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Attorneys for Plaintiff and the Aggrieved Employees

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO**

A.J. NICHOLAS BOLDING, as an
individual and on behalf of all others
similarly situated,

Plaintiff,

vs.

CARDINAL FINANCIAL COMPANY, a
Pennsylvania limited partnership; and
DOES 1 through 50, inclusive,

Defendants.

Case No. CIVSB2206543

[Assigned to the Hon. Jessica Morgan, Dept. S-26]

**DECLARATION OF LARRY W. LEE IN
SUPPORT OF PLAINTIFF'S MOTION TO
APPROVE SETTLEMENT AGREEMENT
PURSUANT TO THE PRIVATE
ATTORNEYS GENERAL ACT**

Date: July 1, 2023
Time: 8:30 a.m.
Dept.: S-26

Action Filed: March 22, 2022
Trial Date: Not Set

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I, Larry W. Lee, declare as follows:

1. I am an attorney at law, duly licensed to practice before all Courts in the State of California, and am with the law firm Diversity Law Group, counsel of record for Plaintiff A.J. [REDACTED] as Bolding ("Plaintiff"). I have personal knowledge of the facts set forth below and if sworn to testify I could and would do so competently.

CASE SUMMARY

2. On or about March 18, 2022, Plaintiff submitted written notice under Labor Code § 203 (the “PAGA Notice”) to the California Labor and Workforce Development Agency (“CLWD”) and Defendant Cardinal Financial Company, Limited Partnership (“Defendant”). As set forth in the PAGA Notice, Plaintiff alleged that Defendant violated California Labor Code §§ 204, 226, 558, 1194, 1197, and 1197.1, based on Defendant’s failure to pay wages for all hours worked in violation of Labor Code §§ 510, 515, 558, 1194, 1197, and 1197.1; provide itemized wage statements in violation of Labor Code § 226; and pay all wages earned in any manner in violation of Labor Code §§ 201-204. Attached as **Exhibit A** is a true and correct copy of the PAGA Notice submitted on March 18, 2022.

3. On March 22, 2022, Plaintiff filed a class action complaint against Defendant in Superior Court of California, County of San Bernardino, alleging causes of action for (1) violation of Labor Code §§ 201-203, 510, 515, 558, 1194, 1197, and 1197.1; (2) violation of Labor Code § 226; and (3) violation of Business and Professions Code § 17200, *et seq.* (the “BPC”).

4. On May 25, 2022, Plaintiff filed a First Amended Complaint, alleging a single action for violation of Labor Code § 2698, *et seq.*, predicated on underlying violations of Labor Code §§ 201-203, 226, 510, 515, 558, 1194, 1197, and 1197.1. The First Amended Complaint is the operative Complaint (“Complaint”)

5. In about July 2023, the Parties agreed to participate in mediation with Jeffrey P. [REDACTED], Esq. The Parties also agreed to conduct informal discovery to facilitate an effective resolution. As part of informal discovery, Defendant provided Plaintiff with the number of [REDACTED]

aggrieved employees, the number of pay periods at issue, sample of time and payroll records, employee handbook, and relevant payroll policies. The data provided by Defendant allowed Plaintiff to analyze liability and calculate Defendant's potential exposure.

6. The Parties participated in mediation with Mr. Fuchsman on December 18, 2023. During the mediation, the Parties spoke at length about the strengths and weaknesses of each side's claims and defenses and the scope of Defendant's liability. After engaging in extensive document and information exchange, the Parties were able to reach the current settlement.

7. From the inception of the case, Plaintiff's Counsel have zealously represented the interests of the Aggrieved Employees. The settlement was obtained for the benefit of the Aggrieved Employees, as opposed to the individual Plaintiff.

SUMMARY OF THE PROPOSED SETTLEMENT

8. The Parties memorialized the terms of their settlement in the Settlement Agreement and Release of PAGA Claims ("Settlement Agreement"). A true and correct copy of the Settlement Agreement is attached hereto as **Exhibit B**.

9. As set forth in the Settlement Agreement, the aggrieved employees affected by this settlement include "all current and former Account Executives who were classified as exempt employees who worked for Defendant in the State of California from March 18, 2021 to the date Plaintiff files the Motion to Approve this Agreement" ("Aggrieved Employees"). Settlement Agreement ¶ 2.

10. The PAGA Period in this matter is the period from March 18, 2021 through the date that Plaintiff files the Motion to Approve this [Settlement] Agreement. *Id.* ¶ 17.

11. Based upon Defendant's records, Defendant represents that there are approximately 18 Aggrieved Employees and approximately 375 pay periods at issue during the PAGA Period. *Id.* ¶ 37.d.

12. The Settlement Agreement requires Defendant to pay the amount of Seventy-Two Thousand Five Hundred Dollars (\$72,500.00) (the "Gross Settlement Amount") for the resolution of the PAGA claims. *Id.* ¶ 13. The balance of the Gross Settlement Amount remaining after deduction of the court-approved Plaintiff's enhancement award, Plaintiff's Counsel's fees

1 and costs, and settlement administration costs (the “PAGA Fund”), will be available for
2 distribution to the LWDA and Aggrieved Employees. *Id.* ¶¶ 13, 16, 37.f-h.

3 13. Pursuant to the PAGA, seventy-five percent (75%) of the PAGA Fund, or
4 approximately \$24,841.73, will be paid to the LWDA for PAGA penalties. *Id.* ¶ 12. The
5 remaining twenty-five percent (25%), or approximately \$8,280.58, will be distributed to
6 Aggrieved Employees (“Individual PAGA Payments”) based on the number of pay periods each
7 individual Aggrieved Employee worked as an exempt employee during the PAGA Period. *Id.* ¶¶
8 9, 22, 37.e.i.

9 14. Based on the number of Aggrieved Employees, employees will be entitled to
10 recover, on average, approximately **\$460.03** each. The amount each particular Aggrieved
11 Employee will be entitled to recover may be greater or lower than this average depending on the
12 number of pay periods he or she worked as an exempt employee during the PAGA Period. This
13 is fair, as it directly allocates greater penalties to individual Aggrieved Employees who were
14 employed longer and thus allegedly suffered greater harm.

15 15. Based on the data provided by Defendant, Plaintiff has calculated the maximum
16 exposure for all PAGA claims to be \$112,500.00.

17 16. The maximum penalty calculation assumes that Plaintiff will prevail on the
18 merits. While Plaintiff maintains that there does not exist any reason for reducing PAGA
19 penalties, Plaintiff is aware that Defendant could make a compelling argument to the contrary.
20 Defendant has denied violation of any applicable laws and liability for any claims asserted in the
21 Action. Specifically, Defendant argued that Plaintiff and other aggrieved employees were
22 properly classified as exempt outside salespersons and were timely paid. Defendant also argued
23 that even if Plaintiff and the Aggrieved Employees were misclassified as exempt, they did not
24 engage in overtime work. Moreover, Defendant argued that even if the Court ultimately found its
25 employment practices violative of the Labor Code, the Court has discretion under PAGA to
26 reduce the maximum allowable PAGA penalties at its discretion. Defendant may have sought
27 summary judgment on this issue or proceeded to trial. Should Defendant have prevailed, the
28 State of California and Aggrieved Employees would have been left with zero recovery.

17. The proposed settlement amounts to approximately **64.44%** of the potential maximum of PAGA penalties. This is a great recovery as it exceeds other PAGA settlements approved by other courts.

