

1                                   **JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT**

2           This Joint Stipulation of Class Action and PAGA Settlement (“Settlement”) is made and entered  
3 into between Plaintiffs Sanjuanita Erica Garcia and Jarell McKinney (“Plaintiffs”), on behalf of  
4 themselves and all others similarly situated, and as a proxy/agent for the State of California and the  
5 California Labor Workforce Development Agency (“LWDA”) to the extent permitted by law, on the  
6 one hand; and Defendants Arborwell, Inc., Arborwell, LLC and Savatree, LLC (“Defendants”), on the  
7 other hand, (collectively, the “Parties”). If approved by the Court, this Settlement provides for all  
8 benefits, rights, and obligations of the Parties for resolving this matter.

9                   **1.       DEFINITIONS.**

10          The following terms, when used in Settlement, have the following meanings:

11           1.1       “Actions” means the civil actions titled *Garcia v. Arborwell, LLC, et al.*, Alameda  
12 County Superior Court Case No. 22CV013628 and *McKinney v. Arborwell, Inc.*, Alameda County  
13 Superior Court Case No. 22CV015155.

14           1.2       “Agreement,” “Settlement,” “Settlement Agreement,” or “Stipulation” means this Joint  
15 Stipulation of Class Action and PAGA Settlement.

16           1.3       “Class” means all persons employed by Defendants in California as non-exempt hourly-  
17 paid employees during the Class Period, defined as July 27, 2018 through the date the Court grants  
18 preliminary approval of this Settlement. The Class is estimated to consist of approximately 364 persons  
19 with an estimated 33,490 workweeks. For purposes of this settlement, a workweek is defined as any  
20 regular workweek in which the class member was employed. If the actual number of workweeks, as  
21 defined in this Agreement, for all class members from July 27, 2018, to March 15, 2024, should exceed  
22 the Certified Workweek Amount by more than five percent (5%), the GFV shall be increased by the  
23 percentage difference between the Certified Workweek Amount and the actual number of workweeks  
24 that accrued for all class members from July 27, 2018 to March 15, 2024. “Aggrieved Employees”  
25 means Plaintiffs and all other all other individuals who are or were employed by Defendants as non-  
26 exempt hourly-paid employees, who were employed for at least one pay period in California from April  
27 25, 2021 through the date of Preliminary Approval of this Settlement.

1           1.4     “Class Counsel” means Graham B. LippSmith, MaryBeth LippSmith, and Celene Chan  
2 Andrews of LippSmith LLP; Arby Aiwarzian, Joanna Ghosh, and Brian St. John of Lawyers *for* Justice;  
3 and Hengameh Safaei and Rana Nader of Proxy Law Firm LLP.

4           1.5     “Class Member” means each person eligible to participate in this Settlement who is an  
5 individual belonging to the Class (as defined in Paragraph 1.3) and has not agreed to a general release  
6 of claims against Defendants.

7           1.6     “Class Period” means July 27, 2018, through the date the Court grants preliminary  
8 approval of this Settlement.

9           1.7     “Class and PAGA Representatives” means Plaintiffs Sanjuanita Erica Garcia and Jarell  
10 McKinney.

11          1.8     “Plaintiffs’ Released Claims” means all claims, obligations, demands, actions, rights,  
12 causes of action, and liabilities against the Releasees (as defined in Paragraph 1.28), whether in law or  
13 equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation,  
14 common law, or other source of law, whether known or unknown, and whether anticipated or  
15 unanticipated, including unknown claims covered by Civil Code § 1542 (as quoted in Paragraph  
16 4.13.2.2) by the Plaintiffs, arising during the period from the beginning of the Plaintiffs’ dates of  
17 employment with Defendants through the end of the Class Period (the date the Court grants preliminary  
18 approval of this Settlement), for any type of relief, including, without limitation, claims for wages,  
19 business expenses, damages, unpaid costs, penalties (including civil and waiting time penalties),  
20 liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs, restitution, or equitable  
21 relief with the sole exception of any claims which cannot be released as a matter of law. The Plaintiffs’  
22 Released Claims include, but are not limited to, the Released Claims (as defined in Paragraph 1.27) as  
23 well as any other claims under any provision of the Fair Labor Standards Act, any provision of the  
24 California Labor Code or any applicable California Industrial Welfare Commission Wage Orders, and  
25 claims under state or federal discrimination statutes, including, without limitation, the California Fair  
26 Employment and Housing Act, California Government Code § 12940 *et seq.*; the Unruh Civil Rights  
27 Act, California Civil Code § 51 *et seq.*; the California Constitution; Title VII of the Civil Rights Act of  
28 1964, 42 U.S.C. § 2000 *et seq.*; the Americans with Disabilities Act, 42 U.S.C. § 12101 *et seq.*;

1 California's PAGA (Cal. Labor Code § 2698, *et seq.*), Cal. Bus. and Prof. Code § 17200 *et seq.*; the  
2 Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 *et seq.*; any IWI California Wage  
3 Orders and California Code of Regulations, Title 8, section 11000, *et seq.*, and/or any other federal, state  
4 or local human rights, civil rights, wage-hour, pension or labor law, rule, statute, regulation, constitution  
5 or ordinance and/or public policy, contract or tort law, or any claim of retaliation under such laws, or  
6 any claim of breach of any contract (whether express, oral, written or implied from any source), or any  
7 claim of intentional or negligent infliction of emotional distress, tortious interference with contractual  
8 relations, wrongful or abusive or constructive discharge, defamation, prima facie tort, fraud, negligence,  
9 loss of consortium, malpractice, breach of duty of care, breach of fiduciary duty; and all of their  
10 implementing regulations and interpretive guidelines. However, nothing in this General Release shall  
11 prohibit or restrict Plaintiffs from:

- 12 (i) providing information to, or otherwise assisting in, an investigation by  
13 Congress, the Equal Employment Opportunity Commission or the NLRB, the  
14 Securities and Exchange Commission ("SEC") or any other federal regulatory  
15 or law enforcement agency or self-regulatory organization ("SRO");
- 16 (ii) testifying, participating, or otherwise assisting in a proceeding relating to an  
17 alleged violation of any federal law relating to fraud or any rule or regulation of  
18 the SEC or any SRO; or
- 19 (iii) complying with a lawful subpoena or other legal process, subject to the terms of  
20 this Stipulation, including but not limited to the confidentiality provisions  
21 herein, and subject to the condition that Plaintiffs agree not to seek, or in any  
22 way obtain or accept, any monetary award, recovery or settlement therefrom  
23 and agrees that they understand that such limitation does not in any way restrict  
24 their ability to file and pursue such charge consistent with the confidentiality  
25 obligations set forth in this Stipulation; and further provided, however, that  
26 Plaintiffs do not waive any rights with respect to, or release Defendants from,  
27 any claim:

- 1 a. for California Workers' Compensation benefits (except that Plaintiffs  
2 hereby release and waive any claims that, as a result of their termination,  
3 they are entitled to additional benefits or payments);  
4 b. for unemployment compensation benefits;  
5 c. that cannot be released by private contract; or  
6 d. for breach of the terms of the Stipulation between Plaintiffs and  
7 Defendants.

8 Each Plaintiff also agrees to the terms and conditions set forth below in Paragraph 4.13  
9 *et seq.*

10 1.9 "Complaint" means the operative complaints, which is the Complaint for civil penalties  
11 filed with this Court on June 30, 2022 by Plaintiff Garcia and Complaint for damages and injunctive  
12 relief filed with this Court on July 27, 2022 by Plaintiff McKinney.

13 1.10 "Court" means the Superior Court of California, County of Alameda.

14 1.11 "Response Deadline" shall mean forty-five (45) calendar days from the initial mailing of  
15 the Notice to Class Members.

16 1.12 "Defendants" means Arborwell, Inc., Arborwell, LLC and Savatree, LLC.

17 1.13 "Defense Counsel" means Baldwin J. Lee, Alexander Nestor and Christina M. Vier of  
18 Allen Matkins Leck Gamble Mallory & Natsis LLP.

