

Adam Y. Siegel (SBN 238568)
Mia Farber (SBN 131467)
JACKSON LEWIS P.C.
725 South Figueroa Street, Suite 2500
Los Angeles, California 90017
Telephone: (213) 689-0404
Adam.Siegel@jacksonlewis.com
Mia.Farber@jacksonlewis.com

John P. Nordlund (SBN 286153)
Abbey M. Jahnke (SBN 302454)
JACKSON LEWIS P.C.
225 Broadway, Suite 2000
San Diego, California 92101
Telephone: (619) 573-4900
Facsimile: (619) 573-4901
John.Nordlund@jacksonlewis.com
Abbey.Jahnke@jacksonlewis.com

Attorneys for Defendants
CARDINAL HEALTH, INC. and
CARDINAL HEALTH 200, LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO, CENTRAL DISTRICT

JUDY MARIE GARCIA, an individual, on behalf
of herself and all others similarly situated; FIDEL
BARRIOS, an individual, on behalf of himself and
all others similarly situated,

Plaintiffs,

vs.

CARDINAL HEALTH, INC., an Ohio
corporation; and DOES 1 through 100, inclusive,

Defendants.

Case No.: 37-2019-00068269-CU-OE-CTL

[Assigned for all purposes to Hon. Timothy B.
Taylor, Dept. C-72]

CLASS ACTION

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

IMAGED FILE

Complaint filed: December 23, 2019
Trial Date: Not Assigned

NICHOLAS & TOMASEVIC, LLP

Alex M. Tomasevic (SBN 245598)
Jake Schulte (SBN 293777)
225 Broadway, Suite 1900
San Diego, California 92101
Tel: (619) 325-0492
Fax: (619) 325-0496
Email: atomasevic@nicholaslaw.org
Email: jschulte@nicholaslaw.org

GLICK LAW GROUP, P.C.

Noam Glick (SBN 251582)
225 Broadway, Suite 1900
San Diego, CA 92101
Tel: (619) 382-3400
Fax: (619) 615-2193
Email: noam@glicklawgroup.com

Attorneys for Plaintiffs JUDY MARIE GARCIA,
FIDEL BARRIOS, and ELYSE ALLAHAR

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Joint Stipulation of Class and PAGA Settlement is made and entered into by and between Plaintiffs and Class Representatives FIDEL BARRIOS (“Barrios”), JUDY MARIE GARCIA (“Garcia”), and ELYSE ALLAHAR (“Allahar”) (collectively, “Plaintiffs”), individually and on behalf of the members of the Class (as defined below), by and through their counsel of record, and Defendants CARDINAL HEALTH, INC. and CARDINAL HEALTH 200, LLC (collectively, “Defendants”), by and through their counsel of record, subject to the approval of the Court, as set forth below. This Joint Stipulation of Settlement is intended by Plaintiffs and Defendants to fully, finally, and forever resolve, discharge, and settle the Released Claims (as defined below), upon and subject to the terms and conditions hereof.

1. DEFINITIONS. As used herein, for the purposes of this Joint Stipulation of Settlement only, the following terms shall be defined as set forth below:

1.1. The “**Action**” refers to the present class and representative action filed in Superior Court of California, County of San Diego, on December 23, 2019, which is entitled *Garcia, et al. v. Cardinal Health, Inc., et al.*, Case No. 37-2019-00068269-CU-OE-CTL.

1.2. “**Cardinal Health 200**” refers to Defendant CARDINAL HEALTH 200, LLC, the current or former employer of all members of the Class.

1.3. The “**Class**” or “**Class Members**” or “**Class Member**” refers to Plaintiffs and all current and former non-exempt warehouse employees employed by Defendants at their Dixon or Ontario warehouses at any time from December 23, 2015 through the Preliminary Approval Order Date.

1.4. “**Class Counsel**” refers to Noam Glick of GLICK LAW GROUP, P.C., and Alex Tomasevic and Jake Schulte of NICHOLAS & TOMASEVIC, LLP, the attorneys of record for Class Representatives in the Action.

1.5. “**Class Notice**” refers to the form of direct-mail notice to Class Members, substantially in the form attached hereto as “**Exhibit A**,” as may be modified by the Court, which explains the terms of the Settlement, the procedure for making a Request for Exclusion, the procedure for making an Objection, setting forth the total number of Class Workweeks worked by the Class Member the estimated Individual Class Settlement Payment, as well as the estimated number of PAGA Pay Periods

1 and Individual PAGA Payment to eligible PAGA Aggrieved Employees, if applicable, and the procedure
2 for disputing the stated amount of workweeks for each Settlement Class Member during the Class Period
3 pursuant to Paragraph 8.9 below.

4 **1.6. “Class Payment”** shall be defined as the aggregate of the Individual Settlement
5 Payments to be paid to each of the Settlement Class Members in accordance with the procedures set forth
6 herein and as ordered by the Court.

7 **1.7. “Class Period”** refers to the time period for which Class Members may receive an
8 Individual Settlement Payment, as defined below. The Class Period shall be the time period of December
9 23, 2015 through the Preliminary Approval Order Date.

10 **1.8. “Class Release Period”** refers to the effective dates of the release of all Released
11 Claims by Settlement Class Members against Released Parties, which shall be the time period of
12 December 23, 2015 through the Preliminary Approval Order Date, as set forth in Paragraph 7.2.

13 **1.9. “Class Representatives”** refers to Plaintiffs FIDEL BARRIOS, JUDY MARIE
14 GARCIA, and ELYSE ALLAHAR, collectively.

15 **1.10. “Class Representative Enhancements”** refers to the payments made to Class
16 Representatives pursuant to Paragraph 5.2 in consideration for their individual release and waiver of
17 Section 1542 of California Civil Code pursuant to Paragraph 7.4 and their services as named plaintiffs in
18 the Action.

19 **1.11. “Class Workweeks”** refers to the number of workweeks worked by each Class
20 Member during the Class Period as set forth in Paragraph 4.3.

21 **1.12. “Court”** refers to the Superior Court of California, County of San Diego,
22 Honorable Timothy B. Taylor, presiding.

23 **1.13. “Defendants”** refers to Defendants CARDINAL HEALTH, INC. and CARDINAL
24 HEALTH 200, LLC, collectively.

25 **1.14. “Defendants’ Counsel”** refers to Defendants’ counsel of record in the Action,
26 Adam Y. Siegel, Mia Farber, John P. Nordlund, and Abbey M. Jahnke of Jackson Lewis P.C.

27 **1.15. “Effective Date”** means the date when all of the following events have occurred:
28 (1) the Joint Stipulation of Settlement has been executed by all Parties, Class Counsel, and Defendants’

Counsel; (2) the Court has granted preliminary approval to the Joint Stipulation of Settlement; (3) the Class Notice has been mailed to the Class, providing them with an opportunity to object to or opt out of the Joint Stipulation of Settlement; (4) the Court has held a Final Approval Hearing and entered a Final Approval Order and Judgment; (5) sixty-five (65) calendar days have passed since the Court has entered the Final Approval Order and Judgment; and (6) in the event there are written objections filed prior to the Final Approval Hearing that are not later withdrawn or denied, the later of the following events: (a) five (5) business days after the period for filing any appeal, writ, or other appellate proceeding in connection with the Final Approval Order and Judgment has elapsed without any appeal, writ, or other appellate proceeding having been filed; or (b) if any appeal, writ, or other appellate proceeding in connection with the Final Approval Order and Judgment has been filed, five (5) business days after any appeal, writ, or other appellate proceedings in connection with the Final Approval Order and Judgment has been finally and conclusively dismissed with no right to pursue further remedies or relief.

1.16. “Employer Taxes” refers to all applicable federal, state, and local income and employment taxes, including, but not limited to, any portion of such taxes that are to be paid by an employer, and including, but not limited to, Unemployment Insurance, Employment Training Tax, FICA (Social Security and Medicare), State Disability Insurance, and state and federal personal income taxes.

1.17. “Final Fairness Hearing” refers to the hearing at which the Court will make a final determination whether the terms of the Joint Stipulation of Settlement are fair, reasonable, and adequate for the Class and meet all applicable requirements for approval, and, if the terms of the Joint Stipulation of Settlement are so approved, whether a judgment should be entered thereon, whether the Class Representatives’ application for Class Representative Enhancements should be granted, and whether an application by Class Counsel for an award of reasonable attorneys’ fees and reimbursement of their reasonable costs and expenses should be granted.

1.18. “Final Approval Order” refers to the final order by the Court approving the Joint Stipulation of Settlement and entering Judgment following the Final Fairness Hearing.

1.19. “Final Funding Amount” refers to the amount that Defendants are obligated to fund as payment of this Joint Stipulation of Settlement, which shall be equal to the sum of: (i) the total amount of Individual Settlement Payments properly calculated by the Settlement Administrator in

1 accordance with the claims process as set forth in Paragraphs 8.1 through 8.13, and as approved by the
2 Court; (ii) the Settlement Administration Cost as set forth in Paragraph 5.6, and as approved by the Court
3 in the Final Approval Order; (iii) the Class Counsel attorneys' fees as set forth in Paragraph 5.1, and as
4 approved by the Court in the Final Approval Order; (iv) the Class Counsel litigation costs as set forth in
5 Paragraph 5.1, and as approved by the Court in the Final Approval Order; (v) the Class Representative
6 Enhancements as set forth in Paragraph 5.2, and as approved by the Court in the Final Approval Order;
7 (vi) Employer Taxes as set forth in Paragraphs 6.1 through 6.9; and (vii) the PAGA Payment, as set forth
8 in Paragraph 5.3, and as approved by the Court in the Final Approval Order. Under no circumstances will
9 the Final Funding Amount exceed the Gross Settlement Amount plus Cardinal Health 200's share of
10 Employer Taxes.

11 **1.20. "Final Funding Date"** refers to the date on which Defendants shall provide the
12 Final Funding Amount to the Settlement Administrator for distribution, which shall be fifteen (15) days
13 after the Effective Date.

14 **1.21. "Gross Settlement Amount"** refers to the non-reversionary negotiated dollar
15 amount of this Joint Stipulation of Settlement, which is equal to Three Million Six Hundred Thousand
16 Dollars and Zero Cents (\$3,600,000.00). The Gross Settlement Amount includes the Net Settlement
17 Amount, all Individual Settlement Payments to the Class, all Settlement Administration Costs, all Class
18 Counsel attorneys' fees, all Class Counsel litigation costs, the Class Representative Enhancements, all
19 Settlement Class Members' portions of payroll taxes, and all PAGA Payments. The Gross Settlement
20 Amount does not include Cardinal Health 200's share of Employer Taxes. Cardinal Health 200 shall pay
21 its share of Employer Taxes into the qualified settlement fund as part of the Final Funding Amount
22 separately and apart from, and in addition to, the Gross Settlement Amount.

23 **1.22. "Individual Class Settlement Payment"** refers to the payments made to
24 Settlement Class Members of the amount that shall be payable from the Net Settlement Amount to each
25 Settlement Class Member as determined in accordance with the provisions of Paragraphs 4.2 through 4.3
26 **Error! Reference source not found..**

27 **1.23. "Individual PAGA Payment"** refers to the payment made to PAGA Aggrieved
28 Employees of their *pro rata* share of the twenty-five percent (25%) of the PAGA Payment to be distributed

to PAGA Aggrieved Employees in accordance with the provisions of Paragraph 5.3, or each of them.

1.24. “Joint Stipulation of Settlement” refers to this Joint Stipulation and Agreement of Compromise and Class Settlement, including any permitted and executed amendments hereto.

1.25. “Judgment” refers to the final judgment by the Court approving this Joint Stipulation of Settlement and adjudicating the Action.

1.26. “LWDA” refers to the California Labor & Workforce Development Agency.

1.27. “Net Settlement Amount” shall be defined as the Gross Settlement Amount, less the amounts awarded by the Court for attorneys’ fees, litigation costs, Settlement Administration Costs, the Class Representative Enhancements, Settlement Class Members’ portions of payroll taxes, and PAGA Payments, as provided for in Paragraphs 5.1 through 6.9. The Net Settlement Amount is the maximum amount that shall be made available to Settlement Class Members for distribution. Under no circumstances shall the value of the Net Settlement Amount cause the Gross Settlement Amount to exceed Three Million Six Hundred Thousand Dollars and Zero Cents (\$3,600,000.00).

1.28. “Notice Date” refers to the date ordered by the Court for the dissemination of the Class Notice, a date that is expected to be less than forty-five (45) calendar days after the Preliminary Approval Order Date.

1.29. “Objection” refers to the process by which Class Members may object to the terms and conditions of this Joint Stipulation of Settlement by the Response Deadline, as set forth in Paragraphs 8.7 through 8.10. However, Class Members may not object to the settlement of the PAGA Claim.

1.30. “PAGA Claim” refers to the seventh cause of action in the Action for civil penalties brought by Plaintiff Allahar on behalf of PAGA Aggrieved Employees pursuant to the California Private Attorneys’ General Act, Labor Code section 2698 *et seq.* during the PAGA Period as set forth in the PAGA Notice and Second Amended Complaint.

