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(continued on next page)

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE

TERESA ALVAREZ, individually, and on behalf
of all others similarly situated; and MIRNA
REYES, individually, and on behalf of all others
similarly situated,

Plaintiffs,

vs.

LIQUID GRAPHICS, INC., a California
Corporation; LYNEER STAFFING
SOLUTIONS, LLC, a limited liability company;
and DOES 1 through 50, inclusive,

Defendants.

Case No.: 30-2022-01251702-CU-OE-CXC

*[Assigned for all purposes to the Hon. William
Claster, Dept. CX104]*

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

Complaint filed: March 22, 2022
Preliminary Approval: Not set

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JOINT STIPULATION OF SETTLEMENT

This Joint Stipulation of Settlement of Class and Representative Action (the “Stipulation of Settlement”) is made by and between Plaintiffs, TERESA ALVAREZ and MIRNA REYES (“Named Plaintiffs”), for their own behalf and on behalf of all members of the Settlement Class, as defined below, on the one hand, and Defendants LIQUID GRAPHICS, INC. and LYNEER STAFFING SOLUTIONS, LLC (“Defendants”) on the other hand (collectively, the “Parties”), in the lawsuit entitled *Teresa Alvarez, et al. v. Liquid Graphics, Inc., et al.*, filed in the Orange County Superior Court, Case No. 30-2022-01251702-CU-OE-CXC (the “Litigation”). This Stipulation of Settlement resolves all claims that were asserted or could have been asserted against Defendants pertaining to the claims in the Litigation.

I. DEFINITIONS

A. Administration Costs. “Administration Costs” includes and refers to all administrative costs of settlement, including the costs of notice to the Settlement Class, claims administration, and any fees and costs incurred or charged by the Settlement Administrator in connection with the execution of its duties under this Stipulation of Settlement.

B. Agreement, Settlement Agreement, or Stipulation of Settlement. The terms “Agreement,” “Settlement Agreement,” and “Stipulation of Settlement” are used synonymously herein to mean this Joint Stipulation of Settlement of Class and Representative Action.

C. Class Counsel. The term “Class Counsel” as used herein means: WILSHIRE LAW FIRM, PLC and all the lawyers of the firm acting on behalf of Named Plaintiffs and the Settlement Class.

D. Class Notice or Notice. The terms “Class Notice” or “Notice,” as used herein, mean and refer to the Notice of Proposed Class Action Settlement attached as **Exhibit “A”** to this Stipulation of Settlement.

E. Class Period. The term “Class Period” as used herein means the period from March 22, 2018 through April 29, 2023.

F. Court. The term “Court” as used herein means the Superior Court of the State of California for the County of Orange.

1 **G. Defendants.** The term “Defendants” as used herein means LIQUID GRAPHICS,
2 INC. and LYNEER STAFFING SOLUTIONS, LLC.

3 **H. Eligible Workweeks.** The term “Eligible Workweeks” means the number of
4 Workweeks that a Settlement Class Member worked for Defendants in California during the Class
5 Period.

6 **I. Employer Taxes.** The term “Employer Taxes” refers to the employer-funded taxes
7 and contributions imposed on the wage portions of the Settlement Payments under the Federal
8 Insurance Contributions Act, the Federal Unemployment Tax Act, and any similar state taxes and
9 contributions required of employers, such as for unemployment insurance.

10 **J. Final Approval.** The term “Final Approval” means: (1) the date of final affirmation
11 of the Final Approval Order from any appeal, the expiration of the time for, or the denial of, a petition
12 to review the Final Approval Order, or if review is granted, the date of final affirmation of the Final
13 Approval Order following review pursuant to that grant; or (2) the date of final dismissal of any
14 appeal from the Final Approval Order or the final dismissal of any proceeding to review the Final
15 Approval Order, provided that the Final Approval Order is affirmed and/or not reversed in any part;
16 or (3) if no appeal is filed, the expiration date of the time for the filing or noticing of any appeal from
17 the Court’s Final Approval Order, as determined under Rule 8.104(a)(3) of the California Rules of
18 Court.

19 **K. Gross Settlement Amount.** The term “Gross Settlement Amount” means and refers
20 to the total value of the Settlement, which is Seven Hundred Fifty Thousand Dollars and Zero Cents
21 (\$750,000.00). This is the gross amount Defendants can be required to pay under this Settlement,
22 which includes, without limitation: (1) the Net Settlement Amount to be paid to Settlement Class
23 Members; (2) an award of attorneys’ fees and costs to Class Counsel, as approved by the Court,
24 pursuant to Section XIII; (3) the Service Enhancements paid to Named Plaintiffs, as approved by the
25 Court, pursuant to Section XIV; (4) Administration Costs, as approved by the Court, pursuant to
26 Section VIII; and (5) the PAGA Payment to the LWDA and to PAGA Allegedly Aggrieved
27 Employees, as approved by the Court, pursuant to Section XVI. Defendants’ portion of payroll taxes
28 on the portion of the Settlement Amount allocated to wages as the Class Members’ current or former

1 employer is excluded from the Gross Settlement Amount and will be paid by Defendants separately.
2 No portion of the Gross Settlement Amount will revert to Defendants for any reason. This amount
3 is all-inclusive of all payments contemplated in this resolution and excluding any employer-side
4 payroll taxes on the portion of the Settlement Payments, if any are allocated to wages.

5 **L. Judgment.** The term “Judgment” means the final judgment entered by the Court
6 following the Final Fairness and Approval Hearing.

7 **M. Litigation.** The term “Litigation” as used herein means the action entitled filed in
8 Orange County Superior Court, Case No. 30-2022-01251702-CU-OE-CXC.

9 **N. LWDA.** The term “LWDA” refers to the California Labor and Workforce
10 Development Agency.

11 **O. Named Plaintiffs.** The term “Named Plaintiffs” as used herein means TERESA
12 ALVAREZ and MIRNA REYES.

13 **P. Net Settlement Amount.** The term “Net Settlement Amount” as used herein means
14 the Gross Settlement Amount minus any award of attorneys’ fees and Litigation costs,
15 Administration Costs, Service Enhancements to Named Plaintiffs, and penalties recoverable
16 pursuant to PAGA and as provided in Sections VIII, XIII, XIV, and XVI.

17 **Q. PAGA.** The term “PAGA” means and refers to the California Private Attorneys
18 General Act, *Labor Code* sections 2698, *et seq.*

19 **R. PAGA Allegedly Aggrieved Employee(s).** The term “PAGA Allegedly Aggrieved
20 Employee(s)” shall refer to all current and former non-exempt employees, whether directly employed
21 by Liquid Graphics, Inc. or assigned by Lyneer Staffing Solutions, LLC to perform work as a
22 temporary worker at Liquid Graphics, Inc., who worked at any Liquid Graphics, Inc.’s California
23 facilities during the PAGA Period.

