

BIBIYAN LAW GROUP, P.C.
DAVID D. BIBIYAN (CA Bar No. 287811)
david@tomorrowlaw.com
JOSHUA SHIRIAN (CA Bar No. 341909)
josh@tomorrowlaw.com
VEDANG J. PATEL (CA Bar No. 328647)
vedang@tomorrowlaw.com
8484 Wilshire Blvd, Ste. 500
Beverly Hills, California 90211
Telephone: (310) 438-5555
Facsimile: (310) 300-1705

Attorneys for Plaintiff TONY NUNLEY, on behalf
of himself and all others similarly situated and
aggrieved

NOSSAMAN LLP
DREW R. HANSEN (CA Bar No. 218382)
dhansen@nossaman.com
SETH M. GOLDSTEIN (CA Bar No. 232071)
sgoldstein@nossaman.com
PAVNEET S. MAC (CA Bar No. 303971)
PMAC@nossaman.com
18101 Von Karman Ave. Suite 1800
Irvine, California 92612
Telephone: (949) 833-7800

Attorneys for Defendant CARDINAL LOGISTICS
MANAGEMENT CORPORATION

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

TONY NUNLEY, as an individual
and on behalf of all others similarly
situated and aggrieved,

Plaintiff,

vs.

CARDINAL LOGISTICS
MANAGEMENT CORPORATION,
a North Carolina corporation; and
ROBERT SHEERIN, an individual;
and DOES 1 through 100, inclusive,

Defendants.

Case No: CIVSB2210430

Assigned for all purpose to:
Hon. Joseph T. Ortiz, Dept. S-17

**JOINT STIPULATION OF CLASS
ACTION SETTLEMENT AND
RELEASE OF CLAIMS**

1 Subject to its terms and conditions and the approval of the Court, this Joint
2 Stipulation of Class Action Settlement and Release of Claims (the “Stipulation” or
3 “Settlement”) is made and entered into by and among Plaintiff Tony Nunley
4 (“Plaintiff,” “Nunley,” or “Class Representative”), in his individual capacity and on
5 behalf of the putative classes as defined below, on the one hand, and Defendant
6 Cardinal Logistics Management Corporation (“Cardinal”),¹ on the other hand. This
7 Stipulation refers to Plaintiff and Defendants collectively as the “Parties,” or
8 individually as a “Party.” This Stipulation is subject to the approval of the Court
9 and is made for the sole purpose of consummating the settlement of this Action on
10 a class-wide basis subject to the following terms and conditions.² As detailed
11 below, in the event the Court does not enter an order granting final approval of the
12 Settlement or the conditions precedent for the Settlement to be considered Final are
13 not met for any reason, this Stipulation shall be null and void and shall be of no
14 force or effect whatsoever in any proceeding of any kind.

15 **I. TERMS OF STIPULATION AND AGREEMENT OF**
16 **SETTLEMENT**

17 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by
18 and among the proposed Class Representative Tony Nunley (for himself
19 individually and on behalf of all of the Participating Class Members and Aggrieved
20 Employees), and Cardinal, with the assistance of their respective counsel, that, as
21 among the Settling Parties, the Action (which shall soon include not just the claims
22 previously alleged in that case but all of the claims and allegations contained in the
23 BTB Action as well), the Plaintiff’s Released Claims, the Claims Released By BTB
24

25 ¹ Cardinal and Robert Sheerin (“Mr. Sheerin”) are referred to collectively herein as
26 the “Defendants”.

27 ² The settlement of this Action shall also dispose of the BTB Action in its entirety
28 (i.e., the putative class and representative action captioned *Tony Nunley v. Cardinal Logistics Management Corporation et al.*, Case No. CIVSB2224277, also pending in San Bernardino County Superior Court), as discussed in more detail below.

1 Participating Class Members, the Claims Released By FCRA Participating Class
2 Members, the Claims Released By PAGA Subgroup Members, and Class Counsel's
3 Released Claims (as these capitalized terms are defined below) shall be finally and
4 fully compromised, settled, and released with a final judgment entered by the court
5 disposing of the Action, as to all Settling Parties (including the Plaintiff, all
6 Participating Class Members, all PAGA Subgroup Members, and the State of
7 California), upon and subject to the terms and conditions of this Stipulation. In
8 addition, the BTB Action shall be dismissed without prejudice once all of the
9 claims and allegations contained in it are added to the Action.

10 **II. DEFINITIONS**

11 As used in this Stipulation, the following terms shall have the meanings
12 specified below. To the extent terms or phrases used in this Stipulation are not
13 specifically defined below, but are defined elsewhere in this Stipulation, they are
14 incorporated by reference into this definition section.

15 **A.** "Action" means the putative class action captioned *Tony Nunley v.*
16 *Cardinal Logistics Management Corporation et al.*, Case No. CIVSB2210430,
17 originally filed on May 11, 2022 and pending in the Superior Court of the State of
18 California for the County of San Bernardino.

19 **B.** "BTB Action" means the putative class and representative action
20 captioned *Tony Nunley v. Cardinal Logistics Management Corporation et al.*, Case
21 No. CIVSB2224277, originally filed on October 24, 2022 and pending in the
22 Superior Court of the State of California for the County of San Bernardino.

23 **C.** "BTB Class" means all California residents who applied for a job with
24 Cardinal from October 24, 2019 through September 25, 2023.

25 **D.** "BTB Class Member" means a member of the BTB Class, including
26 Plaintiff and all absent class members.

27 **E.** "BTB Complaint" means the complaint filed in the BTB Action on
28 October 24, 2022.

1 **F.** “BTB Class Period” means the period of time beginning on and
2 including October 24, 2019 and continuing up through and including September 25,
3 2023.

4 **G.** “Cardinal” means Defendant Cardinal Logistics Management
5 Corporation.

6 **H.** “Claims” means all state and federal claims, causes of action, and
7 forms of relief that have been asserted, or that could have been asserted, based on or
8 arising from the facts or allegations alleged in the Operative Complaint in the
9 Action or any of the other Complaints filed in the Lawsuits (including, but not
10 limited to all claims under the Fair Credit Reporting Act, the California
11 Investigative Consumer Reporting Agencies Act, the California Consumer Credit
12 Reporting Agencies Act, the California Labor Code, and the California Private
13 Attorneys’ General Act), whether in an individual, class, collective, or
14 representative capacity, including, but not necessarily limited to, all claims, causes
15 of action, and relief alleged or that could have been alleged based on or arising out
16 of the facts or allegations set forth in the First Amended Complaint to be filed in the
17 Action (which is also referred to herein as the Operative Complaint).³

18 **I.** “Claims Released By Participating BTB Class Members” shall mean
19 the Claims from the beginning date of the BTB Class Period up through the end
20 date of the BTB Class Period, as discussed in more detail in Section XX.B below.
21 The Claims Released By BTB Participating Class Members cover the period of
22 time during the BTB Class Period, including the first date and last date thereof and
23 every date in between.

24 **J.** “Claims Released By Participating FCRA Class Members” shall mean
25 the Claims from the beginning date of the FCRA Class Period up through the end

26 ³ The First Amended Complaint to be filed in the Action shall contain all of the
27 claims and allegations alleged in the original complaint filed in the Action plus all
28 of the claims and allegations alleged in the BTB Action, as discussed in more detail
below.

1 date of the FCRA Class Period, as discussed in more detail in Section XX.C below.
2 The Claims Released By FCRA Participating Class Members cover the period of
3 time during the FCRA Class Period, including the first date and last date thereof
4 and every date in between.

5 **K.** “Claims Released By PAGA Subgroup Members” shall mean the
6 Claims from the beginning date of the PAGA Subgroup Period up through the end
7 date of the PAGA Subgroup Period, as discussed more in detail in Section XX.D
8 below. The Claims Released by PAGA Subgroup Members cover the period of
9 time during the PAGA Subgroup Period, including the first date and last date
10 thereof and every date in between.

11 **L.** “Class Counsel” means David D. Bibiyan, Joshua Shirian, and Vedang
12 J. Patel of the law firm of Bibiyan Law Group, P.C.

13 **M.** “Class Counsel Fees Payment” and “Class Counsel Expenses
14 Payment” mean the amounts allocated to Class Counsel for reimbursement of
15 reasonable attorneys’ fees and expenses, respectively, and allegedly incurred to
16 prosecute the Lawsuits, including, but not limited to, from their filing up through
17 the entry of judgment in the Action and dismissal without prejudice of the BTB
18 Action as well as all such fees and costs incurred in documenting and effectuating
19 the Settlement until the Effective Date of the Settlement.

20 **N.** “Class Data” means Class Member-identifying information in
21 Cardinal’s possession including each Class Member’s names, last-known mailing
22 address, and Social Security number.

23 **O.** “Classes” means both the BTB Class and the FCRA Class.

24 **P.** “Class Member” means an individual who is a member of the BTB
25 Class, the FCRA Class, or both the BTB Class and the FCRA Class.

26 **Q.** “Class Member Address Search” means the Settlement
27 Administrator’s investigation and search for current Class Member mailing
28 addresses using reasonably available sources, methods and means including, but not

1 limited to, the National Change of Address database, skip traces, and direct contact
2 by the Settlement Administrator with Class Members.

3 **R.** “Class Notice” means the notice of the settlement contemplated by this
4 Stipulation that is to be sent to Class Members after the Court grants preliminary
5 approval of the Settlement and advises them of their various rights with respect to
6 the Settlement along with the date and time the Final Approval Hearing will be
7 held, substantially in the form attached to this Stipulation as Exhibit A.

8 **S.** “Class Periods” means both the BTB Class Period and the FCRA Class
9 Period.