1.31. “PAGA Aggrieved Employees” refers to any Class Member who was employed during the PAGA Period.

1.32. “PAGA Notice” refers to the letter sent on behalf of Plaintiff Allahar to the LWDA on May 21, 2022 providing notice of intent to file the PAGA Claim pursuant to Labor Code section 2699.3, alleging failure to pay for all hours worked, meal period violations, rest period violations, failure to timely

1 pay wages owed each payday, failure to pay amounts due upon separation, failure to provide accurate and
2 complete itemized wage statements, failure to maintain accurate payroll records, and seeking civil
3 penalties pursuant to California Labor Code sections 558 and 2699(a),(f) for alleged violations of
4 applicable IWC Wage Orders and Labor Code sections 201-204, 210, 225.5, 226, 226.3, 226.7, 510, 512,
5 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 2698 *et seq.*

6 **1.33. “PAGA Pay Periods”** refers to the number of pay periods worked by Class
7 Members during the PAGA Period, as calculated in accordance with Paragraph 5.3.

8 **1.34. “PAGA Payment”** refers to all payments made to satisfy the settlement of the
9 PAGA Claim as set forth in Paragraph 5.3, which shall be in the total amount of One Hundred Thousand
10 Dollars and Zero Cents (\$100,000.00). The PAGA Payment shall be made in the following allocation:
11 seventy-five percent (75%), or Seventy-Five Thousand Dollars and Zero Cents (\$75,000.00), to be paid
12 to the LWDA and twenty-five percent (25%), or Twenty-Five Thousand Dollars and Zero Cents
13 (\$25,000.00) to be distributed to all PAGA Aggrieved Employees as Individual PAGA Payments on a *pro*
14 *rata* basis based upon their PAGA Pay Periods. PAGA Aggrieved Employees shall be prohibited from
15 submitting a Request for Exclusion with respect to claims under PAGA and thus shall receive their portion
16 of the PAGA Payment regardless of any Request for Exclusion from the Settlement Class.

17 **1.35. “PAGA Period”** refers to the time period of May 23, 2021 through the Preliminary
18 Approval Order Date.

19 **1.36. “PAGA Release”** refers to the release of the PAGA Claim brought by Plaintiff
20 Allahar, on behalf of herself, and as a private attorney general on behalf of the State of California and
21 PAGA Aggrieved Employees against Released Parties for any civil penalty claims under the Private
22 Attorneys’ General Act, Labor Code section 2698 *et seq.* predicated on the allegations in the PAGA Notice
23 and Second Amended Complaint, including: (1) Failure to Compensate for all Wages Owed under Labor
24 Code sections 1194, 1197, and 1197.1; (2) Waiting-time Penalties under Labor Code sections 201-203;
25 (3) Meal Period Violations under Labor Code sections 226.7, 512, and 516, and applicable IWC Wage
26 Orders; (4) Rest Period Violations under Labor Code sections 226.7 and 516, and applicable IWC Wage
27 Orders; (5) Failure to Provide Accurate Wage Statements under Labor Code sections 226, 226.1, 1174,
28 and 1174.5; and (6) any other claims for civil penalties under PAGA that were or could have been brought

by Plaintiffs in the Action based on the facts alleged in the PAGA Notice and Second Amended Complaint, including, but not limited to, alleged violations of Labor Code sections 201-204, 210, 225.5, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 2698 *et seq.*

1.37. “PAGA Release Period” refers to the time period for the release of the PAGA Claim, which shall be coextensive with the PAGA Period; *i.e.* May 23, 2021 through the Preliminary Approval Order Date.

1.38. “Parties” or “Party” refers to Plaintiffs and Defendants, or each of them.

1.39. “Preliminary Approval Order” refers to the order by the Court granting preliminary approval to the Joint Stipulation of Settlement and directing the Parties to disseminate Class Notice to the Class.

1.40. “Preliminary Approval Order Date” refers to the date on which the Court enters the Preliminary Approval Order.

1.41. “Class Released Claims” refers to all claims against Released Parties released by the Settlement Class upon Final Approval of this Joint Stipulation of Settlement as set forth in Paragraph 7.1, including any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, liquidated damages, penalties, action, or causes of action of any nature under state, federal, or local law, whether statutory, common law or administrative law, as alleged in the Second Amended Complaint or which could have been raised against Released Parties based upon the allegations in the Second Amended Complaint in the Action, regardless of legal theory asserted, including: (1) Failure to Compensate for all Wages Owed under Labor Code sections 1194, 1197, and 1197.1; (2) Waiting-time Penalties under Labor Code sections 201-203; (3) Meal Period Violations under Labor Code sections 226.7, 512, and 516, and applicable IWC Wage Orders; (4) Rest Period Violations under Labor Code sections 226.7 and 516, and applicable IWC Wage Orders; (5) Failure to Provide Accurate Wage Statements under Labor Code sections 226, 226.1, 1174, and 1174.5; (6) Violations of Business and Professions Code §§ 17200, *et seq.*; and (7) any other claims that were or could have been brought by Plaintiffs in the Action based on the facts alleged in the Second Amended Complaint, including, but not limited to, liquidated damages, civil and statutory penalties, interest and other amounts recoverable under said claims, causes of action, or legal theories of relief identified above, including claims pursuant to

1 Labor Code sections 201-204, 210, 225.5, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194,
2 1194.2, 1197, 1197.1, 1197.5, 1198, 2698 *et seq.* or related penalties of any nature (including waiting time
3 penalties under Labor Code section 203) and the applicable Wage Orders that were or could have been
4 alleged in the Second Amended Complaint in the Action, interest, fees, costs, and all other claims and
5 allegations made in the Action during the Class Period.

6 **1.42. “Released Parties”** refers to Defendants and all of their present and former parent
7 companies, subsidiaries, affiliates, shareholders, officers, directors, employees, agents, servants,
8 registered representatives, attorneys, insurers, successors, and assigns that could be liable to any member
9 of the Class for any Released Claims as set forth in Paragraph 7.1.

10 **1.43. “Request for Exclusion”** refers to a request that a Class Member timely submits
11 to the Settlement Administrator requesting to be excluded from the Class and this Joint Stipulation of
12 Settlement. However, Class Members shall be prohibited from submitting a Request for Exclusion with
13 respect to the PAGA Claim and, thus, if a PAGA Aggrieved Employee, shall receive an Individual PAGA
14 Payment and be bound by the release of the PAGA Claim regardless of whether they submit a Request for
15 Exclusion from the Class.

16 **1.44. “Response Deadline”** refers to the date by which Class Members must submit a
17 valid Request for Exclusion or Objection to the Joint Stipulation of Settlement, pursuant to the terms
18 below, which shall be the date that is thirty (30) calendar days after the Notice Date and as such date may
19 be modified by the Court. However, no Class Member is entitled to submit a Request for Exclusion or
20 Objection to the settlement of the PAGA Claim.

21 **1.45. “Second Amended Complaint”** or “SAC” refers to the operative Second
22 Amended Class and Representative Action Complaint in this Action, which alleges the following seven
23 (7) causes of action: (1) Failure to Compensate for all Wages Owed; (2) Waiting-time Penalties; (3) Meal
24 Period Violations, (4) Rest Period Violations, (5) Failure to Provide Accurate Wage Statements, and (6)
25 Violations of Business and Professions Code §§ 17200, *et seq.*; and (7) the PAGA Claim.

26 **1.46. “Settlement Administrator”** refers to CPT Group, an independent third-party that
27 will be engaged by Class Counsel and paid out of the Final Funding Amount, with the approval of
28 Defendants, to perform the notice, administration, and distribution functions further described in this Joint

1 Stipulation of Settlement in Section 8.

2 **1.47. "Settlement Administration Cost"** refers to the amount for which Class Counsel
3 shall petition this Court for compensation of the Settlement Administrator pursuant to Paragraph 5.6 for
4 services in administering this settlement pursuant to Section 8 of this Joint Stipulation of Settlement. The
5 Settlement Administration Cost shall be paid from the Final Funding Amount.

6 **1.48. "Settlement Class" or "Settlement Class Member" or "Settlement Class**
7 **Members"** as used herein means all Class Members, or each of them, who do not timely submit a valid
8 Request for Exclusion.

9 **1.49. "Settling Parties"** refers to Class Representatives, the other Class Members, and
10 Defendants.

11 **1.50. "Terminating Event(s)"** refers to any occurrence set forth in Paragraph 14.2
12 below, or each of them, which cause this Joint Stipulation of Settlement to become null and void, namely:
13 (a) Defendants exercise their right to rescission under Paragraph 14.1 (subject to the terms and conditions
14 set forth therein); (b) the Court declines to enter a Preliminary Approval Order or declines to enter the
15 Final Approval Order or Judgment or any part thereof as provided for herein, or the Parties fail to consent
16 to the entry of alternative forms of Judgment, in lieu thereof, or after such consent the Court declines to
17 enter such alternate form of Judgment; (c) the Court declines to approve the settlement of the PAGA
18 Claim; or (d) the Court approves this Joint Stipulation of Settlement, including any amendments hereto,
19 but any such Judgment and Final Approval Order is finally reversed on appeal.

20 **2. RECITALS**

21 **2.1. The Litigation.** On December 23, 2019, Plaintiffs Garcia and Barrios filed a class
22 action lawsuit in San Diego Superior Court (Case No. 37-2019-00068269-CU-OE-CTL) against
23 Defendant Cardinal Health, Inc. for: (1) Failure to Compensate for all Wages Owed; (2) Waiting-time
24 Penalties; (3) Meal Period Violations, (4) Rest Period Violations, (5) Failure to Provide Accurate Wage
25 Statements, and (6) Violations of Business and Professions Code §§ 17200, *et seq.* Cardinal Health, Inc.
26 timely answered on February 3, 2020. Thereafter, on June 4, 2020, Plaintiffs Garcia and Barrios filed an
27 Amendment to the Complaint naming Cardinal Health 200, LLC as DOE 1. Cardinal Health 200, LLC
28 answered the Complaint on July 7, 2020.

1 **2.2.** On May 27, 2022, Plaintiff Allahar submitted her PAGA Notice to the LWDA.

2 **2.3.** On June 14, 2022, Plaintiffs Garcia and Barrios filed a First Amended Complaint
3 to add Allahar as a Plaintiff, and alleging the same causes of action as in the original Complaint.
4 Defendants timely answered on July 20, 2022.

5 **2.4.** On August 26, 2022, Plaintiffs filed the operative Second Amended Complaint
6 realleging the causes of action in the First Amended Complaint and adding the PAGA Claim on behalf of
7 Plaintiff Allahar and PAGA Aggrieved Employees. The operative Second Amended Complaint alleges
8 the following seven (7) causes of action: (1) Failure to Compensate for all Wages Owed; (2) Waiting-time
9 Penalties; (3) Meal Period Violations, (4) Rest Period Violations, (5) Failure to Provide Accurate Wage
10 Statements, and (6) Violations of Business and Professions Code §§ 17200, *et seq.*; and (7) the PAGA
11 Claim.

12 **2.5.** Since the inception of the Action, the Parties have engaged in formal and informal
13 discovery. Among other things, Defendants provided Plaintiffs with copies of policies applicable to Class
14 Members and Plaintiffs' claims, the relevant time data for Class Members, and data that tracks handheld
15 scanner check in and check out times for Class Members. Additionally, the Parties engaged in numerous
16 depositions of Defendants' employees and Plaintiffs.

17 **2.6.** The Parties engaged in extensive discussions about the respective strengths and
18 weaknesses of their claims and defenses. On April 21, 2022, the Parties and their attorneys of record
19 participated in a full day private mediation session with Scott Markus, an experienced and respected
20 mediator. Although the Parties did not reach an agreement at mediation, they continued extensive
21 settlement negotiations while simultaneously continuing to litigate the case.

22 **2.7.** On September 8, 2022, with continued assistance from Mediator Scott Markus and
23 following a mediator's proposal, the Parties reached a tentative settlement in principle. On September 16,
24 2022, the Parties memorialized the terms of the settlement in principle in writing in a Memorandum of
25 Understanding.

26 **2.8.** The settlement discussions were conducted at arm's-length, and this Joint
27 Stipulation of Settlement is the result of an informed and detailed analysis of Defendants' potential
28 liability of total exposure in relation to the costs and risks associated with continued litigation. Based

1 on the documents produced, as well as Class Counsel's own independent investigation and evaluation
2 (including expert analysis of the relevant timekeeping and payroll data), and the efforts of Mediator
3 Scott Markus, Class Counsel believes that this Joint Stipulation of Settlement with Defendants for the
4 consideration and on the terms set forth in this Joint Stipulation of Settlement is fair, reasonable, and
5 adequate and is in the best interest of the Class Members in light of all known facts and circumstances,
6 including the risk of significant delay and uncertainty associated with litigation and various defenses
7 asserted by Defendants.

8 **2.9. Diligent Efforts.** Class Counsel diligently investigated the proposed Class
9 Members' claims against Defendants in the Action, including any and all applicable defenses and the
10 applicable law, and undertook review and analysis of a volume of documents and data obtained from
11 Defendants and other sources.