24 **S. PAGA Amount.** The term “PAGA Amount” refers to the amount of the Gross
25 Settlement Amount agreed upon by the Parties to be allocated to penalties under PAGA, which is
26 Fifty Thousand Dollars and Zero Cents (\$50,000.00).

27 **T. PAGA Payment(s).** The term “PAGA Payment(s)” shall refer to payments made to
28 PAGA Allegedly Aggrieved Employees as part of the Settlement.

1 **U. PAGA Period.** The term “PAGA Period” refers to the period of February 15, 2021
2 through April 29, 2023.

3 **V. Preliminary Approval or Preliminary Approval Order.** The terms “Preliminary
4 Approval” and “Preliminary Approval Order” refer to the order entered by the Court following the
5 Preliminary Approval Hearing approving of the proposed Settlement.

6 **W. Settlement.** The term “Settlement” as used herein means this Agreement to resolve
7 the Litigation.

8 **X. Settlement Administrator.** The term “Settlement Administrator” as used herein
9 means and refers to CPT Group, which will be responsible for the administration of the Settlement,
10 as defined below, and all related matters.

11 **Y. Settlement Class and Settlement Class Members.** For settlement purposes only,
12 the Parties agree to the certification of a class pursuant to California *Code of Civil Procedure* § 382
13 defined as:

14 All current and former non-exempt hourly employees, whether directly employed
15 by Liquid Graphics, Inc. or assigned by Lyneer Staffing Solutions, LLC to perform
16 work as a temporary worker at Liquid Graphics, Inc., who worked at any of Liquid
Graphics, Inc.’s California facilities during the Class Period.

17 **Z. Settlement Payment(s).** The term “Settlement Payment(s)” shall refer to payments
18 made to individual members of the Settlement Class as part of the Settlement, including wages,
19 penalties, and interest.

20 **AA. Workweek(s).** The term “Workweek(s)” is defined as any week in which a Settlement
21 Class Member worked at least one (1) day during the calendar week.

22 **BB. Workweek Dispute Form.** The term “Workweek Dispute Form,” as used herein,
23 means and refers to the Workweek Dispute Form attached as **Exhibit “B”** to this Stipulation of
24 Settlement, which notifies each Settlement Class Member of the number of his or her Eligible
25 Workweeks and estimated Settlement Payment, estimated PAGA Payment, informs Settlement Class
26 Members of their right to challenge their number of Eligible Workweeks, and provides a mechanism
27 for Settlement Class Members to challenge their number of Eligible Workweeks.

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II. BACKGROUND

A. In the Litigation, Named Plaintiffs allege, *inter alia*, on behalf of themselves and all others similarly situated, that Defendants violated California state wage and hour laws under the California *Labor Code* and Industrial Welfare Commission (“IWC”) Wage Orders, California *Business and Professions Code* sections 17200, *et seq.*, and PAGA, as a result of Defendants’ California wage and hour policies and practices. Specifically, Named Plaintiffs allege that Defendants: failed to pay employees at or above the applicable minimum wage rates; failed to pay appropriate overtime and double time pay; failed to provide legally compliant meal breaks (including first and second meal breaks); failed to authorize and permit legally compliant rest breaks; and failed to provide one day’s rest in seven. Named Plaintiffs further allege that the aforementioned wage and hour violations resulted in the employees receiving inaccurate wage statements and the underpayment of wages to employees upon termination and/or resignation.

Class Counsel conducted informal discovery concerning the claims set forth in the Litigation, such as a sample of Settlement Class Members’ timekeeping and payroll records, Defendants’ policies and procedures concerning the payment of wages, the provision of meal and rest breaks, issuance of wage statements, and paying all wages at separation, as well as information regarding the number of putative Settlement Class Members and the mix of current versus former employees, the wage rates in effect, and the amount of meal and rest period premium wages paid to Settlement Class Members.

B. Named Plaintiffs and Class Counsel have engaged in good faith, arms-length negotiations with Defendants and their respective counsel concerning possible settlement of the claims asserted in the Litigation. The Parties participated in two days of mediation before Kelly Knight, Esq., a well-respected wage and hour class action mediator, that resulted in a tentative settlement of the Litigation, subject to the approval of the Court, and finalization of a formal Stipulation of Settlement. The Parties have engaged in extensive negotiations about the terms and conditions of the Settlement at the mediation and subsequent thereto. The Parties have now formalized the Settlement Agreement for submission to the Court for Preliminary and Final Approval.

1 C. Class Counsel has conducted an investigation of the law and facts relating to the
2 claims asserted in the Litigation and has concluded, taking into account the sharply contested issues
3 involved, the defenses asserted by Defendants, the expense and time necessary to pursue the
4 Litigation through trial and any appeals, the risks and costs of further prosecution of the Litigation,
5 the risk of an adverse outcome, the uncertainties of complex litigation, and the substantial benefits
6 to be received by Named Plaintiffs and the members of the Settlement Class pursuant to this
7 Agreement, that a settlement with Defendants on the terms and conditions set forth herein is fair,
8 reasonable, adequate, and in the best interests of the Settlement Class. Named Plaintiffs, on their
9 own behalf and on behalf of the Settlement Class, have agreed to settle the Litigation with Defendants
10 on the terms set forth herein.

11 D. Defendants have concluded that, because of the substantial expense of defending
12 against the Litigation, the length of time necessary to resolve the issues presented herein, the
13 inconvenience involved, and the concomitant disruption to their business operations, it is in
14 Defendants' best interests to accept the terms of this Agreement. Defendants deny each of the
15 allegations and claims asserted against them in the Litigation. However, Defendants nevertheless
16 desire to settle the Litigation for the purpose of avoiding the burden, expense, and uncertainty of
17 continuing litigation and for the purpose of putting to rest the controversies engendered by the
18 Litigation.

19 E. This Agreement is intended to and does effectuate the full, final, and complete
20 settlement of all allegations and claims that were asserted, or could have been asserted, in the
21 Litigation by Named Plaintiffs and members of the Settlement Class as set forth in Section II(A).

22 **III. JURISDICTION**

23 The Court has jurisdiction over the Parties and the subject matter of this Litigation. The
24 Litigation includes claims that, while Defendants deny them in their entirety, would, if proven,
25 authorize the Court to grant relief pursuant to the applicable statutes. After the Court has granted
26 Final Approval of the Settlement and after the Court has ordered the entry of Judgment pursuant to
27 California *Code of Civil Procedure* section 664.6, the Court shall retain jurisdiction of this action
28 solely for the purpose of interpreting, implementing, and enforcing this Settlement consistent with

the terms set forth herein.

