Gomez and Philip Hughes. The amount paid to the Class Representatives is
25 in consideration for their efforts in connection with the Lawsuits. In exchange for the Service
26 Enhancement Awards, each Class Representative will execute a general release of claims and
27 California Civil Code section 1542 waiver with respect to Defendants. The Class Representatives
28 shall be issued an Internal Revenue Service Form 1099 for any Service Enhancement Payment.

1 The Class Representatives hereby acknowledge that they have obtained no tax advice
2 from Defendants or Class Counsel and that neither Defendants, its attorneys, or Class Counsel
3 have made any representation concerning the tax consequences, if any, of the Service
4 Enhancement Payments. The Class Representatives agree that they are solely responsible for the
5 tax consequences of the Service Enhancement Payments.

6 8.4.1 In the event that the Court (or any appellate court) awards less than the
7 amount requested for the Service Enhancement Payments, only the awarded amount shall be paid
8 and shall constitute satisfaction of those obligations and full payment thereunder, and any
9 remaining or unawarded portion of the requested Service Enhancement Payments shall be made a
10 part of the Net Settlement Amount for distribution to Settlement Class Members and Allegedly
11 Aggrieved Individuals. To the extent the Court does not approve any or all of the amount of the
12 Service Enhancement Payment, the Settlement shall remain binding except as otherwise provided,
13 and this will not be a justification for Plaintiffs to withdraw from the Settlement.

14 8.4.2 The Service Enhancement Payments, if approved by the Court, is in
15 addition to each Plaintiffs' Individual Settlement Payment as described in Section 8.6 below.

16 8.5 **Allocation of Individual Class Settlement Payments:** Considering the claims at
17 issue in the Lawsuits, the Parties have agreed to allocate Individual Class Settlement Payments as
18 follows: 100% as interest, penalties, liquidated damages and other non-wage payments reportable
19 on IRS Form 1099. Should the Court reject this allocation and require a portion of Individual
20 Class Settlement Payments to be wages, employer's side payroll taxes shall not be deducted from
21 the Gross Settlement Fund, and the Parties agree that Defendant Pattern shall in that circumstance
22 pay for the employer's side payroll taxes separately, i.e., in addition to the Gross Settlement
23 Fund. Under no circumstances shall any portion of the Gross Settlement Fund revert to the
24 Defendants.

25 8.6 **Payment to Settlement Class Members and Allegedly Aggrieved Individuals:**
26 The Net Settlement Amount (as defined in Section 3.20, after payment of all enumerated amounts
27 from the Gross Settlement Amount) shall be used to make the Individual Settlement Payments
28 described below.

Each Individual Settlement Payment (not including the additional payment to Allegedly Aggrieved Individuals) shall be calculated by dividing the Net Settlement Amount (less the PAGA allocation) by the total number of Work Weeks worked by Settlement Class Members then multiplying that amount by the number of Work Weeks the individual Settlement Class Member worked during the Class Period. Each additional payment to Allegedly Aggrieved Individuals (i.e., the PAGA Penalty Payment) will be calculated by dividing the portion of the PAGA allocation to be paid to Allegedly Aggrieved Individuals by the total number of PAGA Work Weeks worked by Allegedly Aggrieved Individuals then multiplying that amount by the number of PAGA Work Weeks the Allegedly Aggrieved Individuals worked. The PAGA Penalty Payments to Allegedly Aggrieved Individuals are not wages and will be reported on an IRS Form 1099. All Allegedly Aggrieved Individuals shall automatically receive their portion of the PAGA Penalties consistent with this section regardless of their decision to opt-out of the Class Settlement.

8.7 **Taxes:** Defendant shall not be responsible for payroll tax payments on any portion of the Gross Settlement Amount that is attributable to Attorneys' Fees, Litigation Expenses, PAGA Penalty Payments, penalties, or interest. The Parties further understand that the Class Representative/PAGA Representative Plaintiffs and any Settlement Class Member who receives any Individual Settlement Payment pursuant to this Agreement shall be solely responsible for any and all tax obligations associated with such receipt, except that should the Court require a portion of Individual Class Settlement Payments to be wages, Defendant Pattern shall be responsible for the employer's side payroll taxes on those wages.

IX. NOTICE PROCEDURE

9.1 **Selection and Compensation of Settlement Administrator:** The Parties agree to jointly utilize a third-party Settlement Administrator to give notice of and communicate with Class Members and Allegedly Aggrieved Individuals regarding the Settlement and to establish a website where Class Members and Allegedly Aggrieved Individuals may view and download the operative complaints, this Settlement Agreement, the Settlement Notice, and approval motions/briefing. A Notice of Final Judgment will be posted on the Settlement Administrator's

1 website if the Court approves the settlement at the final approval hearing. The Parties have
2 initially selected ILYM to administer the Settlement, but may jointly select a different Settlement
3 Administrator subject to the approval of the Court. If the actual cost of settlement administration
4 is less than the amount approved by the Court, the remaining amount shall be added to the Net
5 Settlement Amount and distributed as set forth in Section 8.6 of this Agreement. All costs
6 associated with settlement administration as approved by the Court shall come out of the Gross
7 Settlement Amount. The Settlement Administrator's actions shall be governed by the terms of
8 this Agreement.