12 **2.10. Claims Disputed.** Defendants deny all material allegations set forth in the Action
13 and have asserted numerous affirmative defenses. Notwithstanding, in the interest of avoiding further
14 litigation, Defendants desire to fully and finally settle the Action and obtain the releases set forth in
15 Paragraph 7.1.

16 **2.11. No Admissions.** This Joint Stipulation of Settlement is made and entered into by
17 and between Plaintiffs, individually, and on behalf of all others similarly situated, and Defendants, and
18 is subject to the terms and conditions hereof, and to the Court's approval. The Parties expressly
19 acknowledge that this Joint Stipulation of Settlement is entered into solely for the purpose of
20 compromising significantly disputed claims and that nothing herein is an admission of liability or
21 wrongdoing by Defendants or any of the other Released Parties. If, for any reason, the Joint Stipulation
22 of Settlement is not approved, it will be of no force or effect, and the Parties shall be returned to their
23 original respective positions.

24 **2.12. Conditional Class Certification.** The Parties stipulate and agree to the
25 certification of the Class for purpose of this Joint Stipulation of Settlement only. In the event the Joint
26 Stipulation of Settlement does not become final for whatever reason, the fact that the Parties were willing
27 to stipulate to class certification as part of the Joint Stipulation of Settlement shall have no bearing on, and
28 will not be admissible in connection with, the issue of whether any class should be certified in any

subsequent proceeding. The Parties and their respective counsel further agree that they will not offer or make reference to this provisional stipulation to class certification for purposes of this Joint Stipulation of Settlement in any subsequent proceeding in this Action (except for purposes of having this Joint Stipulation of Settlement approved by the Court) or any other action. In the event that this Joint Stipulation of Settlement is terminated for any reason, or otherwise not approved by the Court, the conditional class certification in this Action shall be deemed withdrawn, void, and nullified, as stated more fully in Paragraph 14.3 below.

2.13. Settlement in the Interests of the Class. The Parties stipulate that Class Counsel has conducted a formal and informal investigation into the facts of the Action, including interviewing many witnesses and conducting an extensive review of documents, and has diligently pursued an investigation of Class Members' claims against Defendants. Class Counsel also served extensive written discovery on Defendants, including interrogatories and demands for production of documents as to the allegations in the Action and took the depositions of several percipient witnesses and individuals identified as "persons most knowledgeable" as to numerous categories relevant to the claims asserted in the Action. Based on Class Counsel's own independent investigation and evaluation, Class Counsel is of the opinion that the settlement with Defendants for the consideration and on the terms set forth in this Joint Stipulation of Settlement is fair, reasonable, and adequate and is in the best interest of the Class and each member of the Class in light of all known facts and circumstances, including the risk of significant delay, defenses asserted by Defendants, and numerous potential appellate issues. Defendants and Defendants' Counsel also agree that this Joint Stipulation of Settlement is fair and in the best interest of the Class and each Class Member.

NOW, THEREFORE, in consideration of these Recitals, which are incorporated into the Joint Stipulation of Settlement, and the mutual covenants, promises, and warranties set forth herein, the Parties agree, subject to the Court's approval, as follows:

3. IDENTIFICATION OF CLASS MEMBERS

3.1. Cardinal Health 200's Employment Records. Cardinal Health 200's employment records are presumed to be accurate, unless a Class Member timely and properly submits valid contradicting documentation pursuant to Paragraph 8.9.

1 **4. COMPENSATION TO SETTLEMENT CLASS MEMBERS.**

2 **4.1. Funding.** Provided all conditions to this Joint Stipulation of Settlement are satisfied
3 and no Terminating Event has occurred, Defendants agree to pay the Final Funding Amount, which shall
4 be equal to the sum of: (a) the total amount of Individual Class Settlement Payments properly calculated
5 by the Settlement Administrator as set forth in Paragraphs 8.1 through 8.13, and as approved by the Court
6 in the Final Approval Order; (b) the Settlement Administrator fee as set forth in Paragraph 5.6, and as
7 approved by the Court in the Final Approval Order; (c) the Class Counsel attorneys' fees as set forth in
8 Paragraph 5.1, and as approved by the Court in the Final Approval Order; (d) the Class Counsel litigation
9 costs as set forth in Paragraph 5.1, and as approved by the Court in the Final Approval Order; (e) the Class
10 Representative Enhancements as set forth in Paragraph 5.2, and as approved by the Court in the Final
11 Approval Order; (f) all Employer Taxes as set forth in Paragraphs 6.1 through 6.9; and (h) the PAGA
12 Payment, as set forth in Paragraph 5.3, and as approved by the Court in the Final Approval Order. Under
13 no circumstances will Defendants be required to pay more than the Final Funding Amount (*i.e.* the Gross
14 Settlement Amount plus Cardinal Health 200's share of Employer Taxes) in connection with the
15 settlement of this Action. Defendants shall provide the Final Funding Amount to the Settlement
16 Administrator on or before the Final Funding Date (*i.e.* fifteen (15) days after the Effective Date). The
17 Net Settlement Amount shall be distributed to the Settlement Class according to the "Settlement Class
18 Payment Formula," as set forth below.

19 **4.2. Settlement Class Payment Formula.** The Net Settlement Amount shall be divided
20 among Settlement Class Members based on the Settlement Class Members' number of Class Workweeks
21 worked during the Class Period. The Settlement Administrator will calculate each Settlement Class
22 Member's *pro rata* share of the Net Settlement Amount by dividing the total number of Class Workweeks
23 worked by all Settlement Class Members during the Class Period into the Net Settlement Amount (*i.e.*,
24 the "Workweek Value"), and then multiplying the Workweek Value by the number of Class Workweeks
25 actually worked by each Settlement Class Member during the Class Period.

26 **4.3. Calculation of Settlement Class Workweeks.** Cardinal Health 200 shall provide
27 the Settlement Administrator with the start and ending dates of each member of the Class's employment
28 within the Class Period. Based on this employment history data provided to the Settlement Administrator

by Cardinal Health 200, the Settlement Administrator will calculate each member of the Class's Class Workweeks by dividing the total days employed as a Class Member during the applicable Class Period by seven (7). Partial workweeks will be rounded up to the nearest full workweek. Cardinal Health 200's employment history data will be presumed to be correct, unless a particular Class Member proves otherwise to the Settlement Administrator by providing written documentation to support the correction. All workweek disputes will be resolved and decided by the Settlement Administrator, and the Settlement Administrator's decision on all workweek disputes will be final and non-appealable.

4.4. Maximum Payment. Under no circumstances shall the aggregate of Individual Settlement Payments paid to Class Members exceed the Net Settlement Amount. If the total value of Individual Class Settlement Payments exceeds the Net Settlement Amount, each Class Member's recovery shall be reduced on a *pro rata* basis so that the total amount of Individual Class Settlement Payments does not exceed the Net Settlement Amount. This *pro rata* decrease shall be made until the total Class payment is equal to the Net Settlement Amount.

4.5. Individual Class Settlement Payment Distribution. The Settlement Administrator shall attempt to deliver each Settlement Class Member's Individual Class Settlement Payment to the Settlement Class Member's last known address as indicated in Cardinal Health 200's records, or to a more recent address using reasonable efforts to locate a Class Member, as set forth more fully in Paragraph 8.2, within fifteen (15) days of the Final Funding Date. Any Individual Class Settlement Payment that is undeliverable due to an inaccurate or non-current address of a Class Member, following reasonable efforts by the Settlement Administrator to locate the Class Member, will be distributed to RefugeeNet pursuant to California Code of Civil Procedure section 384 as the *cy pres* beneficiary designated by the Parties. Any checks that were delivered to a Settlement Class Member, but remain uncashed at the time the checks expire according to Paragraph 8.12, will similarly be distributed to the RefugeeNet pursuant to California Code of Civil Procedure section 384 as the *cy pres* beneficiary designated by the Parties.

4.6. Individual Class Settlement Payment Check. The Settlement Administrator shall mail each Settlement Class Member one check that shall constitute the Settlement Class Member's Individual Class Settlement Payment. The checks shall include writing indicating that they shall expire

one hundred eighty (180) days from the date of issuance, as set forth below in Paragraph 8.12.

5. AWARD OF FEES, COSTS, AND CLASS REPRESENTATIVE ENHANCEMENTS

5.1. Attorneys' Fees and Litigation Costs. Any attorneys' fees and litigation costs awarded to Class Counsel will be paid out of the Final Funding Amount. Class Counsel shall apply to the Court for approval of an award of attorneys' fees in an amount that will not exceed thirty-three percent (33%) of the Gross Settlement Amount, in accordance with the applicable legal precedent therefore, and conditioned upon the Joint Stipulation of Settlement reaching its Effective Date. As long as the total amount requested or awarded does not exceed thirty-three percent (33%) of the Gross Settlement Amount, Defendants agree not to oppose the application for attorneys' fees and to pay such amounts as requested by Class Counsel and awarded by the Court, up to One Million One Hundred Eighty-Eight Thousand Dollars and Zero Cents (\$1,188,000.00), which shall be paid out of the Final Funding Amount. Class Counsel shall not apply to the Court for an award of attorneys' fees that is greater than the amounts set forth in this Joint Stipulation of Settlement, and, in no event shall Defendants be required to pay Class Counsel more than One Million One Hundred Eighty-Eight Thousand Dollars and Zero Cents (\$1,188,000.00) in attorneys' fees. Class Counsel shall also apply to the Court for approval of an award of litigation costs in an amount not to exceed not exceed Fifty Thousand Dollars and Zero Cents (\$50,000.00) in accordance with the applicable legal precedent therefore, and conditioned upon the Joint Stipulation of Settlement reaching its Effective Date. Defendants agree not to oppose the application for litigation costs and to pay such amounts as requested by Class Counsel and awarded by the Court, up to Fifty Thousand Dollars and Zero Cents (\$50,000.00), which shall be paid out of the Final Funding Amount. Any reduction by the Court in attorneys' fees or litigation costs awarded to Class Counsel will be added to the Net Settlement Amount and distributed to Settlement Class Members on a *pro rata* basis, in accordance with Paragraph 4.2. Payment shall be made by the Settlement Administrator from the Final Funding Amount to Class Counsel as they direct, within fifteen (15) days of the Final Funding Date. Class Counsel may elect to allocate a portion of awarded attorneys' fees and litigation costs to a Qualified Settlement Fund. Defendants shall not be liable, and Class Counsel agrees to indemnify and hold Defendants harmless, for any tax implications as a result of any such election.

1 **5.2. Class Representative Enhancements.** Class Counsel will petition the Court for
2 Class Representative Enhancements for the Class Representatives to compensate them for their time and
3 energy spent in serving as the Class Representatives and as consideration for the individual release and
4 waiver of Section 1542 of the California Civil Code as set forth in Paragraph 7.4. Class Counsel's
5 application for Class Representative Enhancements for the Class Representatives will not exceed a total
6 of Twenty-Two Thousand Five Hundred Dollars and Zero Cents (\$22,500.00), which shall be distributed
7 equally amongst Plaintiffs in the amount of Seven Thousand Five Hundred Dollars and Zero Cents
8 (\$7,500.00) to each Plaintiff. As long as the total amount requested or awarded does not exceed Twenty-
9 Two Thousand Five Hundred Dollars and Zero Cents (\$22,500.00), Defendants agree not to oppose the
10 application for the Class Representative Enhancements and to pay the amount awarded by the Court out
11 of the Final Funding Amount. Class Representatives will be provided an IRS Form 1099 for all amounts
12 paid as to them as Class Representative Enhancements. The Class Representative Enhancements shall be
13 independent of any other benefits to which Class Representatives may be entitled as Class Members
14 pursuant to this Joint Stipulation of Settlement and plan of allocation. The Class Representative
15 Enhancements paid to the Class Representatives will be paid by the Settlement Administrator from the
16 Final Funding Amount within fifteen (15) days of the Final Funding Date. Any reduction by the Court in
17 the Class Representative Enhancements awarded to Class Representatives will be distributed to all
18 Settlement Class Members on a *pro rata* basis proportionate to the amounts due to each Settlement Class
19 Member under this Joint Stipulation of Settlement, in accordance with Paragraph 4.2. The Class
20 Representative Enhancements are paid in consideration for the general release of all claims and waiver of
21 California Civil Code section 1542, and the execution of this Joint Stipulation of Settlement and the
22 accompanying general release and Section 1542 waiver set forth in Paragraph 7.4. below is a condition
23 precedent to payment of the Class Representative Enhancements. Class Representative Enhancements
24 shall be deemed to be paid to the Class Representatives solely in the year in which such payments actually
25 are received by Class Representatives. It is expressly understood and agreed that the receipt of such
26 payments will not entitle Class Representatives to additional compensation or benefits under any company
27 bonus, contest, or other compensation or benefit plan or agreement in place during the Class Period, nor
28 will it entitle Class Representatives to any increased retirement, 401K benefits or matching benefits, or

1 deferred compensation benefits. It is the intent of this Joint Stipulation of Settlement that Class
2 Representatives are not entitled to any new or additional compensation or benefits outside of this Joint
3 Stipulation of Settlement as a result of having received the individual Class Representative Enhancements.