IV. STIPULATIONS TO FILING OF AMENDED COMPLAINT AND CLASS CERTIFICATION

For purposes of this Settlement only, Defendants stipulate to Named Plaintiffs' filing of a First Amended Class Action and Representative Action Complaint to include a ninth cause of action for penalties under PAGA, to effectuate a full and complete settlement of the Litigation.

The Parties further stipulate to the certification of this Settlement Class for purposes of this Settlement only. This stipulation is contingent upon the Preliminary and Final Approval and certification of the Settlement Class only for purposes of the Settlement. Should the Settlement not become final, for whatever reason, the fact that the Parties were willing to stipulate provisionally to class certification as part of the Settlement shall have no bearing on, and shall not be admissible in connection with, the issue of whether a class should be certified in a non-settlement context in the Litigation. Defendants expressly reserve the right to oppose class certification and/or proactively move to deny certification should this Settlement be modified or reversed on appeal or otherwise not become final.

V. MOTION FOR PRELIMINARY APPROVAL

Named Plaintiffs will bring a motion before the Court for an order preliminarily approving the Settlement, including the Notice of Proposed Class Action Settlement and Workweek Dispute Form, which are attached hereto as **Exhibits "A" and "B,"** respectively, and including certification of the Settlement Class for settlement purposes only.

Class Counsel will prepare the Motion for Preliminary Approval and will provide Defendants' counsel the opportunity to review it and provide input before it is filed. On the same date on which it is filed with the Court, Class Counsel shall concurrently submit the Motion for Preliminary Approval to the LWDA in compliance with the provisions of PAGA.

VI. STATEMENT OF NO ADMISSION

A. Defendants deny liability to Named Plaintiffs and to the Settlement Class upon any claim or cause of action. This Agreement does not constitute, and is not intended to constitute, an admission by Defendants as to the merits, validity, or accuracy of any of the allegations or claims

made against them in the Litigation.

B. Nothing in this Agreement, nor any action taken in implementation thereof, nor any statements, discussions, or communications, nor any materials prepared, exchanged, issued, or used during the course of the negotiations leading to this Agreement or the Settlement, is intended by the Parties to constitute, nor will any of the foregoing constitute, be introduced, be used, or be admissible in any way in this case or any other judicial, arbitral, administrative, investigative, or other forum or proceeding as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule, or executive order, or any obligation or duty at law or in equity. The Parties themselves agree not to introduce, use, or admit this Agreement, directly or indirectly, in this case or any other judicial, arbitral, administrative, investigative, or other forum or proceeding, as purported evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule, or executive order, or any obligation or duty at law or in equity, or for any other purpose. Notwithstanding the foregoing, this Agreement may be used and filed in any proceeding before the Court that has as its purpose the interpretation, implementation, or enforcement of this Agreement or any orders or judgments of the Court entered in connection with implementation of the Settlement.

C. None of the documents produced or created by Named Plaintiffs or the Settlement Class in connection with the claims procedures or claims settlement procedures constitute, and they are not intended to constitute, an admission by Defendants of any violation of any federal, state, or local law, statute, ordinance, regulation, rule, or executive order, or any obligation or duty at law or in equity.

D. The Parties agree that class certification pursuant to California *Code of Civil Procedure* section 382 under the terms of this Agreement is for settlement purposes only. Nothing in this Agreement will be construed as an admission or acknowledgement of any kind that any class should be certified or given collective treatment in the Litigation or in any other action or proceeding. Further, neither this Agreement nor the Court's actions with regard to this Agreement will be admissible in any court or other tribunal regarding the propriety of class certification or collective treatment. In the event that this Agreement is not approved by the Court or any appellate court, is terminated, or otherwise fails to be enforceable, Named Plaintiffs will not be deemed to have waived,

1 limited, or affected in any way any claims, rights, or remedies in the Litigation, and Defendants will
2 not be deemed to have waived, limited, or affected in any way any of their objections or defenses in
3 the Litigation.

4 **VII. WAIVER, RELEASES, AND CONFIDENTIALITY**

5 **A. Release as to All Settlement Class Members.**

6 Upon the date of the Court's Final Approval Order and after all Settlement Payments are
7 made pursuant to this Agreement, Named Plaintiffs and all members of the Settlement Class, except
8 those that make a valid and timely request to be excluded from the Settlement Class and Settlement,
9 waive, release, discharge, and promise never to assert in any forum any and all wage-related claims
10 that were alleged in the Litigation or which could have been alleged in the Litigation based on the
11 facts asserted in the Litigation arising during the Class Period against Defendants and their divisions,
12 affiliates, predecessors, successors, shareholders, officers, directors, employees, agents, trustees,
13 representatives, administrators, fiduciaries, assigns, subrogees, executors, partners, parents,
14 subsidiaries, joint employers, insurers, and related corporations, including the following claims: 1)
15 all claims, under any legal theory of liability, for the failure to pay all wages of any kind, including
16 any minimum wage or straight time wages owed, pursuant to California *Labor Code* sections 204,
17 510, 1194, 1194.2, and 1198, the IWC Wage Orders, or any comparable federal statute under any
18 theory of liability; 2) all claims, under any legal theory of liability, for the failure to pay overtime or
19 double time wages owed pursuant to California *Labor Code* sections 204, 510, 1194, and 1198, the
20 IWC Wage Orders, or any comparable federal statute under any theory of liability; 3) all claims,
21 under any legal theory of liability, for failure to provide meal periods pursuant to California *Labor*
22 *Code* sections 226.7 and 512 and the IWC Wage Orders; 4) all claims, under any legal theory of
23 liability, for the failure to provide rest periods pursuant to California *Labor Code* section 226.7 and
24 the IWC Wage Orders; 5) all claims, under any legal theory of liability, for the failure to properly
25 calculate and pay any premiums owed and/or paid pursuant to California *Labor Code* section
26 226.7(b); 6) all claims, under any legal theory of liability, for any penalties of any kind arising from
27 an alleged failure to pay final wages or other amounts allegedly owed to Settlement Class Members
28 pursuant to California *Labor Code* sections 201-203; 7) all claims, under any legal theory of liability,

1 for any penalties of any kind arising from any alleged wage statement violations pursuant to
2 California *Labor Code* sections 226 and 1174.5; 8) all claims, under any legal theory of liability, for
3 failing to provide one day's rest in seven pursuant to California *Labor Code* sections 551, 552, and
4 558; 9) all claims, under any legal theory of liability, for violation of California *Business and*
5 *Professions Code* sections 17200, *et seq.*; 10) all claims, under any legal theory of liability, for
6 penalties pursuant to PAGA (California *Labor Code* sections 2698, *et seq.*); and 11) all claims, under
7 any legal theory of liability, for any penalties or any another amounts that could be potentially owed
8 to Settlement Class Members arising out of and/or related to the allegations in the Litigation arising
9 during the Class Period, including penalties owed pursuant to California *Labor Code* sections 210,
10 226.3, 558, and 1197.1.