10 **T.** “Class Representative” means Tony Nunley, who is the named
11 Plaintiff and proposed Class Representative for both the BTB Class and the FCRA
12 Class in this Action.

13 **U.** “Class Representative Service Payment” means the service payment to
14 be requested from the Court and, if awarded, to be paid to the Class Representative
15 out of the QSF as compensation for his service to the Classes, the risks incurred and
16 his execution of a general release.

17 **V.** “Complaints” shall collectively mean all of the complaints filed in the
18 Lawsuits, which include the following pleadings: (1) the original complaint filed in
19 the Action on May 11, 2022; (2) the original complaint filed in the BTB Action on
20 October 24, 2022; and (3) the First Amended Complaint (also referred to herein as
21 the Operative Complaint) to be filed in the Action, which shall include all of the
22 claims from the original complaint in the Action plus all claims and allegations
23 alleged in the BTB Action.

24 **W.** “Court” means the Superior Court of the State of California for the
25 County of San Bernardino.

26 **X.** “Day” or “days” means calendar days unless specifically stated
27 otherwise in this Stipulation. In the event any date or deadline set forth in this
28 Stipulation falls on a weekend or federal legal holiday, such date or deadline shall

1 be on the first business day thereafter.

2 **Y.** “Defendants” means Cardinal Logistics Management Corporation and
3 Robert Sheerin.

4 **Z.** “Defense Counsel” means the law firm of Nossaman LLP.

5 **AA.** “Effective Date of the Settlement” shall be when the Settlement is
6 considered Final. For purposes of the Settlement, “Final” means (i) in the event
7 there are no objectors to the Settlement, sixty (60) days after the Court issues an
8 order finally approving the Settlement; or, (ii) in the event that one or more timely
9 objections has/have been filed and not withdrawn, then upon the passage of the
10 applicable date for an objector to seek appellate review of the Court’s order of final
11 approval of the Settlement, without a timely appeal having been filed; or, (iii) in the
12 event that an appeal of the Court’s order of final approval has been filed, then the
13 Settlement shall be final when the applicable court has rendered a final decision or
14 opinion affirming the Court’s final approval without material modification, and the
15 applicable date for seeking further appellate review has passed, or the date that any
16 such appeal has been either dismissed or withdrawn by the appellant. Cardinal will
17 fund the settlement within thirty (30) days of the Final date.

18 **BB.** “Election Not to Participate in Settlement” means the written and
19 signed request by a Class Member through which a Class Member may elect to
20 exclude himself or herself from the Settlement.

21 **CC.** “FCRA Class” means all California residents who applied for a job
22 with Cardinal and about whom Cardinal procured a background check of any kind
23 (i.e., procured a consumer report, an investigative consumer report and/or a credit
24 report, etc.) from May 11, 2017 through September 25, 2023.

25 **DD.** “FCRA Class Member” means a member of the FCRA Class,
26 including Plaintiff and all absent class members.

27 **EE.** “FCRA Class Period” means the period of time beginning on and
28 including May 11, 2017 and continuing up through and including September 25,

1 2023.

2 **FF.** “Final Approval Hearing” means the hearing to be scheduled by the
3 Court in the Action to consider the Motion for Final Approval of the Settlement,
4 Plaintiff’s motion for Class Representative Service Payment, Class Counsel’s
5 motion for Class Counsel Fees Payment and Class Counsel Expenses Payment, and
6 any timely-filed objections by Class Members to any of the foregoing.

7 **GG.** “Final Approval Order” means the Court’s order granting final
8 approval of the Settlement in the Action.

9 **HH.** “Gross Settlement Amount” means Six Hundred Thirty-Five Thousand
10 Dollars and Zero Cents (\$635,000.00), which is the total amount Cardinal agrees to
11 pay into a QSF under the Settlement except as provided in Section VI.D below. The
12 Gross Settlement Amount will be the sole source and total payment by Cardinal,
13 under this Stipulation, to resolve all Claims asserted in this Action and the BTB
14 Action, as well as any claims arising out of the same facts, allegations, transactions
15 or occurrence occurring during the respective Class Periods. This is not a “claims
16 made” or “reversionary” Settlement, meaning no amount of the Qualified
17 Settlement Fund shall revert to Cardinal for any reason so long as the Settlement is
18 approved and it becomes completely Final. In addition, Participating Class
19 Members will not need to submit a claim form to recover under this Settlement. All
20 payments involved in effectuating the Settlement shall be made from the Qualified
21 Settlement Fund, including but not limited to: the Class Representative Service
22 Payment, the Class Counsel Fees Payment, the Class Counsel Expenses Payment;
23 all payments allocated to the Labor and Workforce Development Agency
24 (“LWDA”) in connection with PAGA; and the Settlement Administration Expenses
25 Payment, in the amounts approved by the Court. The remaining amount, which
26 shall consist of the payments to Participating Class Members, is the Net Settlement
27 Amount.

28 **II.** “Lawsuits” refers to and includes both of the following two cases: (1)

1 the Action; and (2) the BTB Action.

2 **JJ.** “Net Settlement Amount” means the Gross Settlement Amount, less
3 the following payments in the amounts approved by the Court: Class Counsel Fees
4 Payment, Class Counsel Expenses Payment, Class Representative Service Payment,
5 the Settlement Administration Expenses Payment, the LWDA Payment and the
6 Individual PAGA Subgroup Payments. Fifty percent of the Net Settlement Amount
7 shall be allocated to the BTB Class and paid to Participating BTB Class Members
8 as Individual BTB Class Member Payments. Fifty percent of the Net Settlement
9 Amount shall be allocated to the FCRA Class and paid to Participating FCRA Class
10 Members as Individual FCRA Class Member Payments.

11 **KK.** “Non-Participating Class Member” means any Class Member who
12 timely and properly submits a valid Election Not to Participate in the Settlement.

13 **LL.** “Notice Materials” means the Class Notice substantially in the form
14 attached to this Stipulation as Exhibit A.

15 **MM.** “Operative Complaint” means the First Amended Complaint to be
16 filed in the Action, as more fully detailed in Section IV below.

17 **NN.** “PAGA Subgroup” means all California residents who applied for a
18 job and obtained employment with Cardinal from May 11, 2021 through September
19 25, 2023.

20 **OO.** “PAGA Subgroup Member” means a member of the PAGA Subgroup,
21 including Plaintiff and all California residents who applied for a job and obtained
22 employment with Cardinal from May 11, 2021 through September 25, 2023.

23 **PP.** “PAGA Subgroup Period” means the period of time beginning on and
24 including May 11, 2021 and continuing up through and including September 25,
25 2023.

26 **QQ.** “Participating Class Member” means a Class Member who does not
27 timely submit a valid Election Not to Participate in Settlement.

28 ///

1 **RR.** “Participating BTB Class Member” means a Class Member who is a
2 member of the BTB Class and who does not timely submit a valid Election Not to
3 Participate in Settlement.

4 **SS.** “Participating FCRA Class Member” means a Class Member who is a
5 member of the FCRA Class and who does not timely submit a valid Election Not to
6 Participate in Settlement.

7 **TT.** “Parties” shall mean Plaintiff and Defendants.

8 **UU.** “Plaintiff” or “Nunley” means Tony Nunley, who is the named
9 Plaintiff in the Action and the Class Representative for both the BTB Class and the
10 FRCA Class.

11 **VV.** “Preliminary Approval Date” means the date on which the Court
12 enters the Preliminary Approval Order in the Action.

13 **WW.** “Preliminary Approval Order” means the Court’s order granting
14 preliminary approval of the Settlement, ordering the mailing of the Notice Materials
15 and scheduling the Final Approval Hearing.

16 **XX.** “Qualified Settlement Fund” or “QSF” means the fund meeting the
17 requirements of a Qualified Settlement Fund (“QSF”) under US Treasury
18 Regulation section 468B-1 set up by the Settlement Administrator for the Gross
19 Settlement Amount.

20 **YY.** “Released Parties” means (i) Cardinal Logistics Management
21 Corporation and its parent companies, subsidiaries, divisions and other affiliated or
22 related entities, past and present, as well as all of Cardinal Logistics Management
23 Corporation’s and the other aforementioned entities’ employees,⁴ officers, directors,
24 agents, attorneys, insurers, partners, shareholders, owners, representatives, joint
25 venturers, and successors and assigns of each, and (ii) Robert Sheerin and his heirs,
26 successors and assigns.

27 ⁴ The term “employees” includes, but is not limited to, Robert Sheerin (i.e., the
28 individual defendant named in the Action and BTB Action).

1 **ZZ.** “Settlement” shall mean the settlement between Cardinal and Plaintiff,
2 which is memorialized in this Stipulation.

3 **AAA.** “Settlement Administrator” means the third-party claims
4 administration firm jointly selected by Cardinal and Plaintiff, and approved by the
5 Court.

6 **BBB.** “Settlement Administration Expenses Payment” means the amount the
7 Settlement Administrator will be paid from the Gross Settlement Amount to
8 reimburse its reasonable fees and expenses in administering the Settlement.

9 **CCC.** “Settling Parties” means the Released Parties (as defined above in
10 Section II.WW) and the Class Representative on behalf of himself and all other
11 Participating Class Members.

12 **DDD.** “Stipulation” shall mean this Joint Stipulation of Class Action
13 Settlement and Release of Claims, including Exhibit A.

14 **III. RECITALS**

15 **A.** Plaintiff Tony Nunley, a California resident, submitted an online
16 application to Cardinal for a position as a commercial motor vehicle driver in 2021.
17 In connection with his application, he received disclosures that Cardinal might
18 conduct a background investigation and obtain reports about him from various
19 sources and signed forms authorizing Cardinal to obtain such reports. In connection
20 with Nunley’s online application for employment, Cardinal procured consumer
21 reports about Nunley from various consumer reporting agencies. Cardinal
22 subsequently hired and employed Nunley as a commercial motor vehicle driver.