19 1.14 "Effective Date" means the date by which all of the following events have occurred:  
20 (i) this Agreement has been executed by Plaintiffs, Defendants, Class Counsel and Defendants' Counsel;  
21 (ii) the Court has given preliminary approval to the Settlement; (iii) the Notice has been sent to the Class  
22 Members, providing them the opportunity to object to the Settlement, and the opportunity to opt out of  
23 the Settlement; (iv) the Notice has been sent to the LWDA; (v) the Court has held a formal fairness  
24 hearing and entered the Court's Final Order and Judgment; and (vi) either (a) sixty five (65) calendar  
25 days after final approval of the Settlement and entry of a Final Judgment without any appeal, writ, or  
26 other appellate proceeding having been filed therefrom; or (b) if any appeal, writ, or other appellate  
27 proceeding opposing Final Approval has been filed within sixty five (65) calendar days after entry of  
28 Final Judgment, the Effective Date shall be five (5) business days after any appeal, writ, or other

1 appellate proceedings opposing the Settlement have been finally and conclusively dismissed and the  
2 Settlement has been upheld with no right to pursue further remedies or relief. If the Court declines to  
3 approve the Settlement, the entire Agreement is deemed void and unenforceable as if no settlement of  
4 any claim was ever reached. All negotiations, statements and proceedings and data relating thereto shall  
5 be protected by California Evidence Code § 1152 and shall be without prejudice to the rights of any of  
6 the Parties.

7 1.15 “Service Payment” means the amount approved by the Court to be paid to the Plaintiffs,  
8 not to exceed \$7,500.00 each for a total of up to \$15,000.00, for the time and work they performed in  
9 the Actions. The Service Payment amount shall be separate from and in addition to the Class  
10 Representatives’ Individual Payment Amount as a Settlement Class Member and Plaintiffs’ share of the  
11 PAGA Penalty Payment distributed to PAGA aggrieved employees. The Service Payment shall be  
12 considered non-wages, for which an appropriate IRS Form 1099 will be issued to the Plaintiffs.

13 1.16 “Final Approval and Fairness Hearing” means the hearing set by the Court to (a) review  
14 the Settlement and determine whether the Court should give final approval to this Settlement,  
15 (b) consider any timely objections made pursuant to Paragraph 4.6.4 of this Settlement, and all responses  
16 by the Parties, (c) consider the request for Class Counsel’s Fee and Costs Award, (d) consider the  
17 Settlement Administrator’s costs, and (e) consider the Plaintiffs’ application for a Service Payment.

18 1.17 “Final Judgment” shall mean the Order Granting Final Approval of the Settlement and  
19 Judgment entered by the Court, and substantially in the form attached hereto as **Exhibit 1**.

20 1.18 “Fee and Costs Award” shall mean Class Counsel’s attorneys’ fees and actual costs for  
21 litigation and resolution of the Actions, which shall be awarded by the Court upon Class Counsel’s  
22 motion/application for attorneys’ fees and costs, and which shall be paid from the Maximum Settlement  
23 Amount as defined in Paragraph 1.20.

24 1.19 “Individual Payment Amount” means an individual Class Member’s potential allocation  
25 of the Net Settlement Amount, as described in Paragraph 4.2.2.

26 1.20 “Maximum Settlement Amount” refers to the maximum total payment Defendants shall  
27 be obligated to make in the amount of Two Million Five Hundred Thousand Dollars and Zero Cents  
28 (\$2,500,000.00), pursuant to this Settlement. The Maximum Settlement Amount shall include (a)

attorneys' fees of up to \$875,000.00; (b) Plaintiffs' reasonable litigation costs and expenses up to \$17,000.00; (c) reasonable third party administration costs; (d) a PAGA Penalty Payment of \$200,000.00, of which \$150,000.00 will be paid to the Labor Workforce Development Agency, representing 75% of PAGA civil penalties, with the remaining 25% (\$50,000.00) to be distributed among the "PAGA Aggrieved Employees" ("PAGA Aggrieved Employees" are all persons employed by Defendants as non-exempt hourly-paid employees at any time from April 25, 2021, through the date the Court grants preliminary approval of this Settlement ("PAGA Period"), even if the employee opts out of the class settlement); (e) a Service Payment not to exceed \$7,500.00 for each Plaintiff for a total of up to \$15,000.00; and (f) the Net Settlement Amount as described in Paragraph 1.21. Defendants' share of any employer-payroll taxes attributed to Individual Payment Amounts shall be paid separately and in addition to the Maximum Settlement Amount and shall be determined by the Settlement Administrator.

1.21 "Net Settlement Amount" is the remaining portion of the Maximum Settlement Amount after deduction of the court-approved attorneys' fees and costs, Settlement Administration Costs, the PAGA Penalty Payment of \$200,000 (\$150,000.00 will be paid to the Labor Workforce Development Agency, representing 75% of PAGA civil penalties, with the remaining 25% (\$50,000.00) to be distributed among the PAGA Aggrieved Employees), and the Service Payment. The Net Settlement Amount (less applicable withholdings attributed to the portion of Individual Payment Amounts designated as wages) will be distributed to Settlement Class Members.

1.22 "Notice" or "Notice of Settlement" means the document substantially in the form attached hereto as **Exhibit 2**.

1.23 "Plaintiffs" are Sanjuanita Erica Garcia and Jarell McKinney.

1.24 "Preliminary Approval Date" means the date the Court approves this Settlement per this Joint Stipulation, and the Exhibits thereto, and enters an Order providing for notice of settlement to the Class, an opportunity to opt out of the Class, an opportunity to submit timely objections to the Settlement, a procedure for disputing the number of workweeks, and setting a hearing on the fairness of the terms of Settlement, including approval of Class Counsel's attorneys' fees and Class Counsel's litigation costs and the Plaintiffs' Application for a Service Payment.

1.25 “Preliminary Approval Order” means the order granting preliminary approval of the Settlement substantially in the form attached hereto as **Exhibit 3**.

1.26 “QSF” means the Qualified Settlement Fund set up by the Settlement Administrator for the benefit of the Settlement Class Members and from which the Settlement payments shall be made.

1.27 “Released Claims” means all claims, demands, rights, liabilities, and causes of action that were pled in any of the Complaints in the Actions or could have been pled based on the facts alleged in any of the Complaints in the Actions, based on Defendants’ alleged (1) failure to pay all overtime; (2) failure to provide proper meal periods, or premium pay for non-compliant meal periods; (3) failure to authorize and permit rest periods, or premium pay for non-compliant rest periods; (4) failure to pay minimum wages; (5) failure to pay all wages on termination of employment; (6) failure to pay timely wages during employment; (7) failure to provide accurate wage statements; (8) failure to maintain requisite payroll records; (9) unreimbursed business expenses pursuant to Labor Code Sections 2800 and 2802; (10) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories described above; and (11) PAGA penalties on the underlying alleged Labor Code violations. The “Release of Claims Period,” or the time period for which claims within the scope of this paragraph are released, shall be from July 27, 2018, through the date the Court grants preliminary approval of this Settlement. Plaintiffs release all claims for statutory penalties that could have been sought by the Labor Commissioner for the violations identified in Plaintiffs’ pre-filing letters to the LWDA.

Any Class Member who receives a PAGA payment and who opts out of the Settlement is only bound by the release of PAGA claims, which releases Releasees from all PAGA claims and claims for PAGA penalties alleged or that could have been alleged in any iteration of the complaints filed by Plaintiffs, and any letters submitted to the LWDA by Plaintiffs seeking authorization to pursue PAGA claims which occurred during the PAGA Period (“PAGA Released Claims”). The PAGA Release Period shall be the PAGA Period. The release as to the State of California and aggrieved employees only covers claims that arise under the Private Attorneys General Act, and does not cover an aggrieved employee’s individual Labor Code claims. The release expressly excludes claims for vested benefits,

wrongful termination, unemployment insurance, disability, social security, workers' compensation, class claims, and PAGA claims outside of the PAGA Period.