11 **B. Effect of PAGA Settlement.**

12 As of the date of Final Approval, this Settlement forever bars Named Plaintiffs, the LWDA,
13 and any other representative, proxy, or agent thereof, including, but not limited to, any and all PAGA
14 Allegedly Aggrieved Employees who worked during the PAGA Period, from pursuing any action
15 under PAGA against Defendants and any of their releasees based on or arising out of alleged
16 violations of the California Labor Code sections alleged to have occurred during the PAGA Period.

17 **C. General Release by Named Plaintiffs Only.**

18 In addition to the release made in Section VII(A), Named Plaintiffs make the additional
19 following general release of all claims, whether known or unknown. Named Plaintiffs release
20 Defendants, and each of their respective subsidiaries, affiliates, predecessors or successors in
21 interest, officers, directors, shareholders, employees, attorneys, agents, assigns, insurers, and re-
22 insurers of any of them, from all claims, demands, rights, liabilities, and causes of action of every
23 nature and description whatsoever, known or unknown, asserted or that might have been asserted,
24 whether in tort, contract, or for violation of any state or federal statute, rule, or regulation arising out
25 of, relating to, or in connection with Named Plaintiffs' employment with Defendants as well as any
26 and all acts or omissions by or on the part of Defendants. (The release set forth in this Paragraph B
27 shall be referred to hereinafter as the "General Release.")

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1 With respect to the General Release, Named Plaintiffs stipulate and agree that, upon the
2 Court's Final Approval of the Settlement, Named Plaintiffs shall be deemed to have expressly waived
3 and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits of Section
4 1542 of the California *Civil Code*, or any other similar provision under federal or state law, which
5 provides:

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

10 Accordingly, if the facts relating in any manner to this Settlement are found hereafter to be other
11 than or different from the facts now believed to be true, the release of claims contained herein shall
12 be effective as to all unknown claims.

13 **D. Confidentiality.**

14 Neither Named Plaintiffs nor Class Counsel will make any public disclosure regarding the
15 terms of this Settlement Agreement until after the Motion for Preliminary Approval has been filed.
16 Class Counsel will take all steps necessary to ensure Named Plaintiffs are aware of, and will
17 encourage them to adhere to, the restriction against any public disclosure of the terms of this
18 Agreement until after the Motion for Preliminary Approval has been filed. Following Preliminary
19 Approval of this Settlement, neither Named Plaintiffs nor Class Counsel will have any
20 communications with any media, other than to direct any media inquiries to the public records of the
21 Litigation on file with the Court.

22 **VIII. SETTLEMENT ADMINISTRATOR**

23 Named Plaintiffs and Defendants, through their respective counsel, have selected CPT Group
24 as the Settlement Administrator to administer the Settlement, which includes, but is not limited to,
25 distributing and responding to inquiries about the Notice of Proposed Class Action Settlement and
26 Workweek Dispute Form, determining the validity of any disputes and opt-outs, and calculating all
27 amounts to be paid from the Net Settlement Amount. Settlement Administration Costs, estimated to
28

be no more Fifteen Thousand Five Hundred Dollars and Zero Cents (\$15,500.00), will be paid from the Gross Settlement Amount. Any charges and expenses of the Settlement Administrator greater than the allocated \$15,500.00 will come from the Gross Settlement Amount. If the actual Administration Costs are less than the Parties' estimation, the difference between the actual and estimated Administration Costs will revert to the participating Settlement Class Members. The Parties agree that this Agreement may be provided to the Settlement Administrator to effectuate its implementation of the settlement procedures herein.

IX. CLASS NOTICE, OBJECTIONS, AND EXCLUSION RIGHTS

A. Class Notice.

Named Plaintiffs and Defendants, through their respective attorneys, have jointly prepared a Class Notice and a Workweek Dispute Form, which in substance will be provided to the members of the Settlement Class as follows:

As soon as practicable following Preliminary Approval of the Settlement, but no later than fourteen (14) days after the Court's Preliminary Approval Order, Defendants will provide to the Settlement Administrator the following information about each Settlement Class Member ("Class List"): (1) name; (2) last known home address; (3) Social Security Number; and (4) number of Eligible Workweeks during the Class Period and PAGA Period. Defendants further agree to consult with the Settlement Administrator prior to the production date to ensure that the format will be acceptable to the Settlement Administrator. Class Counsel shall also receive a redacted Class List that shall only disclose an identification number attributed to each Settlement Class Member and the number of Eligible Workweeks for each Settlement Class Member.

The Settlement Administrator shall run all the addresses provided through the United States Postal Service National Change of Address database (which provides updated addresses for any individual who has moved in the previous four years who has notified the U.S. Postal Service of a forwarding address) to obtain current address information, and shall mail the Notice and Workweek Dispute Form to the members of the Settlement Class via first-class regular U.S. Mail using the most current mailing address information available, within ten (10) calendar days of the receipt of the Class List from Defendants. The Notice shall provide the members of the Settlement Class forty-

1 five (45) days' notice of all applicable dates and deadlines.

2 The Notice will also include information regarding the nature of the Litigation; a summary
3 of the terms of the Settlement; the definition of the Settlement Class; a statement that the Court has
4 preliminarily approved the Settlement; the nature and scope of the claims being released; the
5 procedure and time period for objecting to the Settlement; the date and location of the Final Approval
6 Hearing; information regarding the opt-out procedure; Defendants' calculation of the number of
7 Eligible Workweeks that each Settlement Class Member has worked during the Class Period and
8 PAGA Period, and the estimated potential recovery for the proposed Settlement Class Member and
9 PAGA Allegedly Aggrieved Employee. The Notice shall enclose the Workweek Dispute Form for
10 Settlement Class Members.

11 For each Settlement Class Member, the Workweek Dispute Form will identify the number of
12 Eligible Workweeks that s/he was employed and inform the employee of his or her right to dispute
13 this number by completing and returning the form within forty-five (45) days of the postmark date
14 of the Workweek Dispute Form. A Settlement Class Member's receipt of his or her Settlement
15 Payment is not conditional on the submission of the Workweek Dispute Form. Absent the receipt of
16 a signed Workweek Dispute Form, the number of Workweeks identified in the Workweek Dispute
17 Form shall be deemed accurate. The settlement of any disputes concerning the number of Eligible
18 Workweeks is discussed in Section X, below.