23 **B.** On May 11, 2022, Nunley filed his original complaint in this Action in
24 the Superior Court of the State of California for the County of San Bernardino, on
25 behalf of himself and a putative class. In the complaint, Nunley alleged that
26 Defendants violated the Fair Credit Reporting Act (“FCRA”), the California
27 Investigative Consumer Reporting Agencies Act (“ICRAA”), and the California
28 Consumer Credit Reporting Agencies Act (“CCRAA”), by allegedly not providing

1 required disclosures to him and not obtaining required authorizations from him
2 before procuring various consumer reports about him. Nunley purported to bring
3 his claims on behalf of a class of “all current, former, and prospective employees of
4 Defendants who applied for a job with Defendants and a background check was
5 performed” since May 11, 2017 (i.e., five years prior to the complaint being filed).

6 **C.** Cardinal subsequently removed the Action to the United States District
7 Court for the Central District of California. In response, Nunley moved to remand,
8 arguing that the complaint’s allegations did not sufficiently demonstrate more than
9 a bare procedural violation of the FCRA and thus did not set forth a concrete and
10 particularized injury in fact required for Article III standing. On October 5, 2022,
11 the United States District Court for the Central District of California granted
12 Nunley’s motion to remand, agreeing that the complaint did not allege Nunley
13 suffered any actual confusion from the purportedly noncompliant disclosures or that
14 he would have taken any different action if the disclosures had complied with the
15 FCRA, and therefore failed to allege that Nunley sustained any “concrete” harm.

16 **D.** On May 11, 2022, Nunley provided written notice to the California
17 Labor and Workforce Development Agency (“LWDA”) of Cardinal’s alleged
18 violation of California Labor Code § 432.7. The LWDA did not provide notice of
19 intent to investigate the alleged violation within sixty-five (65) days of Nunley’s
20 notice.

21 **E.** On October 24, 2022, Nunley filed a putative class action and PAGA
22 representative action complaint (i.e., the BTB Action) in the Superior Court of the
23 State of California for the County of San Bernardino. In the BTB Action, Nunley
24 alleged that Defendants violated California Labor Code § 432.7 by asking him to
25 disclose information concerning “an arrest or detention that did not result in
26 conviction, ... a referral to, and participation in, any pretrial or posttrial diversion
27 program, ... a conviction that has been judicially dismissed or ordered sealed
28 pursuant to law,” or “an arrest, detention, processing, diversion, supervision,

1 adjudication, or court disposition that occurred while the person was subject to the
2 process and jurisdiction of the juvenile court.” Nunley purported to bring the claim
3 on behalf of a class of “all current, former, and prospective employees of
4 Defendants who applied for a job with Defendants” since October 24, 2019.
5 Nunley also purported to bring an action for civil penalties based on the alleged
6 Labor Code violations on behalf of himself and other current and former employees
7 since May 11, 2021 under California’s Private Attorneys’ General Act (“PAGA”).

8 **F.** After the District Court remanded the Action and around the time the
9 BTB Action was filed, Cardinal and Nunley agreed to schedule a mediation and
10 stipulated to an extension of Cardinal’s time to respond to the complaints in both of
11 the Lawsuits until after the mediation.

12 **G.** On June 13, 2023, Cardinal and Plaintiff participated in a good-faith,
13 arms-length mediation presided over by Mediator Michael Dickstein. Mediator
14 Dickstein continued to negotiate with Cardinal and Plaintiff over the entire day and
15 was ultimately able to facilitate a settlement between them, the principal terms of
16 which were memorialized by Cardinal and Plaintiff in a binding Memorandum of
17 Understanding agreed to in principle on June 13, 2023 and fully executed by
18 Cardinal and Plaintiff on July 27, 2023. Based on those negotiations and arms-
19 length settlement discussions between Cardinal and Plaintiff, they agreed to settle
20 the Lawsuits on the terms and conditions set forth in this Stipulation.

21 **H.** In the course of litigating the Lawsuits, Cardinal provided certain
22 application and employment data and other information regarding the Class
23 Members to Plaintiff and Class Counsel as part of the mediation process. Cardinal
24 also provided Plaintiff with his entire personnel file, various employee policies,
25 procedures, and manuals, exemplar disclosure and application forms, and numerous
26 other documents and information.

27 **I.** Based on the substantial amount of data and documents received, and
28 their own independent investigation and evaluation, Class Counsel has thoroughly

1 analyzed the value of the Class Members' claims during the prosecution of the
2 Lawsuits. This discovery, investigation, and prosecution has included, among other
3 things: (a) inspection and analysis of the documents and materials produced by
4 Cardinal; (b) analysis of the various legal positions taken and defenses raised by
5 Cardinal; (c) investigation into the viability of class treatment of the claims asserted
6 in the Lawsuits; (d) analysis of potential class-wide damages; (e) research of the
7 applicable law with respect to the claims asserted in the Lawsuits and the potential
8 defenses thereto (including, but not limited to, procedural defenses, merit-based
9 defenses, etc.); (f) the exchange of information through informal discovery; and (g)
10 assembling data for calculating damages. Class Counsel's investigation was
11 sufficient to satisfy the criteria for court approval under California law, including
12 the criteria set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal. App. 4th
13 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal. App. 4th 116,
14 129-130 ("*Dunk/Kullar*").

15 **J.** The discovery conducted in the Lawsuits, as well as discussions
16 between counsel and Cardinal/Plaintiff, have been adequate to give the Class
17 Representative and Class Counsel a sound understanding of the strengths and
18 weaknesses of their positions and to evaluate the potential worth of the claims of
19 the Class Members in light of Defendants' many defenses to them. The informal
20 discovery conducted in the Lawsuits and the information voluntarily provided by
21 Cardinal through informal discovery and mediation are sufficient to reliably assess
22 the merits of the respective parties' positions and to compromise the issues on a fair
23 and equitable basis. As a result, Cardinal and Plaintiff agree and represent to the
24 Court that the Settlement is fair and reasonable.

25 **K.** Throughout the course of the Lawsuits, Cardinal and Plaintiff have
26 engaged in formal and informal settlement discussions. Specifically, they engaged
27 in mediation before Michael Dickstein, a highly respected class action mediator.
28 After a full day of negotiations and extensive arms-length bargaining, Cardinal and

1 Plaintiff reached an agreement in principle to settle the Lawsuits on the terms set
2 forth herein.

3 **L.** The Class Representative and Class Counsel believe that the claims,
4 causes of action, allegations and contentions asserted in the Lawsuits have merit.
5 However, the Class Representative and Class Counsel recognize and acknowledge
6 the many risks, expense and delay of continued lengthy proceedings necessary to
7 prosecute the Lawsuits against Defendants through trial and through appeals. Class
8 Counsel has taken into account the uncertain outcome and the risk of any litigation,
9 the risk of continued litigation in complex actions such as this, as well as the
10 difficulties and delays inherent in such litigation, and the potential difficulty of
11 maintaining the Action as a class action and the BTB Action as a class and
12 representative action. Class Counsel is mindful of the inherent problems of proof
13 under, and many possible defenses to, the claims alleged in the Lawsuits. Class
14 Counsel believes that the Settlement set forth in this Stipulation confers substantial
15 benefits upon Plaintiff and the Participating Class Members and that an
16 independent review of this Stipulation by the Court in the approval process will
17 confirm this conclusion. Based on their own independent investigation and
18 evaluation, Class Counsel have determined that the Settlement set forth in the
19 Stipulation is in the best interests of the Class Representative and the Class
20 Members.

21 **M.** Defendants have denied and continue to deny each and all of the
22 claims and contentions alleged by Plaintiff and all putative class members in the
23 Lawsuits and respective Classes. Defendants have expressly denied and continue to
24 deny all charges of wrongdoing or liability against them arising out of any of the
25 conduct, statements, acts or omissions alleged, or that could have been alleged, in
26 the Lawsuits. Defendants further deny that, for any purpose other than settling
27 these Lawsuits, these claims are appropriate for class, collective, or representative
28 treatment of any kind. Nonetheless, Defendants have concluded that further

1 conduct of the Lawsuits would be protracted and expensive and that it is desirable
2 for economic reasons that the Lawsuits be fully and finally settled in the manner
3 and upon the terms and conditions set forth in this Stipulation in order to limit
4 further expense, inconvenience and distraction, to dispose of burdensome and
5 protracted litigation, and to permit the operation of Cardinal's business without
6 further expensive litigation and the distraction and diversion of its personnel with
7 respect to matters at issue in the Lawsuits. Defendants have also taken into account
8 the uncertainty and risks inherent in any litigation, especially in complex cases such
9 as the Lawsuits. Defendants have, therefore, determined that it is desirable and
10 beneficial to them that the Lawsuits be settled in the manner and upon the terms and
11 conditions set forth in this Stipulation. Cardinal and Plaintiff have agreed to the
12 terms set forth herein without in any way acknowledging fault or liability of
13 Defendants. Therefore, nothing in this Settlement Agreement shall be deemed or
14 used as an admission of liability, fault or wrongdoing by Defendants or as an
15 admission that a class, representative, or collective action should be certified or
16 allowed to go forward, and shall not be used for any purpose other than for
17 settlement purposes and to enforce its terms.