1.28 "Releasees" means Defendants Arborwell, Inc., Arborwell, LLC and Savatree, LLC, together with any of their past, present, or future direct or indirect parents, subsidiaries, predecessors, successors, and affiliates, as well as each of its past, present, and future officers, directors, employees, partners, members, shareholders, and agents, attorneys, insurers, and reinsurers.

1.29 "Settlement Administration Costs" means the fees and expenses reasonably incurred by the Settlement Administrator as a result of the procedures and processes expressly required by this Stipulation and which are not to exceed \$10,000.00 of the Net Settlement Amount, regardless of whether Final Approval is granted and Final Judgment is ordered, and shall include all costs of administering the Settlement, including, but not limited to, all tax document preparation, custodial fees, and accounting fees incurred by the Settlement Administrator; all costs and fees associated with preparing, issuing and mailing any and all Notices of Settlement and other settlement correspondence to Class Members and/or Settlement Class Members; all costs and fees associated with communicating with Class Members, Class Counsel, and Defense Counsel regarding settlement; all costs and fees associated with computing, processing, reviewing, and paying the Individual Payment Amounts, and resolving disputed claims; all costs and fees associated with calculating tax withholdings and payroll taxes, making related payment to federal and state tax authorities, and issuing tax forms relating to payments made under the Settlement; all costs and fees associated with preparing any tax returns and any other filings required by any governmental taxing authority or agency; all costs and fees associated with preparing any other notices, reports, or filings to be prepared in the course of administering Individual Payment Amounts; and any other reasonable costs and fees incurred and/or charged by the Settlement Administrator in connection with the execution of its duties under this Stipulation. In the event that the Court does not grant final approval of this Settlement and does not enter final judgment thereon, the Parties shall split the Settlement Administration Costs incurred to date on a 50/50 basis.

1.30 "Settlement Administrator" means and refers to Simpluris Inc., the entity that will be responsible for the administration of the Settlement and related matters as described in this Settlement.

1           1.31   “Settlement Class Member” means any and all Class Members who have not timely  
2 submitted a valid request for exclusion, as set forth in Paragraph 4.6.3.

## 3           **2.       DESCRIPTION OF THE LITIGATION**

4           This Stipulation and all associated exhibits or attachments are made for the sole purpose of  
5 settling the Actions. This Stipulation and the Settlement it evidences are made in compromise of  
6 disputed claims. The Settling Parties enter into this Stipulation on a conditional basis. In the event that  
7 the Court does not enter the Final Approval Order and Judgment, or in the event that the associated  
8 Judgment does not become a Final Judgment for any reason, this Stipulation (except for those provisions  
9 relating to non-admissibility and non-admission of liability and those provisions relating to the return  
10 of documents and discovery) shall be deemed null and void *ab initio*, shall be of no force or effect  
11 whatsoever, and shall not be referred to or utilized for any purpose whatsoever, including to support  
12 certification or oppose decertification of any claim in any action. Further, the negotiation related to this  
13 Stipulation shall remain strictly confidential and subject to the provisions of California Evidence Code  
14 Sections 1119 and any other analogous rules of evidence that might apply.

15           To the extent the Court does not enter the Final Approval Order and Judgment, this Stipulation  
16 is otherwise deemed void, or the Effective Date does not occur, named Plaintiffs do not waive, but rather  
17 expressly reserve, all rights to prosecute all such claims and allegations in the Actions on their own  
18 behalf and on behalf of the allegedly PAGA Aggrieved Employees and Class Members upon all  
19 procedural and factual grounds, including through trial. Defendants agree that named Plaintiffs, the  
20 allegedly PAGA Aggrieved Employees, and the Class Members retain and reserve these rights and they  
21 agree not to take a position to the contrary.

22           2.1    Plaintiff McKinney is a former hourly-paid, non-exempt employee of Defendants,  
23 employed as a Groundsman. Defendants employed Plaintiff McKinney from approximately November  
24 4, 2019 to November 20, 2019. Plaintiff Garcia is a former hourly-paid, non-exempt employee of  
25 Defendants, employed as a Production Support Assistant. Defendants employed Plaintiff Garcia from  
26 October 7, 2019 to September 17, 2021.

27           2.2    On or about April 25, 2022, Plaintiff Garcia gave timely written notice to the Labor and  
28 Workforce Development Agency (“LWDA”) and to Defendants of Plaintiff Garcia’s intent to pursue

1 civil penalties recoverable under the Private Attorneys General Act (“PAGA”) on behalf of the State of  
2 California and other aggrieved employees. On June 30, 2022, Plaintiff Garcia filed a representative  
3 complaint against Defendants in the Superior Court of the State of California for the County of Alameda  
4 alleging a single cause of action seeking penalties pursuant to the Private Attorneys General Act.

5       2.3     On July 27, 2022, Plaintiff McKinney filed a class action complaint against Defendants  
6 in the Superior Court of the State of California for the County of Alameda summarized as follows:  
7 (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime); (2) Violation of California  
8 Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums); (3) Violation of California Labor  
9 Code § 226.7 (Unpaid Rest Period Premiums); (4) Violation of California Labor Code §§ 1194, 1197,  
10 and 1197.1 (Unpaid Minimum Wages); (5) Violation of California Labor Code §§ 201 and 202 (Final  
11 Wages Not Timely Paid); (6) Violation of California Labor Code § 204 (Wages Not Timely Paid During  
12 Employment); (7) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements);  
13 (8) Violation of California Labor Code § 1174(d) (Failure to Keep Requisite Payroll Records);  
14 (9) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses); and  
15 (10) Violation of California Labor Code §§ 17200, *et seq.*

16       2.4     The Parties engaged in formal and informal discovery, including Plaintiffs serving a  
17 request for data to prepare for the mediation. The Parties met and conferred on numerous occasions with  
18 respect to data for the mediation. Defendants shared data with Plaintiffs’ counsel, which Plaintiffs used  
19 in their damages analysis. Plaintiffs’ damages calculations are based on review and analysis of the  
20 information and documents produced by Defendants to date, as well as information provided by  
21 Plaintiffs via interviews and Plaintiffs’ counsel’s independent research. Defendants produced, among  
22 other things, the Plaintiffs’ sample pay data, the Plaintiffs’ sample time data, Defendants’ relevant  
23 policies and procedures pertaining to the claims raised in the Complaint, Plaintiffs’ personnel file  
24 (inclusive of Plaintiffs’ time and payroll records), and a sampling of raw time and pay data for Class  
25 Members.

26       2.5     In or around April 2023, the Parties agreed to attend mediation. On November 16, 2023,  
27 the Parties attended a mediation session with David Lowe, Esq., an experienced class action mediator.  
28 At this mediation, the Parties discussed Plaintiffs’ claims, theories for class certification, and

Defendants' defenses thereto. The Parties also analyzed the potential exposure of Defendants on Plaintiffs' claims, Defendants' potential liability for penalties and interest, as well as the potential risks associated with Defendants' financial standing and its implications on any potential judgment. The mediation lasted the entire day, but the Parties did not reach an agreement that day. The Parties, both through Mr. Lowe and in communications with counsel, continued to discuss potential resolution of this case subsequent to the mediation, including requesting, receiving, and analyzing further data and production. By April 10, 2024, all Parties and their counsel executed the MOU which set forth an agreement to resolve the Actions for Two Million Five Hundred Thousand Dollars (\$2,500,000.00) pursuant to a mediator's proposal.

2.6 Class Counsel and Defense Counsel have thoroughly investigated the claims and facts alleged in the Actions and have made a thorough study of the legal principles applicable to the claims asserted against Defendants. In response to informal and formal discovery, Defendants have provided Class Counsel with copies of critical policy documents relating to Plaintiffs' claims in the Actions, as well as Plaintiffs' time and payroll records and a sampling of such records for the Class.