18. I strongly believe that Plaintiff can prevail at trial. However, after taking into account sharply disputed factual and legal issues involved in this litigation, the risks attending further prosecution, including the still-developing law under PAGA, and the substantial benefits to be received pursuant to the compromise and settlement of the litigation, as well as the possibility of appeals, I have concluded that settlement on the terms set forth in the Settlement Agreement is appropriate and in the best interests of Plaintiff and the Aggrieved Employees.

19. The Parties have agreed to pay actual costs of administration, which will not exceed \$1,825.00, to the Settlement Administrator, Phoenix Settlement Administrators, to administer this Settlement.

ATTORNEY EXPERIENCE

20. I am one of the primary attorneys on this matter. My qualifications are as follows: I received my J.D. from Arizona State University College of Law in 2003. During law school, I was a summer associate at the law firm of Brobeck, Phleger & Harrison. I graduated cum laude from Arizona State University College of Law in the top 10% of my class. While I was in law school, I was the Associate Managing Editor of the Arizona State University College of Law, Law Journal. Upon graduation, I practiced law as an associate at the Los Angeles County offices of Ogletree Deakins Nash Smoak & Stewart, P.C., a national employment defense law firm that represents a significant number of Fortune 500 companies.

21. My firm's primary focus is employment law. I have handled a number of wage and hour matters including class actions and multiple-plaintiff actions. I have a practice that encompasses cases in the Los Angeles Superior Courts, the Orange County Superior Courts, the San Francisco County Superior Courts, the San Diego County Superior Courts, and the United States District Courts for the Central, Eastern, Northern, and Southern Districts of California.

22. I have been named as class counsel in a number of class actions that have been granted final approval by the Superior Courts of Los Angeles County, Orange County, San

1 Francisco County, Alameda County, Contra Costa County, Monterey County, San Bernardino
2 County, Santa Clara County, Sonoma County, and the United States District Court for the
3 Central, Eastern, and Northern Districts of California, including but not limited to the following
4 class actions: *Chan Lanier v. Citigroup, Inc. et al.*, San Francisco Superior Court Case No. CGC-
5 05-445143; *Naqvi v. Acoustic Home Loans et al.*, Orange County Superior Court Case No.
6 05CC00263; *Ortega v. AIG*, Central District of California Case No. CV 06-0196-RSWL (PJWx);
7 *Universal Protection Overtime Cases*, Orange County Superior Court, Judicial Council
8 Coordination Proceeding No. 4480; *Tse v. Best Buy*, Los Angeles Superior Court Case No.
9 BC392717; *Hernandez v. CVS Corp. et al.*, Judicial Council Coordination Proceeding No. 4539;
10 *Padilla v. Safeway*, San Benito County Superior Court Case No. CU-16-00182; *Valles v.*
11 *Community Hospital of the Monterey Peninsula*, Monterey County Superior Court Case No.
12 17CV003452; *DirecTv Wage and Hour Cases*, Santa Clara Superior Court Judicial Council
13 Coordination Proceeding No. 4850; *Perez v. Standard Drywall, Inc.*, Alameda County Superior
14 Court Case No. RG15761142; and *Davis v. Nugget Market, Inc.*, Yolo County Superior Court
15 Case No. CV-18-558.

16 23. To date, I have incurred approximately 23.6 hours in connection with the
17 litigation of this lawsuit. Attached hereto as **Exhibit C** is a summary of the hours I have incurred
18 to date.

19 24. I was approved at an hourly rate of \$800.00 per hour in *Martinez and Acosta v.*
20 *City of Hope National Medical Center, et al.*, San Bernardino County Superior Court Case No.
21 CIVDS2015729; *Jaime Moen v. Genentech, Inc.*, San Diego County Superior Court Case No.
22 37-2021-00008619-CU-OE-CTL; *Murray v. Granite Wellness Centers et al.*, Nevada County
23 Superior Court Case No. CU20-084680; *Smith, et al. v. Clean Harbors Environmental Services,*
24 *Inc.*, Sacramento County Superior Court Case No. 34-2021-00292526; *Correa et al. v. FedEx*
25 *Supply Chain, Inc.*, San Bernardino County Superior Court Case No. CIVDS2023369; *Meguro v.*
26 *Silicon Valley Bank*, Santa Clara County Superior Court Case No. 20CV369854; and *Linaki v.*
27 *Genji Pacific, LLC*, Alameda County Superior Court Case No. RG20074795. Additionally, I
28 have been approved at an hourly rate of \$850.00 by various courts in a number of matters,

1 including most recently in *Audycki v. Stanford Health Care*, Santa Clara Superior Court Case No.
2 19CV347173 and *Palomino v. Northrop Grumman Systems Corporation*, Santa Clara Superior
3 Court Case No. 19CV345534.

4 25. As of January 1, 2024, my hourly rate for class and representative actions
5 increased to \$900.00 per hour. I was approved at an hourly rate of \$900.00 in *Jordan v.*
6 *Mondelez Global LLC*, San Bernardino County Case No. CIVSB2202758.

7 26. The total lodestar for my hours will be approximately \$21,240.00 based on an
8 hourly rate of \$900.00 per hour.

9 **LITIGATION COSTS**

10 27. To date, my office has incurred \$2,731.63 in costs. The costs are all litigation-
11 related costs, including filing fees, service of process fees, postage fees, mediation fees, and
12 other expenses. Attached hereto as **Exhibit D** is a copy of costs my firm has incurred in
13 connection with the prosecution of this lawsuit.

14 **NOTICE TO THE LWDA**

15 28. Concurrent with the filing of the Motion to Approve PAGA Settlement, my office
16 uploaded the Motion, Settlement Agreement, and proposed order to the LWDA's website.

17 29. My office will also submit a copy of the Court's judgment and order approving
18 the Settlement Agreement within ten (10) days after entry of judgment or order.

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

21 Executed on this 22nd day of April 2024, at Los Angeles, California.

22
23 
24 Larry W. Lee

EXHIBIT A

A J NICKOLAS BOLDING

c/o DIVERSITY LAW GROUP, P.C.
515 S. FIGUEROA ST., SUITE 1250
LOS ANGELES, CALIFORNIA 90071
TELEPHONE (213) 488-6555
FACSIMILE (213) 488-6554

March 18, 2022

VIA ON-LINE FILING AND TO EMPLOYER VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

California Labor & Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

Re: *Bolding v. Cardinal Financial Company, Limited Partnership*

To Whom It May Concern:

This correspondence shall constitute written notice under Labor Code § 2699.3 of the claims asserted on behalf of myself and other aggrieved employees against my former employer, Cardinal Financial Company, Limited Partnership (the "Company"). I allege that the Company:

1. Violated Labor Code §§ 201-204, 558, 1194, 1197, and 1197.1 by not paying me and other aggrieved employees our overtime wages for all overtime hours worked. Specifically, I and other similarly situated aggrieved employees were misclassified as exempt employees, as our job duties and/or amounts of pay did not meet the appropriate minimum standards for overtime exemptions. Thus, despite working overtime hours, we were not paid any wages for such hours.
2. Violated Labor Code § 226(a) by not providing accurate, itemized wage statements to me and other employees, including by not accurately reflecting the hours worked by me and other employees, and the gross and net wages earned as a result of the violations set forth above.
3. Violated Labor Code § 204 by failing to pay all similarly situated employees, including myself, their earned wages in a timely manner. For example, for the pay period of January 16, 2022 through January 29, 2022, the wages earned during such pay period were not paid until February 28, 2022, which is more than 10 days after the end of the pay period.