9 9.2 **Establishment and Funding of the QSF:** The Parties agree that the QSF is
10 intended to be a "Qualified Settlement Fund" under Section 468B of the Internal Revenue Code and
11 Treasury Regulation § 1.468B-1 (26 C.F.R. § 1.468B-1 *et seq.*) and will be administered by the
12 Settlement Administrator as such. With respect to the QSF, the Settlement Administrator shall: (1)
13 open and administer a settlement account in such a manner as to qualify and maintain the
14 qualification of the QSF as a "Qualified Settlement Fund" under Section 468B of the Internal
15 Revenue Code and Treasury Regulation § 1.468B-1; (2) satisfy all applicable federal, state and
16 local tax reporting, return, and filing requirements with respect to the QSF; and (3) satisfy out of the
17 QSF all fees, expenses and costs incurred in connection with the opening and administration of the
18 QSF and the performance of its duties and functions as described in this Agreement. The
19 aforementioned taxes, fees, expenses, and costs shall be treated as and included in the costs of
20 administering the QSF and as Settlement Administration Costs. The Parties and the Settlement
21 Administrator shall treat the QSF as coming into existence as a Qualified Settlement Fund on the
22 earliest date permitted as set forth in 26 C.F.R. § 1.468B-1(j)(2)(i), and such election statement
23 shall be attached to the appropriate returns as required by 26 C.F.R. § 1.468B-1(j)(2)(ii). The
24 Parties agree to cooperate with the Settlement Administrator and one another to the extent
25 reasonably necessary to carry out the provisions of this section of the Agreement.

26 9.3 **Settlement Administration:** Defendants will provide for each Settlement Class
27 Members and Allegedly Aggrieved Individuals the following information, *if available*, drawn
28 from records of Defendants: 1) name; 2) Social Security number; 3) last known residential

1 address; 4) last known telephone number; and 5) number of Work Weeks for which the Class
2 Member would be entitled to recover as set forth in Section 8.6 (“Class Data”) to the Settlement
3 Administrator. Defendants will provide the Class Data to the Settlement Administrator no later
4 than ten (10) days (or, if that date falls on a weekend or holiday, the next business day thereafter)
5 after the date the Court enters an order granting preliminary approval of the Settlement. Class
6 Data shall be used by the Settlement Administrator solely for the purpose of notifying the Class
7 Members and Allegedly Aggrieved Individuals. The Settlement Administrator shall run the Class
8 Data list through the National Change of Address database and will use the most recent address
9 for each Class Member when mailing the Class Notice. Class Data shall be provided in a format
10 to be mutually agreed upon by the Settlement Administrator and Defendants.

11 9.4 **Notice to Class Members and Allegedly Aggrieved Individuals:** As soon as
12 practicable after receiving the Class Data, but no later than ten (10) business days after its receipt,
13 the Settlement Administrator shall send the Notice Packet to the Class Members and Allegedly
14 Aggrieved Individuals via United States First Class Mail. The envelope containing the Notice
15 Packet shall include language beneath the Administrator’s address which reads as follows:
16 *Important Legal Document – You May Get Money From A Class Action Settlement.* Class Members
17 will have forty-five (45) calendar days (or a different Court-approved time) from the date of mailing
18 to submit any dispute regarding the payment amount, Requests for Exclusion, objections to the
19 Settlement, or Change of Address requests (the “Notice Response Deadline”). The Notice shall
20 specify the Court-approved Notice Response Deadline. The costs of mailing this Notice Packet will
21 be considered part of the Settlement Administration Costs to be paid from the Gross Settlement
22 Amount. Except as specifically set forth in Subsections 9.4.1 through 9.4.3 below, the Notice
23 Packet shall be deemed received by the Class Member to whom it was sent.

24 9.4.1 In the event that subsequent to the first mailing of a Notice Packet and prior
25 to the Notice Response Deadline, that Notice Packet is returned to the Settlement Administrator by
26 the United States Postal Service with a forwarding address for the recipient, the Settlement
27 Administrator shall re-mail the Notice Packet to that address within (5) days, the Notice Packet
28 will be deemed mailed as of the date of re-mailing, the forwarding address shall be deemed the

1 Updated Address for that Class Member, and any responses from the Class Member (*i.e.*, a dispute
2 regarding calculation of Work Weeks, a Request for Exclusion, or an objection) are due to the
3 Settlement Administrator by the Notice Response Deadline or within twenty-one (21) days from
4 the date of re-mailing, whichever is later.

5 9.4.2 In the event that subsequent to the first mailing of a Notice Packet, the
6 Notice Packet is returned to the Settlement Administrator by the United States Postal Service
7 because the address of the recipient is no longer valid, but no forwarding address is provided, the
8 Settlement Administrator shall perform Reasonable Address Verification Measures in an effort to
9 ascertain the current address of the particular Class Member in question. If such an address is
10 ascertained, the Settlement Administrator shall re-mail the Notice Packet within ten (10) days of
11 receiving such information, the Notice Packet will be deemed mailed as of that date of re-mailing,
12 the newly obtained address shall be deemed the Updated Address for that Class Member, and any
13 responses from the Class Member (*i.e.*, a dispute regarding calculation of Work Weeks, a Request
14 for Exclusion, or an objection) are due to the Settlement Administrator by the Notice Response
15 Deadline or within twenty-one (21) days from the date of re-mailing, whichever is later.