2.7 Defense Counsel has explained to Class Counsel that it believes Defendants (1) have substantial factual and legal defenses to the claims asserted in the Actions, which render the outcome of the Actions substantially uncertain and (2) believe that class certification would not be granted. Class Counsel has explained to Defense Counsel that it believes (1) certification would be proper, (2) decertification will not happen, and that (3) Plaintiffs will prevail at trial on all claims certified by the Court. The proposed Settlement provides expeditious relief and benefits to Class Members (much sooner than would be possible than if the Parties' disputed positions were to be litigated in continued and ongoing litigation through trial and appeal).

2.8 Taking into account all relevant factors, present and potential, the Parties believe that this Settlement is a fair, adequate, and reasonable settlement of the Actions and have arrived at this Settlement after extensive arms-length negotiations.

### **3. LIMITATION ON EFFECT OF SETTLEMENT**

3.1 In the event that this Settlement is terminated or cancelled pursuant to its terms, the Parties shall be deemed to have reverted to their respective status as of the date and time immediately

1 prior to the execution of the Settlement.

2       3.2     This Settlement shall not constitute, in this or any other proceeding, an admission of any  
3 kind by Defendants, including without limitation, that certification of a class is appropriate or proper or  
4 that Plaintiffs could establish any of the requisite elements for class treatment of any of the claims in the  
5 Actions. In the event that the Settlement is not finally approved, or the Settlement is otherwise  
6 terminated, Defendants expressly reserve all rights to challenge the Actions and the propriety of class  
7 certification on all available grounds.

8       3.3     The Plaintiffs and Class Counsel agree that Defendants retain and reserve these rights,  
9 and agree not to argue or present any argument, and hereby waive any argument that, based on this  
10 Settlement, Defendants cannot challenge claims and allegations in the Actions upon any grounds,  
11 including, without limitation, challenging class treatment or asserting any and all other potential  
12 defenses or privileges.

13       3.4     Defendants specifically and generally deny any and all liability or wrongdoing of any  
14 sort with regard to any of the claims alleged and make no concessions or admissions of liability of any  
15 sort. Nonetheless, Defendants want the Actions to be fully and finally settled in the manner and upon  
16 the terms and conditions set forth in this Settlement.

17       **4.     OPERATIVE TERMS OF SETTLEMENT**

18       The Parties to the Actions agree as follows:

19       4.1     The Parties will cooperate in obtaining an order from the Court approving the Settlement.  
20 The Parties agree to use their best efforts to expedite the preparation and submission of the Settlement  
21 and related documents. The Parties further agree to fully cooperate in the drafting and/or filing of any  
22 further documents or filings reasonably necessary to be prepared or filed, shall take all steps that may  
23 be requested by the Court or that are otherwise necessary to the approval and implementation of this  
24 Settlement, and shall otherwise use their respective best efforts to obtain Court approval of this  
25 Settlement.

26       4.2     Allocation of the Net Settlement Amount.

27       4.2.1   All Settlement Class Members will receive their Individual Payment Amount without the  
28 need to complete or submit claim forms.

1           4.2.2 Each Class Member's Individual Payment Amount shall be calculated by (i) dividing the  
2 Settlement Class Member's total number of workweeks during the Class Period, as defined in this  
3 Agreement, by the total number of workweeks for all Settlement Class Members during the Class Period,  
4 and (ii) multiplying that pro rata share by the allocated amount of the Net Settlement Amount. The  
5 calculation of a Settlement Class Member's total workweeks employed in California shall be construed  
6 from Defendants' records. Each Settlement Class Member's Individual Payment Amount shall be  
7 distributed to that Settlement Class Member, less applicable withholdings attributed to the portion of  
8 Individual Payment Amounts designated as wages, as described in Paragraph 4.2.4(a).

9           Of the PAGA Penalty Payment of \$200,000.00, 25%, or \$50,000.00, will be distributed among  
10 the PAGA Aggrieved Employees, even if the employee opts out of the class settlement. The PAGA  
11 Aggrieved Employees' share of the \$50,000.00 of the PAGA Penalty Payment shall be calculated by  
12 (i) dividing the PAGA Aggrieved Employee's total number of pay periods worked for Defendants in  
13 California during the PAGA Period, as defined in this Agreement, by the total number of pay periods  
14 worked by all PAGA Aggrieved Employees for Defendants during the PAGA Period, and (ii)  
15 multiplying that pro rata share by the allocated amount of \$50,000.00. Any pay periods during the PAGA  
16 Period in which a PAGA Aggrieved Employee did not actually work (for example, while on a leave of  
17 absence, *etc.*) are not included in calculating that aggrieved employee's PAGA payment. The calculation  
18 of a PAGA Aggrieved Employee's total pay periods worked in California shall be construed from  
19 Defendants' records. The amount payable to PAGA Aggrieved Employee as set forth in this paragraph  
20 will be paid to all PAGA Aggrieved Employees employed during the PAGA Period, including those  
21 who may opt out of the Settlement. Any Class Member who receives a PAGA payment pursuant to this  
22 paragraph and who opts out of the Settlement is bound by the release only as to claims arising under  
23 PAGA.

24           4.2.3 For each Class Member who submits a valid and timely request for exclusion, the  
25 Settlement Administrator shall proportionally increase the payments to each participating Class Member  
26 such that the total Settlement payout equals one hundred percent (100%) of the Net Settlement Amount.

27           4.2.4 The Parties recognize that the Individual Payment Amounts to be paid to Class Members  
28 reflect settlement of a dispute over claimed wages, interest, penalties. All Individual Payment Amounts

1 to Settlement Class Members are allocated as follows:

2 (a) One third (33.33%) of the Individual Payment Amounts shall be allocated for payment  
3 of disputed wages to Settlement Class Members. For this portion of the Individual Payment Amounts,  
4 Settlement Class Members shall receive a W-2 form.

5 (b) Two thirds (66.67%) of the Individual Payment Amounts shall be allocated for disputed  
6 penalties and interest. This portion of the Individual Payment Amounts consists of other income, not  
7 wages, for which Settlement Class Members shall receive a 1099 form as and if required by law.

8 4.3 The Employer's Share of Payroll Taxes

9 4.3.1 The Settlement Administrator shall remit and report the applicable portions of the payroll  
10 tax payment to the appropriate taxing authorities on a timely basis pursuant to its duties and undertakings  
11 set forth in Paragraph 1.29. The employer's share of payroll taxes attributed to the Individual Payment  
12 Amounts shall be paid separately and in addition to the Maximum Settlement Amount as set forth in  
13 paragraph 1.21. The Settlement Administrator shall furnish its own Employer ID Number and calculate  
14 all settlement checks and payroll deductions based on the information that will be provided by  
15 Defendants. No taxes will be withheld from the Aggrieved Employees' share of the PAGA penalties.

16 4.3.2 Other than the withholding and reporting requirements set forth in Paragraphs 1.29 and  
17 4.2.4, Settlement Class Members shall be solely responsible for the reporting and payment of their share  
18 of any federal, state and/or municipal income or other taxes on payments made pursuant to this  
19 Settlement. No party has made any representation to any of the other Parties as to the taxability of any  
20 payments pursuant to this Settlement, including the payments to Class Members, the payments to Class  
21 Counsel, the payment to the Plaintiffs, the payroll tax liability of Defendants, or the allocation of  
22 Settlement proceeds to wage and non-wage income as provided in Paragraph 4.2.4, or otherwise as to  
23 the tax implications of any provision of this Settlement.

24 4.4 Preliminary Approval

25 4.4.1 Plaintiffs will seek to obtain the Court's preliminary approval of the Settlement as  
26 directed by the Court. Plaintiffs will submit this Settlement to the Court for preliminary approval of its  
27 terms and for approval of the steps to be taken to obtain final approval of the Settlement.

1           4.5     Notice to Class Members. The Settlement Administrator shall disseminate the Notice in  
2 the manner described below, with the Settlement Administration Costs being paid from the Maximum  
3 Settlement Amount.

