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5 Attorneys for Plaintiff,  
ARMANDO MARTINEZ, on behalf of himself and  
6 all others similarly situated

7  
8 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
9 FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE  
10

11 ARMANDO MARTINEZ, on behalf of  
himself and all other similarly situated,  
12  
Plaintiffs,  
13  
v.  
14  
NORTON PACKAGING, INC., a California  
15 corporation; PARTNERS PERSONNEL, a  
business entity form unknown; PARTNERS  
16 PERSONNEL MANAGEMENT SERVICES,  
LLC, a Delaware limited liability company;  
17 and DOES 1 through 100, Inclusive  
18  
Defendants.

CASE NO.: 22STCV16673  
[Assigned for all purposes to the Hon.  
Stuart M. Rice - Dept. 1]

**JOINT STIPULATION FOR CLASS  
ACTION SETTLEMENT**

1 TO THE COURT:

2 This Joint Stipulation for Class Action Settlement ("Settlement Agreement") is made  
3 and entered into by and between Armando Martinez ("Plaintiff"), individually and on behalf of  
4 all others similarly situated, and Norton Packaging, Inc. ("Norton"), Partners Personnel  
5 (erroneously sued as Partners Personnel) and Partners Personnel Management Services, LLC  
6 ("Partners") (Norton and Partners collectively will be referred to as "Defendants") (Plaintiff  
7 and Defendants collectively will be referred to as the "Parties"), and is subject to the terms and  
8 conditions below, and to the Court's approval. The Parties expressly acknowledge that this  
9 Settlement Agreement is entered into solely for the purpose of compromising significantly  
10 disputed claims and that nothing in this Settlement Agreement is an admission of liability or  
11 wrongdoing by Defendants. If for any reason the Settlement Agreement is not approved, it will  
12 be of no force or effect, and the Parties will be returned to their respective positions  
13 immediately prior to and as if they had never executed this Settlement Agreement as more fully  
14 set forth below.

15 DEFINITIONS

16 The following definitions are applicable to this Settlement Agreement. Definitions  
17 contained elsewhere in this Settlement Agreement will also be effective:

18 1. "Action" means *Armando Martinez v. Norton Packaging, Inc., et al.*, Los  
19 Angeles County Superior Court Case No. 22STCV16673. As part of the settlement, the Parties  
20 agreed to stipulate that Plaintiff shall file a second amended class action complaint adding class  
21 allegations with the class period commencing as of May 19, 2021. In the event that this  
22 Settlement Agreement is not approved by the Court, then the Parties agree that the class  
23 allegations in the second amended class action complaint shall be immediately dismissed  
24 without prejudice.

25 2. "Class Counsel" means Michael Nourmand and James A. De Sario of The  
26 Nourmand Law Firm, APC.

27 3. "Class Counsel Fees and Costs" means attorneys' fees, costs, and expenses  
28 approved by the Court for Class Counsel's litigation and resolution of the Action, and all costs

1 incurred and to be incurred by Class Counsel in the Action, including, but not limited to, costs  
2 associated with documenting the Settlement, providing any notices required as part of the  
3 Settlement or Court order, securing the Court's approval of the Settlement, administering the  
4 Settlement, and obtaining entry of the Judgment terminating the Action. Class Counsel will  
5 request attorneys' fees of not to exceed thirty-five percent of the Gross Settlement Amount or  
6 Three Hundred Fifteen Thousand Dollars (\$315,000) and litigation costs and expenses not to  
7 exceed Thirty Thousand Dollars (\$30,000). Defendants have agreed not to oppose Class  
8 Counsel's request for Class Counsel Fees and Costs.

9 4. "Class List" means a complete list of all Class Members that Defendants will  
10 diligently and in good faith compile from their records and provide on a confidential basis to  
11 the Settlement Administrator within fourteen (14) calendar days after the Court's entry of an  
12 order granting preliminary approval of this Settlement. The Class List will be formatted in  
13 Microsoft Office Excel and Defendants will use their best efforts to include each Class  
14 Member's full name; most recent mailing address; last known telephone number if readily  
15 available; dates of employment or number of workweeks worked during the Class Period; and  
16 Social Security number.

17 5. "Class Member(s)" or "Settlement Class" means Plaintiff and all non-exempt  
18 hourly employees who were directly hired by Norton or temp employees placed by Partners,  
19 Elite Workforce and Frontline Resources to work for Norton in California during the period of  
20 May 19, 2021 April 6, 2024.

21 6. "Class Period" means the period from May 19, 2021 through April 6, 2024.

22 7. "Class Representative Enhancement Payment" means the amount to be paid from  
23 the Gross Settlement Amount to the named Plaintiff in exchange for executing a general release  
24 and in recognition of his efforts in prosecuting the Action on behalf of Class Members.  
25 Plaintiff will request and Defendant will not oppose Plaintiff's application to the court for a  
26 payment of Ten Thousand Dollars (\$10,000) for his willingness to serve as Class  
27 Representative.  
28

1           8.       “Court” means the Los Angeles County Superior Court, or any other court taking  
2 jurisdiction of the Action.