4 **5.3. PAGA Payment.** One Hundred Thousand Dollars and Zero Cents (\$100,000.00)
5 shall be paid from the Final Funding Amount as PAGA Payment. The Settlement Administrator shall pay
6 Seventy-Five Thousand Dollars and Zero Cents (\$75,000.00) from that amount directly to the LWDA.
7 The remaining Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) shall be distributed to all
8 PAGA Aggrieved Employees on a *pro rata* basis as their Individual PAGA Payment based upon the
9 number of PAGA Pay Periods worked by each PAGA Aggrieved Employee during the PAGA Period.
10 Individual PAGA Payments shall be distributed to PAGA Aggrieved Employees in the same manner as
11 Individual Class Settlement Payments as set forth in Paragraphs 4.5 and 8.2. If a PAGA Aggrieved
12 Employee is also a Settlement Class Member, the PAGA Aggrieved Employee's Individual Class
13 Settlement Payment and Individual PAGA Payment may be combined into a single check pursuant to
14 Paragraph 4.6.

15 **5.4. Calculation of PAGA Pay Periods.** Cardinal Health 200 shall provide the
16 Settlement Administrator with the start and ending dates of each PAGA Class Member's employment
17 within the PAGA Period. Based on this employment history data provided to the Settlement Administrator
18 by Cardinal Health 200, the Settlement Administrator will calculate each PAGA Aggrieved Employee's
19 PAGA Pay Periods by dividing the total days employed as a PAGA Aggrieved Employee during the
20 PAGA Period by fourteen (14). Partial PAGA Pay Periods will be rounded up to the nearest whole PAGA
21 Pay Period. Cardinal Health 200's employment history data will be presumed to be correct, unless a
22 particular PAGA Aggrieved Employee proves otherwise to the Settlement Administrator by providing
23 written documentation to support the correction. All disputes will be resolved and decided by the
24 Settlement Administrator, and the Settlement Administrator's decision on all disputes will be final and
25 non-appealable.

26 **5.5. Individual PAGA Payment Formula.** The Settlement Administrator shall
27 calculate individual PAGA Aggrieved Employee's Individual PAGA Payments by: (a) first, calculating
28 the total number of PAGA Pay Periods worked by all PAGA Aggrieved Employees; (b) second, dividing

the twenty-five percent (25%) of the PAGA Payment to be distributed to PAGA Aggrieved Employees as set forth in Paragraph 5.3 (i.e. Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00)) by the total number of PAGA Pay Periods worked by all PAGA Aggrieved Employees; and (c) third, multiplying the quotient of the calculation in step (b) by each PAGA Aggrieved Employee's individual number of PAGA Pay Periods. PAGA Aggrieved Employees are not permitted to object to or submit a Request for Exclusion from the settlement of the PAGA Claim, and all PAGA Aggrieved Employees will receive an Individual PAGA Payment whether or not they submit a timely Request for Exclusion.

5.6. Settlement Administration Costs. Class Counsel shall apply to the Court for approval of an award of Settlement Administration Costs not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00) in order to compensate the Settlement Administrator in its efforts in administering this settlement in accordance with Section 8 of this Joint Stipulation of Settlement. Defendants shall not oppose any request for Settlement Administration Costs not exceeding Thirty Thousand Dollars and Zero Cents (\$30,000.00). Any award of Settlement Administration Costs shall be paid from the Final Funding Amount. Defendants shall not be responsible for any amounts charged by the Settlement Administrator in excess of the amount awarded by the Court. Expenses were not negotiated until a settlement was reached as to all major issues pertaining to the claims of the Class.

5.7. Limitation on Costs and Fees. Except as provided in this Joint Stipulation of Settlement, Defendants shall not be required to pay any other expenses, costs, damages, or fees incurred by Plaintiff, by any Class Member, or by any of their attorneys, experts, advisors, agents, or representatives. Any award of attorneys' fees, costs, and expenses payable hereunder to Class Counsel shall be in complete satisfaction of any and all claims for such attorneys' fees, costs, and expenses, under state or federal law, which Class Representatives, other Class Members, Class Counsel, or any other counsel have or may have against Defendants arising out of or in connection with the Action and this Joint Stipulation of Settlement, including, but not limited to, any claims for attorneys' fees, costs, and expenses involved in litigating the Action and in negotiating and implementing this Joint Stipulation of Settlement, including attorneys' fees, costs, and expenses incurred through and after the final disposition and termination of the Action and including any and all appeals. Defendants shall not be responsible for distributing or apportioning any award of attorneys' fees and expenses among Class Counsel.

1 **5.8. Time for Distribution.** After Defendants fund the Final Funding Amount, as
2 provided in Paragraph 4.1, the distribution of payments shall commence as soon as practicable thereafter,
3 but no more than fifteen (15) calendar days after the Final Funding Date.

4 **6. EMPLOYER TAXES.**

5 **6.1.** The Parties agree that thirty-three percent (33%) of the Individual Settlement
6 Payments to Settlement Class Members, shall be considered payment of wages and subject to the
7 withholding of all usual and applicable local, state, and federal taxes, including payroll taxes.

8 **6.2.** The Parties further agree that thirty-three and one-half percent (33.5%) of the
9 Individual Settlement Payments to Settlement Class Members shall be considered as the payment of
10 penalties associated with unpaid wages and other claims asserted and thirty-three and one-half percent
11 (33.5%) of the Individual Settlement Payments to Settlement Class Members shall be considered payment
12 of interest, and neither the penalties nor interest portions of the payments to Settlement Class Members
13 shall be subject to any withholdings and shall be reflected on IRS Forms 1099 issued to Settlement Class
14 Members.

15 **6.3.** The Parties further agree that Individual PAGA Payments to PAGA Aggrieved
16 Employees shall be considered as payment as penalties and shall be treated as such pursuant to Paragraph
17 6.2.

18 **6.4.** Cardinal Health 200's portion of Employer Taxes shall be paid into the qualified
19 settlement fund in addition to and separate from the Gross Settlement Amount. The Settlement
20 Administrator shall provide Cardinal Health 200 an accounting of the amount of its portion of Employer
21 Taxes seven (7) calendar days after the Effective Date. Cardinal Health 200 shall provide its portion of
22 Employer Taxes to Settlement Administrator as part of the Final Funding Amount in addition to the Gross
23 Settlement Amount.

24 **6.5.** The Settlement Administrator shall pay, out of the Final Funding Amount, Cardinal
25 Health 200's share of Employer Taxes and withholdings on that portion of Individual Settlement Payments
26 to Settlement Class Members that is allocated to wages to the relevant state and federal taxing agencies in
27 accordance with applicable law and regulations on behalf of Cardinal Health 200. The Settlement
28 Administrator will also be responsible for issuing any required state and federal reporting documents (such

as IRS Forms W-2s and 1099s) to Settlement Class Members, Class Counsel, and the Class Representatives on behalf of Cardinal Health 200.

6.6. The Settlement Administrator shall withhold appropriate federal, state, and local income taxes and Class Members' share of FICA and Medicare taxes in accordance with the Joint Stipulation of Settlement.

6.7. The Settlement Administrator shall issue a W-2 and Form 1099, under the terms set forth in this Joint Stipulation of Settlement, to Class Members receiving an Individual Settlement Payment.

6.8. Any employer contributions and deductions required by any and all applicable federal, state, and local tax regulations shall be paid out of the Final Funding Amount.

6.9. For all purposes, Individual Class Settlement Payments and/or Individual PAGA Payments shall be deemed to be paid to Class Members solely in the year in which payment of such Individual Class Settlement Payments and/or Individual PAGA Payments are actually received by the Class Members. It is expressly understood and agreed that the receipt of such Individual Class Settlement Payments and Individual PAGA Payments will not entitle any Class Member to additional compensation or benefits under any company bonus, contest, or other compensation, or benefit plan or agreement in place during the Class Period, nor will it entitle any Class Member to any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits. It is the intent of this Joint Stipulation of Settlement that Individual Class Settlement Payments and Individual PAGA Payments are the sole payments to be made by Defendants to Class Members, and that Class Members are not entitled to any new or additional compensation or benefits as a result of having received the Individual Class Settlement Payments and/or Individual PAGA Payments.

6.10. Tax Liability. Defendants make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiffs and Class Members are not relying on any statement, representation, or calculation by Defendants or by the Settlement Administrator in this regard. Class Members and Class Counsel understand and agree that Class Members shall be responsible for the payment of all of their taxes and penalties assessed on the payments specified herein, and shall hold the Parties, Class Counsel, and Defendants' Counsel free and harmless from and against any claims resulting

1 from their treatment of such payments as non-taxable, including the treatment of such payments as not
2 subject to withholding or deduction for payroll and employment taxes.

3 **6.11. Circular 230 Disclaimer.** EACH PARTY TO THIS AGREEMENT (FOR
4 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS
5 AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”)
6 ACKNOWLEDGES AND AGREES THAT: (1) NO PROVISION OF THIS AGREEMENT, AND NO
7 WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR
8 THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY
9 SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED
10 UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY
11 DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING
12 PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT
13 LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION
14 WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON
15 THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
16 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR
17 DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY
18 TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO
19 ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT
20 PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX
21 STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
22 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
23 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED
24 BY THIS AGREEMENT.

25 **7. RELEASE.** In exchange for the consideration set forth in this Joint Stipulation of
26 Settlement, Plaintiffs and the Settlement Class Members agree to release all claims alleged in the Action,
27 as set forth below.

28 **7.1. Released Claims by Settlement Class.** Upon Final Approval of this Joint

1 Stipulation of Settlement, each Class Member who has not timely and appropriately opted out of this Joint
2 Stipulation of Settlement by way of submitting a Request for Exclusion (*i.e.* the Settlement Class), fully
3 releases and discharges Released Parties from all Released Claims within the Released Period. This
4 Release also covers all claims for interest, attorneys' fees and costs related to the Action. In addition, any
5 Class Member who has not timely and appropriately opted out of this Joint Stipulation of Settlement in
6 accordance with the Request for Exclusion process set forth in Paragraph 8.11 shall be a member of the
7 Settlement Class and forever agrees that he or she shall not institute a claim, nor accept back pay, unpaid
8 wages, liquidated damages, penalties of any nature, attorneys' fees and costs, or any other relief from any
9 other suit, class, collective action, or representative or administrative claim, or other claim of any sort or
10 nature whatsoever against the Released Parties containing Released Claims. Notwithstanding, no Class
11 Member is permitted to submit a Request for Exclusion from or object to the settlement of the PAGA
12 Claim and all PAGA Aggrieved Employees shall be bound by the release of the PAGA Claim regardless
13 of whether the PAGA Aggrieved Employee timely submits a valid Request for Exclusion from the
14 Settlement Class

15 **7.2. Effective Dates of Class Release.** The Release set forth in paragraph 7.1 shall
16 cover all claims held by the Releasing Parties during the Class Period.

17 **7.3. Additional Release by All PAGA Aggrieved Employees.** In addition to the release
18 of Released Class Claims against the Released Parties made by all Settlement Class Members, all PAGA
19 Aggrieved Employees shall be deemed to have released their respective Released PAGA Claims against the
20 Released Parties upon the date on which the payment of the Gross Settlement Amount and associated
21 employer-side taxes are made by Defendants. The Parties agree that there is no statutory right for any PAGA
22 Aggrieved Employee to opt out, object, or otherwise exclude himself or herself from the PAGA Payment
23 and the associated release of claims and rights under PAGA.

24 **7.4. Additional Release and Waiver of Claims by Class Representatives.** In addition
25 to the release of the Released Class Claims against the Released Parties made by all Participating Class
26 Members and the release of the Released PAGA Claims against the Released Parties made by all PAGA
27 Employees, as set forth above, Class Representatives, in their individual capacities, further agree that in
28 exchange for Defendants' payment to Class Representatives of the Court-approved Class Representative

Enhancements, to release the Released Parties from any and all claims, known and unknown, under federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law, arising as of the date of execution of this Agreement, including, but not limited to, claims arising from or related to their employments with Defendants and their compensation while an employee of Defendants ("Class Representatives' Released Claims"). Class Representatives' Released Claims include, but are not limited to, all of the Released Claims and any other claims arising under the California Labor Code; any claim arising out of the California common law of contract; the Fair Labor Standards Act, 29 U.S.C. section 201 *et seq.*, and federal common law; all claims for lost wages and benefits, emotional distress, retaliation, punitive damages, and attorneys' fees and costs arising under federal, state, or local laws for discrimination, harassment, and wrongful termination, including, but not limited to, 42 U.S.C. section 1981, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the California Fair Employment and Housing Act, the California Labor Code, and the law of contract and tort. This release excludes the release of claims not permitted by law including, without limitation, any claims for workers' compensation benefits.