19 If a Notice is returned from the initial notice mailing, the Settlement Administrator will
20 perform a skip trace in an attempt to locate a more current address. If the Settlement Administrator
21 is successful in locating a new address, it will re-mail the Notice to the Settlement Class Member.
22 Further, any Notices returned with a forwarding address to the Settlement Administrator as non-
23 deliverable before the deadline date shall be sent to the forwarding address affixed thereto.

24 Should any member of the Settlement Class timely submit a Workweek Dispute Form with
25 a deficiency, the Settlement Administrator shall, within five (5) calendar days of receipt by the
26 Settlement Administrator of each timely submitted Workweek Dispute Form, send a deficiency
27 notice. The deficiency notice will provide the Settlement Class Member no more than fourteen (14)
28 days from the mailing of the deficiency notice to postmark a written response to cure all deficiencies.

1 The failure of a Settlement Class Member to timely submit a Workweek Dispute Form or timely
2 respond to a notice of deficiency shall invalidate the dispute unless all Parties' counsel agree to allow
3 the dispute.

4 No later than twenty-one (21) days before the Final Approval Hearing, the Settlement
5 Administrator shall provide counsel for Defendants and Class Counsel with a declaration attesting
6 to the completion of the Notice process, including the number of attempts to obtain valid mailing
7 addresses for and re-sending of any returned Notices, as well as the number of valid Workweek
8 Dispute Forms, opt-outs, and deficiencies that the Settlement Administrator received.

9 **B. Objections.**

10 In order for any Settlement Class Member to object to the non-PAGA portion of the
11 Settlement, or any term of it, the person making the objection must not submit a request for exclusion
12 (i.e., must not opt out). To object to the Settlement in writing, a Class Member must send the
13 objection to the Settlement Administrator within forty-five (45) days after the Notice of Proposed
14 Class Action Settlement was initially mailed to the Settlement Class Members. A Settlement Class
15 Member making an objection may appear at the Final Approval Hearing with or without submitting
16 any written objection. The Settlement Class Member may appear personally or through an attorney,
17 at his or her own expense, at the Final Approval Hearing to present his or her objection directly to
18 the Court. If a Settlement Class Member objects to the Settlement, the Settlement Class Member
19 will remain a member of the Settlement Class and if the Court approves this Agreement, the
20 Settlement Class Member will be bound by the terms of the Settlement and Final Approval Order in
21 the same way and to the same extent as a Settlement Class Member who does not object. The date
22 of mailing of the Notice to the objecting Settlement Class Member shall be conclusively determined
23 according to the records of the Settlement Administrator. The Court retains final authority with
24 respect to the consideration and admissibility of any Settlement Class Member objections. Any
25 Settlement Class Member who submits an objection may also participate in the settlement.

26 Named Plaintiffs hereby endorse the Settlement as fair, reasonable, and adequate and in the
27 best interests of the Settlement Class.

28 ///

C. Opportunity to be Excluded and Defendants' Opt-Out Threshold.

In order for any Settlement Class Member to validly exclude himself or herself from the Settlement Class (i.e., to validly opt out), a written request for exclusion ("Opt-Out Form") must be signed by the Settlement Class Member or his or her authorized representative and must be sent to the Settlement Administrator, postmarked by no later than forty-five (45) days after the date the Settlement Administrator initially mails the Notice to the Settlement Class Members. The Notice shall contain instructions on how to opt out.

The date of the initial mailing of the Notice, and the date the signed Opt-Out Form was postmarked, shall be conclusively determined according to the records of the Settlement Administrator. Any Settlement Class Member who timely and validly submits an Opt-Out Form will not be entitled to any portion of the Net Settlement Amount, will not be bound by the terms and conditions of the Settlement, and will not have any right to object, appeal, or comment thereon.

Any member of the Settlement Class who does not timely file and mail an Opt-Out Form will be deemed included in the Settlement Class in accordance with this Agreement. There is no ability for a PAGA Allegedly Aggrieved Employee to opt out of the PAGA Settlement.

In the event that ten percent (10%) or more of the Class Members exercise their right to exclude themselves and opt out of the Settlement, Defendants retain the exclusive right, but not the obligation, to withdraw from and terminate the Settlement and the Settlement Agreement and return all Parties back to their same position before the Settlement was reached and the Settlement Agreement was entered into. In the event that Defendants exercise such rights under this paragraph, Named Plaintiffs and Defendants shall resume the Litigation through and until there is a final settlement of the Litigation. Defendants must notify Class Counsel and the Court of such a decision to withdraw and terminate the Settlement no later than five (5) days prior to the date of the Final Approval Hearing. In the event of Defendants' withdrawal, no party may use the fact that the Parties agreed to the Settlement for any reason, and Defendants shall pay all administration expenses incurred through the date of their termination of the Settlement.

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D. Cooperation

The Parties and their respective counsel agree not to encourage members of the Settlement Class to refrain from participating in the Settlement, to opt out of the Settlement, or to object to the Settlement, directly or indirectly, through any means. However, if a Settlement Class Member contacts Class Counsel, Class Counsel may discuss the terms of the Settlement and the Settlement Class Member's options.

X. DISPUTE PROCEDURE

Named Plaintiffs and Defendants have agreed upon the following payment formula to resolve all disputes submitted by Settlement Class Members:

The Settlement Administrator will calculate the total number of Workweeks for all Settlement Class Members who were employed by Defendants during the Class Period and/or PAGA Period ("Total Workweeks"). The value of each Workweek shall be determined by the Settlement Administrator by dividing the Net Settlement Amount by the total number of Workweeks available to the Settlement Class Members who do not opt out in accordance with Section IX(C) above during the Class Period and/or PAGA Period ("Workweek Point Value").

An individual Settlement Payment for each Settlement Class Member will then be determined by multiplying a Settlement Class Member's Eligible Workweeks in the Class Period by the Workweek Point Value. The Settlement Payment will be reduced by any required legal deductions for each participating Settlement Class Member.

The individual PAGA Payment for each Allegedly Aggrieved Employee will be determined by dividing the PAGA Allegedly Aggrieved Employee's number of Eligible Workweeks within the PAGA Period by the total number of Eligible Workweeks worked by all PAGA Allegedly Aggrieved Employees during the PAGA Period and multiplying that amount by the portion of the PAGA Amount not going to the LWDA (*i.e.*, \$12,500.00).