3           9.       “Effective Date” means the date when the Final Approval Order becomes final.  
4 For purposes of this Paragraph, the Final Approval Order “becomes final” upon the last to occur  
5 of the following: (a) if there are no objections to the Settlement, the date the Court enters an  
6 order granting final approval of the Settlement; or (b) if there are objections to the Settlement,  
7 and if an appeal, review, or writ is not sought from the Final Approval Order, the day after the  
8 time period to appeal the Settlement has expired, i.e., 60 days from the date the Court enters an  
9 order granting final approval of the Settlement.

10          10.       “Gross Settlement Amount” means the maximum settlement amount of Nine  
11 Hundred Thousand Dollars (\$900,000) (“Gross Settlement Amount”), of which Partners will be  
12 paying \$33,810 and the remainder \$866,190 will be paid by Norton, which has been and/or will  
13 be paid by Defendants in full satisfaction of all claims arising from the Action. The Gross  
14 Settlement Amount includes all Individual Settlement Payments to Participating Class  
15 Members, the Class Representative Enhancement Payment, Settlement Administration  
16 Expenses, Class Counsel Fees and Cost, and PAGA penalties in the amount of Twenty  
17 Thousand Dollars (\$20,000) of which 75% or Fifteen Thousand Dollars (\$15,000) will be paid  
18 to the Labor Workforce Development Agency (“LWDA”) and 25% or Five Thousand Dollars  
19 (\$5,000) to PAGA Group Members. Defendants will pay the employer's share of payroll taxes  
20 on the wage portion of the Individual Settlement Payments, as applicable, in addition to the  
21 Gross Settlement Amount.

22          11.       “Individual Settlement Payment” means each Participating Class Member’s and  
23 PAGA Group Member’s share of the Net Settlement Amount to be distributed to Plaintiff, and  
24 PAGA Group Members and Class Members. Class Members who request timely and proper  
25 exclusion from the settlement will not receive their share of the Net Settlement Amount.  
26 PAGA Group Members shall receive their portion of the PAGA penalties regardless of their  
27 decision to opt-out of the class settlement and therefore the Released PAGA Claims would  
28 apply to them.

1           12.    “Net Settlement Amount” means the maximum amount available for distribution  
2 to the Class Members, after deduction of Class Counsel Fees and Costs, Class Representative  
3 Enhancement Payment, Settlement Administration Expenses, \$15,000 as PAGA penalties to  
4 the LWDA; and any other amounts to be deducted from the Gross Settlement Amount under  
5 this agreement.

6           13.    “Notice of Objection” means a Class Member’s valid and timely written  
7 objection to the Settlement Agreement. For the objection to be valid, it must include: (i) the  
8 objector’s full name, signature, address, and telephone number; (ii) a written statement of all  
9 grounds for the objection accompanied by any legal support for such objection; (iii) copies of  
10 any papers, briefs, or other documents upon which the objection is based; and (iv) a list of all  
11 persons who will be called to testify in support of the objection. Further, an objector may  
12 appear at the Final Approval hearing, either in person or through counsel, at his or her expense.  
13 The Parties will be permitted to respond in writing to such objections at least seven calendar  
14 days prior to the Final Approval hearing or within the time period set by the Court.

15           14.    “Notice” means the Notice of Class Action Settlement, substantially in the form  
16 attached as Exhibit A.

17           15.    “PAGA” means the California Private Attorneys General Act of 2004, which is  
18 codified in California Labor Code §2698, et seq.

19           16.    “PAGA Group Member(s)” means Plaintiff and all non-exempt hourly  
20 employees who were directly hired by Norton or temp employees placed by Partners, Elite  
21 Workforce and Frontline Resources to work for Norton in California during the period of May  
22 19, 2021 through April 6, 2024.

23           17.    “PAGA Period” means the period from May 19, 2021 through April 6, 2024.

24           18.    “PAGA Settlement Amount” means the portion of the Gross Settlement Amount  
25 allocated to the resolution of PAGA Group Members’ claims arising under PAGA. The Parties  
26 have agreed that the PAGA Settlement Amount is Twenty Thousand Dollars (\$20,000), subject  
27 to Court approval. Of the PAGA Settlement Amount, 75% or Fifteen Thousand Dollars  
28

1 (\$15,000) will be paid to the LWDA ("LWDA Payment"), and the remaining 25% or Five  
2 Thousand Dollars (\$5,000) will be distributed to PAGA Group Members.

3 19. "Participating Class Members" means all Class Members who do not submit  
4 valid Requests for Exclusion.

5 20. "Preliminary Approval" means the Court order granting preliminary approval of  
6 the Settlement Agreement.

7 21. "Released PAGA Claims" means all claims for civil penalties under PAGA  
8 based on the labor code violations alleged in the notice sent by Plaintiff to the LWDA, and all  
9 claims alleged in the complaints in this Action, as well as all facts, theories, or claims for civil  
10 penalties that would be considered administratively exhausted under applicable law by the  
11 PAGA notice the Plaintiff sent to the LWDA. PAGA Group Members shall receive their  
12 portion of the PAGA penalties regardless of their decision to opt-out of the class settlement and  
13 therefore the Released PAGA Claims would apply to them.