4           4.5.1   No later than fourteen (14) days after the entry of the Preliminary Approval Order,  
5 Defendants shall provide the Settlement Administrator with the following information for each Class  
6 Member: name, last known mailing address, last known email address, last known telephone number,  
7 social security number, and the total number of workweeks in California as a non-exempt employee  
8 during the Class Period, as defined under this Agreement. No later than ten (10) calendar days after  
9 receipt of such Class Member information, the Settlement Administrator will perform a national change  
10 of address (“NCOA”) search, update the addresses per the results of the NCOA search, and then mail  
11 the Notice to each Class Member by first-class mail, postage prepaid and electronic mail.

12           4.5.2   In the event that a Notice sent by mail is returned as undeliverable, the Settlement  
13 Administrator will make reasonable efforts to obtain a valid mailing address by using the Social Security  
14 number of the Class Member and standard skip tracing devices to conduct a search for a correct mailing  
15 address and by contacting Class Counsel and Defense Counsel. Such efforts shall include conducting a  
16 reasonable search for the correct address of all Class Member whose Notice is returned as undeliverable  
17 and contacting Defendants for an updated address for current employees. Following each search that  
18 results in a corrected address, the Settlement Administrator shall promptly resend the Notice to the Class  
19 Member by first-class mail, postage prepaid. Following each search that results in no corrected address,  
20 the Settlement Administrator shall resend the Notice to the Class Member, postage prepaid, to the  
21 original address; only one (1) such re-mailing to the same address shall ever occur, per address. The  
22 Settlement Administrator shall make one (1) attempt to re-mail the Notice within five (5) calendar days  
23 from the date of the return of the Notice. In any event, such efforts must be completed no less than  
24 fifteen (15) business days before the date of the Final Approval and Fairness Hearing.

25           4.5.3   If Defendants and the Settlement Administrator determine, based upon further review of  
26 available data, that a person previously identified as being a Class Member should not be so included or  
27 identify a person who should have been included as a Class Member but was not so included, Defendants  
28 and the Settlement Administrator shall promptly delete or add such person as appropriate and

1 immediately notify Class Counsel prior to such deletions or additions (and the reasons thereof).

2 4.5.4 All costs of mailing of the Notice, whether foreseen or not, shall be paid from the  
3 Maximum Settlement Amount, including the cost of searching for Class Members' addresses as  
4 provided in Paragraphs 4.5.1 and 4.5.2.

5 4.5.5 No later than the filing of Plaintiffs' Motion for Final Approval of Class Action  
6 Settlement, the Settlement Administrator shall enable Class Counsel to file a declaration under penalty  
7 of perjury advising the Court that the requirements of Paragraphs 4.5.1 and 4.5.2 of this Settlement have  
8 been fulfilled. The Settlement Administrator shall provide such other reports as requested by counsel  
9 for the Parties or the Court, including any required declarations in support of preliminary and final  
10 approval of the Settlement.

11 4.5.6 Compliance with these procedures shall constitute due and sufficient notice to Class  
12 Members of this Settlement and shall satisfy the requirement of due process. Nothing else shall be  
13 required of, or done by, the Parties, Class Counsel, and Defense Counsel to provide notice of the  
14 proposed Settlement.

15 4.5.7 Other than the obligations set forth in this Agreement, Defendants shall have no  
16 additional obligation to identify or locate any Class Member or have any liability in connection with the  
17 provision of information to the Settlement Administrator.

18 4.6 Responses to Notice

19 4.6.1 For Class Members who are re-mailed the Notice due to it being undeliverable, the  
20 deadline by which to submit a Dispute, Request for Exclusion, or Objection will be the later of: (a) ten  
21 (10) calendar days from the date the Notice was re-mailed; or (b) the Response Deadline.

22 4.6.2 The Notice shall inform Class Members of the number of workweeks they were  
23 employed in California during the Class Period and PAGA Period based on Defendants' records, as  
24 defined by this Agreement. Class Members may dispute this information by providing the Settlement  
25 Administrator with additional information and documentation postmarked on or before the Response  
26 Deadline ("Dispute"). A Dispute must be signed by the Class Member, referencing the case name and  
27 case numbers, 22CV013628 and 22CV015155, and stating all of the following: (1) the full name of the  
28 Class Member; (2) the number of workweeks the Class Member contends is correct; and (3) attaching

1 any documentation support his or her contended number of workweeks. Defendants' records will be  
2 presumed determinative, but the Settlement Administrator will evaluate the evidence submitted by the  
3 Class Member, consult with the Parties, and make the decision as to the correct calculation. The  
4 determination by the Settlement Administrator will be final and binding. The Class Member will be  
5 notified in writing of the results of the disputed claim by the Settlement Administrator as each disputed  
6 claim is resolved. Neither the Parties nor any of their counsel shall discourage any Class Member from  
7 submitting a Dispute.

8 4.6.3 Class Members, with the exception of the Class Representatives, may opt-out of the  
9 Settlement. Class Members who wish to exercise this option must submit a Request for Exclusion as  
10 provided in this Paragraph. The Request for Exclusion must include the Class Member's full name,  
11 address, and telephone number, the name and case number of the Actions, and shall be signed by the  
12 Class Member. Unsigned Requests for Exclusion, those that do not comply with the requirements listed  
13 herein, or those postmarked after the Response Deadline will not be honored unless mutually agreed to  
14 by counsel for all Parties or ordered by the Court.

15 Class Members will have until the Response Deadline (as defined in Paragraph 1.11) within  
16 which to complete and postmark their Request for Exclusion. The date of the postmark shall be the  
17 exclusive means used to determine whether a Request for Exclusion has been timely submitted, if the  
18 postmark is legible. If the postmark envelope is not legible, then the date the return-mailing envelope  
19 is received by the Settlement Administrator shall be the exclusive means to determine whether a  
20 Request for Exclusion has been timely submitted.

21 By submitting a Request for Exclusion, a Class Member shall be deemed to have exercised his  
22 or her option to opt-out of the class action lawsuit. Any member of the Class who requests exclusion  
23 from the Settlement will not be entitled to any share of the Settlement, will not be bound by the  
24 Settlement, and will not have any right to object, appeal or comment thereon. Class Members who fail  
25 to submit a valid and timely Request for Exclusion shall be bound by all terms of the Settlement and the  
26 Final Judgment entered in the Actions, regardless of whether they otherwise have requested exclusion  
27 from the Settlement. The Settlement Administrator shall forward all Requests for Exclusion received to  
28 Class Counsel and Defense Counsel within one (1) business day of receipt. Also, not later than the filing

1 of Plaintiffs' Motion for Final Approval of Class Action Settlement, the Settlement Administrator shall  
2 enable Class Counsel to file the declaration of the Settlement Administrator advising the Court of a  
3 complete list of all members of the Class who have timely requested exclusion from the Settlement, and  
4 which shall authenticate all Requests for Exclusion received. The Settlement Administrator's  
5 declaration shall also include all Requests for Exclusion received as exhibits to the declaration.

6 4.6.4 For efficiency and ease of handling objections at the Final Approval Hearing, any  
7 person or entity who does not request exclusion but who wishes to object to this Settlement should  
8 submit an Objection as provided in this Paragraph. The Objection must be signed by the Settlement  
9 Class Member, reference the case name and case numbers 22CV013628 and 22CV015155, and state  
10 all of the following: (1) the full name of the Class Member; (2) the grounds for the objection; and (3)  
11 any legal briefs, papers, or memoranda the objecting Class Member proposes to submit to the Court.  
12 Class Members who fail to object in the manner specified above still have the right to appear in Court  
13 at the Final Approval Hearing to state his or her objection(s).

14 Class Members will have until the Response Deadline within which to complete and postmark  
15 their Objection. If the postmark is not legible, then the date the return-mailing envelope is received by  
16 the Settlement Administrator shall be the exclusive means to determine whether the Objection has  
17 been timely submitted.