If a member of the Settlement Class does not dispute the number of Eligible Workweeks set forth in the Workweek Dispute Form, such person need not take further action to participate in the Settlement. If a member of the Settlement Class disputes the number of Eligible Workweeks set forth in the Workweek Dispute Form, such person must follow the directions in the Workweek

Dispute Form and in the Notice, including preparing a statement setting forth the number of Eligible Workweeks that such person believes in good faith is correct, and stating that the member of the Settlement Class authorizes the Settlement Administrator to review the Settlement Class Member's personnel file and leave management records to determine such information, and attaching any relevant documentation in support thereof. The Settlement Class Member must mail the signed and completed statement no later than forty-five (45) days after the date of the mailing of the Workweek Dispute Form, or the number of Eligible Workweeks set forth in the Notice and Workweek Dispute Form will govern the Settlement Payment to the Settlement Class Member.

Upon timely receipt of any such dispute, the Settlement Administrator, in consultation with Class Counsel and counsel for Defendants, will review the pertinent payroll records showing the dates the Settlement Class Member was employed and the pertinent leave(s) taken, which records Defendants agree to make available to the Settlement Administrator and Class Counsel.

After consulting with Class Counsel and counsel for Defendants, the Settlement Administrator shall compute the number of Eligible Workweeks to be used in computing the Settlement Class Member's pro rata share of the Net Settlement Amount. In the event there is a disparity between the dates a Settlement Class Member claims he or she worked during the Class Period or PAGA Period and the dates indicated by Defendants' records, Defendants' records will control unless inconsistent with paycheck stub(s) (or bona fide copies thereof) provided by the Settlement Class Member, in which case the paycheck stub(s) will control. The Settlement Administrator's decision as to the total number of Eligible Workweeks shall be final and non-appealable. The Settlement Administrator shall send written notice of the decision on any such claim to the Settlement Class Member, Class Counsel, and counsel for Defendants within ten (10) calendar days of receipt of the dispute.

XI. COMPUTATION AND DISTRIBUTION OF PAYMENTS

A. Distribution Formula.

Members of the Settlement Class who do not opt out of the Settlement will receive a lump sum payment as good and valuable consideration for the waiver and release of claims set forth in Section VII(A) above, in an amount determined by the Settlement Administrator in accordance with

the provisions of this Agreement.

The lump sum payment to each member of the Settlement Class not excluding him/herself will be determined in accordance with the procedure set forth in Section X.

B. Funding of Settlement.

Payment of the Settlement Amount shall be made to the Settlement Administrator within thirty (30) calendar days following the date on which the Court grants Final Approval of the Settlement and a determination of the Settlement Administrator of the final Gross Settlement Amount, inclusive of the Employer Taxes. At no time prior to Final Approval of the Settlement shall Defendants be required to escrow any portion of the Settlement Amount.

C. Increase in Number of Workweeks.

Defendants represented at mediation that there were approximately 37,140 workweeks during the Class Period. In the event that the actual number of workweeks exceeds the estimated number of workweeks by more than 10% (*i.e.*, 40,854 workweeks), the Class Period released in this action shall end on the day that the 10% threshold is exceeded. For example, if the number of workweeks to be released reaches 40,854 workweeks on January 1, 2023, then the Class Period shall cut off on January 1, 2023.

D. Time for Distribution.

The Settlement Administrator shall cause the Gross Settlement Amount (inclusive of the Court-approved attorney's fees and Litigation costs, Court-approved Service Enhancements to Named Plaintiffs, and PAGA Amount) and the Employer Taxes to be mailed within twenty-one (21) calendar days following the date of funding set forth in Section XI(B).

If a check is returned to the Settlement Administrator as undeliverable, the Settlement Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace search and, if another address is identified, shall mail the check to the newly identified address. Any settlement checks remaining uncashed after one hundred and eighty (180) days shall be deemed unpaid residue pursuant to California *Code of Civil Procedure* section 384(a). In accordance with California *Code of Civil Procedure* section 384, the Parties shall follow the procedure set forth in (1) – (5) below in regard to unpaid residue:

- (1) The full amount of unpaid residue (resulting from uncashed or returned checks) will be paid to California Los Angeles Trial Lawyers' Charities, 2708 Wilshire Boulevard, Suite 391, Santa Monica, CA 90403. In the event any interest accrues on the residual amount, the interest portion shall also revert to the Los Angeles Trial Lawyers Charities. The Settlement Administrator shall make payment of residual amounts six (6) months after the checks are mailed to the Class Members, and no later than seven (7) months after the initial mailing of checks.
- (2) Class Counsel shall file with the Motion for Final Approval a stand-alone Stipulation to Amend Judgment and Proposed Stipulated Amended Judgment (Section 384) memorializing the Parties' agreement to amend the judgment to adopt the Settlement Administrator's determination of amount of unpaid residue, plus interest at the legal rate of 10% from the date of entry of the initial judgment, to be paid to the *cy pres*;
- (3) Class Counsel shall attach to the Stipulation to Amend Judgment a [Proposed] Stipulated Amended Judgment form with a signature line for the Court and blanks for the amount of residue plus interest to be added to the judgment and the total amount of the amended judgment;
- (4) Along with the Final Report, the Settlement Administrator shall file with the Court a photocopy of the Parties' Stipulation to Amend Judgment along with a [Proposed] Stipulated Amended Judgment form with the amount of residue plus interest to be added to the judgment and the total amount of the judgment, plus interest, filled in; and
- (5) The Court signs and enters the Stipulated Amended Judgment.

XII. NO CONTRIBUTIONS TO EMPLOYEE BENEFIT PLAN

The amounts paid under this Agreement do not represent a modification of any previously credited hours of service under any employee benefit plan, policy, or bonus program sponsored by Defendants. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under, benefit plans (self-insured or not) sponsored by Defendants, policies, or bonus programs. Any payments made under the terms of this Settlement shall not be applied retroactively, currently, or on a going forward basis as salary, earnings, wages, or any other

form of compensation for the purposes of Defendants’ benefit plan, policy, or bonus program. Defendants retain the right to modify the language of their benefit plans, policies, and bonus programs to effect this intent and to make clear that any amounts paid pursuant to this Settlement are not for “hours worked,” “hours paid,” “hours of service,” or any similar measuring term as defined by applicable plans, policies, and bonus programs for purpose of eligibility, vesting, benefit accrual, or any other purpose, and that additional contributions or benefits are not required by this Settlement.