18 **N.** The Settlement set forth herein intends to achieve the following:
19 (a) entry of an order approving the Settlement and granting the monetary and other
20 relief set forth in this Stipulation to the Plaintiff and Participating Class Members;
21 (b) entry of judgment in the Action; (c) dismissal without prejudice of the BTB
22 Action once all of the claims and allegations in it are added to the Action; and (d)
23 the release and discharge of Defendants and all other Released Parties, and each of
24 them, from liability for any and all of the released Claims as set forth in more detail
25 in Section XX below.⁵

27 ⁵ In the event it has not been dismissed prior to the execution of this Stipulation,
28 this Settlement also requires the immediate dismissal of the BTB Action in its
entirety without prejudice. All of the claims and allegations alleged in the BTB

1 **O.** Class Counsel and Plaintiff are of the opinion that the Stipulation is
2 fair, reasonable, and adequate and is in the best interest of the two Classes and
3 PAGA Subgroup in light of, among other things, all known facts and
4 circumstances, including the risk of significant delay, the size of the Classes and
5 PAGA Subgroup, the substantial monetary benefits provided by the Settlement to
6 Plaintiff and the Participating Class Members, the numerous defenses asserted by
7 Defendants as to both class action certification, proceeding with a representative
8 action, and the merits of the various claims, and potential appellate issues.

9 **P.** It is therefore the mutual desire of Cardinal and Plaintiff to fully,
10 finally, and forever settle, compromise, and discharge all disputes and claims raised
11 in the Lawsuits against Defendants or that could have been asserted in the Lawsuits
12 as more fully set forth herein. In order to achieve a full and complete release of the
13 Released Parties, the Participating Class Members, by and through the Class
14 Representative, acknowledge that this Stipulation is intended to include and resolve
15 all Claims that were pled in the Lawsuits as well as those Claims that could have
16 been pled in the Lawsuits based upon the factual allegations of any of the
17 Complaints in the Lawsuits, which allegations shall all be set forth in the Operative
18 Complaint to be filed in the Action, and as more fully set forth in Section XX
19 below.

20 **Q.** This Stipulation represents a compromise of highly disputed claims.
21 Nothing in this Stipulation is intended to, or may be construed as, an admission by
22 Defendants or any of the other Released Parties that the claims in the Lawsuits have
23 merit or that any of them has any liability to Plaintiff or any Class Member on those
24 claims or any other claim, which Defendants and the Released Parties deny. By
25 entering into this Settlement, Cardinal and the other Released Parties (including,
26 but not limited to, Mr. Sheerin) make no admission that they have engaged, or are

27 _____
28 Action shall then be incorporated into the Action as part of a First Amended
Complaint to be filed in the near future.

1 now engaging, in any unlawful conduct. Plaintiff and the Class Members
2 understand, agree, and acknowledge that this Stipulation is not an admission of
3 liability and shall not be used or construed as such in any legal or administrative
4 proceeding of any kind. This Stipulation shall further never be treated as an
5 admission of liability by Defendants or any Released Party for any purpose
6 whatsoever.

7 **IV. FILING OF FIRST AMENDED COMPLAINT IN THE ACTION (I.E.,**
8 **THE OPERATIVE COMPLAINT) AND DISMISSAL OF BTB**
9 **ACTION**

10 **A.** As a material condition of this Settlement, Plaintiff and Cardinal agree
11 to stipulate to the filing of a first amended complaint (“First Amended Complaint”
12 or “FAC”) in the Action that includes all of the claims and allegations alleged in the
13 original complaint in the Action and adds all of the claims, parties, and allegations
14 contained in the BTB Action to this Action. In the FAC, Plaintiff will purport to
15 allege the claims set forth therein on behalf of the BTB Class, FCRA Class and
16 PAGA Subgroup (as defined above).

17 **B.** Within fourteen (14) days of the execution of this Stipulation, Plaintiff
18 and Class Counsel will prepare and deliver a draft FAC to Cardinal’s counsel, and
19 Cardinal shall have the right to review and comment upon the draft FAC to ensure
20 that all claims and allegations from both this Action and the BTB Action are
21 included in the FAC. Upon Cardinal’s satisfaction with, and approval of, the draft
22 FAC, Cardinal shall stipulate to the filing of the FAC and Plaintiff shall file the
23 FAC in the Action.⁶ The FAC will then become the Operative Complaint.

24 **C.** Plaintiff agrees that Defendants will have no obligation to answer or
25 otherwise respond to the Operative Complaint, unless ordered to do so by the
26 Court. Plaintiff also agrees that Defendants have no obligation to answer or

27 ⁶ It is not necessary for Mr. Sheerin to stipulate to the filing of the FAC in the
28 Action because he has not ever been served in either of the Lawsuits.

1 otherwise respond to any of the Complaints filed in the Lawsuits, unless ordered to
2 do so by a court.

3 **D.** Within seven (7) days of the filing of the FAC, Plaintiff shall take
4 whatever steps are necessary to dismiss the BTB Action in its entirety without
5 prejudice.

6 **V. CONDITIONAL CLASS CERTIFICATION AND**
7 **APPOINTMENT OF CLASS COUNSEL AND CLASS**
8 **REPRESENTATIVES**

9 **A.** For purposes of this Stipulation and subject to the Court's approval,
10 Cardinal and Plaintiff hereby stipulate to two settlement Classes. Specifically, they
11 agree that (i) a FCRA Class defined as all California residents who applied for a job
12 with Cardinal and about whom Cardinal procured a background check of any kind
13 (i.e., procured a consumer report, an investigative consumer report and/or a credit
14 report, etc.) from May 11, 2017 through September 25, 2023, may be conditionally
15 certified for settlement purposes only; and (ii) a BTB Class defined as all California
16 residents who applied for a job with Cardinal from October 24, 2019 through
17 September 25, 2023, may be conditionally certified for settlement purposes only.

18 **B.** For purposes of this Stipulation and subject to the Court's approval,
19 Cardinal and Plaintiff also hereby stipulate to the appointment of Class Counsel as
20 counsel for the FCRA Class and as counsel for the BTB Class, and as counsel for
21 the Classes for the effectuation of the Settlement pursuant to this Stipulation.

22 **C.** For purposes of this Stipulation and subject to the Court's approval,
23 Cardinal and Plaintiff hereby stipulate to the appointment of Plaintiff as the Class
24 Representative for the FCRA Class and as the Class Representative for the BTB
25 Class.

26 **VI. SETTLEMENT CONSIDERATION**

27 **A.** Gross Settlement Amount. Cardinal promises to pay Six Hundred
28 Thirty-Five Thousand Dollars and Zero Cents (\$635,000.00), plus any additional

1 amounts owed under Section VI.D below (if any), and no more as the Gross
2 Settlement Amount. Cardinal has no obligation to pay the Gross Settlement
3 Amount prior to the deadline stated in Section XVII of this Agreement.

4 **B.** Cardinal's payment of the Gross Settlement Amount shall constitute
5 adequate consideration for the Settlement and will be made in full and final
6 settlement of: (a) all claims released by Plaintiff and the Participating Class
7 Members as described herein; (b) Class Counsel's claims for attorney fees and
8 expenses; (c) the Settlement Administrator's expenses; (d) the LWDA Payment;
9 and (e) any other obligation of Cardinal under this Stipulation.

10 **C.** The Settlement Administrator will disburse the entire Gross Settlement
11 Amount without asking or requiring Participating Class Members to submit any
12 claim as a condition of payment. None of the Gross Settlement Amount will revert
13 to Cardinal.

14 **D.** Escalator Clause. Based upon the information available to it at the
15 time, Cardinal represented at mediation that there were 4,706 BTB Class Members,
16 248 PAGA Subgroup Members, and 4,787 FCRA Class Members. If the number of
17 members of any of these three groups turns out to be more than 10 percent greater
18 than these representations (i.e., if there are 5,177 or more BTB Class Members, 273
19 or more PAGA Subgroup Members, or 5,266 or more FCRA Class Members),
20 Cardinal agrees to increase the GSA on a proportional basis for every member of
21 that group above the 10 percent threshold. For example, if the total number of BTB
22 Class Members is 11 percent more than 4,706, the portion of the GSA allocated to
23 BTB Class Members shall be increased by one percent (i.e., by a total of \$3,025).
24 Similarly, if the total number of members of the PAGA Subgroup is 11 percent
25 more than 248, the portion of the GSA allocated to cover alleged PAGA penalties
26 shall be increased by 1 percent (i.e., by a total of \$300). Solely for purposes of
27 calculating the amount of any escalator owed with respect to Participating BTB
28 Class Members and/or Participating FCRA Class Members (if any), Cardinal and

1 Plaintiff agree that the portion of the GSA that shall be considered allocated to
2 Participating BTB Class Members is \$302,500 and the portion of the GSA that shall
3 be considered allocated to Participating FCRA Class Members is \$302,500. For
4 purposes of calculating the amount of any escalator owed with respect to alleged
5 PAGA penalties (if any), Cardinal and Plaintiff agree that the portion of the GSA
6 that shall be considered allocated to alleged PAGA penalties is \$30,000. While the
7 figures set forth in this Section VI.D will be used for purposes of calculating any
8 escalator that might be owed (if any), Cardinal and Plaintiff agree that nothing in
9 this Section VI.D alters the fact that the GSA shall include all amounts to be paid
10 out in effectuating the Settlement as detailed in Sections VI.A-B above. Among
11 other things, this means that nothing in this Section VI.D alters the fact that only 50
12 percent of the Net Settlement Amount will be allocated to Participating BTB Class
13 Members and only 50 percent of the Net Settlement Amount will be allocated to
14 Participating FCRA Class Members (e.g., \$302,500 (plus the amount of any
15 escalator that might be owed) will not be distributed among Participating BTB
16 Class Members or Participating FCRA Class Members, because the Class Counsel
17 Fees Payment, Class Counsel Expenses Payment, Class Representative Service
18 Payment, Settlement Administration Expenses Payment, LWDA Payment and
19 Individual PAGA Subgroup Payments are all deducted from the GSA to produce
20 the Net Settlement Amount).