The address for the Company is:

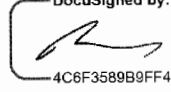
Cardinal Financial Company, Limited Partnership
3530 Toringdon Way
Suite 100
Charlotte, NC 28277

As part of this Notice, I also demand that the Company cure all violations and pay all applicable penalties. Please contact my attorney Larry W. Lee at the above address/phone number if you have any questions regarding this matter.

March 18, 2022

Page 2

Sincerely,

DocuSigned by:


4C6F3589B9FF4F0...

AJ Bolding

cc: Cardinal Financial Company, Limited Partnership (by certified mail)

EXHIBIT B

1 Larry W. Lee (State Bar No. 228175)
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2 Christine S. Lee (State Bar No. 339947)
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6 Attorneys for Plaintiff and the Aggrieved Employees
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7 Sarah Nichols SBN 233099
8 NICHOLS LAW, P.C.
9 9 Pier, Ste. 100
San Francisco, CA 94111
10 Phone: 415-710-9116
Fax: 415-276-1999

11 Attorneys for Defendant
12 CARDINAL FINANCIAL COMPANY,
13 LIMITED PARTNERSHIP

14 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
15 **FOR THE COUNTY OF SAN BERNARDINO**

17 A.J. NICHOLAS BOLDING, as an individual
and on behalf of all others similarly situated,

18 Plaintiff,

19 vs.

20 CARDINAL FINANCIAL COMPANY, a
21 Pennsylvania limited partnership; and DOES 1
22 through 50, inclusive,

23 Defendants.
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Case No. CIVSB2206543

**SETTLEMENT AGREEMENT AND
RELEASE OF PAGA CLAIMS**

Action Filed: March 22, 2022
FAC Filed: May 25, 2022
Trial Date: None Set

ADDITIONAL COUNSEL

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San Francisco, CA 94105
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Fax No.: 415.399.8490

Attorneys for Defendant
CARDINAL FINANCIAL COMPANY,
LIMITED PARTNERSHIP

1 IT IS HEREBY STIPULATED, by and between Plaintiff A.J. Bolding, individually and on
2 behalf of all other allegedly aggrieved employees, on the one hand, and Defendant Cardinal
3 Financial Company, Limited Partnership on the other hand, and subject to the approval of the Court,
4 that the Action, as defined below, is hereby compromised and settled pursuant to the terms and
5 conditions set forth in this Settlement Agreement and Release of PAGA Claims ("Settlement
6 Agreement") and that the Court shall enter judgment, subject to the continuing jurisdiction of the
7 Court as set forth below, and subject to the definitions, recitals, and terms set forth herein which by
8 this reference become an integral part of this Settlement Agreement.

9 DEFINITIONS

10 1. "Action" means the representative action entitled *A.J. Nicholas Bolding v. Cardinal*
11 *Financial Company, Limited Partnership*, San Bernardino County Superior Court, Case No.
12 CIVSB2206543.

13 2. "Aggrieved Employees" means all current and former Account Executives who
14 were classified as exempt employees who worked for Defendant in the State of California from
15 March 18, 2021 to the date Plaintiff files the Motion to Approve this Agreement.

16 3. "Approval Hearing" means the hearing to be conducted by the Court after the filing
17 of an appropriate motion by Plaintiff, at which time Plaintiff shall request that the Court approve
18 the Settlement, enter the Judgment, and take other appropriate action.

19 4. "Defendant" means Cardinal Financial Company, Limited Partnership.

20 5. "Defense Counsel" means Sarah R. Nichols of Nichols Law, P.C., and Laura E.
21 Hayward and Atticus Lee of Littler Mendelson, PC.

22 6. "Effective Date" means when all of the following events have occurred: (i) this
23 Agreement has been executed by Plaintiff, Defendant, Plaintiff's Counsel and Defendant's
24 Counsel; (ii) Plaintiff's Counsel has sent the Notice of the Settlement to the LWDA; (iii) the Court
25 has given approval to the Settlement; (v) the Court has entered the Court's Final Order and
26 Judgment and Notice of Entry of Judgment has been filed; and (vi) five days after the later of any
27 of the following events: (A) the period for filing any appeal, writ or other appellate proceeding
28 opposing the Settlement has elapsed without any appeal, writ or other appellate proceeding having

1 been filed; (B) any appeal, writ or other appellate proceeding opposing the Settlement has been
2 dismissed finally and conclusively with no right to pursue further remedies or relief; or (C) any
3 appeal, writ or other appellate proceeding has upheld the Court's Final Order and Judgment with
4 no right to pursue further remedies or relief.

5 7. "Employee Information" means information regarding the Aggrieved Employees
6 that Defendant shall in good faith compile from its records and shall be authorized by the Court to
7 transmit in a secured manner to the Settlement Administrator. Employee Information shall be
8 transmitted in electronic form and shall include each Aggrieved Employee's full name; last known
9 address; Social Security number; and total number of PAGA Pay Periods.

10 8. "Individual Settlement Payment" means the amount the Court authorizes to be paid
11 to Plaintiff, A.J. Nicholas Bolding, in addition to his Individual PAGA Payment, in recognition of
12 Plaintiff's effort and risk in prosecuting the Action.

13 9. "Individual PAGA Payment" means the amount payable from the PAGA Fund to
14 each Aggrieved Employee.

15 10. "Judgment" means the final order and judgment to be entered by the Court granting
16 approval of the Settlement and this Settlement Agreement as binding upon the Parties and the
17 Aggrieved Employees.

18 11. "LWDA" means the California Labor and Workforce Development Agency.

19 12. "LWDA Payment" means the portion of the PAGA Fund payable to the LWDA (75
20 percent).

21 13. "Gross Settlement Amount" means the maximum amount Defendant shall have to
22 pay in connection with this Settlement, which shall be inclusive of all Individual PAGA Payments
23 to the Aggrieved Employees, Plaintiff's Counsel Award, the Individual Settlement Payment,
24 Settlement Administration Costs, and the LWDA Payment. Subject to Court approval and the terms
25 of this Settlement Agreement, the maximum Gross Settlement Amount Defendant shall be required
26 to pay is Seventy-Two Thousand and Five Hundred Dollars and Zero Cents (\$72,500.00).

1 14. “Notice” means the Notice of PAGA Settlement, which shall be subject to Court
2 approval and which the Settlement Administrator shall mail to each Aggrieved Employee at their
3 last known address explaining the terms of this Settlement Agreement and the Settlement.

4 15. “PAGA” means the Labor Code Private Attorneys General Act of 2004, California
5 Labor Code sections 2698, *et seq.*

6 16. “PAGA Fund” means the Gross Settlement Amount, minus Claims Administration
7 Expenses, Individual Settlement Payment, Plaintiff’s Counsel’s Fees, and Expenses.

8 17. “PAGA Period” means the period from March 18, 2021 through the date that
9 Plaintiff files the Motion to Approve this Agreement.

10 18. “Parties” means Plaintiff and Defendant.

11 19. “Plaintiff” means Plaintiff A.J. Nicholas Bolding.

12 20. “Plaintiff’s Counsel” means Larry W. Lee and Shalom “Christine” Choo of
13 DIVERSITY LAW GROUP, P.C., and William L. Marder of POLARIS LAW GROUP, and
14 Edward W. Choi of LAW OFFICES OF CHOI & ASSOCIATES, and Dennis S. Hyun of HYUN
15 LEGAL, APC.

16 21. “Plaintiff’s Counsel’s Fees and Expenses” means reasonable attorneys’ fees for
17 Plaintiff’s Counsel’s litigation and resolution of this Action not to exceed 33 1/3% of the Gross
18 Settlement Amount, and expenses and costs reasonably incurred in connection with this Action as
19 documented in Plaintiff’s Counsel’s billing statement.