16 9.4.3 In the event that subsequent to the first mailing of a Notice Packet, the
17 Notice Packet is returned to the Settlement Administrator by the United States Postal Service but
18 no Updated Address is obtained for that Class Member using either method specified above, the
19 Notice Packet shall be re-mailed to the Last Known Address within ten (10) days of receiving
20 such information, the Notice Packet will be deemed mailed as of that date of re-mailing, and the
21 Class Member shall have until the Notice Response Deadline or within twenty-one (21) days
22 from the date of re-mailing to submit a response, whichever is later. In either event, the Notice
23 Packet shall be deemed received when it is mailed for the second time under this paragraph.

24 9.5 **Disputes Regarding Work Weeks:** In calculating each individual Settlement
25 Class Member's share of the settlement, Defendants' reasonably available records regarding the
26 Work Weeks of Class Members shall be presumed to be correct. Settlement Class Members will
27 be provided with the individualized information upon which their respective shares of the Net
28 Settlement Amount will be based. Settlement Class Members who dispute Defendants' records

1 must submit a challenge in writing to the Settlement Administrator and will bear the burden of
2 proof, *i.e.*, a Class Member who fails to provide written documentation supporting a different the
3 number of Work Weeks than that specified in his or her Notice will have his or her dispute
4 denied. All such disputes must be submitted to the Settlement Administrator by the Notice
5 Response Deadline (as evidenced by the date of the postmark of the submission). Defendants will
6 investigate the dispute and determine whether any correction to the number of Work Weeks for
7 the Settlement Class Member raising the dispute should be made. Defendants will keep Plaintiffs'
8 counsel apprised of any such disputes submitted to the Settlement Administrator, but will keep all
9 contact information private. In no case will a dispute regarding the number of Work Weeks result
10 in a payment by Defendants in excess of the Gross Settlement Amount.

11 9.6 **Requests for Exclusion:** Settlement Class Members who wish to be excluded
12 from the Class Settlement must submit a written Request for Exclusion to the Settlement
13 Administrator by the Notice Response Deadline (as evidenced by the date of the postmark of the
14 submission). The Request for Exclusion must provide the name, address, telephone number and
15 last four digits of the Settlement Class Member's Social Security Number and be signed and dated
16 by the Settlement Class Member. Requests for Exclusion must be made individually and cannot be
17 made on behalf of a group or other Settlement Class Members. If a Settlement Class Member
18 submits a Request for Exclusion that fails to include all required information or that cannot be
19 verified by the Settlement Administrator as being an authentic submission by the Settlement Class
20 Member, it will be considered invalid, and the Settlement Administrator shall mail notification of
21 the deficiency to the Settlement Class Member within five (5) business days of receipt. The
22 Settlement Class Member shall have until the Notice Response Deadline or fourteen (14) days
23 from the date of the mailing of notification of the deficiency (whichever is later), to cure any
24 deficiencies, at which point his or her Request for Exclusion will be rejected if not received and
25 that Settlement Class Member will be mailed his or her share of the Net Settlement Amount
26 (according to the formulas set forth in this Agreement). In the event that seven percent (7%) or
27 more of all Settlement Class Members timely request exclusion from the Settlement Class by
28 submitting Requests for Exclusion or comparable documentation, Defendant Pattern shall have the

1 absolute right in its sole discretion to revoke, terminate, and withdraw from this Agreement in its
2 entirety.

3 Any valid Request for Exclusion will be effective only as to the Class Settlement. Any
4 Settlement Class Member who is an Allegedly Aggrieved Individual will be bound by the release
5 of PAGA claims and will receive their share of the PAGA Penalty Payment regardless of
6 submitting a Request for Exclusion.

7 9.7 **No Request for Exclusion by Class Representatives:** The Class Representatives
8 shall not request exclusion from the Settlement. The Class Representatives agree that by signing
9 this Agreement they are accepting the terms of this Settlement.

10 9.8 **Objections to Settlement:** Settlement Class Members who do not request
11 exclusion from the Class may object to the Agreement by submitting copies of their written
12 objections to the Settlement Administrator (as evidenced by the date of the postmark of the
13 submission) by the Notice Response Deadline. This Notice Response Deadline applies to any
14 objections notwithstanding any argument regarding alleged non-receipt of the Notice Packet.
15 Written objections should be signed by the Settlement Class Member and should: (1) state the
16 objecting Settlement Class Member's name, address, telephone number, or the equivalent
17 information of their counsel if they are represented by an attorney, and the last four digits of the
18 Settlement Class Member's Social Security number, (2) state the case name and number as
19 follows: *Luz Gomez et al. v. 4400 WE Technologies, Inc., d/b/a Pattern Jobs, et. al*, Case No.
20 CIVSB2207056, (3) state concisely each objection to the Settlement, (4) explain the basis for
21 each such objection, and (5) be dated. If the Settlement Class Member intends to use any
22 document(s) to support his or her objection, a copy of the document(s) should be included with
23 the written objection at the time of submission. Submitting an objection to this Settlement does
24 not affect the Settlement Class Members' right to obtain the benefits of this Settlement. The
25 Settlement Administrator shall forward a copy of any written objections and/or supporting
26 documentation that it receives to both Class Counsel and Counsel for Defendants within two (2)
27 business days of receipt.