Class Representatives' Released Claims include all claims, whether known or unknown. Even if Class Representatives discover facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of Class Representatives' Released Claims, those claims will remain released and forever barred. To effect a full and complete general release as described above, Class Representatives expressly waive and relinquish all rights and benefits of Section 1542 of the Civil Code of the State of California, and do so understanding and acknowledging the significance and consequence of specifically waiving Section 1542. Section 1542 of the Civil Code of the State of California states as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Thus, notwithstanding the provisions of Section 1542, and to implement a full and complete release and discharge of Released Parties, Class Representatives expressly acknowledge this Stipulation of Settlement is intended to include in its effect, without limitation, all claims Class Representatives do not know

1 or suspect to exist in Class Representatives' favor at the time of signing this Stipulation of Settlement, and
2 that this Stipulation of Settlement contemplates the extinguishment of any such claims. Class Representatives
3 warrant that Class Representatives have read this Stipulation of Settlement, including this waiver of California
4 Civil Code section 1542, and that Class Representatives have consulted with or had the opportunity to consult
5 with counsel of Class Representatives' choosing regarding this Stipulation of Settlement and specifically
6 about the waiver of Section 1542, and that Class Representatives understand this Stipulation of Settlement
7 and the Section 1542 waiver, and so Class Representatives freely and knowingly enter into this Stipulation
8 of Settlement. Class Representatives further acknowledge that Class Representatives later may discover facts
9 different from or in addition to those Class Representatives now know or believe to be true regarding the
10 matters released or described in this Stipulation of Settlement, and even so Class Representatives agree that
11 the releases and agreements contained in this Stipulation of Settlement shall remain effective in all respects
12 notwithstanding any later discovery of any different or additional facts. Class Representatives expressly
13 assume any and all risk of any mistake in connection with the true facts involved in the matters, disputes, or
14 controversies released or described in this Stipulation of Settlement or with regard to any facts now unknown
15 to Class Representatives relating thereto.

16 **7.5. All Members Of The Settlement Class Are Settling Parties.** All Settlement Class
17 Members shall be bound by the terms and conditions of this Joint Stipulation of Settlement, including all
18 orders issued pursuant thereto, and shall be deemed to have waived all unstated objections and opposition
19 to the fairness, reasonableness, and adequacy of this Joint Stipulation of Settlement, and any of its terms.

20 **7.6. Effect of Joint Stipulation of Settlement.** If the Joint Stipulation of Settlement is
21 given final approval, it shall operate as a full, complete, and final release of all the Released Claims of the
22 Class Representatives, all the Released Claims of the Settlement Class Members, and all Releasing Parties.
23 Additionally, this Joint Stipulation of Settlement shall operate as a full, complete, and final release of the
24 PAGA Claim of all PAGA Aggrieved Employees employed during the PAGA Period, regardless of
25 whether any such PAGA Aggrieved Employee submitted a timely, valid Request for Exclusion from the
26 Joint Stipulation of Settlement.

27 **7.7. No Other Liability.** The Joint Stipulation of Settlement shall be in full settlement,
28 compromise, release and discharge of the Released Claims and each of them, and the Released Claims by

the Class Representatives, and the Released Parties shall have no further or other liability or obligation to any member of the Settlement Class, the Class Representatives, or any other Releasing Party with respect to the Released Claims, except as expressly provided herein.

8. SETTLEMENT ADMINISTRATION

8.1. Engagement of Settlement Administrator. The Parties have agreed to retain CPT Group as the Settlement Administrator to perform the Class Notice and other claims administration functions necessary for the Parties to fulfill their settlement obligations.

(a) The Settlement Administrator shall perform the customary duties of a Settlement Administrator including, but not limited to, the following:

- (i) Preparing, printing, and disseminating the Class Notice to Class Members;
- (ii) Promptly furnishing to Class Counsel and Defendants' Counsel copies of all Objections and Requests for Exclusion received;
- (iii) Promptly furnishing to Defendants' Counsel copies and information regarding, and verifying the information contained within, all disputes submitted by Class Members regarding the Class Workweeks and PAGA Pay Periods stated the Class Notice;
- (v) Calculating all Employer Taxes on all Individual Class Settlement Payments, and, within seven (7) days after the Effective Date, informing Defendants' Counsel of the amount of Cardinal Health 200's share of Employer Taxes to be included in the Final Funding Amount; and
- (vi) Distributing Individual Class Settlement Payments or Individual PAGA Payments to all Settlement Class Members and PAGA Aggrieved Employees. Additionally, the Settlement Administrator will handle all tax document preparation and filing, including state and federal tax forms, if any.

(b) Also, on a weekly basis after the Notice Date, the Settlement Administrator shall provide Defendants' Counsel and Class Counsel with a summary report, including the total number of Class Notices that were returned as undeliverable, and the total number of Workweek Disputes, Requests for Exclusion, and Objections received. The Settlement Administrator shall maintain records of its work, which shall be available for inspection upon request by Defendants' Counsel or Class Counsel.

8.2. Identification of Class Members. Cardinal Health 200 will complete a review of its records to identify the Class Members. Within thirty (30) calendar days of the entry of the Preliminary Approval Order, Cardinal Health 200 shall provide the Settlement Administrator with "Class Data List," which shall consist of the following information:

- (a) The names, last known addresses, and social security numbers of each Class Member;
- (b) The total number of Class Workweeks worked by each Class Member during the Class Period;
- (c) The total number of PAGA Pay Periods worked by each PAGA Aggrieved Employee during the PAGA Period; and
- (d) Such other information that the Settlement Administrator requires to identify Class Members.

Upon its receipt of the Class Data List, and no later than seven (7) days thereafter, the Settlement Administrator shall access the National Change of Address ("NCOA") Database, and update the addresses maintained by Cardinal Health 200 before mailing the Class Notice.

8.3. Privacy of Class Information. Any production of information to Class Counsel from the Class Data List must be made in redacted form so that only the name and Individual Class Settlement Payment or Individual PAGA Payment will be provided. Other private information, including address, phone number, social security number, or other identifying information shall not be provided to Class Counsel.

1 **8.4. Modification of Class Data List.** If Defendants, Class Counsel, and the Settlement
2 Administrator determine, based upon further review of available data, that a person previously identified
3 as being a Class Member should not be so included or identify a person who should have been included
4 as a Class Member but was not so included, Defendants and the Settlement Administrator shall promptly
5 delete or add such person as appropriate and notify Class Counsel prior to such deletions or additions (and
6 the reasons therefore). The time periods and methodologies set forth herein reflect Cardinal Health 200's
7 best current belief as to its ability to make such identifications and it is understood that Cardinal Health
8 200, in undertaking the tasks set forth herein, shall use reasonable efforts to identify all Class Members
9 and to determine their last known addresses and social security numbers, as provided above, and to do so
10 within the stated time periods. Other than the obligations set forth in this Joint Stipulation of Settlement,
11 Defendants shall have no additional obligation to identify or locate any Class Member.

12 **8.5. Class Notice For Persons Identified As Class Members.** On or before the Notice
13 Date (*i.e.*, within thirty (30) calendar days of the entry of the Preliminary Approval Order), the Settlement
14 Administrator shall send the Class Notice by bulk first class mail, forwarding requested, to the Class
15 Members at the addresses identified through the process described above. The Class Notice shall state the
16 total number of Class Workweeks worked during the Class Period to whom it is being sent, and the total
17 number of PAGA Pay Periods worked during the PAGA Period (if applicable) and that Defendants shall
18 make available to the Class Member an Individual Class Settlement Payment as set forth in this Joint
19 Stipulation of Settlement, subject to the limitations set forth herein. The number of Class Workweeks
20 worked by the Class Member and the number of PAGA Pay Periods worked by PAGA Aggrieved
21 Employees shall be determined according to Cardinal Health 200's records.

22 **8.6. Notice Deemed Effective.** Unless the Settlement Administrator receives a Class
23 Notice returned from the United States Postal Service for reasons discussed below in this Paragraph, that
24 Class Notice shall be deemed mailed and received by the Class Member on the date it was sent. In the
25 event that subsequent to the first mailing of a Class Notice and prior to the Response Deadline, Class
26 Notice is returned to the Settlement Administrator by the United States Postal Service because the address
27 of the recipient is no longer valid or the envelope is marked "Return to Sender," the Settlement
28 Administrator shall undertake another attempt to ascertain the current address of the particular Class

Member as provided in Paragraph 8.2 and by conducting a skip trace and, if such an address is ascertained, the Settlement Administrator will re-send the Class Notice within three (3) business days of receipt of the returned Class Notice. In either event, the Class Notice shall be deemed received once it is mailed for the second time. In the event that subsequent to the first mailing of a Class Notice and on or after the Response Deadline, that Class Notice is returned to the Settlement Administrator by the United States Postal Service because the address of the recipient is no longer valid or the envelope is marked "Return to Sender," the Settlement Administrator shall be required to take no further action with Class Notice to that Class Member, and Class Notice shall be deemed to have been delivered to that Class Member. In the event that subsequent to the first mailing of a Class Notice and prior to the Response Deadline, or up to fifteen (15) calendar days after the Response Deadline, the Class Notice sent to that Class Member is returned to the Settlement Administrator by the United States Postal Service with a forwarding address for the recipient, the Settlement Administrator shall re-mail the notice to that address within three (3) business days of receipt of the returned Class Notice, the Class Notice will be deemed mailed and received by that Class Member at that time, and the forwarding address shall be deemed the updated address for that Class Member. In any event, if the Settlement Administrator does not receive notice from the United States Postal Service that Class Notice to a particular Class Member is undeliverable, or should be sent to a forwarding address, at least ten (10) calendar days prior to the deadline for the Settlement Administrator to provide the Declaration of Compliance pursuant to Paragraph 8.13 below, the notice procedures in this Paragraph will be deemed to have been effectuated as to that Class Member and no further action need be taken by the Settlement Administrator with regard to Class Notice to that Class Member, unless directed to by the Court.

8.7. Time to Request Exclusion, or To Object. Class Members will have until the Response Deadline (*i.e.*, thirty (30) days after the Notice Date), to submit any Objections or postmark and mail a Request for Exclusion. PAGA Aggrieved Employees shall not be permitted to submit and Objection or Request from Exclusion from the settlement of the PAGA Claim.

8.8. Extension For Response Due To Re-Mailing of Class Notice. In the event the Settlement Administrator must re-mail any Class Notice due to being returned for an invalid address, the Response Deadline shall be extended for those re-mailings to no later than ten (10) calendar days from

the date of the re-mailing of the Class Notice. The Settlement Administrator shall include a cover letter with any re-mailing informing the Class Member of the re-mailing of the Class Notice and specify the actual calendar date by which the Class Member must postmark any response, even if postmarked after the original Response Deadline. The new Response Deadline for that Class Member shall be calculated by taking the date of mailing and adding ten (10) calendar days. Compliance with the procedures described in this Paragraph shall constitute due and sufficient notice to Class Members of this Joint Stipulation of Settlement and of the Final Fairness Hearing, and shall satisfy the requirements of due process. Nothing additional shall be required of or done by the Settling Parties, Class Counsel, Defendants' Counsel, or the Settlement Administrator to provide notice of this Joint Stipulation of Settlement and the Final Fairness Hearing, unless the Court orders otherwise.

8.9. Disputes Regarding Class Workweeks. The Class Notice shall state each Class Member's number of Class Workweeks for which the Class Member is entitled to recovery, and if necessary, the number of PAGA Pay Periods for which the PAGA Aggrieved Employee is entitled to recovery. The Class Notice shall also state that, if the Class Member disagrees with the information set forth thereon regarding the number of Class Workweeks worked during the Class Period, or the number of PAGA Pay Periods worked during the PAGA Period, the Class Member must submit to the Settlement Administrator the information that he or she believes is correct, explain the basis for such belief, and submit written documentation to support his or her challenge. Failure to submit written documentation to the Settlement Administrator by the Response Deadline to support such challenge will cause Cardinal Health 200's information to be deemed controlling, without the need for a curative letter from the Settlement Administrator.

8.10. Objections to the Settlement. Any member of the Class may object to the proposed Joint Stipulation of Settlement, or any portion thereof, by mailing a written objection, and supporting papers, if any, to the Settlement Administrator at the address that is set forth in the Class Notice. To be timely, all objections should be postmarked no later than the Response Deadline (*i.e.*, thirty (30) days after the Notice Date), subject to the extensions stated above. A written objection should contain the objecting person's full name, current address, last four digits of his or her social security number, and include all objections and the reasons therefore, and include any and all supporting papers (including,

without limitation, all briefs, written evidence, and declarations). The objection should also be dated and signed by the Class Member. The Settlement Administrator shall send all objections by .pdf to Defendants' Counsel and Class Counsel. Any objecting Class Member may also appear at the Final Fairness Hearing and present his or her objection to the Court orally. Any Class Member who files an objection remains a part of the Settlement Class, eligible to receive monetary compensation from the Settlement. Neither Defendants nor the Class shall be responsible for fees, costs, or expenses related to any Class Members who submit objections to the Joint Stipulation of Settlement or any appeal by an objector arising from the Action for attorneys' fees, costs, or expenses of any kind. Notwithstanding the above, no Class Member shall be permitted to object to the settlement of the PAGA Claim.