21 **E.** Plaintiff and Cardinal agree to allocate 100% of the Net Settlement
22 Amount distributed to Participating Class Members as non-wages (i.e., alleged
23 statutory damages, interest, penalties, etc.). Cardinal shall have no liability for the
24 tax treatment of the non-wage components of the distributions to Participating
25 Class Members. Although Plaintiff and Cardinal do not expect there to be any
26 employer-side taxes on the distributions to Participating Class Members, if there are
27 any, those employer-side taxes shall be paid separately and apart from the GSA by
28 Cardinal.

1 **VII. DUTIES OF THE PARTIES TO SEEK COURT APPROVAL**

2 As soon as possible after execution of this Stipulation, Class Counsel will
3 prepare all documents necessary for obtaining the Court's preliminary approval of
4 the Settlement.

5 **A. Plaintiff's Responsibilities.** At least five (5) days before filing, Plaintiff
6 and Class Counsel will prepare and deliver to Defense Counsel for Cardinal drafts
7 of all documents necessary for obtaining Preliminary Approval of the Settlement,
8 including: (i) a draft of the notice, and memorandum in support, of the Motion for
9 Preliminary Approval that includes an analysis of the Settlement under
10 *Dunk/Kullar*; (ii) a draft proposed Order Granting Preliminary Approval; (iii) a
11 draft proposed Class Notice (which shall be identical to Exhibit A to this
12 Stipulation); (iv) a signed declaration from the Settlement Administrator attaching
13 its "not to exceed" bid for administering the Settlement and attesting to its
14 willingness to serve; competency; operative procedures for protecting the security
15 of Class Data; amounts of insurance coverage for any data breach, defalcation of
16 funds or other misfeasance; all facts relevant to any actual or potential conflicts of
17 interest with Class Members; and the nature and extent of any financial relationship
18 with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from
19 Plaintiff confirming willingness and competency to serve and disclosing all facts
20 relevant to any actual or potential conflicts of interest with Class Members and/or
21 the Settlement Administrator; and (v) a signed declaration from Class Counsel
22 attesting to its competency to represent the Class Members; and all facts relevant to
23 any actual or potential conflict of interest with Class Members and/or the
24 Settlement Administrator.

25 **B. Responsibilities of Counsel.** Class Counsel and Defense Counsel are
26 jointly responsible for expeditiously finalizing and filing the Motion for
27 Preliminary Approval after the full execution of this Stipulation; proceeding with
28 the November hearing date for the Motion for Preliminary Approval; and for

1 appearing in Court to advocate in favor of the Motion for Preliminary Approval.
2 Class Counsel is responsible for delivering the Court's Preliminary Approval to the
3 Settlement Administrator.

4 C. Duty to Cooperate. If Cardinal and Plaintiff disagree on any aspect of
5 the proposed Motion for Preliminary Approval and/or the supporting declarations
6 and documents, Class Counsel and Defense Counsel will expeditiously work
7 together on behalf of their respective clients by meeting in person or by telephone,
8 and in good faith, to resolve the disagreement. If the Court does not grant
9 Preliminary Approval or conditions Preliminary Approval on any material change
10 to this Agreement, Class Counsel and Defense Counsel will expeditiously work
11 together on behalf of Cardinal, Plaintiff, and the Class Members by meeting in
12 person or by telephone, and in good faith, to attempt to modify the Settlement and
13 otherwise satisfy the Court's concerns. That said, if the Court materially changes
14 the terms of the Settlement, no party is under any obligation or duty to modify the
15 Settlement. Any disagreement among Plaintiff and Cardinal concerning the final
16 forms of the Notice Materials, or other documents necessary to implement the
17 Stipulation, as well as all other disputes regarding the Stipulation and its
18 implementation, will first be referred to Mediator Michael Dickstein for resolution
19 if the parties' good faith efforts to resolve the disagreement have failed. In the
20 event, Plaintiff and Cardinal are unable to resolve any disagreements regarding the
21 implementation of the Stipulation with Mr. Dickstein, the dispute will be submitted
22 to the Court for resolution.

23 **VIII. CERTIFICATION OF THE CLASS FOR PURPOSES OF**
24 **SETTLEMENT ONLY**

25 A. Plaintiff and Cardinal stipulate that the First Amended Complaint that
26 will be filed in the Action pursuant to Section IV above, shall be considered the
27 operative complaint for purposes of this Settlement. Plaintiff and Cardinal further
28 stipulate, for settlement purposes only, that the Court may conditionally certify the

1 BTB Class and the FCRA Class, as defined in this Stipulation, as opt-out classes
2 (the “Class Stipulation”). More specifically, Plaintiff and Cardinal agree as part of
3 this Class Stipulation that, for settlement purposes only, the requirements of class
4 certification are met.

5 **B.** The Class Stipulation is made solely for purposes of the Settlement.
6 The Class Stipulation is in no way an admission that class action certification is
7 proper under the more stringent litigation certification standard that requires a
8 showing of, *inter alia*, manageability or that certification requirements would be
9 established by further discovery, and neither this Stipulation nor the Class
10 Stipulation will be admissible in this or any other action or proceeding as evidence
11 that (i) the claims advanced in the Action or other Lawsuits, or any other class,
12 collective, or representative action claims, should be certified, or (ii) Defendants or
13 any of the Released Parties are liable to Plaintiff, the Class Members, or any other
14 putative class, representative, or collective action members.

15 **IX. APPOINTMENT AND DUTIES OF SETTLEMENT**
16 **ADMINISTRATOR**

17 **A.** Selection of Settlement Administrator. Subject to the approval of the
18 Court, Plaintiff and Cardinal have jointly selected ILYM Group Inc. (“ILYM”), to
19 serve as the Settlement Administrator and verified that, as a condition of
20 appointment, ILYM agrees to be bound by this Stipulation and to perform, as a
21 fiduciary, all duties specified in this Stipulation in exchange for payment of
22 Settlement Administration Expenses. Plaintiff, Cardinal, Class Counsel, and
23 Defense Counsel represent that they have no interest or relationship, financial or
24 otherwise, with the Settlement Administrator other than a professional relationship
25 arising out of prior experiences administering settlements.

26 **B.** The Settlement Administrator shall perform the following duties in
27 connection with administration of the Settlement: (i) prepare the Notice Materials
28 from the Class Data; (ii) obtain forwarding addresses for Class Members using

1 appropriate methods; (iii) mail the Notice Materials to Class Members; (iv) track
2 non-delivered Notice Materials and take reasonable steps to re-send them to Class
3 Members' current addresses; (v) track and timely report to Class Counsel and
4 Defense Counsel returned Election Not to Participate in Settlement forms;
5 (vi) establish the QSF; (vii) disburse all amounts payable from the QSF to all
6 Participating Class Members without the need for them to file a claim form and
7 handling all tax reporting using its own Employer Identification Number;
8 (viii) calculate the Individual PAGA Subgroup Payments due to PAGA Subgroup
9 Members; (ix) calculate the Individual FCRA Participating Class Member
10 Payments; (x) calculate the Individual BTB Participating Class Member Payments;
11 (xi) notify Class Counsel and Defense Counsel of any Participating Class Members
12 who have not cashed their Individual Payment check by the deadline set forth
13 below; and (xii) handle the disbursement and tax reporting, if any, of amounts
14 associated with uncashed checks.

15 **C.** All costs and expenses due the Settlement Administrator in connection
16 with its administration of the Settlement, including, but not limited to, providing the
17 Class Notice and other Notice Materials, locating Class Members, processing
18 Elections Not to Participate in Settlement, and administering and distributing cash
19 settlement payments to the Participating Class Members shall be paid from the
20 QSF.

21 **D.** All disputes relating to the Settlement Administrator's performance of
22 its duties, after good faith efforts by Cardinal and Plaintiff to first resolve such
23 disputes, will be referred to the Court, if necessary, which will have continuing
24 jurisdiction over this Stipulation until all payments and obligations contemplated by
25 this Stipulation have been fully carried out.

26 **X. NOTICE OF THE SETTLEMENT**

27 **A.** Mailing the Notice Materials to the Class Members

28 1. Within thirty (30) days after the Court enters the Preliminary

1 Approval Order and earlier if at all possible, Cardinal will
2 provide the Class Data to the Settlement Administrator in the
3 form of an Excel spreadsheet. The Class Data provided to the
4 Settlement Administrator will remain confidential and will not
5 be used or disclosed to anyone, except as required to applicable
6 tax authorities or by order of the Court. To protect Class
7 Members' privacy rights, the Settlement Administrator must
8 maintain the Class Data in confidence, use the Class Data only
9 for purposes of this Settlement and for no other purpose, and
10 restrict access to the Class Data to Settlement Administrator
11 employees who need access to the Class Data to effect and
12 perform the obligations outlined under this Agreement.

13 2. Within fourteen (14) days after Cardinal provides the Class Data
14 to the Settlement Administrator, the Settlement Administrator
15 will mail, by first-class mail, the Notice Materials to all Class
16 Members at their last known addresses, unless modified by any
17 updated address information that the Settlement Administrator
18 obtains.

19 3. The Settlement Administrator will use standard devices,
20 including the National Change of Address database or
21 equivalent, to obtain forwarding addresses prior to mailing and
22 will use appropriate skip tracing for undeliverable Notice
23 Materials to take appropriate steps to maximize the probability
24 that the Notice Materials will be received by Class Members.