28 9.9 No Class Member shall be entitled to be heard at the Final Approval Hearing

(whether individually or through counsel), unless written notice of the Class Member's intention to appear at the Final Approval Hearing has been filed with the Court and served upon Class Counsel and Defendants' Counsel on or before the Notice Deadline and the Class Member has not requested exclusion from the Settlement. The postmark date of mailing to Class Counsel and Defendants' Counsel shall be the exclusive means for determining that an objection is timely mailed to counsel. If postmark dates differ, the later of the two postmark dates will control. Absent good cause found by the court, Class Members who fail to make timely written objections in the manner specified above shall be deemed to have waived any objections and oppositions to the Settlement's fairness, reasonableness and adequacy, and shall be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement. However, the requirement that the Class Member submit a written objection may be excused by the Court upon a showing of good cause. None of the Parties, their counsel, nor any person on their behalf, shall seek to solicit or otherwise encourage anyone to object to the settlement, or appeal from any order of the Court that is consistent with the terms of this Settlement. **Any remote appearance fees for an appearance by an objecting class member will be paid by the objecting class member.**

9.10 Any Settlement Class Member who fails to serve timely written objections in the manner set forth herein shall be deemed to have waived any objections and shall be foreclosed both from making any objection to the Settlement and from filing any appeal from any Final Approval Order issued by the Court. Settlement Class Members who timely and validly request exclusion from the Settlement shall have no right to object and shall be foreclosed from making any objection to the Settlement.

X. PAYMENT OF CLAIMS

10.1 **Eligibility for Settlement Payments:** Settlement Class Members and Allegedly Aggrieved Individuals need not submit a claim form to receive a Settlement Payment. As a condition of receiving any Settlement Payment under this Agreement, Settlement Class Members must not request exclusion from the Class. Each Settlement Class Members and Allegedly Aggrieved Individuals shall be entitled to a payment equal to the sum of their individually determined Settlement Payment. Settlement Class Members who have submitted untimely or

1 invalid Requests for Exclusion will still be considered part of the Settlement Class, will still be
2 bound by the Settlement and the Released Claims, and will be entitled to receive Settlement
3 Payments.

4 10.2 **Distribution of Settlement Payments.** After the Court grants final approval of
5 the Settlement, and the Effective Date has passed, the Settlement Administrator shall prepare a
6 final list of all Settlement Class Members, excluding those who timely and validly opted out of
7 the Class. For each Settlement Class Member on this list, the Settlement Administrator will
8 calculate the amounts due to each Settlement Class Member using the methodology set forth in
9 Section 8.6 of this Agreement (excluding any individuals who effectively and timely requested
10 exclusion from the Settlement) and provide that calculation to Class Counsel and Defendants'
11 Counsel within five (5) days after the Effective Date.

12 10.3 No later than thirty (30) calendar days after the Effective Date has passed,
13 Defendant Pattern shall pay to the Settlement Administrator the Gross Settlement Amount of
14 \$1,900,000.00. Defendant Pattern will wire the funds requested by the Settlement Administrator
15 into the QSF set up and controlled by the Settlement Administrator. The Effective Date, and
16 Defendant Pattern's obligation to deliver the Gross Settlement Amount, is also conditioned on the
17 courts in the *Gomez* Federal Action and *Hughes* State Action having approved dismissals of those
18 actions.

19 10.4 The Individual Settlement Payments to the Settlement Class, the PAGA Penalty
20 Payment to Allegedly Aggrieved Individuals, and the PAGA Penalty Payment to the LWDA will
21 be paid by the Settlement Administrator no later than forty-five (45) calendar days after the
22 Effective Date.

23 10.5 Class Counsel's Attorneys' Fees and Litigation Expenses and the Service
24 Enhancement Payments to the Class Representatives will be paid by the Settlement Administrator
25 no later than forty-five (45) calendar days after the Effective Date. Payments made shall constitute
26 full satisfaction of any claim for fees or costs. Class Representative/PAGA Representative and
27 Class Counsel, on behalf of themselves and all Settlement Class Members and Allegedly
28 Aggrieved Individuals, agree that they shall not seek nor be entitled to any additional attorneys'

1 fees or costs for the Released Claims. Class Counsel shall provide the Settlement Administrator
2 with the pertinent taxpayer identification numbers and instructions on the total amount of the
3 payment for wiring and reporting purposes within five (5) days after the Effective Date has passed
4 (or, if that date falls on a weekend or holiday, the next business day thereafter). Other than any
5 reporting of this fee payment as required by this Agreement or law, which Defendant Pattern shall
6 make, Class Counsel shall be responsible for the reporting and payment of any federal, state,
7 and/or local income or other form of tax on any payment that they receive pursuant to this
8 Agreement.

9 10.6 Any checks issued to Settlement Class Members and Allegedly Aggrieved
10 Individuals shall remain negotiable for a period of one hundred eighty (180) calendar days from
11 the date of mailing of the Settlement Payment checks. All uncashed checks following this 180 day
12 period will be paid to Legal Aid at Work pursuant to the *cy pres* doctrine. The Settlement
13 Administrator shall provide Class Counsel and Defendants' Counsel with a declaration to verify
14 the mailing of Settlement Payment checks and the other distributions from the Gross Settlement
15 Amount, as well as the total amount of any uncashed settlement checks and the *cy pres* payment.
16 Settlement Class Members and Allegedly Aggrieved Individuals who fail to negotiate their
17 Settlement Payment check(s) in a timely fashion shall remain subject to the terms of the
18 Settlement, the Released Claims and PAGA Release, and the Final Approval Order from the
19 Court.