14 22. "Released Claims" means all *California* wage and hour claims, penalties,  
15 interest, and causes of action, arising from or related to the claims pled in Plaintiff's operative  
16 complaint ("Complaint") or that could have been pled in the Complaint based on the factual  
17 allegations pled in the Complaint, including all claims for allegedly unpaid minimum and  
18 overtime wages, failure to provide compliant meal breaks, failure to provide compliant rest  
19 breaks, inaccurate wage statements, and failure to pay all wages owed upon termination under  
20 the California Labor Code, or applicable wage order(s), unfair competition claims under  
21 California Business & Professions Code §17200, et seq. based on the labor code violations  
22 alleged, and any penalties, restitution, disgorgement, interest or attorneys' fees during the  
23 Class/PAGA Period. This release will cover all Class Members who do not opt out.

24 23. "Released Parties" means Defendants and Defendants' former and present  
25 parents, subsidiaries, sister companies, and affiliated companies, and the aforementioned  
26 entities' current, former, and future owners, officers, shareholders, directors, members,  
27 managers, operators, employees, consultants, vendors, partners, affiliates, subsidiaries,  
28 shareholders, attorneys, insurers, sureties, managing agents, general partners, limited partners,

1 investors, payroll providers, joint venturers, agents, predecessors, successors, assigns, and legal  
2 representatives.

3 24. "Request for Exclusion" means a timely letter submitted by a Class Member  
4 indicating a request to be excluded from the Settlement. The Request for Exclusion must: (a)  
5 set forth the name, address, telephone number and last four digits of the Social Security  
6 Number of the Class Member requesting exclusion; (b) be signed by the Class Member; (c) be  
7 returned by mail or fax to the Settlement Administrator at the specified address or fax number  
8 indicated in the Notice; (d) clearly state that the Class Member does not wish to be included in  
9 the Settlement; and (e) be faxed or postmarked on or before the Response Deadline.

10 25. "Response Deadline" means the deadline by which Class Members must fax or  
11 postmark to the Settlement Administrator a valid Request for Exclusion, submit objections to  
12 the Settlement or dispute workweeks. The Response Deadline will be forty-five (45) calendar  
13 days from the initial mailing of the Notice by the Settlement Administrator. The Response  
14 Deadline for Request for Exclusion, objection or dispute workweeks will be extended fifteen  
15 (15) calendar days for any Class Member who is re-mailed a Notice by the Settlement  
16 Administrator in accordance with the notice procedure described herein. The Response  
17 Deadline may also be extended by express agreement between Class Counsel and Defendant's  
18 counsel.

19 26. "Settlement Administrator" means Simpluris, Inc. or any other third-party class  
20 action settlement administrator agreed to by the Parties and approved by the Court for the  
21 purposes of administering this Settlement. The Parties each represent that they do not have any  
22 financial interest in the Settlement Administrator or otherwise have a relationship with the  
23 Settlement Administrator that could create a conflict of interest.

24 27. "Settlement Administration Expenses" means the costs payable to the Settlement  
25 Administrator for administering this Settlement, including, but not limited to, printing,  
26 translating into Spanish, conducting a National Change of Address ("NCOA") search,  
27 distributing (including with appropriate postage), and tracking documents for this Settlement in  
28 English and Spanish, any searches to locate any Class Members, tax reporting, distributing the

1 Individual Settlement Payments, Class Representative Enhancement Payment, Class Counsel  
2 Fees and Costs, and providing necessary certification of completion of notice, reports and  
3 declarations, establishing and administering a qualified settlement fund account and other  
4 responsibilities set forth in this Settlement Agreement and as requested by the Parties. The  
5 Settlement Administration Expenses are currently estimated to be not more than Ten Thousand  
6 Dollars (\$10,000).

7  
8 **TERMS OF AGREEMENT**

9 Plaintiff, on behalf of himself and the Settlement Class, and Defendants agree as  
10 follows:

11 28. Impact of Any Court Determination Not to Enter Final Approval Order. In the  
12 event that the Court does not enter a Final Approval Order and this Settlement Agreement does  
13 not become effective, the following will occur:

- 14 a. on the date final approval is denied, the status of the Action will be  
15 deemed to return to its status at the time immediately prior to and as if the  
16 Parties had never executed this Settlement Agreement; and  
17 b. The Parties will evenly split and pay the Settlement Administrator for any  
18 costs incurred by the Settlement Administrator.

19 29. Settlement Funding. Within thirty (30) calendar days of the Effective Date,  
20 Defendants will deposit the Gross Settlement Amount and employer's share of payroll taxes  
21 with the Settlement Administrator who will deposit the funds into an interest-bearing trust  
22 account referred to as the Qualified Settlement Fund account from which the Settlement  
23 Administrator will have authority to distribute money in accordance with the terms of this  
24 Settlement Agreement. The employer's share of payroll taxes, to be calculated with the  
25 assistance of the Settlement Administrator, shall be paid by Defendants in addition to the Gross  
26 Settlement Amount.

27 30. Class Counsel Fees and Costs. Defendants agree not to oppose or impede any  
28 application or motion by Class Counsel for Class Counsel Fees in the amount of up to Three  
Hundred Fifteen Thousand Dollars (\$315,000), plus the reimbursement of the actual costs and

1 expenses associated with Class Counsel's litigation and settlement of the Action, not to exceed  
2 Thirty Thousand Dollars (\$30,000).