20 22. “Qualifying Pay Periods” means the total number of pay periods during which an
21 Aggrieved Employee performed work as an exempt employee of Defendant in California during
22 the PAGA Period, based on Defendant’s records, which shall be used to calculate Individual PAGA
23 Payments.

24 23. “Released Parties” means Defendant and any of its past, present, and future direct
25 or indirect parents, subsidiaries, predecessors, successors and affiliates, as well as each of their past,
26 present and future officers, directors, employees, partners, members, shareholders and agents,
27 attorneys, insurers, reinsurers, and any individual or entity which could be jointly liable with
28 Defendant.

24. "Settlement" means the final and complete disposition of the Action pursuant to this Settlement Agreement.

25. "Settlement Administration Costs" means the reasonable costs and fees of administering the Settlement to be paid from the Gross Settlement Amount, including, but not limited to: (i) printing, mailing, and re-mailing (if necessary) Settlement Packets to the Aggrieved Employees; (ii) preparing and submitting to Aggrieved Employees and government entities all appropriate tax filings and forms; (iii) computing the amount of and distributing Individual PAGA Payments, the Individual Settlement Payment, Plaintiff's Counsel Fees and Expenses, and the LWDA Payment; (iv) establishing a Qualified Settlement Fund ("QSF"), as defined by the Internal Revenue Code; and (vi) preparing and submitting filings required by law in connection with the payments required by the Settlement.

26. "Settlement Administrator" means Phoenix Settlement Administrators.

27. "Settlement Packet" means the packet of documents that shall be mailed to all Aggrieved Employees by the Settlement Administrator, including the Notice and each Aggrieved Employee's respective Individual PAGA Payment.

RECITALS

28. Pleading History: On March 22, 2022, Plaintiff filed this Action, alleging three causes of action: (1) unpaid overtime wages under Labor Code §§ 510, 515, 558, 1194, 1197, and 1171.1; (2) failure to provide compliant wage statements under Labor Code §226; and (3) violation of the California Business and Professions Code §17200. However, on May 25, 2022, Plaintiff filed a First Amended Complaint (“Complaint”) which dismissed his class claims and, instead, alleged a PAGA claim for civil penalties predicated on these claims: (1) Cardinal misclassified Plaintiff and the aggrieved employees as exempt and therefore failed to pay them for all hours worked, including overtime wages under Labor Code §510; (2) Cardinal failed to timely pay Plaintiff all his compensation under Labor Code §204; (3) Cardinal failed to timely pay Plaintiff all wages due upon separation under Labor Code §203; and (4) Cardinal failed to provide accurate and compliant wage statements to Plaintiff and the aggrieved employees under Labor Code §226.

29. On October 6, 2022, Defendant timely filed an Answer to the Complaint.

1 30. Settlement Negotiations: On December 18, 2023, after engaging in extensive
2 document and information exchange, the Parties reached a settlement deal during a private
3 mediation session with mediator Jeffrey Fuchsman, Esq. On December 27, 2023, the Parties entered
4 into a Memorandum of Understanding ("MOU"), which memorialized the settlement terms and
5 conditions.

6 31. Benefits of Settlement to Plaintiff and the Aggrieved Employees: Plaintiff and
7 Plaintiff's Counsel recognize the expense and effort of lengthy continued proceedings that would
8 be necessary to litigate Plaintiff's claims in the Action through trial and through any possible
9 appeals. Plaintiff also has evaluated the uncertainty and risks of the outcome of further litigation,
10 and the difficulties and delays inherent in such litigation. Plaintiff and Plaintiff's Counsel are also
11 aware of the burdens of proof necessary to establish liability for the claims asserted in the Action,
12 both generally and in response to Defendant's defenses thereto. Based on the foregoing, Plaintiff
13 and Plaintiff's Counsel have determined the Settlement set forth in this Settlement Agreement is
14 fair, adequate, and reasonable and provides genuine and meaningful relief consistent with the
15 underlying purposes of PAGA.

16 32. Defendant's Reasons for Settlement: Defendant has concluded that any further
17 defense of the Action would be protracted and expensive for all Parties. Substantial amounts of
18 Defendant's time, energy, and resources have already been, and unless this Settlement is completed,
19 shall continue to be, devoted to the defense of the claims asserted by Plaintiff. Defendant has also
20 evaluated the risks of further litigation in reaching its decision to enter into this Settlement. Even
21 though Defendant contends it is not liable for any of the claims alleged by Plaintiff in the Action,
22 Defendant has agreed, nonetheless, to settle in the manner and upon the terms set forth in this
23 Settlement Agreement and to put to rest the claims alleged in this Action. Defendant has asserted
24 and continues to assert that the claims alleged by Plaintiff have no merit and do not give rise to
25 liability. This Settlement Agreement is a compromise of disputed claims. Nothing contained in this
26 Settlement Agreement, no documents referred to herein, and no action taken to carry out this
27 Settlement Agreement, shall be construed or used as an admission by or against Defendant as to
28

1 the merits or lack thereof of the claims asserted in the Action. Defendant maintains that it has
2 complied with all applicable state, federal and local laws.

3 **TERMS OF SETTLEMENT**

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

6 33. Binding Settlement: This Settlement shall bind the Parties and all Aggrieved
7 Employees, subject to the terms and conditions hereof and the Court's approval.

8 34. Tax Liability: The Parties make no representations as to the tax treatment or legal
9 effect of any of the payments specified herein, and the Aggrieved Employees are not relying on
10 any statement or representation by the Parties, Plaintiff's Counsel, or Defense Counsel in this
11 regard. The Aggrieved Employees and Plaintiff's Counsel understand and agree that they shall be
12 responsible for the payment of all taxes and penalties assessed on the payments specified herein,
13 and shall hold the Parties, Plaintiff's Counsel, and Defense Counsel free and harmless from and
14 against any claims resulting from treatment of such payments as non-taxable, including the
15 treatment of such payments as not subject to withholding or deduction for payroll and employment
16 taxes.

17 35. Circular 230 Disclaimer: THE PARTIES ACKNOWLEDGE AND AGREE THAT
18 (1) NO PROVISION OF THIS SETTLEMENT AGREEMENT, AND NO WRITTEN
19 COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES,
20 PLAINTIFF'S COUNSEL, OR DEFENSE COUNSEL AND OTHER ADVISERS, IS OR WAS
21 INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE
22 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS TAX ADVICE WITHIN THE
23 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR
24 PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED
25 EXCLUSIVELY UPON HIS OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL
26 FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT
27 AGREEMENT, (B) HAS NOT ENTERED INTO THIS SETTLEMENT AGREEMENT BASED
28 UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR

1 ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
2 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
3 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
4 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
5 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
6 OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF
7 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
8 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
9 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
10 SETTLEMENT AGREEMENT.

11 36. Approval of Settlement: Plaintiff shall be responsible for filing a motion, and related
12 papers, with the Court to approve the Settlement and enter the Judgment. The Parties agree to work
13 diligently and cooperatively to have this Settlement presented to the Court for approval. Plaintiff
14 will prepare and deliver to Defense Counsel all documents necessary for obtaining approval,
15 including: (i) a draft of the notice, and memorandum in support, of the Motion for Approval; (ii) a
16 draft proposed Order Granting Approval of PAGA Settlement; (iii) a draft proposed Notice; (iv) a
17 signed declaration from the Administrator; (v) a signed declaration from Plaintiff; and (v) a signed
18 declaration from each PAGA Counsel firm attesting to its competency.