20 10.7 Defendants understand their legal obligation not to retaliate against the Settlement
21 Class Members and Allegedly Aggrieved Individuals for their participation and/or election to
22 participate in the benefits to be afforded any of them by the Settlement Payments and/or the
23 Lawsuits.

24 **XI. RELEASED CLAIMS**

25 11.1 **Settlement Class Member Released Claims.** Upon the Effective Date, Class
26 Representatives and each of the Settlement Class Members, on behalf of themselves and each of
27 their heirs, representatives, successors, assigns, and attorneys, shall be deemed to have, and by
28 operation of the Judgment shall have, fully, finally, and forever released, relinquished, and

1 discharged the Released Parties from all claims, demands, rights, liabilities, penalties, fees, and
2 causes of action that were or could have been asserted by reason of or in connection with any
3 matter or fact set forth or referred to in the operative complaints in the Lawsuits (whether in tort,
4 contract, statute or otherwise) during the Class Period, including, but not limited to, for alleged
5 violations of Labor Code sections 200, 201–204, 206, 210, 216, 218.5, 218.6, 221, 223, 225.5,
6 226, 226.3, 226.7, 226.8, 246, 248.5, 256, 510, 512, 515, 551-553, 558, 1174, 1174.5, 1182.11,
7 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1720.9, 1771, 1775, 1776, 1777.5, 2698, *et seq.*,
8 2699, 2802, 2810.5, applicable Wage Orders, or any claims based on the following allegations:
9 misclassification of individuals as independent contractors, failure to pay minimum, regular, or
10 hourly wages; failure to pay all hours worked including off-the-clock work; failure to pay
11 overtime wages or accurate overtime wages; failure to provide compliant meal periods and pay
12 meal premiums; failure to provide compliant rest periods and pay rest premiums; failure to
13 provide paid sick days; failure to reimburse for necessary business expenses; failure to pay
14 timely wages during employment or upon separation; failure to provide accurate and/or complete
15 wage statements; or violation of Cal. Bus. & Prof. Code section 17200 *et seq.* by engaging in the
16 foregoing conduct. Settlement Class Members’ Released Claims include all claims for unpaid
17 wages, overtime wages, statutory penalties, civil penalties, damages of any kind, interest,
18 attorneys’ fees, costs, injunctive relief, restitution, and any other equitable relief under California
19 or federal statute, ordinance, regulation, common law, or other source of law, including but not
20 limited to the California Labor Code, California Business & Professions Code, California Civil
21 Code, California Industrial Welfare Commission Wage Orders, and the Fair Labor Standards Act
22 (FLSA) (collectively, the “Settlement Class Release”). The Settlement Class Release and the
23 PAGA Release (defined in section 11.2 below) shall be collectively referred to as the “Released
24 Claims.”

25 11.1.1 All Class Members shall be bound by the release described in Section 11.1
26 and considered Settlement Class Members in this Settlement ***unless*** they formally request
27 exclusion from this Settlement by submitting a valid and timely Request for Exclusion or
28 comparable documentation.

1 11.1.2 Consistent with the foregoing, Settlement Class Members may not sue or
2 otherwise make a claim against any of the Released Parties that is in any way arises out of or is
3 based on any of the Released Claims set forth in this section.

4 11.2 **Allegedly Aggrieved Individuals' Released Claims.** Upon the Effective Date,
5 PAGA Representative Plaintiffs will release, and the State of California and all Allegedly
6 Aggrieved Individuals will be deemed to release the Released Parties from all claims for civil
7 penalties under PAGA during the PAGA Period based on or reasonably related to the factual
8 allegations in the operative complaints in the Lawsuits or Plaintiffs' PAGA notices to the LWDA,
9 including but not limited to alleged violations of Labor Code sections 200, 201–204, 206, 210,
10 216, 218.5, 218.6, 221, 223, 225.5, 226, 226.3, 226.7, 226.8, 246, 248.5, 256, 510, 512, 515, 551-
11 553, 558, 1174, 1174.5, 1182.1, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1720.9, 1771, 1775,
12 1776, 1777.5, 2698, et seq., 2699, 2802, 2810.5, applicable Wage Orders, and any other civil
13 penalties that could have been sought by the Labor Commissioner or through PAGA for
14 violations reasonably arising out of the facts, policies, practices, occurrences, or acts alleged in
15 the operative complaints in the Lawsuits or PAGA Representative Plaintiffs' PAGA notices to the
16 LWDA or that derive from the alleged misclassification of the Allegedly Aggrieved Individuals
17 as independent contractors, failure to pay minimum, regular, or hourly wages; failure to pay all
18 hours worked including off-the-clock work; failure to pay overtime wages or accurate overtime
19 wages; failure to provide compliant meal periods and pay meal premiums; failure to provide
20 compliant rest periods and pay rest premiums; failure to provide paid sick days; failure to
21 reimburse for necessary business expenses; failure to pay timely wages during employment or
22 upon separation; failure to provide accurate and/or complete wage statements; or violation of Cal.
23 Bus. & Prof. Code section 17200 et seq. by engaging in the foregoing conduct (the "PAGA
24 Release"). It is understood and acknowledged that the PAGA Release is binding upon PAGA the
25 Representative Plaintiffs and all Allegedly Aggrieved Individuals during the PAGA Period.
26 Allegedly Aggrieved Individuals, including those Class Members who have opted out of the
27 Settlement, are not able to opt out of the PAGA Penalty Payment, including the release of PAGA
28 Claims, defined herein.