3 31. Class Representative Enhancement Payment. In exchange for named Plaintiff's  
4 executing a general release, and in recognition of his efforts in prosecuting the Action on behalf  
5 of Class Members, Defendants agree not to oppose or impede any application or motion for a  
6 Class Representative Enhancement Payment of up to Ten Thousand Dollars (\$10,000). The  
7 Class Representative Enhancement Payment, which will be paid from the Gross Settlement  
8 Amount, will be in addition to Plaintiff's Individual Settlement Payment paid pursuant to the  
9 Settlement. Plaintiff will be solely and legally responsible to pay any and all applicable taxes,  
10 penalties and interest on the payment made pursuant to this paragraph and will hold Defendants  
11 harmless from any claim or liability for taxes, penalties, or interest arising as a result of the  
12 payment.

13 32. Settlement Administration Expenses. The Settlement Administrator will be paid  
14 for the reasonable fees and costs of administration of the Settlement, which are estimated no to  
15 exceed Ten Thousand Dollars (\$10,000). These will include, *inter alia*, fees and costs payable  
16 to the Settlement Administrator for printing, translating into Spanish, distributing (including  
17 with appropriate postage), and tracking documents for this Settlement in English and Spanish,  
18 any searches to locate any Class Members, calculating estimated amounts per Class Member,  
19 tax reporting, distributing the Individual Settlement Payments, Class Representative  
20 Enhancement Payment, Class Counsel Fees and Costs, payment to LWDA for PAGA penalties,  
21 and providing necessary certification of completion of notice, reports and declarations,  
22 establishing and administering a Qualified Settlement Fund account, required tax reporting on  
23 the Individual Settlement Payments, the issuing of 1099 and W-2 IRS forms, calculating the  
24 employer's share of payroll taxes on the wage portion of the Individual Settlement Payments  
25 and coordinating related reporting, and other responsibilities as requested by the Parties. The  
26 Settlement Administration Expenses will be paid from the Gross Settlement Amount.

33. Net Settlement Amount. The Net Settlement Amount will be used to satisfy Individual Settlement Payments to Participating Class Members from the Settlement Class and PAGA Group Members in accordance with the terms of this Agreement.

34. Individual Settlement Payment Calculations. Defendants will provide the Settlement Administrator with the total number of workweeks for each Class Member during the Class Period and total number of workweeks for each PAGA Group Member during the PAGA Period. The Settlement Administrator will divide the Net Settlement Amount, less \$5,000 (or the Court approved amount from the PAGA Settlement Amount allocated for PAGA penalties to PAGA Group Members), by the total number of workweeks ("Work Week Rate Amount") and then multiply this amount by each Class Member's total number of workweeks to yield that employee's Net Settlement Payment. Defendants can rely upon pay period data, pay check data, time record data, or what data is available to determine the number of workweeks. In the event a Class Member submits a timely Request for Exclusion from the settlement, his/her share of the settlement will instead be added to the Net Settlement Amount.

|                                                          |   |                                              |
|----------------------------------------------------------|---|----------------------------------------------|
| NET<br>SETTLEMENT<br>AMOUNT                              | X | Participating<br>Class Member's<br>Workweeks |
| <hr/>                                                    |   |                                              |
| Total number of<br>Workweeks for<br>all Class<br>Members |   |                                              |

In additional, each Class Member who is a PAGA Group Member will be paid a pro-rata share of the \$5,000 allocated for PAGA penalties to PAGA Group Members, as calculated by the Settlement Administrator, with a formula similar to payments to Participating Class Members.

|                                                                                  |   |                                                                      |
|----------------------------------------------------------------------------------|---|----------------------------------------------------------------------|
| \$5,000 for PAGA<br>Penalties to PAGA<br>Group Members                           | X | Individual PAGA<br>Group Member's<br>Workweeks during<br>PAGA Period |
| <hr/>                                                                            |   |                                                                      |
| Total number of<br>Workweeks for all<br>PAGA Group Members<br>during PAGA Period |   |                                                                      |

1  
2 The Individual Settlement Payment for any Participating Class Member who is also a  
3 PAGA Group Member shall include the Participating Class Member's share of the PAGA  
4 Settlement Amount allocated for PAGA penalties to PAGA Group Members.

5 Class Members who are PAGA Group Members will not be permitted to exclude  
6 themselves from the PAGA claim portion of the Settlement. PAGA penalty settlement  
7 payments in the appropriate amounts will be distributed by the Settlement Administrator by  
8 mail to the PAGA Group Members including to those Class Members who are PAGA Group  
9 Members who submitted a request for exclusion.

10 35. No Credit Toward Benefit Plans. All amounts paid by Defendants under this  
11 agreement ("Settlement Awards") to Class Members shall be deemed to be income to such  
12 Class Members solely in the year in which such awards actually are received by the Class  
13 Members. It is expressly understood and agreed that the receipt of such Settlement Awards will  
14 not entitle any Class Member to additional compensation or benefits under any company bonus,  
15 paid time off (including vacation and sick leave), or other compensation or benefit plan or  
16 agreement in place during the period covered by the Settlement, nor will it entitle any Class  
17 Member to any increased retirement, 401(k) benefits or matching benefits, or deferred  
18 compensation benefits. The Settlement Awards provided for in this Agreement are the sole  
19 payments to be made by Defendants to the Class Members in connection with this Settlement,  
20 and that the Class Members are not entitled to any new or additional compensation or benefits  
21 as a result of having received the Settlement Awards (notwithstanding any contrary language or  
22 agreement in any benefit or compensation plan document that might have been in effect during  
23 the period covered by this Settlement).