XIII. CLASS COUNSEL’S ATTORNEYS’ FEES AND LITIGATION COSTS

Defendants shall not oppose an application by Class Counsel for, and Class Counsel shall not seek or receive an amount in excess of Two Hundred Forty-Nine Thousand Nine Hundred Seventy-Five Dollars and Zero Cents (\$249,975.00), which represents 33 and 1/3% of the Gross Settlement Amount for all past and future attorneys’ fees necessary to prosecute, settle, and administer the Litigation and this Settlement. Additionally, Defendants shall not oppose an application by Class Counsel for, and Class Counsel shall not seek or receive an amount in excess of Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00), which represents all past and future Litigation costs and expenses necessary to prosecute, settle, and administer the Litigation and this Settlement. Any attorneys’ fees or Litigation costs awarded to Class Counsel by the Court as part of the Settlement shall be deducted from the Gross Settlement Amount for the purpose of determining the Net Settlement Amount. The “future” aspect of these amounts include, without limitation, all time and expenses expended by Class Counsel in defending the Settlement and securing Preliminary and Final Approval (including any appeals thereof). There will be no additional charge of any kind to either the members of the Settlement Class or request for additional consideration from Defendants for such work. This amount shall include all attorneys’ fees, Litigation costs, and expenses for which Named Plaintiffs and Class Counsel could claim under any legal theory whatsoever. Within twenty-one (21) calendar days following the date the Settlement is funded pursuant to Section XI(B), the Settlement Administrator shall disburse payment from the Gross Settlement Amount for the amounts of attorneys’ fees and Litigation costs approved by the Court to Class Counsel. Should the Court approve a lesser percentage or amount of fees and/or Litigation costs than the amount that Class Counsel ultimately seeks, then any such unapproved portion or portions shall revert into the Net

Settlement Amount to be distributed between the participating Settlement Class Members on a pro rata basis.

XIV. SERVICE ENHANCEMENTS TO NAMED PLAINTIFFS

Defendants shall not oppose an application by Named Plaintiffs, and Named Plaintiffs shall not seek or receive an amount in excess of Five Thousand Dollars and Zero Cents (\$5,000.00) each, for their participation in and assistance with the Litigation (*i.e.*, Named Plaintiffs' class representative Service Enhancements).s Any Service Enhancements awarded to Named Plaintiffs by the Court as part of the Settlement shall be deducted from the Gross Settlement Amount for the purpose of determining the Net Settlement Amount, and shall be reported on IRS Form 1099. If the Court approves a Service Enhancement of less than \$5,000.00 to Named Plaintiffs, then the unapproved portion(s) shall revert into the Net Settlement Amount to be distributed between the participating Settlement Class Members on a pro rata basis.

XV. TAXATION AND ALLOCATION

The Parties agree that all employment taxes and other legally required withholdings will be withheld from payments to the members of the Settlement Class and Named Plaintiffs based on the Parties' stipulated allocation of the Net Settlement Amount as provided for in this Section.

In Defendants' sole discretion, and to which Named Plaintiffs and Class Counsel do not object, the amount of federal income tax withholding will be based upon a flat withholding rate for supplemental wage payments in accordance with Treas. Reg. § 31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also be made pursuant to applicable state and/or local withholding codes or regulations.

For withholding tax characterization purposes and payment of taxes, the Net Settlement Amount shall be deemed and is allocated by the Parties as follows: 20% as wages; 40% as interest; and 40% as penalties.

IRS Forms W-2 and/or Forms 1099 will be distributed by the Settlement Administrator at times and in the manner required by the Internal Revenue Code of 1986 (the "Code") and consistent with this Agreement. If the Code, the regulations promulgated thereunder, or other applicable tax law is changed after the date of this Agreement, the processes set forth in this Section may be

1 modified in a manner to bring Defendants into compliance with any such changes.

2 Finally, any and all Employer Taxes which Defendants normally would be responsible for
3 paying based on the Settlement Payments made to the individual Settlement Class Members will be
4 paid and borne by Defendants in proportion of their respective contribution to the Gross Settlement
5 Amount in addition to and not as a deduction from the Gross or Net Settlement Amounts.

6 **XVI. PAGA ALLOCATION**

7 In order to implement the terms of this Settlement and to settle claims alleged under PAGA,
8 the Parties agree to allocate Fifty Thousand Dollars and Zero Cents (\$50,000.00) from the Gross
9 Settlement Amount as penalties authorized by PAGA. Seventy-five percent (75%) of this amount,
10 or Thirty-Seven Thousand Five Hundred Dollars and Zero Cents (\$37,500.00) will be paid to the
11 LWDA and twenty-five percent (25%) of this amount, or Twelve Thousand Five Hundred Dollars
12 and Zero Cents (\$12,500.00) will be distributed on a pro rata basis to PAGA Allegedly Aggrieved
13 Employees through the Settlement Administrator and at no additional cost to Defendants. Within
14 twenty-one (21) calendar days following the date the Settlement is funded pursuant to Section XI(B),
15 the Settlement Administrator shall disburse the LWDA's share of the PAGA Amount to the LWDA
16 and will provide notice to the LWDA of the fact that the Settlement has been approved by the Court
17 along with a copy of the Settlement Agreement and the Court's order confirming the approval of the
18 Settlement.

19 **XVII. COURT APPROVAL**

20 This Agreement and the Settlement is contingent upon Final Approval by the Court and the
21 entry of Judgment. Named Plaintiffs and Defendants agree to take all steps as may be reasonably
22 necessary to secure both Preliminary Approval and Final Approval of the Settlement, to the extent
23 not inconsistent with the terms of this Agreement, and will not take any action adverse to each other
24 in obtaining Court approval, and, if necessary, appellate approval, of the Settlement in all respects.
25 Named Plaintiffs and Defendants expressly agree that they will not file any objection to the terms of
26 the Settlement or assist or encourage any person or entity to file any such objection.

27 In the event it becomes impossible to secure approval of the Settlement, the Parties shall be
28 restored to their respective positions in the Litigation, as of the date of the hearing on the Motion for

Preliminary or Final Approval, except as otherwise provided in Section XVIII, below.

XVIII. MISCELLANEOUS PROVISIONS

A. Stay of Litigation.

Named Plaintiffs and Defendants agree to the stay of all discovery in the Litigation, pending Final Approval of the Settlement by the Court.

B. Interpretation of the Agreement.

This Agreement constitutes the entire agreement between Named Plaintiffs and Defendants. Except as expressly provided herein, this Agreement has not been executed in reliance upon any other written or oral representations or terms, and no such extrinsic oral or written representations or terms shall modify, vary, or contradict its terms. In entering into this Stipulation of Settlement, the Parties agree that this Agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence. The Agreement will be interpreted and enforced under the laws of the State of California, both in its procedural and substantive aspects, without regard to its conflict of laws provisions. Any claim arising out of or relating to the Agreement, or the subject matter hereof, will be resolved solely and exclusively in the Superior Court of the State of California for the County of Orange, and Named Plaintiffs and Defendants hereby consent to the personal jurisdiction of the Court over them solely in connection therewith. Named Plaintiffs, on their own behalf and on behalf of the Settlement Class, and Defendants participated in the negotiation and drafting of this Agreement and had available to them the advice and assistance of independent counsel. As such, neither Named Plaintiffs nor Defendants may claim that any ambiguity in this Agreement should be construed against the other.