1 11.3 **Plaintiffs' General Release of Claims:** Upon the Effective Date, the Plaintiffs,
2 each, on behalf of themselves and their heirs, representatives, successors, assigns, and attorneys,
3 shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever
4 released, finally, and forever released, relinquished, and discharged the Released Parties from the
5 Released Claims.

6 Plaintiffs waive, release, acquit, and forever discharge the Released Parties from any and all
7 claims, actions, charges, complaints, grievances, and causes of action, of any nature arising from or
8 related to Plaintiffs' employment with Defendants, whether known or unknown, which exist or may
9 exist as of the Parties' execution of this Agreement.

10 Section 1542 of the California Civil Code provides as follows:

11 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**
12 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN**
13 **HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF**
14 **KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER**
15 **SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

16 Plaintiffs' general release provided herein is made with an express waiver and
17 relinquishment of any claim, right, or benefit under California Civil Code section 1542.

18 **XII. MOTIONS FOR COURT APPROVAL**

19 12.1 **Motion for Preliminary Approval:** Class Counsel will file an unopposed motion
20 for preliminary approval. Class Counsel shall endeavor to provide a draft of the motion for
21 preliminary approval and supporting documents to Defendant Pattern for review and comment at
22 least five (5) business days before the filing of the motion. Class Counsel shall file, if required by
23 the Court: (i) this Agreement and its Exhibits, (ii) a noticed motion seeking the Court's preliminary
24 approval of this Settlement, (iii) a proposed order granting such preliminary approval and setting a
25 hearing for final approval, and (iv) any other document consistent with the Settlement and
26 reasonably necessary to obtain the Court's preliminary approval of the Settlement.

27 12.2 **Motion for Final Approval:** The Parties shall request that the Court set the final
28 approval hearing at least five weeks after the Notice Response Deadline, as the Court's calendar

1 will allow. Class Counsel shall prepare the unopposed motion for final approval of the Settlement
2 according to the timeline set by the Court, and shall provide to Defendant Pattern for review and
3 comment a draft motion for final approval at least five (5) business days before the filing of the
4 motion. Sufficiently in advance of the final approval hearing to meet the statutory notice
5 requirements, Plaintiffs shall file with the Court: (i) a noticed motion for final approval which shall
6 include Class Counsel's motion for Attorneys' Fees, Litigation Expenses, and Service
7 Enhancement Payments, (ii) a proposed order granting final approval and entering Judgment
8 thereon, and (iii) any other documents consistent with the Settlement and reasonably necessary to
9 obtain the Court's final approval of the Settlement and entry of Judgment. The Parties will ask
10 the Court to maintain jurisdiction of this matter for the purpose of monitoring compliance with
11 and performance under this Agreement and any and all orders and judgments, including the
12 Judgment entered by the Court.

13 **XIII. RIGHT TO REVOKE**

14 13.1 **Defendant Pattern's Right to Revoke:** Defendant Pattern has the right in its sole
15 and exclusive discretion to terminate this Agreement and withdraw from the Settlement at any
16 time prior to date the Court enters the Final Approval Order on this Settlement if: (a) the
17 Settlement is construed in such a fashion that Defendant Pattern is required to pay more than the
18 Gross Settlement Amount; or (b) the Court denies Plaintiffs' motion for preliminary approval of
19 the Settlement with prejudice; or (c) 7% or more of all Settlement Class Members timely and
20 validly request exclusion from the Settlement.

21 13.2 **Termination of Settlement Agreement:** If the conditions of the Settlement set
22 forth in this Agreement are not satisfied, or if Defendant Pattern terminates the Agreement pursuant
23 to Section 13.1, or if the Court does not enter the Final Approval Order as provided for in this
24 Agreement, or if appellate review is sought and on such review the Court's Final Approval Order is
25 materially modified or reversed, or if one or more of the terms of the Settlement is not approved or
26 the Settlement with respect to one or more such terms is materially modified or reversed, then this
27 Settlement shall be canceled, terminated, and shall have no force or effect, and any class certified
28 for settlement purposes will be vacated. In such an event, the Parties shall first meet and confer in

1 good faith and attempt to further negotiate and resolve any issues. If the Parties are unable to
2 reach a resolution, then neither the Agreement, nor the settlement documents, nor the negotiations
3 leading to the Settlement may be used as evidence for any purpose, and Defendants shall retain the
4 right to challenge all claims and allegations in the Lawsuits, to assert all applicable defenses, and
5 to dispute the propriety of class certification on all applicable grounds. If the Effective Date does
6 not occur (due to failure of the Court to grant final approval or otherwise), or if this Settlement is
7 terminated, revoked, or canceled pursuant to its terms, the Parties to this Settlement shall be deemed
8 to have reverted to their respective status as of the date immediately prior to the execution of this
9 Settlement.