19 37. Released Claims

20 a) Aggrieved Employees' Release: Upon the payment of the Gross Settlement
21 Amount, Plaintiff, individually and in his capacity as representative for the LWDA, and Aggrieved
22 Employees will fully and finally release and discharge the Released Parties from all Released
23 Claims. "Released Claims" means all claims for civil PAGA penalties predicated on Labor Code
24 sections 201, 202, 203, 204, 226, 226.3 510, 515, 558, 1194, 1197, 1197.1, 2698, *et seq.* and/or the
25 California Wage Order(s), including but not limited to costs and attorneys' fees related thereto, that
26 were alleged in Plaintiff's PAGA letter, the complaint, and/or the operative First Amended
27 Complaint filed in the Action and accrued during the PAGA Period.

28 b) Plaintiff's Individual Release: In addition to the Released PAGA Claims discussed

1 above, upon the Effective Date, and in exchange for the Individual Settlement Payment described
2 below at paragraph 38(b), Plaintiff, for and on behalf of himself and his agents, heirs, executors,
3 administrators and assigns ("Releasing Parties") unconditionally waives, releases and forever
4 discharges the Released Parties from any and all claims, actions, causes of action, rights, suits,
5 debts, contracts, obligations, agreements, proceedings, damages, charges, losses, and expenses
6 (including attorneys' fees and costs) of any nature whatsoever, whether based in contract, statute
7 or the common law, relating to any matters of any kind, whether known or unknown, suspected or
8 unsuspected, that they may possess arising from any omissions, acts, and any and all events or facts
9 that have occurred up until and including the date of the signing of this Agreement, including
10 without limitation: (i) any and all claims actually alleged or could have been alleged in connection
11 with, or arising directly or indirectly out of or in any way connected with Plaintiff's employment
12 with Defendant or any of the Released Parties; (ii) any and all claims relating to or arising from
13 Plaintiff's relationship with the Released Parties and the termination of the relationship; (iii) any
14 and all claims relating to unpaid wages, missed meal and rest periods, meal period and rest break
15 premiums, sick pay, vacation pay, calculation of bonuses or commissions, and any other form of
16 compensation, and any and all penalties, including but not limited to waiting time penalties and
17 penalties under California Labor Code Section 226, and interest relating to such claims; (iv) any
18 and all claims for wrongful discharge of employment; breach of contract, both expressed and
19 implied; breach of covenant of good faith and fair dealing, both expressed and implied; negligent
20 or intentional interference with contract or prospective economic advantage; and defamation; (v)
21 any and all claims against the Released Parties for any other tort, contract, common law,
22 constitutional or statutory claims, including but not limited to, any violation(s) of the California
23 Labor Code, the federal Fair Labor Standards Act (except as prohibited by applicable law), the
24 National Labor Relations Act, Title VIII of the Civil Rights Act of 1964 and the California Fair
25 Employment and Housing Act, the Americans with Disabilities Act, as amended, the Employee
26 Retirement Income Security Act of 1974, as amended, the federal Worker Adjustment Retraining
27 Notification Act (as well as any counterpart), the Family and Medical Leave Act of 1993 (as well
28 as any state counterpart), the Occupational Safety and Health Act, the Consolidated Omnibus

1 Budget Reconciliation Act of 1985, the Equal Pay Act, the Affordable Care Act, the Uniformed
2 Services Employment and Reemployment Rights Act, the Federal Hazardous Materials
3 Regulations, the Fair Credit Reporting Act, the California Parental Leave Act, the California Paid
4 Sick Leave Act, the Genetic Information Nondiscrimination Act of 1998, California Constitution
5 Article 1 section 8, California's Industrial Welfare Commission Wage Orders, the Healthy
6 Workplaces, Healthy Families Act of 2014, California Health and Safety Code sections 11161.8,
7 1276.5, 1278.5, 13337, *et seq.*, and 105100, *et seq.*, California Business and Professions Code
8 sections 2725, 2750, *et seq.*, and 17200, *et. seq.*, Title 22 of the California Code of Regulations,
9 including but not limited to section 72313, 72315 and 72501 ("Individually Released Claims").
10 Plaintiff also waives any and all rights conferred upon him under Section 1542 of the California
11 Civil Code, which provides as follows:

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

17 This waiver is not a mere recital but is a knowing waiver of rights and benefits by Plaintiff. This is
18 a bargained-for provision of the Agreement and is further consideration for the covenants and
19 conditions contained herein.

20 c) Funding and Allocation of the Gross Settlement Amount: Defendant shall pay a
21 Gross Settlement Amount not to exceed Seventy-Two Thousand and Five Hundred Dollars and
22 Zero Cents (\$72,500.00). Defendant shall make the payment to the Settlement Administrator in any
23 feasible manner, including, but not limited to, by way of a wire transfer, the Gross Settlement
24 Amount not later than thirty (30) days after the Effective Date.

25 d) Representation as to Number of Pay Periods/Escalator Clause: Should the number
26 of pay periods worked by the Aggrieved Employees exceed 375 pay periods during the PAGA
27 period, as represented by Defendant, then the Gross Settlement Amount shall be increased
28 proportionally to the amount of the total increase (\$193.33 per pay period over 375 pay periods).

1 For illustrative purposes, if the final number of pay periods worked by the Aggrieved Employees
2 is 380, then this will result in a \$966.67 increase in the Gross Settlement Amount. The escalator
3 clause in this Paragraph (d) will end at the filing of the motion for approval of the settlement
4 agreement.

5 c) Individual PAGA Payments:

6 i. Individual PAGA Payments shall be paid by the Settlement Administrator
7 from the PAGA Fund pursuant to the following formula: Defendant shall provide the Settlement
8 Administrator with the Qualifying Pay Periods for each Aggrieved Employee. The Settlement
9 Administrator shall then divide the Aggrieved Employees' portion of the PAGA Fund by the total
10 number of Qualifying Pay Periods for all Aggrieved Employees resulting in a value for each pay
11 period worked by the Aggrieved Employees during the PAGA Period ("Pay Period Value"). The
12 Settlement Administrator shall then multiply the number of Qualifying Pay Periods for each
13 Aggrieved Employee by the Pay Period Value.

14 ii. Individual PAGA Payments shall be made by check and shall be made
15 payable to each Aggrieved Employee as set forth in this Settlement Agreement.

16 iii. Individual PAGA Payments shall be allocated as non-wage penalties not
17 subject to payroll tax withholdings. The Settlement Administrator shall issue an IRS Form 1099-
18 MISC to each Aggrieved Employee along with the Individual PAGA Payment.

19 iv. Individual PAGA Payment checks shall remain negotiable for one hundred
20 eighty (180) days from the date of mailing. If an Individual PAGA Payment check remains
21 uncashed after ninety (90) days from issuance, the Settlement Administrator shall distribute the
22 value of the uncashed check to a *cy pres*, Legal Aid at Work, located at 180 Montgomery Street
23 #600, San Francisco, California 94104. In such event, such Aggrieved Employees shall
24 nevertheless remain bound by the Settlement.