24 36. Settlement Administration Process. The Parties agree to cooperate in the  
25 administration of the settlement and to make all reasonable efforts to control and minimize the  
26 costs and expenses incurred in administration of the Settlement.  
27  
28

1           37.   Delivery of the Class List. Within fourteen (14) calendar days of Preliminary  
2 Approval, Defendants will provide the Class List to the Settlement Administrator.

3           38.   Notice by First-Class U.S. Mail. Within seven (7) calendar days after receiving  
4 the Class List from Defendants, the Settlement Administrator will mail the Notice to all Class  
5 Members via regular First-Class U.S. Mail.

6           39.   Confirmation of Contact Information in the Class Lists. Prior to mailing, the  
7 Settlement Administrator will perform a search based on the National Change of Address  
8 Database for information to update and correct for any known or identifiable address changes.  
9 Any Notice returned to the Settlement Administrator as non-deliverable on or before the  
10 Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding  
11 address, and the Settlement Administrator will indicate the date of such re-mailing on the  
12 Notice. If no forwarding address is provided, the Settlement Administrator will promptly  
13 attempt to determine the correct address using a skip-trace, or other search using the name,  
14 address and/or Social Security number of the Class Member involved and will then perform a  
15 single re-mailing. Those Class Members who receive a re-mailed Notice will have between the  
16 latter of (i) an additional fifteen calendar (15) days or (ii) the Response Deadline to fax or  
17 postmark a Request for Exclusion, submit an objection to the Settlement or dispute workweeks.

18           40.   Notice. All Class Members will be mailed the Notice. The Notice will provide:  
19 (1) information regarding the nature of the Action, (2) a summary of the Settlement's principal  
20 terms, (3) the Settlement Class definition, (4) each Class Member's number of workweeks  
21 worked during the Class Period, (5) each Class Member's estimated Individual Settlement  
22 Payment; (6) the dates which comprise the Class Period, (7) instructions on how to submit valid  
23 Requests for Exclusion, objections or dispute workweeks, (8) the deadlines by which the Class  
24 Member must fax or postmark Request for Exclusions, submit objections to the Settlement or  
25 dispute workweeks, and (9) the claims to be released, as set forth in this Settlement Agreement.

26           41.   Request for Exclusion Procedures. Any Class Member wishing to opt out from  
27 the Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the  
28 Settlement Administrator within the Response Deadline. The date of the fax or postmark on the

1 return mailing envelope will be the exclusive means to determine whether a Request for  
2 Exclusion has been timely submitted. The Parties to this Agreement and their counsel agree that  
3 they will not solicit or encourage Class Members to opt-out or object to this Settlement  
4 Agreement. If the Court approves the compromise of the PAGA claim, all PAGA Group  
5 Members are bound by the Court's resolution of that claim. PAGA Group Members may not  
6 opt out of the Released PAGA Claims. Class Members who are also PAGA Group Members  
7 submitting a request for exclusion will nevertheless receive their pro-rata share of the 25% of  
8 the PAGA Settlement Amount allocated for PAGA penalties to PAGA Group Members.

9 42. Defective Submissions. If a Class Member's Request for Exclusion is defective  
10 as to the requirements listed in this Settlement Agreement, that Class Member will be given an  
11 opportunity to cure the defect(s). The Settlement Administrator will mail the Class Member a  
12 cure letter within three (3) calendar days of receiving the defective submission to advise the  
13 Class Member that his or her submission is defective and that the defect must be cured to render  
14 the Request for Exclusion valid. The Class Member will have until the later of (i) Response  
15 Deadline or (ii) fifteen (15) calendar days from the date of the cure letter to fax or postmark a  
16 revised Request for Exclusion.

17 43. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class  
18 Member who does not affirmatively opt out of the Settlement Agreement by submitting a  
19 timely and valid Request for Exclusion will be bound by all of its terms, including those  
20 pertaining to the Released Claims (other than as it applies to the PAGA claims with respect to  
21 the PAGA Group Members), as well as any Judgment that may be entered by the Court if it  
22 grants final approval to the Settlement. If the Court approves the compromise of the PAGA  
23 claim, Class Members who are also PAGA Group Members submitting a request for exclusion  
24 will nevertheless be bound by the Court's resolution of that claim and receive their pro-rata  
25 share of the 25% of the PAGA Payment allocated to the PAGA Group Members.

26 44. Objection Procedures. To object to the Settlement Agreement, a Class Member  
27 may not submit a Request for Exclusion and must mail a valid Notice of Objection to the  
28 Settlement Administrator by the Response Deadline. The Settlement Administrator will notify

1 counsel for the Parties forthwith via email. Class Counsel will lodge the objection with the  
2 Court. The Notice of Objection must be signed by the Class Member and contain all  
3 information required by this Settlement Agreement. The postmark date of the mailing will be  
4 deemed the exclusive means for determining that the Notice of Objection is timely. Class  
5 Members who wish to object will have a right to appear at the Final Approval Hearing, with or  
6 without counsel at his/her own expense, in order to have their objections heard by the Court. At  
7 no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class  
8 Members to submit written objections to the Settlement Agreement or appeal from the Final  
9 Approval Order and Judgment.