18 Any person or entity who fails to submit such a timely written Objection shall not be precluded  
19 from appearing at the Final Approval and Fairness Hearing should s/he wish to appear. Either of the  
20 Parties may file a responsive document to any Objection, or other similar document purporting to  
21 object to the Settlement, with the Court no later than five (5) calendar days before the Final Approval  
22 and Fairness Hearing. The Settlement Administrator shall forward Class and Defense Counsel copies  
23 of all Objections or other documents purporting to object to the Settlement, within one (1) business  
24 day of receipt. Also, not later than the filing of Plaintiffs' Motion for Final Approval of Class Action  
25 Settlement, the Settlement Administrator shall enable Class Counsel to file a declaration under penalty  
26 of perjury advising the Court with a complete list of all members of the Class who have submitted  
27 Objections and shall authenticate all Objections received. The Settlement Administrator's declaration  
28 shall also include all Objections received as exhibits to the declaration.

1 If the Class Member does not submit an Objection or appear in Court to object at the Final  
2 Approval Hearing, the Class Member shall be deemed to have waived his or her right to object and shall  
3 be foreclosed from making any objections to the Settlement whether by appeal or otherwise. At no time  
4 shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to object  
5 to the Settlement. The Settlement Administrator shall provide the Parties with weekly updates regarding  
6 the status of any Objections.

7 4.6.5 Defendants shall retain the right, in the exercise of their sole discretion, to nullify the  
8 Settlement if Class Members representing more than an aggregate total of 10% of the verified  
9 workweeks opt out of the Settlement.

10 4.6.6 If any individual whose name does not appear on the updated Class list provided to the  
11 Settlement Administrator believes that he or she is a member of the Class, he or she shall have the  
12 opportunity to dispute his or her exclusion from the Class. If an individual believes he or she is a member  
13 of the Class, he or she must notify the Settlement Administrator in writing no later than the Response  
14 Deadline (as defined in Paragraph 1.11). The Parties will meet and confer regarding any such  
15 individual(s) in an attempt to reach an agreement as to whether any such individual(s) should be regarded  
16 as a member of the Class. If the Parties so agree, the Settlement Administrator will mail a Notice to the  
17 individual(s) and treat the individual(s) as a member of the Class for all other purposes. Such an  
18 individual will have all of the same rights as any other member of the Class under this Agreement and  
19 shall have up until the latter of ten (10) business days from the mailing of the Notice or the Response  
20 Deadline in which to submit a Dispute, Request for Exclusion, or Objection.

21 4.6.7 Neither the Parties nor their respective counsel will solicit or otherwise encourage any  
22 Class Member, directly or indirectly, to request exclusion from the Settlement or object to the  
23 Settlement.

24 4.6.8 The Settlement Administrator must forward all Disputes to the Parties within one (1)  
25 business day of receipt. Defendants shall review and respond to each submitted Dispute regarding the  
26 total number of workweeks employed by the Settlement Class Member in California during the Class  
27 Period within fourteen (14) calendar days of receipt, and shall transmit a copy of their response to the  
28 Settlement Administrator. Defendants' response shall state whether Defendants agree with or dispute

1 the information provided in the Dispute.

2 (a) If Defendants agree with all of the information provided in the Dispute regarding the  
3 total number of workweeks worked by the Settlement Class Member in California during the Class  
4 Period, the information and/or documentation provided by the Settlement Class Member shall govern  
5 the calculation of his or her Individual Payment Amount.

6 (b) If Defendants disagree with any of the information provided in a Dispute regarding the  
7 total number of workweeks employed by the Settlement Class Member in California during the Class  
8 Period, it shall follow the procedure set forth in Paragraph 4.6.8 of this Settlement.

9 4.6.9 In the event that Defendants disagree with the information provided in a Dispute  
10 regarding the total number of hours worked by the Settlement Class Member during the Class Period,  
11 Defense Counsel will promptly advise Class Counsel in writing of the Dispute and provide Class  
12 Counsel with copies of information sufficient to resolve the dispute. Copies of all Disputes and  
13 correspondence with the person(s) submitting Disputes shall be made available to Class Counsel upon  
14 request. Defense Counsel and Class Counsel shall attempt in good faith to resolve any such Dispute  
15 within ten (10) calendar days of Class Counsel's receipt of Defense Counsel's notice of a Dispute. Class  
16 Counsel shall have full discretion on behalf of the Settlement Class Members to resolve such disputes  
17 with Defense Counsel, except that any and all payment relating to the disputed entitlement must be from  
18 the Net Settlement Amount. If Defense Counsel and Class Counsel are unable to resolve the Dispute  
19 dispute within ten (10) calendar days, a final and binding determination on the dispute shall be made by  
20 the Settlement Administrator.

21 4.7 Application for Class Counsel's Attorneys' Fees and Litigation Costs. Class Counsel  
22 shall apply to the Court for the Fee and Costs Award as defined in paragraph 1.18. Class Counsel shall  
23 request an award of attorneys' fees for an amount not to exceed \$875,000.00, and litigation costs actually  
24 incurred, in an amount not to exceed \$17,000.00. Defendants agree not to oppose this request.

25 4.8 Application for Service Payment. Class Counsel, on behalf of the Plaintiffs, shall apply  
26 to the Court for the Service Payment for an amount not to exceed \$7,500.00 for each Plaintiff for a total  
27 of up to \$15,000.00 from the Maximum Settlement Amount.  
28

1           4.9     Final Approval and Fairness Hearing. On the date set forth in the Notice of Settlement,  
2 the Court shall hold the Final Approval and Fairness Hearing where objections, if any, may be heard.  
3 Defendants reserve their rights to file papers in advance of the Final Approval and Fairness Hearing.  
4 The Parties shall file all motions and documents in support of a finding of Final Approval and Fairness  
5 of the Settlement in a single motion, inclusive of any requests for Fee and Costs Awards, no later than  
6 fourteen (14) calendar days before the Final Approval and Fairness hearing.

7           4.10    Final Judgment. If the Court approves this Settlement at the Final Approval and Fairness  
8 Hearing, the Parties request that the Court enter the Final Judgment after the Maximum Settlement  
9 Amount is fully funded.

10          4.11    Distribution of Settlement Proceeds

11          4.11.1 Fifteen (15) days after the entry of the order granting preliminary approval, Defendant  
12 will deposit the Maximum Settlement Amount into a fund administered by the Settlement Administrator.  
13 If no objections are timely filed and no objector appears at any final approval hearing, no later than  
14 thirty (30) calendar days after the Court enters an order granting final approval of this Stipulation,  
15 Defendants shall cause to be paid monies to fund the estimated employer's share of payroll taxes to the  
16 fund administered by the Settlement Administrator. If objections to this Settlement are timely filed or  
17 an objector does appear at any final approval hearing, Defendant shall cause to be paid monies to fund  
18 the estimated employer's share of payroll taxes to the fund administered by the Settlement Administrator  
19 no later than five (5) calendar days after the latest of: (1) the last date by which a notice of appeal to the  
20 Court of Appeal of the Judgment may be timely filed, and none is filed; (2) the last date by which a  
21 petition for certiorari to the U.S. Supreme Court with respect to a decision by the Court of Appeal may  
22 be timely filed, and none is filed; and (3) if a notice or appeal to the Court of Appeal or a petition for  
23 certiorari to the U.S. Supreme Court is timely filed, the date on which the highest reviewing court renders  
24 its decision denying the petition (where the immediately lower court affirmed the Judgment) or  
25 affirming the Judgment. Defendants will be refunded the full amount deposited except for any accrued  
26 Settlement Administrator costs, in the event this settlement does not receive final court approval.

27          4.11.2 The QSF shall be an interest-bearing account(s) at a federally insured bank(s) that is  
28 mutually acceptable to the Parties and the Settlement Administrator that is FDIC insured for the full

1 amount deposited. The Parties agree that the QSF shall be a non-reversionary fund and that under no  
2 circumstance will there be any reversion to Defendants of any of the funds from the Settlement Proceeds  
3 or the QSF.