25 4. If an individual not included in the Class Data provided to the
26 Settlement Administrator later claims to be a Class Member, the
27 Settlement Administrator shall obtain from said individual
28 evidence of his or her claimed eligibility, which information will

1 be provided to Class Counsel and Defense Counsel. Cardinal
2 will verify the information provided by said individual, and
3 make a good faith effort to resolve the issue with Class Counsel.
4 If Plaintiff and Cardinal cannot agree, the Settlement
5 Administrator shall decide whether the claimant shall be
6 included in the Settlement, which decision shall be final but
7 subject to review by the Court if requested by any Party.

8 **B. Election Not to Participate in Settlement**

- 9 1. Each Class Member will have forty-five (45) days after the date
10 on which the Settlement Administrator mails the Notice
11 Materials, plus an additional fifteen (15) days for Class
12 Members whose Notice Materials is remailed, to submit to the
13 Settlement Administrator an Election Not to Participate in
14 Settlement if they wish to be excluded from the Settlement. An
15 Election Not to Participate in Settlement will be deemed timely
16 submitted to the Settlement Administrator if it is (i) mailed to
17 the Settlement Administrator by first-class mail and postmarked
18 by not later than the deadline for submission stated above; or
19 (ii) delivered to and received by the Settlement Administrator by
20 the deadline for submission stated above, whether by mail,
21 facsimile transmission, professional delivery, or personal
22 delivery. To be valid, the Election Not to Participate in
23 Settlement must comply with the procedure set forth in the
24 Notice and must (1) be in writing and signed by the Class
25 Member, (2) include the name and address of the Class Member,
26 and (3) indicate the Class Member's request to be excluded from
27 the Settlement Class in *Nunley v. Cardinal Logistics*
28 *Management Corporation et al.*

- 1 2. A Class Member who does not properly complete and timely
2 submit a written Election Not to Participate in Settlement in the
3 manner and by the deadline specified above will automatically
4 become a Participating Class Member and be bound by all terms
5 and conditions of the Settlement, including the relevant
6 release(s) of Participating Class Members' Released Claims (as
7 detailed below in Section XX), if the Settlement is approved by
8 the Court, and be bound by the Final Approval Order, regardless
9 of whether he or she has objected to the Settlement, and shall
10 receive an Individual Class Member Payment as a member of
11 the FCRA Class, BTB Class, or both.
- 12 3. A Class Member who properly and timely submits an Election
13 Not to Participate in Settlement will not be bound by the
14 Settlement, will not receive an Individual Class Member
15 Payment, and will not have standing to object to: (i) the
16 Settlement; (ii) the Class Representative's motion for Class
17 Representative Service Payment; or (iii) Class Counsel's motion
18 for attorneys' fees and costs; and Defendants will retain all of
19 their defenses to such Class Member's claims should any such
20 claim be pursued.
- 21 4. No Election Not to Participate in Settlement will be honored if
22 submitted late under the deadlines set forth above, unless
23 Cardinal consents to accepting the late submission.

24 **C. Objection to Settlement**

- 25 1. Each Class Member who does not timely submit an Election Not
26 to Participate in Settlement will have forty-five (45) days after
27 the date on which the Settlement Administrator mails the Notice
28 Materials, plus an additional fifteen (15) days for Class

1 Members whose Notice Materials is remailed, to object to the
2 Settlement by serving on the Settlement Administrator, Class
3 Counsel, and Defense Counsel, and filing with the Court, a
4 written objection to the Settlement, Class Representative Service
5 Payment, and/or Class Counsel's attorneys' fees and costs. A
6 Class Member who does not serve a written objection in the
7 manner and by the deadline specified above will be deemed to
8 have waived any objection and will be precluded from making
9 any objection to the Settlement, the Plaintiffs' motion for the
10 Class Representative Service Payment, or Class Counsel's
11 motion for attorneys' fees and costs (whether by appeal or
12 otherwise).

13 **D. Reports and Declaration by Settlement Administrator**

- 14 1. By no later than ten (10) days after expiration of the 45-day
15 deadline for submission of Election Not to Participate in
16 Settlement and objections to the Settlement, plus the additional
17 15-days for Class Members whose Notice Materials is remailed,
18 the Settlement Administrator will prepare and submit for filing
19 in support of Plaintiff's motion for entry of the Final Approval
20 Order a declaration attesting to its mailing of the Notice
21 Materials, its receipt of valid Election Not to Participate in
22 Settlement and its inability to deliver the Notice Materials to
23 Class Members due to invalid addresses, both of which shall be
24 indicated by number of Class Members only. Prior to the Final
25 Approval Hearing, the Settlement Administrator will prepare
26 and submit for filing in support of the motion a supplemental
27 declaration to provide updated and final figures.
28

1 **XI. RIGHT TO RESCIND**

2 If the number of valid Elections Not to Participate in Settlement submitted
3 exceeds 10% of the total number of members of the BTB Class, the PAGA
4 Subgroup, and the FCRA Class, Cardinal may, at its election, rescind the
5 Settlement. Plaintiff agrees that, if Cardinal rescinds, the Settlement shall be void
6 ab initio, have no force or effect whatsoever, and that no Party will have any further
7 obligation to perform under this Agreement; provided, however, Cardinal will be
8 responsible for paying all Settlement Administration Expenses incurred to that
9 point in time. Cardinal must exercise the right of rescission within fourteen (14)
10 calendar days after the Settlement Administrator notifies it of the total number of
11 valid Elections Not to Participate in Settlement submitted by the end of the notice
12 period and provides the identities of the Class Members who submitted such
13 Elections Not to Participate in Settlement.

14 **XII. NOTICE OF SETTLEMENT TO STATE OFFICIALS (PAGA**
15 **NOTICE)**

16 Class Counsel shall timely and promptly serve any and all documents
17 required to be provided in connection with a PAGA claim (*see, e.g.,* California
18 Labor Code § 2699(l)) on the appropriate agent, division, or department of the State
19 of California.

20 **XIII. FINAL APPROVAL OF THE SETTLEMENT**

21 **A.** Plaintiff will file a motion with the Court requesting final approval of
22 the Settlement and entry of the Final Approval Order by the deadline set by the
23 Court, which, unless otherwise ordered by the Court, will be filed at least sixteen
24 (16) court days prior to the Final Approval Hearing. Class Counsel will provide a
25 draft of that motion to Defense Counsel for their review at least five (5) days before
26 the filing deadline. That said, Class Counsel shall separately provide Defense
27 Counsel with a draft of the Final Approval Order that is to be submitted along with
28 the motion for final approval within thirty (30) days of this Stipulation being fully

1 executed. Defense Counsel and Class Counsel shall then work together in good
2 faith to diligently agree upon the language of the Final Approval Order, with the
3 expectation that it will be finalized within thirty (30) days of it being provided to
4 Defense Counsel. It is understood and agreed to by Cardinal and Plaintiff that the
5 language of the Final Approval Order is a material condition of this Settlement and
6 that it must be mutually acceptable to Cardinal and Plaintiff. Plaintiff and Class
7 Counsel thus cannot file the Final Approval Order with the Court unless and until it
8 has been approved by Cardinal acting through Defense Counsel.

9 **B.** No later than the date set by the Court or in the alternative other
10 timeframe required by the Code of Civil Procedure, the Class Representative, acting
11 through Class Counsel, will file a motion requesting the Class Representative
12 Service Payment in an amount not to exceed Seven Thousand Five Hundred Dollars
13 and Zero Cents (\$7,500.00) to the Class Representative for his service as a named
14 plaintiff and provision of a general release. Cardinal will not oppose the motion,
15 which shall be set for hearing on the same date and time as the Final Approval
16 Hearing. Any Class Representative Service Payment awarded by the Court will be
17 paid out of the QSF; provided, however, that no sum shall be due to the Class
18 Representative unless and until the Settlement has become completely Final and the
19 Effective Date of the Settlement has been realized. The Settlement Administrator
20 will issue to the Class Representative an IRS Form 1099 for any service payment
21 awarded by the Court. A denial by the Court of the Class Representative's motion
22 for Class Representative Service Payment, in whole or in part, or an award of a
23 lesser amount than requested will not constitute a material modification of this
24 Stipulation or the Settlement. Any Class Representative Service Payment awarded
25 shall be in addition to any Individual Class Payments and any Individual PAGA
26 Payment the Class Representative is entitled to receive as a Participating FCRA
27 Class Member, Participating BTB Class Member, and PAGA Subgroup Member.
28 Unapproved amounts shall be reallocated among the Class Members who did not

1 timely and validly opt out of this Settlement.

2 C. No later than the date set by the Court or in the alternative other
3 timeframe required by the California Code of Civil Procedure, Class Counsel will
4 file a motion for Class Counsel Fees Payment in an amount not to exceed thirty-five
5 (35) percent of the GSA (i.e., an amount not to exceed Two Hundred Twenty-Two
6 Thousand Two Hundred Fifty Dollars and Zero Cents (\$222,250.00), unless the
7 GSA is increased under Section VI.D above) and Class Counsel Expenses in an
8 amount not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00).
9 Unless otherwise ordered by the Court, Class Counsel's motion for Fees and
10 Expenses shall be set for hearing on the same date and time as the Final Approval
11 Hearing. Cardinal will not oppose the motion provided the amounts requested do
12 not exceed these amounts. Any award of fees and costs by the Court will be paid
13 out of the QSF; provided, however, that no sums shall be due to Class Counsel
14 unless and until the Settlement has become completely Final and the Effective Date
15 of the Settlement has been realized. A denial by the Court of Class Counsel's
16 motion, in whole or in part, or an award of a lesser amount will not constitute a
17 material modification of this Stipulation or the Settlement. The Settlement
18 Administrator will issue to Class Counsel an IRS Form 1099 for their award of
19 attorneys' fees and costs. Any court order awarding less than the amounts set forth
20 in this paragraph to Class Counsel shall not be grounds to cancel the Settlement.
21 Unapproved amounts shall be reallocated among the Participating Class Members
22 who did not timely and validly opt out of this Settlement. Class Counsel assumes
23 full responsibility and liability for any taxes owed on the Class Counsel Fees
24 Payment and the Class Counsel Expenses Payment and holds Cardinal harmless,
25 and indemnifies Defendants, from any dispute or controversy regarding any
26 division or sharing of any of these payments. There will be no additional charge of
27 any kind to either the Class Members or request for additional consideration from
28 Defendants for such work unless, Defendants materially breach this Agreement,

1 including any term regarding funding, and further efforts are necessary from Class
2 Counsel to remedy said breach, including, without limitation, moving the Court to
3 enforce the Agreement. Should the Court approve attorneys' fees and/or litigation
4 costs and expenses in amounts that are less than the amounts provided for herein,
5 then the unapproved portion(s) shall be a part of the Net Settlement Amount.