10 45. Certification Reports Regarding Individual Settlement Payment Calculations.

11 The Settlement Administrator will provide Defendants' counsel and Class Counsel a weekly  
12 report which certifies: (i) the number of Class Members who have submitted valid Request for  
13 Exclusion and objections; and (ii) the number of any deficient Request for Exclusion.  
14 Additionally, the Settlement Administrator will provide to counsel for both Parties any updated  
15 reports regarding the administration of the Settlement Agreement as needed or requested.

16 46. Timing of Distribution of Individual Settlement Payments. Within three (3)

17 calendar days of Defendants depositing the Gross Settlement Amount and employer's share of  
18 payroll taxes, the Settlement Administrator will issue payments to (1) Participating Class  
19 Members and PAGA Group Members; (2) Plaintiff; (3) Class Counsel; and payment to LWDA.  
20 The Settlement Administrator will also issue a payment to itself for Court-approved services  
21 performed in connection with the settlement.

22 47. Uncashed or Undeliverable Settlement Checks. Individual settlement checks

23 paid to Participating Class Members and PAGA Group Members will be valid for 180 days.  
24 Participating Class Members and PAGA Group Members will have one hundred eighty (180)  
25 calendar days from the date of issuance of the check to cash their check. For any check not  
26 cashed after 180 calendar days, the Settlement Administrator will send the amount represented  
27 by the check to the California State Controller Unclaimed Property, with the identity of the  
28 Participating Class Member and PAGA Group Member to whom the funds belong, to be held

1 for the Participating Class Member and PAGA Group Member per California Unclaimed  
2 Property Law, in the interest of justice. The money paid to the California State Controller  
3 Unclaimed Property will remain the Participating Class Member and PAGA Group Member's  
4 property. This will allow Participating Class Member and PAGA Group Member who did not  
5 cash their checks to collect their Individual Settlement Amounts at any time in the future.  
6 Therefore, there will be no unpaid residue or unclaimed or abandoned class member funds, and  
7 the California Code of Civil Procedure section 384 shall not apply. The funds will be held by  
8 the State until claimed by the employee and the uncashed check never ceases to be the  
9 employee's property.

10 48. Certification of Completion. Upon completion of administration of the  
11 Settlement, the Settlement Administrator will provide a written declaration under oath to certify  
12 such completion to the Court and counsel for all Parties.

13 49. Treatment of Individual Settlement Payments. All Individual Settlement  
14 Payments will be allocated as follows: 100% of each PAGA Group Member's pro-rata share of  
15 the \$5,000 allocated for PAGA penalties shall be allocated as penalties; 20% of each Individual  
16 Settlement Payment will be allocated for the settlement of wage claims; and the remaining 80%  
17 will be allocated to the settlement of claims for interest and statutory penalties. The portion  
18 allocated to wages in each Individual Settlement Payment will be reported on an IRS Form W-2  
19 and the portion allocated to interest and penalties will be reported on an IRS Form-1099 by the  
20 Settlement Administrator.

21 50. Administration of Taxes by the Settlement Administrator. The Settlement  
22 Administrator will be responsible for issuing to Plaintiff, Participating Class Members, PAGA  
23 Group Members, Class Counsel, and Defendants any W-2, 1099, or other tax forms as may be  
24 required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement  
25 Administrator will also be responsible for forwarding all payroll taxes and other legally  
26 required withholdings, and related reporting, to the appropriate government authorities.

27 51. Defendants Responsibility for Employer Taxes: For any portion of the Class  
28 Members' Individual Settlement Payments that are designated as "wages" for purposes of tax

1 reporting, the employer's taxes, employer contributions of all federal, state, and local taxes  
2 (including, but not limited to, FICA, FUTA, and SDI), will be paid in addition to the Gross  
3 Settlement Amount, via and with the Settlement Administrator's assistance.

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

1           53.   No Prior Assignments. The Parties and their counsel represent, covenant, and  
2 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported  
3 to assign, transfer, or encumber to any person or entity any portion of any liability, claim,  
4 demand, action, cause of action or right released and discharged in this Settlement Agreement.

5           54.   Release by Plaintiff. Upon the date the Court enters an order granting final  
6 approval of the settlement and Defendants fully funds the Gross Settlement Amount and the  
7 employer's share of payroll taxes, in addition to the claims being released by all Class  
8 Members, Plaintiff will provide the following additional general release ("General Release") :  
9 Plaintiff, on his own behalf and on behalf of his heirs, spouses, executors, administrators,  
10 attorneys, agents and assigns, fully and finally releases the Released Parties from all claims,  
11 demands, rights, liabilities and causes of action of every nature and description whatsoever,  
12 known or unknown, asserted or that might have been asserted, whether in tort, contract, or for  
13 violation of any state or federal statute, rule or regulation arising out of, relating to, or in  
14 connection with any act or omission by or on the part of any of the Released Parties committed  
15 or omitted prior to the execution of this Agreement. This General Release includes any  
16 unknown claims Plaintiff does not know or suspect to exist in his favor at the time of this  
17 General Release, which, if known by them, might have affected his settlement with, and release  
18 of, the Released Parties or might have affected his decision not to object to this Settlement or  
19 this Release. To the extent the foregoing releases are releases to which Section 1542 of the  
20 California Civil Code or similar provisions of other applicable law may apply, Plaintiff  
21 expressly waives any and all rights and benefits conferred upon them by the provisions of  
22 Section 1542 of the California Civil Code or similar provisions of applicable law which are as  
23 follows:

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

1 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE  
2 DEBTOR OR RELEASED PARTY.