8.11. Request For Exclusion. In order for a Class Member to validly and effectively Request for Exclusion from, and opt out of, this Joint Stipulation of Settlement, the Class Member must submit a valid, fully-executed Request for Exclusion to the Settlement Administrator, which must be postmarked no later than the Response Deadline (*i.e.*, thirty (30) calendar days after the Notice Date), subject to the extensions stated above. Late Requests for Exclusion will not be accepted. In the Request for Exclusion, the Class Member must provide his or her full name, last four digits of the Class Member's social security number, and sign and date the Request for Exclusion to validly and effectively opt out of this Settlement. Any Class Member who is validly excluded from this Joint Stipulation of Settlement as provided in this Paragraph shall not receive any payment from this Settlement, unless the Class Member is a PAGA Aggrieved Employee entitled to a portion of the Individual PAGA Payment, shall have no right to object to this Joint Stipulation of Settlement, and shall not be bound by any Release provided for in this Joint Stipulation of Settlement. Notwithstanding the above, no PAGA Aggrieved Employee shall be permitted to opt-out of the settlement of the PAGA Claim, and, as a result, any qualifying PAGA Aggrieved Employee shall receive an Individual PAGA Payment and shall be bound by the release of the PAGA Claim despite the submission of a Request for Exclusion.

8.12. Discharge of Obligations. Defendants shall fully discharge their obligations under this Joint Stipulation of Settlement once the Final Funding Amount is provided to the Settlement Administrator. The Settlement Administrator shall fully discharge its obligations to those Class Members to whom it will provide payment of an Individual Class Settlement Payment and/or Individual PAGA

Payment through the mailing of a check as set forth in Paragraphs 4.5 and 5.3, above, regardless of whether such checks are actually received or negotiated by Class Members. Any check that is not negotiated within one hundred eighty (180) days of mailing to a Class Member, or that is undeliverable, shall not be re-issued and those funds shall be distributed to RefugeeNet pursuant to California Code of Civil Procedure section 384 as the *cy pres* beneficiary designated by the Parties. Any checks that were delivered to a Class Member but remain uncashed at the time the checks expire as set forth above will similarly be distributed to RefugeeNet pursuant to California Code of Civil Procedure section 384 as the *cy pres* beneficiary designated by the Parties. The Final Funding Amount represents Defendants' complete and total financial obligation with respect to the Joint Stipulation of Settlement and shall be funded to the Settlement Administrator via wire transfer or electronic funds transfer on or before the Final Funding Date. Upon provision of the Final Funding Amount by Defendants to the Settlement Administrator, all of Defendants' obligations under this Joint Stipulation of Settlement shall be deemed complete.

8.13. Settlement Administrator Declaration of Compliance. No later than fifteen (15) calendar days after the Response Deadline, the Settlement Administrator shall provide Class Counsel and Defendants' Counsel with a declaration attesting to completion of the notice process, including any attempts to obtain updated addresses for, and the re-sending of, any returned Class Notices, including the steps set forth in Paragraphs 8.2 through 8.11 above ("Declaration of Compliance"), which shall be filed with the Court by Class Counsel.

9. APPLICATION FOR PRELIMINARY APPROVAL ORDER. Class Representatives will file a Motion for Preliminary Approval of the proposed Joint Stipulation of Settlement. In connection with the Motion, the Parties shall apply for a Preliminary Approval Order that contains the following provisions:

- (a) Conditionally certifying the Class, pursuant to Paragraph 2.12;
- (b) Appointing Class Counsel;
- (c) Appointing Plaintiffs Barrios, Garcia, and Allahar as Class Representatives;
- (d) Preliminarily approving the Joint Stipulation of Settlement under the legal standards relating to the preliminary approval of class action settlements;

- (e) Approving the form of the Class Notice and finding that the proposed method of disseminating the Class Notice meets the requirements of California Code of Civil Procedure section 382 and due process, and is the best notice practicable under the circumstances;
- (f) Preliminarily approving the settlement of the PAGA Claim and the PAGA Payment;
- (g) Approving CPT Group as the Settlement Administrator;
- (h) Establishing the procedures and the deadline by which Class Members may assert Objections to or submit Requests for Exclusion from the Joint Stipulation of Settlement;
- (i) Directing the mailing of the Class Notice by first class mail to the Class;
- (j) Setting a date for the Final Fairness Hearing; and
- (k) Setting a date that is approximately seven (7) days before the date of the Final Fairness Hearing by which the Parties must file their respective responses to any Objections to the Joint Stipulation of Settlement that were filed by Class Members on or before the Response Deadline.

10. FINAL FAIRNESS HEARING. Class Representatives shall file a Motion for Final Approval of this Settlement in advance of the Final Fairness Hearing, as ordered by the Court in its Preliminary Approval Order. At the Final Fairness Hearing, the Parties shall use their best efforts to urge the Court to grant final approval of the Joint Stipulation of Settlement in its entirety (including any modification made thereto with the consent of the Settling Parties as provided herein), and to enter a Final Approval Order and Judgment as set forth in Paragraphs 11.1 and 11.2.

11. FINAL APPROVAL ORDER AND JUDGMENT. If the Joint Stipulation of Settlement (including any modification made thereto with the consent of the Settling Parties as provided herein) is finally approved by the Court following the Final Fairness Hearing, the Settling Parties hereto shall jointly request that the Court enter a Final Approval Order and Judgment as follows:

11.1. Final Approval Order. The Final Approval Order shall include the following provisions:

- 1 **(a)** Finding that the dissemination of the Class Notice in the form and manner
2 ordered by the Court was accomplished as directed, met the requirements
3 of due process, was the best notice practicable under the circumstances, and
4 constituted due and sufficient notice to all persons entitled thereto;
- 5 **(b)** Finding that the Class Representatives and Class Counsel herein have fairly
6 and adequately represented and protected the interests of the Class at all
7 times in the Action;
- 8 **(c)** Finally approving the Joint Stipulation of Settlement as fair, reasonable, and
9 adequate, and directing consummation of the Joint Stipulation of Settlement
10 in accordance with its terms and provisions;
- 11 **(d)** Finally approving the settlement of the PAGA Claim; and
- 12 **(e)** Entering judgment pursuant to California Rule of Court 3.769 as set forth
13 in Paragraph 11.2.

14 **11.2. Judgment.** The Judgment shall include the following provisions:

- 15 **(a)** Definition of the Class;
- 16 **(b)** Direction to the Settling Parties to implement the terms of the Joint
17 Stipulation of Settlement, including, without limitation, the provisions
18 regarding the payment of the Individual Class Settlement Payments to each
19 member of the Settlement Class, Individual PAGA Payments to PAGA
20 Aggrieved Employees, and the portion of the PAGA Payment to the
21 LWDA, as set forth in this Joint Stipulation of Settlement;
- 22 **(c)** Entering judgment and permanently barring and enjoining all qualifying
23 Class Members from prosecuting any future PAGA Claim released by this
24 Joint Stipulation of Settlement and permanently barring and enjoining all
25 Settlement Class Members from prosecuting against any of the Released
26 Parties, any individual, class, or collective claims based on any of the
27 Released Claims released herein;
- 28

- (d) Awarding reasonable attorneys' fees, costs, and expenses to Class Counsel and the Settlement Administrator as provided in Paragraphs 5.1 and 5.6, and subject to the limitations set forth in Paragraphs 5.3 and 5.7, or reserving jurisdiction with respect thereto;
- (e) Awarding enhancements to the Class Representatives as provided in Paragraph 5.2, and subject to the limitations set forth therein, or reserving jurisdiction with respect thereto; and
- (f) Reserving continuing and exclusive jurisdiction over all matters related to the administration and consummation of the terms of this Joint Stipulation of Settlement, over the enforcement, construction and interpretation of this Joint Stipulation of Settlement, over the enforcement, construction, and interpretation of the Judgment, including, but not limited to, the provisions therein enjoining any further litigation of Released Claims, and over Plaintiffs and all Class Members (and their attorneys and law firms) in connection therewith.

12. DEFENDANTS' COMMENT ON SETTLEMENT APPROVAL MOTION PAPERS. Class Representatives will provide Defendants with the opportunity to review and comment upon the drafts of all pleadings to be filed in connection with their Motion for Preliminary Approval and Motion for Final Approval (*e.g.*, notice of motion, memorandum of points and authorities, and declarations) within five (5) days of filing of these respective motions with the Court.

13. FINALITY; EFFECT OF THE JOINT STIPULATION OF SETTLEMENT NOT BEING FINAL.

13.1. Finality. The approval of the Joint Stipulation of Settlement shall be considered final on the Effective Date. Except as expressly stated herein, none of the obligations of Defendants pursuant to the Joint Stipulation of Settlement shall become effective until the Joint Stipulation of Settlement becomes final, but Defendants may waive this condition in writing.

13.2. Settlement Not Final. In the event that the Joint Stipulation of Settlement does not become final, or does not become effective for any reason other than the failure of any Party to perform

such Party's obligations hereunder (except as to the Joint Stipulation of Settlement not becoming final because of any appeal, which circumstance can be waived by Defendants), then the Joint Stipulation of Settlement shall become null and void and of no further force and effect, and all negotiations, proceedings, and statements relating thereto shall be without prejudice as to the rights of any and all Parties hereto and their respective predecessors and successors, and all Parties and their respective predecessors and successors shall be deemed to have reverted to their respective positions in the Action as of the date and time immediately prior to the execution of this Joint Stipulation of Settlement, and except as otherwise expressly provided, the effect shall be the same as if the Joint Stipulation of Settlement was terminated pursuant to Paragraphs 14.2 and 14.3.

14. TERMINATION OF SETTLEMENT

14.1. Right of Rescission. In the event that Class Members representing more than an aggregate total of five percent (5%) of the total number of Class Members or who are assigned more than an aggregate total of five percent (5%) of the total number of Class Workweeks, whichever is greater, elect to exclude themselves from this Joint Stipulation of Settlement, Defendants will have the unilateral right to void this Joint Stipulation of Settlement within fourteen (14) calendar days of the Response Deadline.

14.2. Terminating Events. This Joint Stipulation of Settlement shall be void, the class certification order shall be nullified, and the Preliminary Approval Order and the Final Approval Order and Judgment shall be vacated upon application to the Court in the event that: (a) Defendants' Counsel exercises its rights under Paragraph 14.1 (subject to the terms and conditions set forth therein); (b) the Court declines to enter Preliminary Approval of this Joint Stipulation of Settlement or declines to enter the Final Approval Order or Judgment or any part thereof as provided for herein, or the Parties hereto fail to consent to the entry of alternative forms of Judgment, in lieu thereof, or after such consent the Court declines to enter such alternate form of Judgment; or (c) the Court approves this Joint Stipulation of Settlement, including any amendments hereto, but any such Judgment and Final Approval Order is finally reversed on appeal.

14.3. Effect of Termination. Upon any such occurrence set forth above in Paragraph 14.2: (a) this Joint Stipulation of Settlement (with the exception of Paragraphs 13.2 and 15) shall be

terminated and become void and of no effect, except for the obligation of the Settling Parties to pay, on an equal basis (except that Defendants will be responsible for the Settlement Administrator's fees if Defendants exercise their right to rescind the Settlement pursuant to Paragraph 14.1), for any and all expenses incurred in connection with the notice and administration of the Joint Stipulation of Settlement on or before the date on which the Joint Stipulation of Settlement is terminated; (b) any actions taken or to be taken in connection with this Joint Stipulation of Settlement and the Joint Stipulation of Settlement shall become null and void and of no effect; (c) this Joint Stipulation of Settlement and any hearings or proceedings thereunder shall not be referred to or used as evidence for or against any Party or Class Member in this or any other action or proceeding; and (d) all pretrial proceedings, including discovery, shall resume thirty (30) calendar days thereafter as if this Joint Stipulation of Settlement had not been submitted for approval of the Court.

15. NO ADMISSIONS. The Settling Parties understand and agree that this Joint Stipulation of Settlement is the result of a good faith compromise settlement of disputed claims, and Defendants are entering into this Joint Stipulation of Settlement solely to resolve doubtful and disputed matters. No part of this Joint Stipulation of Settlement or any conduct or written or oral statements made in connection with this Joint Stipulation of Settlement, whether or not the Joint Stipulation of Settlement is finally approved or consummated, may be offered as or construed to be an admission or concession of any kind by Defendants or any of the other Released Parties, or anyone else. In particular, but without limiting the generality of the foregoing, nothing about this Joint Stipulation of Settlement shall be offered or construed as an admission that Defendants have failed to pay any Class Member in accordance with its obligations set forth in the California Labor Code or the Fair Labor Standards Act, or of liability in general, or any wrongdoing, impropriety, responsibility, or fault whatsoever on the part of Defendants or any other of the Released Parties, as alleged in the Second Amended Complaint, which shall be the operative complaint in this Action. Similarly, nothing about this Joint Stipulation of Settlement shall be construed as or deemed to be evidence of, or an admission or concession that, the Class Representatives or any Class Member has suffered any damage. In addition, this Joint Stipulation of Settlement shall not be offered or be admissible in evidence against Defendants or any Released Party, except in any action or proceeding brought by or against Plaintiffs, the Class, Class Members, or Defendants to enforce its terms, or by Defendants in

1 defense of any claims brought by Plaintiffs, the Class Members, or any member of the general public,
2 including any and all individuals who opted out of the Class. The provisions of this Paragraph shall
3 become effective when this Joint Stipulation of Settlement is signed and shall be binding on the Settling
4 Parties and their counsel regardless of whether the Joint Stipulation of Settlement is preliminarily and/or
5 finally approved or terminated for any reason or rendered null and void.