6 **XIV. NULLIFICATION OF THIS STIPULATION**

7 **A.** If (a) Cardinal rescinds the Settlement pursuant to Section XI of this
8 Stipulation, (b) the Court should for any reason decline to approve this Stipulation
9 (including, but not limited to, the Final Approval Order) in the form agreed to by
10 Cardinal and Plaintiff, or (c) the Court should for any reason fail to enter a
11 judgment, then the Stipulation, Settlement, and conditional class certification (i.e.,
12 the Class Stipulation) will automatically become null and void (other than Sections
13 XXII(N)-(O) below relating to no publicity and the return of documents/data)
14 without any act or deed by any Party and the terms and fact of this Stipulation (and
15 of any act performed or document executed pursuant to or in furtherance of the
16 Stipulation), the fact that Plaintiff and Cardinal stipulated to a Class for settlement
17 purposes, and the fact that the Court granted certification of the Class for settlement
18 purposes, will be inadmissible evidence in any subsequent proceeding in the
19 Action, any other lawsuit, or elsewhere. Put another way, neither the Settlement,
20 Class Stipulation, nor any of the related negotiations or proceedings, shall be of any
21 force or effect, and all parties to the Settlement shall stand in the same position,
22 without prejudice, as if the Settlement had been neither entered into nor filed with
23 the Court, except that (i) Plaintiff will be permitted to refile the BTB Action, and
24 Defendants will be estopped from making any argument that there is any adverse
25 effect on the statute of limitations caused by the dismissal of the BTB Action
26 without prejudice, and (ii) Plaintiff will amend the Operative Complaint in the
27 Action so that all of the claims originally filed in the BTB Action are no longer part
28 of the Action. Notwithstanding the foregoing, Plaintiff and Cardinal may attempt in

1 good faith to cure any perceived defects in the Stipulation to facilitate approval if
2 they so desire.

3 **B.** A modification by the Court of the requested Class Representative
4 Service Payment, Class Counsel Fees Payment or Class Counsel Expenses Payment
5 shall not constitute a nullification or invalidation of any material portion of the
6 Settlement.

7 **C.** In the event the Court declines to approve this Stipulation in the form
8 agreed to by Plaintiff and Cardinal, they will be equally responsible for all charges
9 incurred by the Settlement Administrator as of the time the Settlement is
10 disapproved or invalidated. This paragraph shall not apply to the circumstance
11 where the Settlement does not become effective because Cardinal exercised its right
12 to rescind. However, Cardinal and Plaintiff agree to cooperate in addressing any
13 Court concerns regarding preliminary approval, including amendments to this
14 Agreement to which both sides agree and find mutually acceptable.

15 **D.** In the event Cardinal exercises its right to rescind pursuant to Section
16 XI, Cardinal will be responsible for all charges incurred by the Settlement
17 Administrator as of the time the right to rescind is exercised.

18 **XV. WAIVER OF RIGHT TO APPEAL**

19 Provided that the Final Approval Order is consistent with the terms and
20 conditions of this Settlement in all material respects (i.e. without modifications
21 other than those declared above to not be “material”), Plaintiff and all other
22 Participating Class Members who did not timely submit an objection to the
23 Settlement, Class Representative Service Payment, Class Counsel Fees Payment or
24 Class Counsel Expenses Payment, hereby waive any and all rights to appeal from
25 the Final Approval Order, including all rights to any post-judgment proceeding
26 and/or appellate proceeding, such as a motion to vacate or set-aside judgment, a
27 motion for new trial, or any extraordinary writ, and the Final Approval Order
28 therefore will become final and non-appealable at the time it is entered. This

1 waiver does not include any waiver of the right to oppose any appeal, appellate
2 proceedings or post-judgment proceedings.

3 **XVI. REVERSAL OR MATERIAL MODIFICATION OF**
4 **JUDGMENT ON APPEAL**

5 **A.** In the event of an appeal from the judgment and dismissal, the
6 judgment shall be stayed, and the QSF shall not be distributed to Participating Class
7 Members, Plaintiff, or Class Counsel, and the actions required by this Stipulation
8 shall not take place until all appeal rights have been exhausted by operation of law.

9 **B.** If, after a notice of appeal or a petition for writ of *certiorari*, or any
10 other motion, petition, or application, the reviewing court vacates, reverses, or
11 modifies the Final Approval Order such that there is a material modification to the
12 Settlement as set forth in this Stipulation, and that court's decision is not
13 completely reversed and the Final Approval Order is not fully affirmed on review
14 by a higher court, then Cardinal and Plaintiff will each have the right to void the
15 Stipulation, which a Party must do by giving written notice to the other side, the
16 reviewing court, and the Court no later than thirty (30) days after the reviewing
17 court's decision vacating, reversing, or materially modifying the Final Approval
18 Order becomes Final. A vacation, reversal, or modification of any Plaintiff's
19 Service Payment or of any award of attorneys' fees or costs to Class Counsel will
20 not constitute a vacation, reversal, or material modification of the Final Approval
21 Order.

22 **XVII. CREATION OF THE QUALIFIED SETTLEMENT FUND**

23 Within thirty (30) days of the Effective Date of the Settlement, Cardinal will
24 cause the Gross Settlement Amount to be wired to the QSF. The Gross Settlement
25 Amount is the maximum amount Cardinal is obligated to pay under this Stipulation
26 (or otherwise in connection with this Action or the other Lawsuits), unless an
27 escalator is triggered as set forth in Section VI.D, or if it is determined that
28 employer-side taxes must be paid pursuant to Section VI.E. The GSA is inclusive

of any Class Representative Service Payment, Class Counsel Fee Payment, Class Counsel Expense Payment, the Settlement Administration Expense Payment, the LWDA Payment, all Individual PAGA Subgroup Payments, all Individual FCRA Class Member Payments, and all Individual BTB Class Member Payments.

XVIII. DISTRIBUTION OF THE QUALIFIED SETTLEMENT FUND

A. Within seven (7) days after it receives the amount of the Gross Settlement Amount and any escalator (if applicable) from Cardinal, the Settlement Administrator will make the following payments from the QSF:

1. To Plaintiff/Class Representative: the Class Representative Service Payment in the amount set forth in the Final Approval Order approved by the Court in the Action;
2. To the Settlement Administrator: the Settlement Administration Expenses Payment in the amount set forth in the Final Approval Order approved by the Court in the Action;
3. To Class Counsel: the Class Counsel Expense Payment and the Class Counsel Fee Payment, in the amounts set forth in the Final Approval Order approved by the Court in the Action;
4. To the LWDA: The LWDA Payment in the amount of Twenty-Two Thousand Five Hundred Dollars and Zero Cents (\$22,500.00), plus 75 percent of any escalator owed with respect to alleged PAGA penalties under Section VI.D above (if any);
5. To each Participating PAGA Subgroup Member: An Individual PAGA Subgroup Payment in an amount calculated by dividing Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00), plus 25 percent of any escalator owed with respect to alleged PAGA penalties under Section VI.D above (if any), by the number of Participating PAGA Subgroup Members;

- 1 6. To each Participating FCRA Class Member: An Individual FCRA
2 Class Member Payment in an amount calculated by dividing half of the
3 Net Settlement Amount, plus the amount of any escalator owed to
4 Participating FRCA Class Members under Section VI.D above (if
5 any), by the number of Participating FCRA Class Members; and
6 7. To Each Participating BTB Class Member: An Individual BTB Class
7 Member Payment in an amount calculated by dividing half of the Net
8 Settlement Amount, plus the amount of any escalator owed to
9 Participating BTB Class Members under Section VI.D above (if any)
10 by the number of Participating BTB Class Members.

11 **B.** The Settlement Administrator will issue a Form 1099 to each
12 Participating Class Member, reporting the total amount of any Individual PAGA
13 Subgroup Payment, Individual BTB Class Member Payment, and Individual FCRA
14 Class Member Payment received by that Participating Class Member as claimed
15 non-wages (e.g., alleged penalties and interest, etc.). The Participating Class
16 Members are responsible for all federal, state, and local tax filings and liabilities
17 that may result from such payments subject to reporting on a Form 1099, and
18 Defendants shall bear no responsibility for such filings or liabilities. Defendants
19 make no representations with respect to the taxability of any payments pursuant to
20 this Settlement, and the Class Notice will advise Class Members to seek their own
21 tax advice as necessary.

22 **C.** Participating Class Members shall have 180 days to cash their
23 settlement checks. In the event that any checks mailed to Participating Class
24 Members remain uncashed after the expiration of 180 days, or an envelope mailed
25 to a Participating Class Members is returned and no forwarding address can be
26 located for the Participating Class Member after reasonable efforts have been made,
27 then any such unclaimed funds shall be paid to the California Controller's
28 Unclaimed Property Fund in the name of the Participating Class Member.