3 The significance of this release and waiver of Civil Code Section 1542 has been explained to  
4 Plaintiff by his counsel. Release by Plaintiff expressly excludes any claims for workers  
5 compensation against Defendant.

6 55. Neutral Reference. Defendants agree that they will only provide a neutral  
7 reference for Plaintiff should any prospective employers or anyone contact them regarding  
8 Plaintiff's employment. Defendants shall only provide the dates of employment and Plaintiff's  
9 last job title held with Defendants.

10 56. Nullification of Settlement Agreement. In the event that: (i) the Court does not  
11 finally approve the Settlement as provided in this Settlement Agreement; or (ii) the Settlement  
12 does not become final for any other reason, then this Settlement Agreement and any documents  
13 generated to bring it into effect will be null and void. Any order or judgment entered by the  
14 Court in furtherance of this Settlement Agreement will likewise be treated as void from the  
15 beginning. In such case, the Settlement shall not be used or be admissible in any subsequent  
16 proceedings, either in this Action, this Court, or any other Court or forum.

17 57. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to  
18 request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary  
19 Approval Order for: (i) conditional certification of the Settlement Class for settlement purposes  
20 only, (ii) preliminary approval of the proposed Settlement Agreement, and (iii) setting a date  
21 for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will  
22 provide for the Notice to be sent to all Class Members as specified in this Settlement  
23 Agreement. In conjunction with the Preliminary Approval motion, Plaintiff will submit this  
24 Settlement Agreement, which sets forth the terms of this Settlement and will include the  
25 proposed Notice. Should the Court fail to enter a Preliminary Approval Order, the Parties will  
26 cooperate in good faith and use their best efforts to correct whatever deficiencies the Court  
27 identifies in order to obtain Preliminary Approval.

1           58.   Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of  
2 the deadlines to fax or postmark Request for Exclusion or submit objections to the Settlement  
3 Agreement, and with the Court's permission, a Final Approval/Settlement Fairness Hearing will  
4 be conducted to determine the Final Approval of the Settlement Agreement along with the  
5 amounts properly payable for (i) Individual Settlement Payments; (ii) the Class Counsel Fees  
6 and Costs; (iii) the Class Representative Enhancement Payment; (iv) payment to LWDA for  
7 PAGA penalties; and (v) all Settlement Administration Expenses. Class Counsel will be  
8 responsible for drafting all documents necessary to obtain final approval. Class Counsel will  
9 also be responsible for drafting the attorneys' fees and costs application to be heard at the Final  
10 Approval/Settlement Fairness Hearing.

11           59.   Judgment and Continued Jurisdiction. Upon final approval of the Settlement by  
12 the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present a  
13 proposed Judgment to the Court for its approval. Pursuant to California Rules of Court, Rule  
14 3.771(b), the Settlement Administrator shall post on its website a copy of the Judgment for a  
15 period of thirty days from the date the Court signs the Judgment. After entry of the Judgment,  
16 the Court will have continuing jurisdiction solely for purposes of addressing: (i) the  
17 interpretation and enforcement of the terms of the Settlement Agreement, (ii) settlement  
18 administration matters, and (iii) such post- Judgment matters as may be appropriate under court  
19 rules or as set forth in this Settlement Agreement.

20           60.   Exhibits Incorporated by Reference. The terms of this Settlement Agreement  
21 include the terms set forth in any attached Exhibits, which are incorporated by this reference as  
22 though fully set forth in this Settlement Agreement. Any Exhibits to this Agreement are an  
23 integral part of the Settlement.

24           61.   Entire Agreement. This Settlement Agreement and any attached Exhibits  
25 constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous  
26 written or oral agreements may be deemed binding on the Parties. The Parties expressly  
27 recognize California Civil Code Section 1625 and California Code of Civil Procedure Section  
28 1856(a), which provide that a written agreement is to be construed according to its terms and

1 may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such  
2 extrinsic oral or written representations or terms will modify, vary or contradict the terms of  
3 this Agreement.

4 62. Escalator Clause. Defendants represented that there are 20,534 total workweeks  
5 during the period of May 19, 2021 to March 7, 2024. In the event the total workweeks increase  
6 by more than 4%, i.e., 21,355, by the end of the Class/PAGA Period, Defendants agree to  
7 increase the Net Settlement Amount by determining the workweek value off of 21,355 and  
8 multiplying the workweek value by the additional workweeks. For example, if the total  
9 workweeks is 21,500 and the workweek value is \$20.00 then Defendants would have to  
10 increase the Net Settlement Amount by \$2,900 ( $21,500 - 21,355 = 145 \times \$20.00$ ).

11 63. Amendment or Modification. This Settlement Agreement may be amended or  
12 modified only by a written instrument signed by counsel for all Parties or their successors-in-  
13 interest.