25 f) Plaintiff's Individual Settlement Enhancement Payment: Subject to Court approval,
26 Plaintiff shall be paid an Individual Settlement Enhancement Payment not to exceed Five Thousand
27 Dollars and Zero Cents (\$5,000.00), or any lesser amount as awarded by the Court, for his time and
28 effort in bringing and presenting the Action and for releasing his Released Claims. Defendant shall

1 not oppose or object to Plaintiff's request for an Individual Settlement Enhancement Payment in an
2 amount not to exceed Five Thousand Dollars and Zero Cents (\$5,000.00). The Individual Settlement
3 Enhancement Payment shall be paid to Plaintiff from the Gross Settlement Amount no later than ten
4 (10) days after Defendant provides the Settlement Administrator with the Gross Settlement Amount.
5 The Settlement Administrator shall issue an IRS Form 1099-MISC to Plaintiff for his Individual
6 Settlement Enhancement Payment. Plaintiff shall be solely and legally responsible to pay any and
7 all applicable taxes on his Individual Settlement Enhancement Payment and shall hold harmless
8 Defendant, Plaintiff's Counsel, and Defense Counsel from any claim or liability for taxes, penalties,
9 or interest arising as a result of payment of the Individual Settlement Payment. The Individual
10 Settlement Enhancement Payment shall be made in addition to Plaintiff's Individual PAGA
11 Payment. Any amount requested by Plaintiff for the Individual Settlement Enhancement Payment
12 not awarded by the Court shall become part of the PAGA Fund and shall be distributed to the LWDA
13 and the Aggrieved Employees.

14 g) Plaintiff's Counsel's Fees and Expenses: Subject to Court approval, Plaintiff's
15 Counsel shall be entitled to receive reasonable attorneys' fees in an amount not to exceed one-third
16 of the Gross Settlement Amount; which currently amounts to Twenty-Four Thousand and One
17 Hundred and Sixty-Six Dollars and Sixty-Six Cents (\$24,166.66), subject to increase in the event
18 the Escalator clause is triggered. In addition, Plaintiff's Counsel shall be entitled to an award of
19 reasonable costs associated with Plaintiff's Counsel's prosecution of the Action in an amount not to
20 exceed Twenty Thousand Dollars and Zero Cents (\$20,000.00). Plaintiff's Counsel shall provide the
21 Settlement Administrator with a properly completed and signed IRS Form W-9 in order for the
22 Settlement Administrator to process the Plaintiff's Counsel Award as approved by the Court.
23 Defendant shall not oppose or object to Plaintiff's request for an award of attorneys' fees in an
24 amount not to exceed one-third of the Gross Settlement Agreement or request for an award of
25 reasonable costs not to exceed Twenty Thousand Dollars (\$20,000.00). In the event that the Court
26 awards Plaintiff's Counsel less than the requested amount in attorneys' fees and/or costs, the
27 difference shall become part of the PAGA Fund and shall be distributed to the LWDA and the
28 Aggrieved Employees. The Settlement Administrator shall pay Plaintiff's Counsel any Court-

1 awarded attorneys' fees and costs no later than ten (15) days after Defendant provides the Settlement
2 Administrator with the Gross Settlement Amount. Plaintiff's Counsel shall be solely and legally
3 responsible to pay all applicable taxes on the Plaintiff's Counsel Award. The Settlement
4 Administrator shall issue an IRS Form 1099-MISC to Plaintiff's Counsel for the Plaintiff's
5 Attorney's Fees and Costs. This Settlement is not conditioned upon the Court awarding Plaintiff's
6 Counsel any particular amount of attorneys' fees or costs, unless the amount awarded is more than
7 specified in this paragraph, in which case the difference shall be awarded from the PAGA Fund and
8 shall not increase the Gross Settlement Amount.

9 h) Settlement Administration Costs: The Settlement Administration fees and expenses,
10 which are estimated not to exceed One Thousand Eight Hundred Twenty Five Dollars and Zero
11 Cents (\$1,825.00) shall be paid from the Gross Settlement Amount. The Parties agree to cooperate
12 in the Settlement Administration process and to make all reasonable efforts to control and minimize
13 Settlement Administration Costs.

14 i. The Parties each represent they do not have any financial interest in the
15 Settlement Administrator or otherwise have a relationship with the Settlement Administrator that
16 could create a conflict of interest.

17 ii. The Settlement Administrator shall keep the Parties timely apprised of the
18 performance of all Settlement Administrator responsibilities required by the Settlement. The
19 Settlement Administrator shall be authorized to establish a QSF pursuant to IRS rules and
20 regulations in which the Gross Settlement Amount shall be placed and from which payments
21 required by the Settlement shall be made.

22 38. Settlement Administration:

23 a) Mailing of Settlement Packets: Within thirty (30) calendar days of the Effective
24 Date, Defendant shall provide the Settlement Administrator with the Employee Information for
25 purposes of mailing the Settlement Packets to Aggrieved Employees. Upon receipt of the Employee
26 Information, the Settlement Administrator shall perform a search based on the National Change of
27 Address Database maintained by the United States Postal Service to update and correct any known
28 or identifiable address changes. Within ten (15) days of receiving the Gross Settlement Amount

1 from Defendant as provided herein, the Settlement Administrator shall mail the Settlement Packets
2 to all Aggrieved Employees *via* regular First-Class U.S. Mail. The Settlement Administrator shall
3 exercise its best judgment to determine the current mailing address for each Aggrieved Employee.
4 The address identified by the Settlement Administrator as the current mailing address shall be
5 presumed to be the most current mailing address for each Aggrieved Employee. The Parties agree
6 that this procedure for notice provides the best notice practicable to Aggrieved Employees and fully
7 complies with due process.

8 b) Undeliverable Settlement Packets: Any Settlement Packet returned to the Settlement
9 Administrator as non-deliverable shall be re-mailed to the forwarding address affixed thereto. If no
10 forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a
11 correct address by the use of skip-tracing, or other type of automated search, using the name, address,
12 and/or Social Security number of the Aggrieved Employee involved, and shall then perform a re-
13 mailing to the Aggrieved Employee whose Settlement Packet was returned as non-deliverable,
14 assuming another mailing address is identified by the Settlement Administrator.

15 c) Determination of Individual PAGA Payments: The Settlement Administrator shall
16 determine the eligibility for, and the amount of, each Aggrieved Employee's Individual PAGA
17 Payment under the terms of this Settlement Agreement.

18 d) Disputes Regarding Administration of Settlement: Any dispute not resolved by the
19 Settlement Administrator concerning the administration of the Settlement shall be resolved by the
20 Court. Prior to any such involvement of the Court, counsel for the Parties shall confer in good faith
21 and make use of the services of mediator Jeffrey Fuchsman, if necessary, to resolve the dispute
22 without the necessity of involving the Court.

23 e) Accounting: The Settlement Administrator will provide an accounting under oath to
24 the Parties of the amounts paid out, not later than 60 days after payment to the final Aggrieved
25 Employee.

26 f) Monitoring and Reviewing Settlement Administration: The Parties have the right to
27 monitor and review the administration of the Settlement to verify that the monies allocated under
28 the Settlement are distributed in the correct amount, as provided for in this Settlement Agreement.

1 g) Best Efforts: The Parties agree to use their best efforts to carry out the terms of this
2 Settlement.

3 39. Nullification of Settlement: In the event: (i) the Court does not enter the Judgment;
4 or (ii) the Settlement does not become final for any other reason, this Settlement Agreement shall
5 be rendered null and void, any order or judgment entered by the Court in furtherance of this
6 Settlement shall be treated as void from the beginning, and this Settlement Agreement and any
7 documents related to it shall not be used in any other civil, criminal, or administrative action against
8 Defendant or any of the other Released Parties. In the event an appeal is filed from the Judgment,
9 or any other appellate review is sought, administration of the Settlement shall be stayed pending
10 final resolution of the appeal or other appellate review.