The terms and conditions of this Agreement constitute the exclusive and final understanding and expression of all agreements between Named Plaintiffs and Defendants with respect to the Settlement of the Litigation. The Agreement may be modified only by a writing signed by the original signatories and approved by the Court.

C. Further Cooperation.

Named Plaintiffs and Defendants and their respective attorneys shall proceed diligently to prepare and execute all documents, to seek the necessary approvals from the Court, and to do all

things reasonably necessary or convenient to consummate the Agreement as expeditiously as possible.

D. Confidentiality of Documents.

After the expiration of any appeals period, Named Plaintiffs, the Settlement Administrator, and Class Counsel shall maintain the confidentiality of all documents, deposition transcripts, declarations, and other information and records obtained in the Litigation, unless necessary for appeal or such documents are ordered to be disclosed by the Court or by a subpoena.

E. Counterparts.

This Agreement may be executed in one or more actual or non-original counterparts, all of which will be considered one and the same instrument and all of which will be considered duplicate originals.

F. Authority.

Each individual signing below warrants that he or she has the authority to execute this Agreement on behalf of the party for whom or which that individual signs.

G. No Third-Party Beneficiaries and No Prior Assignment.

Named Plaintiffs, members of the Settlement Class, and Defendants are direct beneficiaries of this Agreement, and each of the Parties warrants that there are no third-party beneficiaries of this Settlement. However, this Agreement will be binding upon, and inure to the benefit of, the successors and assigns of the Parties, as previously defined.

Named Plaintiffs further represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights herein released and discharged.

H. Modification.

This Agreement may not be changed, altered, or modified, except in a writing signed by the Parties, and approved by the Court. Notwithstanding the foregoing, the Parties agree that any dates contained in this Agreement may be modified by agreement of the Parties in writing without Court approval if the Parties agree and cause exists for such modification. This Agreement may not be

discharged except by performance in accordance with its terms or by a writing signed by the Parties.

I. Deadlines Falling on Weekends or Holidays.

To the extent that any deadline set forth in this Agreement falls on a Saturday, Sunday, or legal holiday, that deadline shall be continued until the following business day.

J. Severability.

In the event that any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defendants' counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

K. Circular 230 Disclaimer.

Each Party to this Agreement (for purposes of this section, the "Acknowledging Party" and each Party to this Agreement other than the Acknowledging Party, an "Other Party") acknowledges and agrees that:

- (1) No provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisors, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of U.S. Treasury Dept. Circular 230 (31 C.F.R. Part 10, as amended);
- (2) The Acknowledging Party (a) has relied exclusively upon his, her, or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any Other Party or any attorney or advisor to any Other Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or advisor to any Other Party to avoid any tax penalty that may be imposed on the Acknowledging Party; and
- (3) No attorney or advisor to any Other Party has imposed any limitation that protects the confidentiality of any such attorney's or advisor's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the Acknowledging Party of the

tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

L. Exhibits and Headings.

The terms of this Agreement include the terms set forth in the attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this Agreement are an integral part of the Settlement and must be approved substantially as written. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.

APPROVED AS TO FORM AND CONTENT:

Date: _____, 2023

By: _____
TERESA ALVAREZ, *Plaintiff*

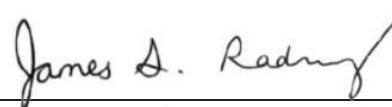
Date: _____, 2023

By: _____
MIRNA REYES, *Plaintiff*

Date: _____, 2023

By: _____
Name:
Position:
For LIQUID GRAPHICS, INC., *Defendant*

Date: November 16th, 2023

By:  _____
Name: James S. Radvany
Position: CFO
For LYNEER STAFFING SOLUTIONS, LLC,
Defendant

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APPROVED AS TO FORM:

Date: _____, 2023

WILSHIRE LAW FIRM

By: _____

Nicol E. Hajjar
Elizabeth M. Votra
Attorneys for Plaintiffs
TERESA ALVAREZ and MIRNA REYES

Date: November 17, 2023

JACKSON LEWIS P.C.

By: _____


Sean Paisan
Stephanie A. Kierig
Attorneys for Defendant
LYNEER STAFFING SOLUTIONS, LLC

Date: November 20, 2023

STACEY COOPER LAW P.C.

By: _____


Stacey M. Cooper
Attorney for Defendant
LYNEER STAFFING SOLUTIONS, LLC

Date: _____, 2023

BUCHALTER

By: _____

Joshua Mizrahi
Graham G. Lambert
Attorneys for Defendant
LIQUID GRAPHICS, INC.

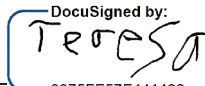
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APPROVED AS TO FORM AND CONTENT:

Date: November 16, 2023

By: 
8975FE57E441422...
TERESA ALVAREZ, *Plaintiff*

Date: November 16, 2023

By: 
79726312DD8F439...
MIRNA REYES, *Plaintiff*

Date: _____, 2023

By: _____
Name:
Position:
For LIQUID GRAPHICS, INC., *Defendant*

Date: _____, 2023

By: _____
Name:
Position:
For LYNEER STAFFING SOLUTIONS, LLC,
Defendant

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APPROVED AS TO FORM:

Date: November 16, 2023

WILSHIRE LAW FIRM

By: 

Nicol E. Hajjar
Elizabeth M. Votra
Attorneys for Plaintiffs
TERESA ALVAREZ and MIRNA REYES

Date: _____, 2023

JACKSON LEWIS P.C.

By: _____

Sean Paisan
Stephanie A. Kierig
Attorneys for Defendant
LYNEER STAFFING SOLUTIONS, LLC

Date: _____, 2023

STACEY COOPER LAW P.C.

By: _____

Stacey M. Cooper
Attorney for Defendant
LYNEER STAFFING SOLUTIONS, LLC

Date: _____, 2023

BUCHALTER

By: _____

Joshua Mizrahi
Graham G. Lambert
Attorneys for Defendant
LIQUID GRAPHICS, INC.

tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

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APPROVED AS TO FORM AND CONTENT:

Date: _____, 2023

By: _____
TERESA ALVAREZ, *Plaintiff*

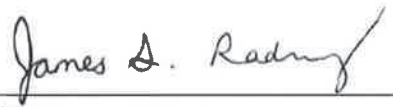
Date: _____, 2023

By: _____
MIRNA REYES, *Plaintiff*

Date: December 1, 2023

By:  _____
Name: ROY THORSEN
Position: PRESIDENT
For LIQUID GRAPHICS, INC., *Defendant*

Date: November 16th, 2023

By:  _____
Name: James S. Radvany
Position: CFO
For LYNEER STAFFING SOLUTIONS, LLC,
Defendant

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