6 **16. EXTENSIONS OF TIME.** Without further order of the Court, the Parties hereto may
7 agree in writing to reasonable extensions of time to carry out any of the provisions of this Joint Stipulation
8 of Settlement.

9 **17. CONSTRUCTION.** This Joint Stipulation of Settlement was entered into after substantial
10 good faith, arms-length negotiations between the Parties' counsel. This Joint Stipulation of Settlement is
11 entered into freely and voluntarily only after each Party had carefully read and reviewed it with counsel,
12 and it reflects the conclusion of each Party that this Joint Stipulation of Settlement and the Judgment and
13 the Releases, waivers, and covenants contemplated hereby are in the best interest of said Party. This Joint
14 Stipulation of Settlement has been entered into without any coercion and under no duress. The Settling
15 Parties acknowledge and agree that all Settling Parties had an equal hand in drafting this Joint Stipulation
16 of Settlement so that it shall not be deemed to have been prepared or drafted by one Party or another. All
17 Settling Parties waive the provisions of California Civil Code section 1654, which provides, in pertinent
18 part, that "the language of a contract should be interpreted most strongly against the Party who causes the
19 uncertainty to exist." Except as expressly provided herein, this Joint Stipulation of Settlement is not
20 intended to confer any rights or remedies upon any person other than the Settling Parties.

21 **18. LIMITED CONFIDENTIALITY.** This Joint Stipulation of Settlement shall remain
22 confidential to the extent permitted by law. The Parties agree not to publicize the Settlement except as
23 required by the operation of law.

24 **19. NO PUBLIC COMMENT.** Class Representatives and Class Counsel agree they will not
25 issue any press releases, publish any information relating to the Settlement on their website, or have any
26 communications with the media, other than to direct the media to the public records of the Action on file
27 with the Court or to respond with statements that have been previously agreed upon in writing by the
28 Parties. Class Counsel will take reasonable steps to ensure the Class Representatives are aware of, and

will adhere to, the restriction against any media comment on the Joint Stipulation of Settlement and its terms. Further, Class Counsel will not include, reference or use the Joint Stipulation of Settlement for any marketing or promotional purposes, or for attempting to influence business relationships of Defendants, either before or after the Motion for Preliminary Approval is filed. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the names of the Parties in this Action, the venue/case number of this Action, the settlement amounts, and a general description of the Action, to a court in a declaration by Class Counsel.

20. ENTIRE AGREEMENT. This Joint Stipulation of Settlement (including all Exhibits annexed hereto) sets forth the entire agreement of the Settling Parties with respect to its subject matter and supersedes any and all other prior agreements and all negotiations leading up to the execution of this Joint Stipulation of Settlement, whether oral or written, regarding the subjects covered herein. The Settling Parties acknowledge that no representations, inducements, warranties, promises, or statements relating to the subjects covered herein, oral or otherwise, have been made by any of the Settling Parties or by anyone acting on behalf of the Settling Parties that are not embodied or incorporated by reference herein, and further agree that no other agreement, covenant, representation, inducement, promise, or statement relating to the subjects covered herein not set forth in writing in this Joint Stipulation of Settlement, shall be valid or binding.

21. MODIFICATION OR AMENDMENT. This Joint Stipulation of Settlement may not be modified or amended except in a writing signed by all signatories hereto or their successors in interest.

22. DEADLINES FALLING ON WEEKENDS OR HOLIDAYS. To the extent that any deadline set forth in this Joint Stipulation of Settlement falls on a Saturday, Sunday, or legal holiday in the State of California, that deadline shall be continued until the following business day.

23. SUCCESSORS. This Joint Stipulation of Settlement shall be binding upon and inure to the benefit of the Settling Parties hereto (including Class Members) and their respective heirs, executors, administrators, successors, and assigns, and upon any corporation, partnership, or other entity into or with which any Settling Party hereto may merge, combine, or consolidate.

24. SEVERABILITY. In the event that any one or more of the provisions contained in this Joint Stipulation of Settlement shall for any reason be held invalid, illegal, or unenforceable in any respect,

1 such invalidity, illegality, or unenforceability shall in no way affect any other provision if Defendants'
2 Counsel and Class Counsel, on behalf of the Settling Parties and the Class, mutually elect in writing to
3 proceed as if such invalid, illegal, or unenforceable provision had never been included in this Joint
4 Stipulation of Settlement.

5 **25. COUNTERPARTS.** This Joint Stipulation of Settlement may be executed in counterparts,
6 each of which shall be deemed an original, and all of which together shall constitute one and the same
7 instrument. Facsimile transmission of the signatures of the Parties or their representatives shall be binding
8 on the Parties.

9 **26. WAIVERS.** The waiver by any Party of any breach of this Joint Stipulation of Settlement
10 shall not be deemed or construed as a waiver of any other breach, whether prior, subsequent, or
11 contemporaneous, of this Joint Stipulation of Settlement.

12 **27. GOVERNING LAW.** This Joint Stipulation of Settlement shall be governed by and
13 construed, enforced, and administered in accordance with the laws of the State of California, without
14 regard for the law of the State regarding conflicts of laws or choice of law. Any orders or judgments
15 entered by the Court in conjunction with the proceedings relating to or arising out of this Joint Stipulation
16 of Settlement shall be construed and enforced under, and all issues relating to the preclusive effect of such
17 orders or judgments shall be determined by, the California Code of Civil Procedure and the common law
18 of the State of California, relating to the construction, enforcement, and preclusive effect of orders and
19 judgments entered by this Court.

20 **28. CONTINUING JURISDICTION.** Except as otherwise specifically provided for herein,
21 pursuant to California Code of Civil Procedure section 664.6, the Court will have continuing jurisdiction
22 over the Action for the purpose of implementing the Joint Stipulation of Settlement, the Final Approval
23 of the Settlement, entry of Judgment, and post-judgment issues, until all related matters are fully resolved.
24 Except as provided in Paragraph 8.9, any dispute regarding the Parties' obligations pursuant to this Joint
25 Stipulation of Settlement or interpretation of the terms of this Joint Stipulation of Settlement will be
26 presented by written motion to, and be resolved by, the Court.

27 **29. REGULATION.** In the event that any provision in this Joint Stipulation of Settlement
28 shall be affected by any rule, regulation, ordinance, order, directive, or statute by any unit of government,

whether state, federal, or local, such rule, regulation, ordinance, order, directive, or statute shall supersede and take precedence over any such provision of this Joint Stipulation of Settlement to the contrary, and in no event shall Defendants be in violation of this Joint Stipulation of Settlement nor shall this Joint Stipulation of Settlement be in any way affected should Defendants take any action or change any of its business practices to comply with such state, federal, or local rules, regulations, ordinances, or statutes currently in force or enacted in the future.

30. HEADINGS. The headings contained in this Joint Stipulation of Settlement are for convenience and reference purposes only and shall not be given weight in its construction.

31. NOTICES. Any notices, requests, demands, or other communications required or permitted to be given pursuant to this Joint Stipulation of Settlement, other than Class Notice, shall be in writing and, except as provided elsewhere in this Joint Stipulation of Settlement or in any communication to the Class, shall be delivered personally, via overnight delivery or via postage pre-paid first class mail, as follows: (1) to Class Representatives, the Class, and Class Counsel to the attention of Noam Glick of Glick Law Group, P.C., 225 Broadway, Suite 1900, San Diego, California 92101, and Alex M. Tomasevic and Jake Schulte of Nicholas & Tomasevic, LLP, 225 Broadway, Suite 1900, San Diego, California 92101; and (2) to Defendants and Defendants' Counsel to the attention of Adam Y. Siegel and Mia Farber of Jackson Lewis P.C., 725 South Figueroa St., Suite 2500, Los Angeles, California 90017, and John P. Nordlund and Abbey M. Jahnke of Jackson Lewis P.C., 225 Broadway, Suite 2000, San Diego, California 92101. By written notice given in accordance herewith, each Party may modify or change the addressee or address of any person identified above or pursuant hereto as the person or persons to whom all future notices shall be sent.

32. SIGNATURES OF PARTIES AND COUNSEL FOR THE SETTLING PARTIES. Parties and counsel for the Settling Parties indicate by signing below their approval of the form of this Joint Stipulation of Settlement (and exhibits thereto), and, in the case of Class Counsel and the Class, their representation and warranty of authority to bind the Class as certified and the Class described herein (subject to the final approval of the Court) and their acceptance of the provisions regarding attorneys' fees.

33. DISPUTES. All disputes arising out of or related to this Joint Stipulation of Settlement (except disputes as to Claims of Class Members, which are governed by the provisions of Paragraph 8.9) shall be resolved by the Court, as set forth in Paragraph 28 above.

SO STIPULATED.

DATED: 10/28/22

Christina Pate

CARDINAL HEALTH, INC.

By: Christina Pate

Its: Assistant General Counsel,
Labor and Employment

DATED: 10/28/22

Christina Pate

CARDINAL HEALTH 200, LLC

By: Christina Pate

Its: Assistant General Counsel,
Labor and Employment

DATED: 10/27/2022 | 12:31 PM PDT

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FIDEL BARRIOS

DATED: 10/26/2022 | 3:31 PM EDT

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Judy Garcia

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JUDY MARIE GARCIA

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APPROVED AS TO FORM:

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GLICK LAW GROUP, P.C.

By:

DocuSigned by:

NOAM GLICK

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Noam Glick

Attorney for Plaintiffs

FIDEL BARRIOS, JUDY MARIE GARCIA, and ELYSE ALLAHAR, and the Class

DATED: 10/27/2022 | 1:22 PM PDT

NICHOLAS & TOMASEVIC, LLP

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Alex M. Tomasevic
Jake Schulte
Attorneys for Plaintiffs
FIDEL BARRIOS, JUDY MARIE GARCIA, and ELYSE
ALLAHAR, and the Class

DATED:

October 28, 2022

JACKSON LEWIS P.C.

By:


Adam Y. Siegel
Mia Farber
John P. Nordlund
Abbey M. Jahnke
Attorneys for Defendants
CARDINAL HEALTH, INC. and
CARDINAL HEALTH 200, LLC

4854-5344-9268, v. 94854-5344-9268, v. 8

EXHIBIT A

JUDY MARIE GARCIA et al v. CARDINAL HEALTH, INC. et al
San Diego County Superior Court, Case No. 37-2019-00068269-CU-OE-CTL

NOTICE OF CLASS ACTION SETTLEMENT

You are not being sued. This notice affects your rights. Please read it carefully

To: All current and former non-exempt warehouse employees employed by Cardinal Health, Inc. or Cardinal Health 200, LLC (collectively, “Defendants”) at their Dixon, California or Ontario, California warehouses at any time from December 23, 2015 through [the Preliminary Approval Order Date].

On [date of the order granting Preliminary Approval], the Honorable Timothy B. Taylor of the San Diego County Superior Court granted preliminary approval of this class action settlement and ordered the parties to notify all Class Members of the settlement. You have received this notice because Defendants’ records indicate that you are a Class Member, and therefore entitled to a payment from the settlement.

Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund. The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at :00 .m. on _____, 2023 in Department C-72 of the San Diego County Superior Court located at 330 W. Broadway, San Diego, CA 92101. You are not required to attend the Final Fairness Hearing, but you are welcome to do so at your own expense. The location, date, and time of the Final Fairness Hearing may be moved without further notice to you. You may contact the Settlement Administrator, Class Counsel, or Defendants’ Counsel using the contact information at the bottom of this notice to confirm the address and time of the hearing.

Summary of the Litigation

Plaintiffs Judy Marie Garcia, Fidel Barrios, and Elyse Allahar (“Plaintiffs”) make the following claims against Defendants: (1) Failure to Compensate for all Wages Owed; (2) Waiting-time Penalties; (3) Meal Period Violations, (4) Rest Period Violations, (5) Failure to Provide Accurate Wage Statements, and (6) Violations of Business and Professions Code §§ 17200, *et seq.*; and (7) civil penalties pursuant to California Labor Code section 2698 *et seq.* (“PAGA Claim”). Defendants have denied and continue to deny the factual and legal allegations in the case and believe that they have consistently complied with all applicable laws. Following the exchange of relevant documents and information, and mediation with an experienced and well-respected class action neutral, the parties were able to negotiate the current settlement.

Counsel for Plaintiffs, Noam Glick of GLICK LAW GROUP, P.C., and Alex Tomasevic and Jake Schulte of NICHOLAS & TOMASEVIC, LLP, who have been appointed by the Court to represent the class (“Class Counsel”), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believes the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

By agreeing to settle, Defendants are not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Defendants have agreed to settle the case as part of a compromise with Plaintiffs solely because of the risk and expense of continued litigation.

By granting preliminary approval of the settlement, the Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable, though any final determination of those issues will be made at the Final Fairness Hearing.