11 40. No Admission by Defendant: Defendant denies all claims alleged in this Action and
12 deny all wrongdoing whatsoever by Defendant. Neither this Settlement Agreement, nor any of its
13 terms and conditions, nor any of the negotiations connected with it, are a concession or admission,
14 and none shall be used against Defendant as an admission or indication with respect to any claim
15 of any fault, concession, or omission by Defendant. The Parties agree that this Settlement
16 Agreement shall not be admissible in this or any other proceeding as evidence that Defendant is
17 liable to Plaintiff or any Aggrieved Employee, other than according to the terms of this Settlement
18 Agreement.

19 41. No Publicity: The Parties agree that Plaintiff and Plaintiffs' Counsel will not
20 communicate the fact of, or the terms of, this Settlement Agreement to members of the press,
21 including to Verdicts and Settlements. The Parties and their respective counsel also agree not to
22 publish the fact of, or terms of, this Settlement Agreement or any related information on their
23 website, for advertising purposes and/or in publication materials generally available to the public.

24 42. Descriptive Headings: The descriptive headings of any paragraphs or sections of
25 this Settlement Agreement are inserted for convenience of reference only.

26 43. Entire Agreement: This Settlement Agreement constitutes the entire agreement
27 between the Parties, and no oral or written representations, warranties, or inducements have been
28 made to Plaintiff or Defendant concerning this Settlement Agreement other than the

1 representations, warranties, and covenants contained and memorialized in this Settlement
2 Agreement. No other prior or contemporaneous written or oral agreements may be deemed binding
3 on the Parties.

4 44. Interim Stay of Action: The Parties agree to stay and to request that the Court stay
5 all proceedings in the Action, except such proceedings necessary to implement and complete the
6 Settlement and enter the Judgment.

7 45. Amendment or Modification: This Settlement Agreement may be amended or
8 modified only by a written instrument signed by counsel for all Parties or their successors-in-
9 interest.

10 46. Authorization to Enter into Settlement Agreement: The Parties shall cooperate with
11 each other and use their best efforts to affect the implementation of the Settlement. In the event the
12 Parties are unable to reach agreement on the form or content of any document needed to implement
13 the Settlement, or on any supplemental provisions that may become necessary to effectuate the
14 terms of this Settlement, the Parties may seek the assistance of the Court and/or mediator Jeff
15 Fuchsman to resolve such disagreement. The person signing this Settlement Agreement on behalf
16 of Defendant represents and warrants that he or he is authorized to sign this Settlement Agreement
17 on behalf of Defendant. Plaintiff represents and warrants that he is authorized to sign this Settlement
18 Agreement and that he has not assigned any claim, or part of any claim, covered by this Settlement
19 to a third-party. Plaintiff acknowledges that he has read this Settlement Agreement, that he fully
20 understands his rights, privileges, and duties under the Settlement Agreement, and enters this
21 Settlement Agreement freely and voluntarily. Plaintiff further acknowledges that he has had the
22 opportunity to consult with his attorneys to seek an explanation of the terms of this Settlement
23 Agreement and the consequences of signing this Settlement Agreement. Additionally, the Parties
24 have cooperated in the drafting and preparation of this Settlement Agreement. Hence, in any
25 construction made of this Settlement Agreement, the same shall not be construed against any of the
26 Parties.

27 47. Binding on Successors and Assigns. This Settlement Agreement shall be binding
28 upon, and inure to the benefit of, the successors and assigns of the Parties.

1 48. California Law Governs. All terms of this Settlement Agreement shall be governed
2 by and interpreted according to the laws of the State of California, without giving effect to any law
3 that would cause the laws of any jurisdiction other than the State of California to be applied.

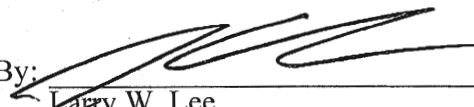
4 49. Counterparts. This Agreement may be executed in one or more counterparts by
5 facsimile, electronic signature with verification of signature provided, or email which for purposes
6 of this Agreement shall be accepted as an original. All executed counterparts and each of them will
7 be deemed to be one and the same instrument. Any executed counterpart will be admissible in
8 evidence to prove the existence and contents of this Agreement.

9 50. Jurisdiction of the Court. Following entry of the Judgment, the Court shall retain
10 continuing jurisdiction California Code of Civil Procedure Section 664.6 to ensure the continuing
11 implementation of the provisions of this settlement and that the time within which to bring this
12 action to trial under California Code of Civil Procedure Section 583.310 shall be extended from the
13 date of the signing of this Agreement by all parties until the entry of the final approval order and
14 judgment or if not entered the date this Agreement shall no longer be of any force or effect.

15 51. Invalidity of Any Provision. Before declaring any term or provision of this
16 Settlement Agreement invalid, the Parties request that the Court first attempt to construe the terms
17 or provisions valid to the fullest extent possible consistent with applicable precedents so as to define
18 all provisions of this Settlement Agreement as valid and enforceable.

19
20
21
22 DATED: March 14, 2024

DIVERSITY LAW GROUP, P.C.

23
24 By: 

Larry W. Lee
Shalom "Christine" Choo
Attorneys for Plaintiff and the Aggrieved
Employees

1 DATED: March 18, 2024

POLARIS LAW GROUP

2 By: 
3 William L. Marder
4 Attorneys for Plaintiff and the Aggrieved
5 Employees

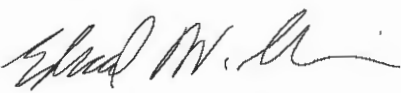
6 DATED: March 18, 2024

HYUN LEGAL, APC

7 By: 
8 Dennis S. Hyun
9 Attorneys for Plaintiff and the Aggrieved
10 Employees

11 DATED: March 18, 2024

LAW OFFICES OF CHOI & ASSOCIATES

12 By: 
13 Edward Choi
14 Attorneys for Plaintiff and the Aggrieved
15 Employees

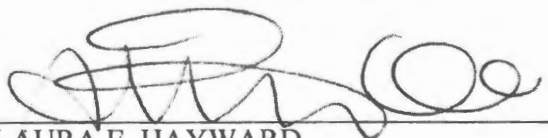
16 DATED: March 14, 2024

NICHOLS LAW, P.C.

17 By: 
18 Sarah Nichols
19 Counsel for Defendant

20 DATED: March 14, 2024

LITTLER MENDELSON, P.C.

21 By: 
22 LAURA E. HAYWARD
23 ATTICUS LEE
24 Counsel for Defendant
25 CARDINAL FINANCIAL COMPANY,
26 Limited Partnership
27
28

2D

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO

A.J. NICHOLAS BOLDING, as an individual
and on behalf of all others similarly situated,

Plaintiff,

vs.

CARDINAL FINANCIAL COMPANY, a
Pennsylvania limited partnership; and DOES 1
through 50, inclusive,

Defendants.

CASE NO. CIVSB2206543

**NOTICE OF PRIVATE ATTORNEYS
GENERAL ACT (CALIFORNIA LABOR
CODE § 2698, *ET SEQ.*) SETTLEMENT
AWARD**

Notice is hereby given that a Private Attorneys General Act (“PAGA”) settlement award, pursuant to California Labor Code § 2698, *et seq.*, has been approved by the Court, in connection with your employment with Defendant Cardinal Financial Company (“CFC” or the “Company”), in the lawsuit filed by Plaintiff A.J. Nicholas Bolding (“Plaintiff”) against CFC in the San Bernardino County Superior Court, entitled *Bolding v. Cardinal Financial Company*, Case No. CIVSB2206543 (the “Lawsuit”).