4 4.11.3 The Settlement Administrator shall distribute checks via first-class mail to Settlement  
5 Class Members and aggrieved employees for their respective Individual Payment Amounts and share of  
6 the PAGA Penalty Payment no later than ten (10) calendar days after the date Defendant deposits to the  
7 fund administered by the Settlement Administrator the monies to fund the estimated employer's share  
8 of payroll taxes, as set forth in 4.11.1.

9 Ninety (90) calendar days after the first issuance of Settlement Proceeds, undeposited checks  
10 from the initial distribution of Settlement Proceeds will be cancelled and voided. The Settlement  
11 Administrator shall then redistribute the remaining uncashed Settlement Proceeds to Class Members  
12 and aggrieved employees who cashed their payments from the initial distribution of Settlement  
13 Proceeds, applying the same criteria provided in Paragraph 4.2.2. Ninety (90) calendar days after that  
14 second issuance and redistribution of remaining Settlement Proceeds, undeposited checks from that  
15 second distribution will be cancelled and voided. Settlement Proceeds remaining after the second  
16 issuance, along with any amounts that would have been paid to Class Members who request exclusion,  
17 will be delivered to the *cy pres* recipient, Legal Aid at Work, by the Settlement Administrator, or shall  
18 otherwise be distributed as ordered by the Court.

19 The failure by any Class Member or aggrieved employee to claim or deposit any check issued  
20 by the Settlement Administrator shall have no effect on that Class Member's release of all Released  
21 Claims (as defined in paragraph 1.27). The Settlement Administrator shall also enable Class Counsel to  
22 file a declaration attesting to the distribution of the Maximum Settlement Amount and the distribution  
23 of any "residual" funds as further ordered by the Court.

24 4.11.5 The Settlement Administrator shall also remit all amounts withheld from Individual  
25 Payment Amounts attributed to the wage portion of the payments and all employer-related payroll taxes  
26 to the Internal Revenue Service and California E.D.D., and/or any other proper entity to whom  
27 withholdings and employer-related payroll taxes attributed to Individual Payment Amounts are due, no  
28 later than one hundred and eighty (180) days after issuance of Individual Payment Amounts as set forth

1 in paragraph 4.11.3. In the event that the estimated amount of Defendants' employer-related payroll  
2 taxes exceeds the amount wired to the QSF, any excess monies shall revert to Defendants.

3 4.11.6 No person shall have any claim against the Settlement Administrator, Defendants or any  
4 of the Releasees, the Plaintiff, the Class Members, or Class Counsel based on payments made  
5 substantially in accordance with this Settlement, or further Orders of this Court.

6 4.12 Release of Claims by Settlement Class Members

7 4.12.1 Contingent upon full and final payment by Defendants of the Maximum Settlement  
8 Amount consistent with Paragraph 4.11.1, each Settlement Class Member shall be deemed to have fully,  
9 finally, and forever released the Releasees from all Released Claims.

10 4.13 General Release of Claims By Plaintiffs/Class Representatives

11 4.13.1 Contingent upon full and final payment by Defendants of the Maximum Settlement  
12 Amount consistent with Paragraph 4.11.1, Plaintiffs shall be deemed to have fully, finally, and forever  
13 released the Releasees from all Plaintiffs' Released Claims.

14 4.13.2 Additionally, in consideration for the Service Payments and other good and valuable  
15 consideration set forth herein, each Plaintiff agrees as follows:

16 4.13.2.1 Each Plaintiff represents, acknowledges and agrees that he or she has been paid  
17 all compensation owed to her by Defendants other than any payment she is entitled to pursuant to the  
18 Settlement and that he or she is entitled to no other compensation, bonus, incentive compensation,  
19 payments, severance, stock or other benefits from Defendants of any kind or nature whatsoever.

20 4.13.2.2 Each Plaintiff understands and agrees that, as a condition of this Settlement, each  
21 hereby expressly waives and relinquishes any and all claims, rights or benefits that he or she may have  
22 under California Civil Code Section 1542, which provides as follows:

23 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS  
24 THAT THE CREDITOR OR RELEASING PARTY DOES NOT  
25 KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT  
26 THE TIME OF EXECUTING THE RELEASE AND THAT, IF  
27 KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY  
28 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR

1 OR RELEASED PARTY.

2 In connection with such waiver and relinquishment, each Plaintiff hereby acknowledges that he or she  
3 or their counsel may hereafter discover claims or facts in addition to, or different from, those which each  
4 Plaintiff now knows or believes to exist, but that each Plaintiff expressly agrees to fully, finally and  
5 forever settle and release any and all claims, known or unknown, suspected or unsuspected, which exist  
6 or may exist on their behalf against the Releasees at the time of the Effective Date, including, but not  
7 limited to, any and all claims relating to or arising from the claims made in the Actions.

8 4.13.2.3 Each Plaintiff represents and warrants that he or she has not assigned or  
9 transferred to any person not a party to this Settlement any claims being released by them in this  
10 Settlement or any part or portion thereof.

11 4.14 Miscellaneous Provisions

12 4.14.1 Unless otherwise specifically provided herein, all notices, demands, or other  
13 communications given hereunder shall be in writing and shall be addressed as follows:

14 To Plaintiffs and the Class:

15 Graham B. LippSmith  
16 MaryBeth LippSmith  
17 Celene Chan Andrews  
18 **LIPPSMITH LLP**  
19 555 S. Flower Street, Suite 3000  
20 Los Angeles, CA 90071

21 Hengameh S. Safaei  
22 Rana Nader  
23 **PROXY LAW FIRM LLP**  
24 10880 Wilshire Blvd., Suite 1101  
25 Los Angeles, CA 90024

26 To Defendants:

27 Baldwin J. Lee  
28 Alexander Nestor  
Christina M. Vier  
**ALLEN MATKINS LECK GAMBLE MALLORY & NATSIS LLP**  
Three Embarcadero Center, 12th Floor  
San Francisco, California 94111-4074

1           4.14.2 Defendants shall not take any adverse action against any Class Member because of the  
2 Actions or because of the existence of, and/or participation in, the Settlement, or because they choose  
3 to benefit from the Settlement or to object to the Settlement. Neither Party shall take any action to  
4 discourage Class Members from participating in the Settlement.

5           4.14.3 Each Party has cooperated in the drafting and preparation of this Settlement. Hence, in  
6 any construction made to this Settlement, the same shall not be construed against any of the Parties.

7           4.14.4 Plaintiffs, by signing this Settlement, are bound by the terms herein and further agree not  
8 to request to be excluded from the Settlement and not to object to any terms of this Settlement. Any such  
9 request for exclusion or objection shall therefore be void and of no force or effect. Defendants, Class  
10 Counsel, and Plaintiffs waive their rights to file an appeal, writ, or any challenge whatsoever to the terms  
11 of this Settlement.

12           4.14.5 Neither Class Counsel nor any other attorneys acting for, or purporting to act for, the  
13 Class, Class Members, or Plaintiffs, may recover or seek to recover any amounts for fees, costs, or  
14 disbursements from the Releasees or the Settlement except as expressly provided herein.

15           4.14.6 This Settlement may not be changed, altered, or modified, except in writing signed by  
16 the Parties hereto and approved by the Court. This Settlement may not be discharged except by  
17 performance in accordance with its terms or by a writing used by the Parties hereto.

18           4.14.7 This Agreement, including Exhibits, constitutes the full, complete and entire  
19 understanding, agreement and arrangement between Plaintiffs on the one hand, and Defendants on the  
20 other hand, with respect to the settlement of the Actions and Released Claims against Defendants.  
21 Except those set forth expressly in the Agreement, there are no other agreements, covenants, promises,  
22 representations or arrangements between the Parties with respect to the Settlement of the Actions and  
23 the Released Claims against Defendants.

24           4.14.8 This Settlement shall be binding upon and inure to the benefit of the Parties hereto and  
25 their respective heirs, trustees, executors, successors, and assigns.