Summary of The Proposed Settlement Terms

Plaintiffs and Defendants have agreed to settle the underlying class claims in exchange for a Gross Settlement Amount of \$3,600,000.00. Subject to final Court approval, this amount is inclusive of: (i) individual settlement payments to all Settlement Class Members; (ii) Class Counsel's court-approved attorneys' fees not to exceed thirty-three percent (33%) of the Gross Settlement Amount (\$1,188,000.00) and costs not to exceed \$50,000.00; (iii) a court-approved Class Representative Enhancements not to exceed \$7,500.00 to each Plaintiff (\$22,500.00 total) for their services on behalf of the Class; (iv) the Settlement Administrator's court-approved fees and expenses currently estimated at \$30,000.00; and (v) a payment of \$100,000.00 in settlement of the PAGA Claim (the "PAGA Payment"). After deducting Class Counsel's attorneys' fees and costs, the Class Representative Enhancements, the Settlement Administrator's fees and expenses, and the PAGA Payment, a total of approximately \$2,209,500.00 (the "Net Settlement Amount") will be allocated to Settlement Class Members who do not opt out of the settlement, assuming the numbers above are approved and not modified.

Each Class Member's individual settlement payment will be based on the number of Workweeks he/she was employed by Defendants as a non-exempt employee in Defendants' Ontario, California or Dixon, California warehouses at any time from December 23, 2015 through [the Preliminary Approval Order Date] (the "Class Period"). Specifically, to determine each Class Member's estimated Individual Class Settlement Payment, the Settlement Administrator will: (i) Calculate the "Workweek Value" by dividing the Net Settlement Amount by the total number of Class Workweeks for the entire Settlement Class during the Class Period; and (ii) Multiply the Workweek Value by the number of Class Workweeks worked by each Class Member (all Class Members will be entitled to payment for at least one Class Workweek). Should any of the following occur, the Settlement Administrator will proportionately increase the estimated Individual Class Settlement Payment of each Settlement Class Member to ensure that the entire Net Settlement Amount is distributed to Settlement Class Members: (i) any Class Member submits a timely and valid, or otherwise accepted, Request for Exclusion; (ii) the Court approves a Class Representative Enhancement in an amount less than that requested by Plaintiffs; (ii) the Court approves a Class Counsel attorneys' fees and costs in an amount less than that requested by Plaintiffs; and/or (iii) the Court approves Settlement Administration Costs in an amount less than that requested by Plaintiffs.

According to Defendants' records, you worked during the Class Period as a non-exempt employee Defendants' Ontario or Dixon warehouses for a total of [redacted] Class Workweeks. Accordingly, your estimated Individual Class Settlement Payment is \$ [redacted].

To the extent you dispute the number of Class Workweeks listed above, you must make your dispute ("Workweek Dispute") in writing and send it via mail to the Settlement Administrator no later than [Response Deadline] (the "Response Deadline") using the below address:

CPT Group
[redacted]
[redacted]

The date of the postmark on the mailing envelope will be the exclusive means to determine whether a Workweek Dispute has been timely submitted.

Your Workweek Dispute must be in writing and contain: (a) your full name, signature, address, and the last four digits of your Social Security number; (b) the number of Class Workweeks you contend is correct; and (c) any evidence supporting your contention. Defendants' records will be presumed to be correct unless you prove otherwise by credible evidence or the Court, in its discretion, determines otherwise. All Workweek Disputes will be submitted to the Settlement Administrator with input from the parties for resolution, however the Court

Questions? Contact the Settlement Administrator at 1-[redacted]

will have the final decision on all Workweek Disputes that cannot be resolved by the parties and the Court's decision will be non-appealable.

The Settlement will become final on the "Effective Date." The Effective Date of the Settlement will be 65 calendar days after the Court has held the formal Final Fairness Hearing and entered a Final Approval Order and Judgment approving the settlement if there are no written objections to the proposed settlement, or if written objections are filed with the Court and later withdrawn or denied. If written objections are filed, which are not later withdrawn or denied, the Effective Date of the Settlement is five (5) business days after the period for filing any appeal opposing the Court's Final Approval Order, or five (5) business days after any appeal has been finally and conclusively dismissed.

Once the settlement becomes effective (as defined above), Defendants will have fifteen (15) calendar days to deposit the settlement funds into a bank account. Within fifteen (15) calendar days after Defendants deposit the funds, the Settlement Administrator will send out settlement payments to Settlement Class Members. Settlement checks will be valid for 180 days. Any checks that have not been cashed after 180 days will be voided and the funds will be distributed to RefugeeNet pursuant to California Code of Civil Procedure section 384 as the *cy pres* beneficiary designated by the Parties.

IRS Forms W-2 and 1099 will be distributed to Settlement Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Specifically, for purposes of the settlement, 33% of each Individual Class Settlement Payment will be allocated as wages for which IRS Forms W-2 will be issued, 33.5% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued; and 33.5% will be allocated as interest for which IRS Forms 1099-MISC will be issued.

Your Options Under the Settlement

Option 1 – *Automatically Receive a Payment from the Settlement*

If you want to receive your payment from the settlement, then no further action is required on your part. You will then automatically receive your settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court. In addition, upon Defendants' funding of the Settlement, you will be deemed to have released or waived the following "Class Released Claims" against the "Released Parties" (*i.e.* Defendants and all of their present and former parent companies, subsidiaries, affiliates, shareholders, officers, directors, employees, agents, servants, registered representatives, attorneys, insurers, successors, and assigns that could be liable to any member of the Class for any Released Claims):

Any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, liquidated damages, penalties, action, or causes of action of any nature under state, federal, or local law, whether statutory, common law or administrative law, as alleged in the Second Amended Complaint or which could have been raised against Released Parties based upon the allegations in the Second Amended Complaint in the Action, regardless of legal theory asserted, including: (1) Failure to Compensate for all Wages Owed under Labor Code sections 1194, 1197, and 1197.1; (2) Waiting-time Penalties under Labor Code sections 201-203; (3) Meal Period Violations under Labor Code sections 226.7, 512, and 516, and applicable IWC Wage Orders; (4) Rest Period Violations under Labor Code sections 226.7 and 516, and applicable IWC Wage Orders; (5) Failure to Provide Accurate Wage Statements under Labor Code sections 226, 226.1, 1174, and 1174.5; (6) Violations of Business and Professions Code §§ 17200, *et seq.*; and (7) any other claims that were or could have been brought by Plaintiffs in the Action based on the facts alleged in the Second Amended Complaint, including, but not limited to, liquidated damages, civil and statutory penalties, interest and other amounts recoverable under said claims, causes of action, or legal theories of relief identified above,

Questions? Contact the Settlement Administrator at 1-

including claims pursuant to Labor Code sections 201-204, 210, 225.5, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 2698 *et seq.* or related penalties of any nature (including waiting time penalties under Labor Code section 203) and the applicable Wage Orders that were or could have been alleged in the Second Amended Complaint in the Action, interest, fees, costs, and all other claims and allegations made in the Action during the Class Period.

Additionally, all Class Members who were employed by Defendants as a non-exempt employee in Defendants Ontario or Dixon warehouses during the time period of May 23, 2021 through [the Preliminary Approval Order Date] (the “PAGA Period”) will be deemed to have released the Released Parties from all PAGA claims under the following PAGA Release following upon Defendants’ funding of the settlement:

Any civil penalty claims under the Private Attorneys’ General Act, Labor Code section 2698 *et seq.* predicated on the allegations in the PAGA Notice and Second Amended Complaint, including: (1) Failure to Compensate for all Wages Owed under Labor Code sections 1194, 1197, and 1197.1; (2) Waiting-time Penalties under Labor Code sections 201-203; (3) Meal Period Violations under Labor Code sections 226.7, 512, and 516, and applicable IWC Wage Orders; (4) Rest Period Violations under Labor Code sections 226.7 and 516, and applicable IWC Wage Orders; (5) Failure to Provide Accurate Wage Statements under Labor Code sections 226, 226.1, 1174, and 1174.5; and (6) any other claims for civil penalties under PAGA that were or could have been brought by Plaintiffs in the Action based on the facts alleged in the PAGA Notice and Second Amended Complaint, including, but not limited to, alleged violations of Labor Code sections 201-204, 210, 225.5, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 2698 *et seq.*

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the settlement, you may exclude yourself by submitting a written request to the Settlement Administrator clearly indicating that you do not wish to be included in the settlement. The written “Request for Exclusion” must also: (i) contain your full name and last four digits of your Social Security Number; (ii) be signed and dated by you; and (iii) be returned by mail to the Settlement Administrator at the below address and/or facsimile number no later than [Response Deadline].

CPT Group
[Redacted]
[Redacted]

The date of the postmark on the mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted.

If you submit a valid and timely Request for Exclusion, you will not get a settlement payment and you will not be bound by the settlement. However, to the extent you are eligible to receive a portion of the PAGA Payment, you will still receive that amount whether or not you submit a Request for Exclusion. This is because, if the Court approves the PAGA Payment, there is no statutory right to opt out, object, or otherwise exclude yourself from the PAGA Payment and the associated release of claims and rights under PAGA. A Class Member who does not submit a timely and valid Request for Exclusion from the settlement will be deemed a Settlement Class Member and will be bound by all terms of the settlement if the settlement is granted final approval by the Court.

Option 3 – Object to the Settlement

Questions? Contact the Settlement Administrator at 1-[Redacted]

A Settlement Class Member may object to the settlement if he/she believes it is unfair or unreasonable by submitting a written objection to the Settlement Administrator. If you choose to object to the settlement, your written "Objection" must provide: (i) your full name, signature, address, and the last four digits of your Social Security Number; and (ii) a written statement of all grounds for the objection. Your Objection should also include a statement indicating whether you intend to appear at the Final Fairness Hearing, along with copies of any papers, briefs, or other documents upon which your objection is based. The Objection must be returned by mail to the Settlement Administrator at the below address no later than **[Response Deadline]**:

CPT Group
[Redacted]
[Redacted]
[Redacted]

The date of the postmark on the mailing envelope will be the exclusive means to determine whether a Notice of Objections has been timely submitted. Late objections will not be considered.

You may also, if you wish and at your own expense, appear at the Final Fairness Hearing set for **[Redacted] :00 .m. on [Redacted], 2023** in Department C-72 of the San Diego County Superior Court located at San Diego County Superior Court located at 330 W. Broadway, San Diego, CA 92101, and discuss your Objection with the Court and the Parties. You may also retain an attorney at your own expense to represent you at the hearing.

By submitting an Objection, you are not excluding yourself from the Settlement. To exclude yourself from the Settlement, you must follow the directions described above. Please note that you cannot both object to the Settlement and exclude yourself. You must choose one option only.

Summary of Settlement Options

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released or waived all of the Released Class Claims against the Released Parties.

If you choose **Option 2**, you will no longer be a Settlement Class Member, and you will (i) be barred from participating in the settlement but will not be deemed to have released the Released Class Claims; (ii) be barred from filing an Objection to the Settlement; and (iii) not receive a payment from the Settlement (unless you are entitled to receive a portion of the PAGA Payment).

If you choose **Option 3**, you will still be a Settlement Class Member. If the Court overrules your Objection and approves the Settlement, you will be entitled to receive your estimated Individual Class Settlement Payment and deemed to have released or waived all of the Released Class Claims against the Released Parties.

Additional Information

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case, which may be inspected at the Office of the Clerk for the Superior Court of California for the County of San Diego located at 330 W. Broadway, San Diego, CA 92101. You may also visit the website the Administrator has created for this case and settlement, which has basic information, deadline information, and copies of some important filings, at [www.\[Redacted\].com](http://www.[Redacted].com). All inquiries by Class Members regarding this Class Notice and/or the Settlement should be directed to the Settlement Administrator or counsel for the parties at the addresses set forth below:

Questions? Contact the Settlement Administrator at 1-[Redacted]

Class Counsel

NICHOLAS & TOMASEVIC, LLP

Alex M. Tomasevic (SBN 245598)

Jake Schulte (SBN 293777)

225 Broadway, Suite 1900

San Diego, California 92101

Tel: (619) 325-0492

Fax: (619) 325-0496

Email: atomasevic@nicholaslaw.org

Email: jschulte@nicholaslaw.org

GLICK LAW GROUP, P.C.

Noam Glick (SBN 251582)

225 Broadway, Suite 1900

San Diego, CA 92101

Tel: (619) 382-3400

Fax: (619) 615-2193

Email: noam@glicklawgroup.com

Defendants' Counsel

Adam Y. Siegel (SBN 238568)

Mia Farber (SBN 131467)

JACKSON LEWIS P.C.

725 South Figueroa Street, Suite 2500

Los Angeles, California 90017

Telephone: (213) 689-0404

Adam.Siegel@jacksonlewis.com

Mia.Farber@jacksonlewis.com

John P. Nordlund (SBN 286153)

Abbey M. Jahnke (SBN 302454)

JACKSON LEWIS P.C.

225 Broadway, Suite 2000

San Diego, California 92101

Telephone: (619) 573-4900

Facsimile: (619) 573-4901

John.Nordlund@jacksonlewis.com

Abbey.Jahnke@jacksonlewis.com

PLEASE DO NOT CONTACT THE CLERK OF THE COURT OR THE JUDGE WITH INQUIRIES.

4860-8454-2268, v. 1