10 **XIV. COOPERATION**

11 14.1 The Parties shall cooperate fully with one another in seeking approval of the Court
12 of this Agreement and to use their respective best efforts to consummate the Settlement and cause
13 the Final Approval Order and Judgment to be entered and to become final. The Parties therefore
14 agree to cooperate in good faith to promptly prepare, execute and finalize all Settlement-related
15 documents, seek all necessary Court approvals, and do all other things necessary to consummate
16 the Settlement. The Parties also agree to mutually seek to stay any pending or subsequently filed
17 class action lawsuits that allege any of the Released Claims set forth in Section 11 of this
18 Agreement.

19 14.2 No Party to this Agreement shall seek to evade his, her, or its good faith
20 obligations to seek approval and implementation of this Settlement by virtue of any ruling, order,
21 governmental report, or other development, whether in the Lawsuits, in any other litigation, or
22 otherwise, that hereafter might occur and might be deemed to alter the relative strengths of the
23 Parties with respect to any claims or defenses or their relative bargaining power with respect to
24 negotiating.

25 14.3 The Parties and their respective counsel of record deem this Settlement to be fair,
26 adequate, and reasonable, and have arrived at this Settlement after arms-length negotiations
27 considering all relevant factors, present and potential.

28 14.4 Other than as necessary to implement the Settlement, neither Plaintiffs nor Class

Counsel shall initiate any publicity, disclosure or contact with the media, or respond to any inquiry from the media, regarding the Settlement other than to confirm that the Lawsuits exist and have been resolved. Any confirmation of settlement shall remain confidential until the preliminary approval motion is filed. Nothing in this paragraph shall prevent Class Counsel from communicating with the Class Members and Allegedly Aggrieved Individuals, the LWDA, the DLSE, or the court in which the Lawsuits are pending, as may be required in response to inquiries about the terms of this Settlement and/or to fulfill their ethical responsibilities under the Settlement and to their respective clients. Nothing in this paragraph shall prevent Plaintiffs and their counsel from effectuating notice, which shall include the provision of notice to Class Members and Allegedly Aggrieved Individuals, and which shall include a settlement website to be established and maintained by the settlement administrator as approved by the Court.

14.5 Class Members and Allegedly Aggrieved Individuals do not need to sign this Agreement and upon the Effective Date are estopped from challenging the validity of this Agreement on the grounds that they did not sign the Agreement.

XV. MISCELLANEOUS PROVISIONS

15.1 All of the Parties have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and this Agreement is made with the consent and advice of counsel.

15.2 This Agreement may not be modified or amended, except in a writing that is signed by the respective counsel of record for the Parties and approved by the Court.

15.3 This Agreement and its Exhibits attached hereto constitute the entire agreement between the Parties concerning the subject matter hereof, and supersede and replace all prior negotiations, understandings, memoranda of understanding and proposed agreements, written and oral, relating thereto. No extrinsic oral or written representations or terms shall modify, vary, or contradict the terms of the Agreement unless made in writing, signed by duly authorized representatives of all Parties, and approved in writing by a final order of the Court. No waiver of any term, provision, or condition of this Agreement, whether by conduct or otherwise, in any one or more instance shall be deemed to be or construed as a further or continuing waiver of any such

1 term, provision or condition.

2 15.4 This Agreement shall be subject to, governed by, construed, enforced, and
3 administered in accordance with the laws of the State of California, without giving effect to the
4 principles of conflict of laws, both in its procedural and substantive aspects, and shall be subject to
5 the continuing jurisdiction of the Court. This Agreement shall be construed as a whole according to
6 its fair meaning and intent, and not strictly for or against any party, regardless of who drafted (or
7 was principally responsible for drafting) this Agreement or any specific term or condition thereof.
8 In any construction to be made of the Agreement, the Agreement shall not be construed against any
9 party and the canon of contract interpretation set forth in California Civil Code section 1654 shall
10 not be applied.

11 15.5 The Settlement shall be binding upon and inure to the benefit of the Parties'
12 respective successors, assigns, heirs, spouses, marital communities, executors, administrators and
13 legal representatives. The Agreement and Settlement are not designed to and do not create any
14 third-party beneficiaries either express or implied.

15 15.6 The Parties agree they can consult mediator David A. Rotman to advise on
16 disputes that may arise in connection with interpreting the terms of the Settlement. However, Mr.
17 Rotman's opinions will be non-binding on the Parties and the Parties agree only the Court shall
18 retain jurisdiction with respect to disputes that may arise in connection with interpreting the terms
19 of the Agreement, and the implementation and enforcement of the terms of the Agreement, and
20 all Parties hereto submit to the jurisdiction of the Court for purposes of implementing and
21 enforcing the terms of the Agreement.

22 15.7 This Agreement may be executed in one or more counterparts, each of which shall
23 be deemed an original and together shall constitute one and the same instrument. When each of
24 the Parties has signed at least one such counterpart, this Agreement shall become effective and
25 binding as to all of the Parties as of the day and year last executed. Fax and/or electronically
26 scanned signatures, including signatures made via DocuSign or a similar service, shall be deemed
27 as effective as originals.

28 15.8 The Parties hereto represent, covenant, and warrant that they have not directly or

1 indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any
2 person or entity any portion of any liability, claim, demand, action, cause of action or rights
3 herein released and discharged except as set forth herein.

4 15.9 Each individual signing this Agreement warrants that he or she has the authority
5 and is expressly authorized to enter into this Agreement on behalf of the party (or parties) for
6 which that individual signs.