14 64. Authorization to Enter Into Settlement Agreement. Counsel for all Parties  
15 warrant and represent they are expressly authorized by the Parties whom they represent to  
16 negotiate this Settlement Agreement and to take all appropriate action required or permitted to  
17 be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to  
18 execute any other documents required to effectuate the terms of this Settlement Agreement.  
19 The Parties and their counsel will cooperate with each other and use their best efforts to effect  
20 the implementation of the Settlement. If the Parties are unable to reach agreement on the form  
21 or content of any document needed to implement the Settlement Agreement, or on any  
22 supplemental provisions that may become necessary to effectuate the terms of this Settlement  
23 Agreement, the Parties may seek the assistance of the Court to resolve such disagreement.

24 65. Binding on Successors and Assigns. This Settlement Agreement will be binding  
25 upon, and inure to the benefit of, the successors or assigns of the Parties to this Settlement  
26 Agreement, as previously defined.

27 66. Execution and Counterparts. This Settlement Agreement is subject only to the  
28 execution of all Parties. However, the Settlement Agreement may be executed in one or more

1 counterparts. All executed counterparts and each of them, including facsimile, scanned copies  
2 of the signature page, and electronic signature will be deemed to be one and the same  
3 instrument provided that counsel for the Parties will exchange among themselves original  
4 signed counterparts.

5 67. Acknowledgement that the Settlement is Fair and Reasonable. The Parties  
6 believe this Settlement Agreement is a fair, adequate and reasonable settlement of the Action  
7 and have arrived at this Settlement Agreement after arm's-length negotiations and in the  
8 context of adversarial litigation, taking into account all relevant factors, present and potential.  
9 The Parties further acknowledge that they are each represented by competent counsel and that  
10 they have had an opportunity to consult with their counsel regarding the fairness and  
11 reasonableness of this Settlement Agreement.

12 68. Invalidity of Any Provision. Before declaring any provision of this Settlement  
13 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest  
14 extent possible consistent with applicable precedents so as to define all provisions of this  
15 Settlement Agreement valid and enforceable.

16 69. Captions. The captions and section numbers in this Agreement are inserted for  
17 the reader's convenience, and in no way define, limit, construe or describe the scope or intent of  
18 the provisions of this Agreement.

19 70. Waiver. No waiver of any condition or covenant contained in this Agreement or  
20 failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or  
21 constitute a further waiver by such party of the same or any other condition, covenant, right or  
22 remedy.

23 71. Enforcement Actions. In the event that one or more of the Parties institutes any  
24 legal action or other proceeding against any other Party to enforce the provisions of this  
25 Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement,  
26 the successful Party will be entitled to recover from the unsuccessful Party reasonable  
27 attorneys' fees and costs, including expert witness fees incurred in connection with any  
28 enforcement actions.

1           72.   Mutual Preparation. The Parties have had a full opportunity to negotiate the  
2 terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement  
3 will not be construed more strictly against one party than another merely by virtue of the fact  
4 that it may have been prepared by counsel for one of the Parties, it being recognized that,  
5 because of the arms-length negotiations between the Parties, all Parties have contributed to the  
6 preparation of this Agreement.

7           73.   Representation By Counsel. The Parties acknowledge that they have been  
8 represented by counsel throughout all negotiations that preceded the execution of this  
9 Settlement Agreement, and that this Settlement Agreement has been executed with the consent  
10 and advice of counsel.

11           74.   All Terms Subject to Final Court Approval. All amounts and procedures  
12 described in this Settlement Agreement will be subject to final Court approval.

13           75.   Cooperation and Execution of Necessary Documents. All Parties will cooperate  
14 in good faith and execute all documents to the extent reasonably necessary to effectuate the  
15 terms of this Settlement Agreement.

16           76.   Binding Agreement. The Parties warrant that they understand and have full  
17 authority to enter into this Agreement, and further intend that this Agreement will be fully  
18 enforceable and binding on all Parties and agree that it will be admissible and subject to  
19 disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality  
20 provisions that otherwise might apply under federal or state law.

21           77.   No Admission of Liability. Nothing contained in this Settlement Agreement shall  
22 be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the  
23 part of Defendant. Each of the Parties has entered into this Settlement Agreement with the  
24 intention to avoid further disputes and litigation, and the attendant inconvenience and expense,  
25 and to fully and forever buy their respective peace. This Settlement Agreement shall be  
26 inadmissible in evidence in any action or proceeding, by any party, except an action or  
27 proceeding by one of the Parties to approve, interpret, or enforce the Settlement Agreement's  
28 terms.

78. Disputes. Any dispute between the Parties concerning the interpretation or implementation of this Settlement Agreement will be resolved by the Court. Prior to any such resort to the Court, counsel for the Parties will confer in good faith to resolve the dispute. If the Parties are unable to resolve the dispute themselves, the dispute will be submitted to Hon. Elizabeth Laporte (Ret.) for mediation before being submitted to the Court, unless the Parties agree otherwise.

79. Applicable Law. All terms and conditions of this Stipulation and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law or choice of law principles.

## SIGNATURES

**READ CAREFULLY BEFORE SIGNING**

**Dated:** 01/17/2025

PLAINTIFF

**Armando Martinez**

**Dated:**

**DEFENDANT**

**Norton Packaging, inc.**

By:

**Its:**

**Dated:**

**DEFENDANT**

Partners Personnel -Management Services, LLC

**By:**

**Its:**

79. Applicable Law. All terms and conditions of this Stipulation and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law or choice of law principles.

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