A. PURPOSE OF THIS NOTICE

This Notice is being sent to you because you have been identified as a current or former Account Executive who was classified as an exempt employee who worked for CFC in the State of California from March 18, 2021, through [date Motion to Approve is filed] (“PAGA Settlement Member”), who is entitled to your portion of this PAGA settlement award. Receipt of this Notice means that you are entitled to your share in the proceeds from the PAGA settlement award. Your share of the PAGA award proceeds is enclosed herewith. This settlement check shall remain valid until [redacted].

B. DESCRIPTION OF THE LAWSUIT AND SETTLEMENT

Plaintiff filed his initial complaint on March 22, 2022 and later amended the complaint (the “Lawsuit”). The Lawsuit alleges a cause of action for violation of the Private Attorneys General Act (“PAGA”), based on violations of California Labor Code §§ 201, 202, 203, 204, 226, 226.3, 510, 515, 558, 1194, 1197, 1197.1, 2698 *et seq.*, and/or the California Wage Orders. CFC denies all liability or wrongdoing. After conducting informal discovery and investigation, the Parties attended a mediation. Following the mediation, the Parties agreed to a settlement to avoid further dispute and the costs of litigation.

Specifically, the Parties agreed to a settlement of \$72,500.00 in order to resolve the PAGA claims, of which \$5,000.00 will be paid to Plaintiff as a service award for his efforts in prosecuting the claims on behalf of other PAGA Settlement Members and the State of California, up to \$24,166.66 will be paid to Plaintiff’s attorneys as fees and up to \$20,000.00 will be paid as litigation costs, and \$1,825.00 will be paid for the costs of settlement administration. After deduction of Plaintiff’s service award, attorneys’ fees and costs, and settlement administration costs, the State of California will receive 75 percent of the remaining amount, and the PAGA Settlement Members will receive the other 25 percent, all of which are being paid as civil penalties pursuant to the PAGA.

Each PAGA Settlement Member will receive a pro rata share of the civil penalties. Each PAGA Settlement Member’s individual share will be based upon the number of pay periods he or she performed work as an exempt employee of CFC in California from March 18, 2021, through [date Motion to Approve is filed], divided by the total number of pay periods worked by all PAGA Settlement Members during the same time period.

The Settlement resolves all PAGA claims asserted in the Lawsuit. Per the Court’s final judgment in this case, effective upon complete payment of the settlement amount by CFC, all PAGA Settlement Members covered by the Settlement have released any and all claims for civil penalties under the PAGA that were set forth, or could have been set forth based on the facts alleged in Plaintiff’s PAGA letter and/or the operative complaint. This means that you are not able to pursue a PAGA lawsuit against CFC based on such claims that were raised in the Lawsuit. Please note that you are bound by the settlement and release of claims based on the Court’s final judgment whether or not you cash or deposit the enclosed check.

If you have any questions or would like more information about the settlement or this lawsuit, you may contact the Settlement Administrator at [redacted].

PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE.

EXHIBIT C

Bolding v. Cardinal Financial Company
Time and Task Chart for Larry W. Lee

Hours	Description of Work
1.5	Factual investigation; review of file and client documents upon assignment to case.
1.2	Draft PAGA letter; review and revise same.
1.0	Review and revise complaint.
0.7	Review Defendants' Answer.
2.3	Prepare data request to be sent to Defense in advance of mediation.
1.4	Review data informally produced by Defendant and perform damages calculation.
3.0	Review and revise mediation brief.
5.5	Attend mediation.
3.2	Review and revise long-form settlement agreement; confer with opposing counsel regarding terms therein.
3.8	Review motion for approval of PAGA settlement, proposed order, and supporting documents; further review and revise same.
23.6	<u>TOTAL HOURS</u>

EXHIBIT D

3/25/2024
11:29 AM

DIVERSITY LAW GROUP
Slip Listing

Page 1

Selection Criteria

Slip Classification Open
Client (hand select) Include: Bolding v. Cardinal
Slip.Transaction Ty 2 - 2

Rate Info - identifies rate source and level

Slip ID		Timekeeper	Units	Rate	Slip Value
Dates and Time		Activity	DNB Time	Rate Info	
Posting Status		Client	Est. Time	Bill Status	
Description		Reference	Variance		
71242	EXP	Mariana Becerra	1	75.00	75.00
3/18/2022		Court fees			
WIP		Bolding v. Cardinal			
LWDA					
71391	EXP	Erika Mejia	1	1662.71	1662.71
3/22/2022		Atty Service			
WIP		Bolding v. Cardinal			
Attorney Service - Complaint					
71432	EXP	Olympia	2	0.25	0.50
3/31/2022		Photocopies			
WIP		Bolding v. Cardinal			
Photocopies					
71433	EXP	Olympia	1	6.13	6.13
3/31/2022		Postage			
WIP		Bolding v. Cardinal			
Postage					
71703	EXP	Erika Mejia	1	76.10	76.10
4/25/2022		Atty Service			
WIP		Bolding v. Cardinal			
Attorney Service - Complaint Service					
72159	EXP	Erika Mejia	1	68.27	68.27
5/18/2022		Atty Service			
WIP		Bolding v. Cardinal			
Attorney Service - POS					
72167	EXP	Erika Mejia	1	82.71	82.71
5/25/2022		Atty Service			
WIP		Bolding v. Cardinal			
Attorney Service - FAC					
72413	EXP	Erika Mejia	1	79.71	79.71
6/27/2022		Atty Service			
WIP		Bolding v. Cardinal			
Attorney Service - CMCS					

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DIVERSITY LAW GROUP
Slip Listing

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Slip ID		Timekeeper	Units	Rate	Slip Value
Dates and Time		Activity	DNB Time	Rate Info	
Posting Status		Client	Est. Time	Bill Status	
Description		Reference	Variance		
72414	EXP	Erika Mejia	1	73.10	73.10
6/28/2022		Atty Service			
WIP		Bolding v. Cardinal			
Attorney Service - FAC					
72493	EXP	Olympia	7	0.25	1.75
6/30/2022		Photocopies			
WIP		Bolding v. Cardinal			
Photocopies					
72494	EXP	Olympia	1	0.73	0.73
6/30/2022		Postage			
WIP		Bolding v. Cardinal			
Postage					
72312	EXP	Christine S. Lee	1	94.00	94.00
7/1/2022		Court fees			
WIP		Bolding v. Cardinal			
Courtcall					
72665	EXP	Erika Mejia	1	81.21	81.21
7/19/2022		Atty Service			
WIP		Bolding v. Cardinal			
Attorney Service - POS					
72863	EXP	Christine S. Lee	1	94.00	94.00
8/30/2022		Court fees			
WIP		Bolding v. Cardinal			
Courtcall					
73270	EXP	Erika Mejia	1	81.71	81.71
9/7/2022		Atty Service			
WIP		Bolding v. Cardinal			
Attorney Service - POS					
74884	EXP	Erika Mejia	1	130.83	130.83
3/23/2023		Atty Service			
WIP		Bolding v. Cardinal			
Attorney Service - Oppo to MTC Arb					
74885	EXP	Erika Mejia	1	87.62	87.62
3/23/2023		Atty Service			
WIP		Bolding v. Cardinal			
Attorney Service - Amended POS					
75618	EXP	Olympia	1	35.55	35.55
3/23/2023		Delivery serv			
WIP		Bolding v. Cardinal			
Federal Express					

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DIVERSITY LAW GROUP
Slip Listing

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Slip ID	Timekeeper	Units	Rate	Slip Value
Dates and Time	Activity	DNB Time	Rate Info	
Posting Status	Client	Est. Time	Bill Status	
Description	Reference	Variance		
Grand Total				
	Billable	0.00		2731.63
	Unbillable	0.00		0.00
	Total	0.00		2731.63