7 15.10 Any notices or other documents that must or may be transmitted to Class Counsel
8 and/or Defendants' Counsel, pursuant to any section of this Agreement, shall be transmitted to the
9 addresses set forth in the definitions of Class Counsel and Defendants' Counsel, respectively, set
10 forth above.

11 15.11 The Parties and all counsel acknowledge and agree that for the purposes of any
12 claims, actions, and/or proceedings arising out of this Agreement, notice provided to Class
13 Counsel shall be deemed to be notice to the Plaintiffs.

14
15 *[signatures on following page]*
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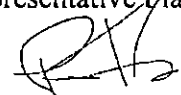
1 IN WITNESS WHEREOF, each of the undersigned has agreed to and accepted the
2 foregoing terms and conditions by executing this Agreement as of the date indicated below.

3 **APPROVED AND AGREED:**

4
5 Dated: 03 / 02 / 2023

By: 
LUZ GOMEZ
Representative Plaintiff

6
7 Dated: 03/03/2

By: 
PHILIP HUGHES
Representative Plaintiff

8
9
10 Dated: _____

DEFENDANT 4400 WE TECHNOLOGIES, INC.

11
12 By: _____
Wilson Cross, Co-founder and CEO
For Defendants 4400 WE Technologies, Inc., d/b/a
13 Pattern Jobs; Pattern Labs, Inc; Pattern Interactive
14 Inc.

15 Dated: _____

DEFENDANT RADIAL, INC.

16
17 By: _____
Sabrina Wnorowski, Chief Human Resource Officer
18 For Defendant Radial, Inc.

19 Dated: _____

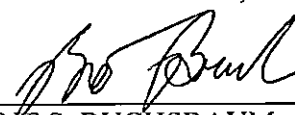
DEFENDANT METRO AIR SERVICE INC.

20
21 By: _____
Paul D. Cole, CFO
22 For Defendant Metro Air Services, Inc.

23
24 **APPROVED AS TO FORM:**

25 Dated: 3/2/23

BUCHSBAUM & HAAG, LLP

26
27 By: 
BRENT S. BUCHSBAUM
Attorneys for Plaintiff Philip Hughes and the

1 IN WITNESS WHEREOF, each of the undersigned has agreed to and accepted the
2 foregoing terms and conditions by executing this Agreement as of the date indicated below.

3 **APPROVED AND AGREED:**

4
5 Dated: _____

By: _____
LUZ GOMEZ
Representative Plaintiff

6
7
8 Dated: _____

By: _____
PHILIP HUGHES
Representative Plaintiff

9
10 Dated: 3/7/2023

DEFENDANT 4400 WE TECHNOLOGIES, INC.

11
12 By: Willson Cross
Willson Cross, Co-founder and CEO
For Defendants 4400 WE Technologies, Inc., d/b/a
Pattern Jobs; Pattern Labs, Inc; Pattern Interactive
Inc.

13
14
15 Dated: 3/8/2023 | 5:18:39 PM EST

DEFENDANT RADIAL, INC.

16
17 By: Sabrina Wnorowski
Sabrina Wnorowski, Chief Human Resource Officer
For Defendant Radial, Inc.

18
19 Dated: 3/2/2023

DEFENDANT METRO AIR SERVICE INC.

20
21 By: DocuSigned by:
Paul D. Cole
B940298E51DE47E
Paul D. Cole, CFO
For Defendant Metro Air Services, Inc.

22
23
24 **APPROVED AS TO FORM:**

25
26 Dated: _____

BUCHSBAUM & HAAG, LLP

27
28 By: _____
BRENT S. BUCHSBAUM
Attorneys for Plaintiff Philip Hughes and the

Settlement Class

Dated: 03/09/2023

SCHNEIDER WALLACE COTTRELL KONECKY, LLP

By:



CAROLYN COTTRELL

Attorneys for Plaintiffs LUZ GOMEZ and the Settlement Class

Dated:

ORRICK HERRINGTON & SUTCLIFFE LLP

By:

ANDREW R. LIVINGSTON

Attorneys for Defendants 4400 WE TECHNOLOGIES, INC., D/B/A PATTERN JOBS; PATTERN LABS, INC; PATTERN INTERACTIVE INC.

Dated: March 8, 2023

BLANK ROME LLP

By:



CAROLINE DONELAN

Attorneys for Defendant RADIAL, INC.

Dated: March 3, 2023

COLLINSKIM LLP

By:



TAE KIM

Attorneys for Defendant METRO AIR SERVICES, INC.

Settlement Class

Dated: _____ SCHNEIDER WALLACE COTTRELL KONECKY, LLP

By: _____
CAROLYN COTTRELL
Attorneys for Plaintiffs LUZ GOMEZ and the
Settlement Class

Dated: 03/02/2023 _____ ORRICK HERRINGTON & SUTCLIFFE LLP

By:  _____
ANDREW R. LIVINGSTON
Attorneys for Defendants 4400 WE
TECHNOLOGIES, INC., D/B/A PATTERN JOBS;
PATTERN LABS, INC; PATTERN
INTERACTIVE INC.

Dated: March 8, 2023 _____ BLANK ROME LLP

By:  _____
CAROLINE DONELAN
Attorneys for Defendant RADIAL, INC.

Dated: _____ COLLINSKIM LLP

By: _____
TAE KIM
Attorneys for Defendant METRO AIR SERVICES,
INC.