26           4.14.9 This Settlement may be executed in one or more counterparts. All executed counterparts  
27 and each of them shall be deemed to be one and the same instrument.  
28

1           4.14.10 In the event that one or more of the Parties to this Settlement institutes any legal action,  
2 arbitration, or other proceeding to enforce the provisions of this Settlement or to declare rights and/or  
3 obligations under this Settlement, the successful party or Parties shall be entitled to recover from the  
4 unsuccessful party or Parties reasonable attorneys' fees and costs. Notwithstanding the entry of Final  
5 Judgment, the Court shall retain jurisdiction of this matter solely for the purposes of interpreting and  
6 enforcing the terms of this Agreement and the Judgment.

7           4.14.11 This Settlement and the Exhibits hereto shall be considered to have been negotiated,  
8 executed, and delivered, and to have been wholly performed, in the State of California, and the rights  
9 and obligations of the Parties to the Settlement shall be construed and enforced in accordance with, and  
10 governed by, the substantive laws of the State of California (including Cal. Code Civ. P. § 664.6) without  
11 giving effect to that State's choice of law principles.

12           4.14.12 Paragraph titles or captions contained in the Settlement are inserted as a matter of  
13 convenience and for reference, and in no way define, limit, extend, or describe the scope of this  
14 Settlement, or any provision thereof.

15           4.14.13 Before declaring any provision of this Settlement invalid, the Court shall first attempt to  
16 construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to  
17 define all provisions of this Settlement valid and enforceable.

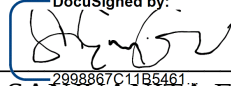
18           4.14.14 The Parties agree to the Court staying and holding all proceedings in the Actions, except  
19 such proceedings necessary to implement and complete the Settlement, in abeyance pending the  
20 settlement hearings to be conducted by the Court.

21           4.14.15 The Parties agree to keep the Settlement confidential through Preliminary Approval.  
22 Thereafter, the Parties agree that they will make no comments to the media or otherwise publicize the  
23 terms of the Settlement. Class Counsel and Defense Counsel agree to make no reference to the  
24 Settlement on their respective websites and/or on their respective social media. Nothing herein shall  
25 restrict Plaintiff's Counsel from complying with filing and notice requirements to the LWDA relating  
26 to PAGA settlements or otherwise including publicly available information regarding this Settlement in  
27 future judicial submissions regarding Plaintiff's Counsel's qualifications and experience.  
28

4.14.16 All terms of this Agreement and the Exhibits thereto shall be governed by and interpreted according to the law of the State of California.

IN WITNESS WHEREOF, this Settlement is executed by the Parties and their duly authorized attorneys, as of the day and year herein set forth.

Dated: 6/13/2024, 2024

DocuSigned by:  
  
 2998867C11B5461  
 By: SANJUANITA ERICA GARCIA  
 Plaintiff

Dated: \_\_\_\_\_, 2024

By: \_\_\_\_\_  
 JARELL MCKINNEY  
 Plaintiff

Dated: \_\_\_\_\_, 2024

ARBORWELL, INC.  
 By: \_\_\_\_\_  
 Its: \_\_\_\_\_  
 Defendant

Dated: \_\_\_\_\_, 2024

ARBORWELL, LLC  
 By: \_\_\_\_\_  
 Its: \_\_\_\_\_  
 Defendant

Dated: \_\_\_\_\_, 2024

SAVATREE, LLC  
 By: \_\_\_\_\_  
 Its: \_\_\_\_\_  
 Defendant

APPROVED AS TO FORM AND CONTENT:

**LIPPSMITH LLP**  
**LAWYERS *for* JUSTICE**

Dated: \_\_\_\_\_, 2024

By: \_\_\_\_\_  
 Graham B. LippSmith  
 Edwin Aiwazian  
  
 Attorneys for Plaintiff Jarell McKinney  
 and the Class

**PROXY LAW FIRM LLP**

Dated: 6/13/2024, 2024

By: Hengameh Safaei  
AC09A7267FA9455

Hengameh S. Safaei  
Rana Nader

Attorneys for Plaintiff Sanjuanita Erica  
Garcia and the Class

**ALLEN MATKINS LECK GAMBLE  
MALLORY & NATSIS LLP**

Dated: \_\_\_\_\_, 2024

By: \_\_\_\_\_

Baldwin J. Lee  
Alexander Nestor  
Christina M. Vier

Attorneys for Defendants  
Arborwell, Inc., Arborwell, LLC and  
Savatree, LLC

1 4.14.16 All terms of this Agreement and the Exhibits thereto shall be governed by and interpreted  
2 according to the law of the State of California.

3 IN WITNESS WHEREOF, this Settlement is executed by the Parties and their duly authorized  
4 attorneys, as of the day and year herein set forth.

5  
6 Dated: \_\_\_\_\_, 2024

By: \_\_\_\_\_  
SANJUANITA ERICA GARCIA  
Plaintiff

7  
8 Dated: June 14, 2024

By:   
Jarell McKinney (Jun 14, 2024 18:18 PDT)  
JARELL MCKINNEY  
Plaintiff

9  
10 Dated: \_\_\_\_\_, 2024

ARBORWELL, INC.  
By: \_\_\_\_\_  
Its: \_\_\_\_\_  
Defendant

11  
12  
13 Dated: \_\_\_\_\_, 2024

ARBORWELL, LLC  
By: \_\_\_\_\_  
Its: \_\_\_\_\_  
Defendant

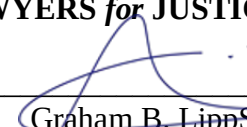
14  
15  
16 Dated: \_\_\_\_\_, 2024

SAVATREE, LLC  
By: \_\_\_\_\_  
Its: \_\_\_\_\_  
Defendant

17  
18  
19  
20 APPROVED AS TO FORM AND CONTENT:

21  
22 **LIPPSMITH LLP**  
**LAWYERS for JUSTICE**

23 Dated: June 25, 2024

By:   
Graham B. LippSmith  
Edwin Aiwarzian

24  
25  
26 Attorneys for Plaintiff Jarell McKinney  
and the Class  
27  
28

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5  
6 Dated: \_\_\_\_\_, 2024

By: \_\_\_\_\_  
SANJUANITA ERICA GARCIA  
Plaintiff

7  
8 Dated: \_\_\_\_\_, 2024

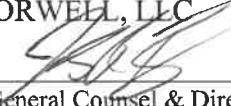
By: \_\_\_\_\_  
JARELL MCKINNEY  
Plaintiff

9  
10 Dated: June 26, 2024

ARBORWELL, INC.  
By:   
Its: General Counsel & Director - Risk Management

Defendant

13 Dated: June 26, 2024

ARBORWELL, LLC  
By:   
Its: General Counsel & Director - Risk Management  
Defendant

16  
17 Dated: June 26, 2024

SAVATREE, LLC  
By:   
Its: General Counsel & Director - Risk Management  
Defendant

20 APPROVED AS TO FORM AND CONTENT:

21  
22 **LIPPSMITH LLP**  
**LAWYERS for JUSTICE**

23 Dated: \_\_\_\_\_, 2024

By: \_\_\_\_\_  
Graham B. LippSmith  
Edwin Aiwarzian

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Attorneys for Plaintiff Jarell McKinney  
and the Class  
**PROXY LAW FIRM LLP**

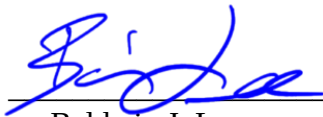
Dated: \_\_\_\_\_, 2024

By: \_\_\_\_\_  
Hengameh S. Safaei  
Rana Nader

Attorneys for Plaintiff Sanjuanita Erica  
Garcia and the Class

**ALLEN MATKINS LECK GAMBLE  
MALLORY & NATSIS LLP**

Dated: July 17 \_\_\_\_\_, 2024

By:  \_\_\_\_\_  
Baldwin J. Lee  
Alexander Nestor  
Christina M. Vier

Attorneys for Defendants  
Arborwell, Inc., Arborwell, LLC and  
Savatree, LLC