1 **D.** Should the Settlement Administrator need more time than is provided
2 under this Stipulation to complete any of its obligations, the Settlement
3 Administrator may request, in writing, such additional time (including an
4 explanation of the need for additional time) from Defense Counsel and Class
5 Counsel. If Defense Counsel and/or Class Counsel do not agree, in writing, to the
6 Settlement Administrator's request for additional time, the Settlement
7 Administrator, Class Counsel or Defense Counsel may seek such additional time
8 from the Court.

9 **XIX. DISMISSAL WITHOUT PREJUDICE OF THE BTB ACTION**

10 As part of the consideration for this Settlement, the BTB Action shall be
11 dismissed without prejudice but not until all of the claims and allegations alleged in
12 that case have been added to the Action.

13 **XX. RELEASE OF CLAIMS BY PLAINTIFF, PARTICIPATING**
14 **BTB CLASS MEMBERS, PARTICIPATING FCRA CLASS**
15 **MEMBERS, PAGA SUBGROUP MEMBERS, AND CLASS**
16 **COUNSEL**

17 Effective upon entry of the Final Approval Order and payment by Cardinal to
18 the Settlement Administrator of the full Gross Settlement Amount, Plaintiff,
19 Participating BTB Class Members, Participating FCRA Class Members, PAGA
20 Subgroup Members, and Class Counsel shall release their claims against
21 Defendants and the other Released Parties as follows:

22 **A. Plaintiff's General Release of All Claims Against Defendants and**
23 **all other Released Parties:** Plaintiff, on behalf of himself and his estates,
24 executors, administrators, heirs and assigns, hereby relinquishes, releases,
25 discharges, and agrees to hold harmless Cardinal and any of its parent companies,
26 subsidiaries, divisions and other affiliated or related entities, past and present, as
27 well as Cardinal and all of the other aforementioned entities' employees (including,
28 but not limited to, Mr. Sheerin), officers, directors, agents, attorneys, insurers,

1 partners, shareholders, owners, representatives, joint venturers and successors and
2 assigns of each (i.e., the Released Parties), from any and all claims, damages, costs,
3 obligations, causes of action, actions, demands, rights, and liabilities of every kind,
4 nature and description whatsoever, whether known or unknown, whether
5 anticipated or unanticipated, arising on or before September 25, 2023 (i.e., the end
6 of the BTB Class Period, the FCRA Class Period, and the PAGA Subgroup Period)
7 (“Plaintiff’s Released Claims”). Without limiting the generality of the foregoing
8 general release in any way, Plaintiff’s Released Claims include, but are not limited
9 to, any and all claims, charges, complaints, claims, liabilities, obligations, promises,
10 agreements, controversies, damages, penalties, actions, causes of action, suits,
11 rights, demands, costs, losses, debts, and expenses (including attorney fees and
12 costs), known or unknown, at law or in equity, which he may now have against
13 Defendants or any of the other Released Parties, and each of them, as well as those
14 claims that were or could have been asserted in the Complaints in the Lawsuits,
15 including, but not limited to, any and all claims arising under the Fair Credit
16 Reporting Act, the California Investigative Consumer Reporting Agencies Act, the
17 California Consumer Credit Reporting Agencies Act, the California Labor Code,
18 and the California Private Attorneys’ General Act, and any and all other
19 transactions, occurrences or matters between Plaintiff and Cardinal (or between
20 Plaintiff and Mr. Sheerin or any of the other Released Parties) occurring up through
21 and including the end date of the BTB Class Period, the FCRA Class Period, and
22 the PAGA Subgroup Period.

23 Plaintiff’s Released Claims shall also include any and all claims against
24 Defendants or any of the other Released Parties, and each of them, that occurred up
25 through and including September 25, 2023 under the (a) Americans with
26 Disabilities Act, as amended; (b) Title VII of the Civil Rights Act of 1964, as
27 amended; (c) the Civil Rights Act of 1991; (d) 42 U.S.C. § 1981, as amended;
28 (e) the Age Discrimination in Employment Act, as amended; (f) the Fair Labor

1 Standards Act, as amended; (g) the Equal Pay Act; (h) the Employee Retirement
2 Income Security Act, as amended; (i) the Consolidated Omnibus Budget
3 Reconciliation Act; (j) the Rehabilitation Act of 1973; (k) the Family and Medical
4 Leave Act; (l) the Civil Rights Act of 1966; (m) the California Fair Employment
5 and Housing Act; (n) the California Constitution; (o) the California Government
6 Code; (p) the California Civil Code; (q) the California Business & Professions
7 Code, (r) any and all IWC Wage Orders; and (s) any and all other federal, state and
8 local statutes, ordinances, regulations, rules and other laws, and any and all claims
9 based on constitutional, statutory, common law or regulatory grounds as well as any
10 other claims based on theories of wrongful or constructive discharge, breach of
11 contract or implied contract, fraud, misrepresentation, promissory estoppel or
12 intentional and/or negligent infliction of emotional distress, or damages under any
13 other federal, state or local statutes, ordinances, regulations, rules, or laws. This
14 release is for any and all relief, no matter how denominated, including, but not
15 limited to, back pay, front pay, bonuses, compensatory damages, overtime pay,
16 minimum wages, straight time wages, regular wages, hourly pay, piece-rate pay, all
17 miles driven, compensation for rest period and other non-productive time, premium
18 pay, penalties, civil penalties, waiting time penalties, restitution, disgorgement,
19 damages, tortious damages, liquidated damages, statutory damages, punitive
20 damages, damages for pain and suffering, and attorney fees and costs, and Plaintiff
21 hereby forever releases, discharges and agrees to hold harmless Defendants and the
22 other Released Parties from any and all claims for attorney fees and costs arising
23 out of the matters released in this Stipulation.

24 Plaintiff's Released Claims include all claims described above, whether
25 known or unknown, by the releasing party. Thus, even if Plaintiff discovers facts in
26 addition to or different from those that he now knows or believes to be true with
27 respect to the subject matter of Plaintiff's Released Claims, those claims will
28 remain released and forever barred. Therefore, Plaintiff expressly waives and

1 relinquishes the provisions, rights and benefits of Section 1542 of the California
2 Civil Code and any analogous law, statute, or rule. Section 1542 states:

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

9 Plaintiff specifically acknowledges that he is aware of and familiar with the
10 provisions of Section 1542 of the California Civil Code, and being aware of Section
11 1542, hereby expressly waives and relinquishes all rights and benefits he may have
12 under Section 1542 as well as any other statute or common law principle of a
13 similar effect. Upon entry of final judgment, Cardinal, Mr. Sheerin and the other
14 Released Parties shall be entitled to a general release of all claims from Plaintiff up
15 through and including September 25, 2023 (i.e., the end date of the BTB Class
16 Period, the FCRA Class Period, and the PAGA Subgroup Period).

17 Plaintiff further agrees that, to the extent permitted by law, if a claim is
18 prosecuted in his name against any of the Released Parties, including Defendants,
19 before any court, arbitrator, or administrative agency, he waives, and agrees not to
20 take, any award of money or other damages from such proceeding. Plaintiff agrees
21 that, unless otherwise compelled by law, if a claim is prosecuted in his name
22 against Defendants or any of the other Released Parties that, upon a written request
23 by Defense Counsel, he will immediately request in writing that the claim on his
24 behalf be withdrawn.

25 **B. Participating BTB Class Members' Release of Claims:** Each
26 Participating BTB Class Member forever relinquishes, releases, discharges, and
27 agrees to hold harmless Cardinal, Mr. Sheerin and all of the other Released Parties,
28 and each of them, from any and all Claims (as that term is defined in Section II.H

1 above) that have been asserted or were asserted against Cardinal and Mr. Sheerin in
2 the Operative Complaint in the Action (which Operative Complaint shall include all
3 of the claims and allegations alleged in any of the Complaints in the Lawsuits), or
4 that could have been asserted against Cardinal, Mr. Sheerin, and/or any of the other
5 Released Parties based on or arising out of the facts alleged in the Operative
6 Complaint in the Action, that occurred or arose from October 24, 2019 up through
7 and including the last day of the BTB Class Period (i.e., September 25, 2023)
8 (“Claims Released By Participating BTB Class Members”). Without limiting any of
9 the foregoing, it is hereby stipulated that the Claims Released By Participating BTB
10 Class Members are intended to include, and do include, any and all claims and
11 remedies asserted or sought or that could have been asserted or sought based on the
12 facts or allegations pled in the Operative Complaint in the Action (which Operative
13 Complaint shall include all of the claims and allegations alleged in any of the
14 Complaints in the Lawsuits) that occurred or arose during the BTB Class Period,
15 including the first date and last date thereof and every date in between. Subject to
16 the terms and conditions of this Stipulation and upon final approval of this
17 Stipulation, all such claims and causes of action, damages, and other remedies
18 (including, but not limited to, any wages of any kind, premium compensation,
19 bonuses, penalties, civil penalties, waiting time penalties, damages, liquidated
20 damages, statutory damages, restitution, disgorgement, reimbursement, interest,
21 attorney fees, litigation costs, injunctive relief, declaratory relief, or any other
22 equitable or legal relief of any kind or nature whatsoever) allegedly due and owing
23 Participating BTB Class Members by virtue of or related to any of the facts or
24 allegations pled in the Operative Complaint in the Action are deemed to be fully
25 and finally resolved.

26 **C. Participating FCRA Class Members’ Release of Claims:** Each
27 Participating FCRA Class Member forever relinquishes, releases, discharges, and
28 agrees to hold harmless Cardinal, Mr. Sheerin, and all of the other Released Parties,

1 and each of them, from any and all Claims (as that term is defined in Section II.H
2 above) that have been asserted or were asserted against Cardinal and Mr. Sheerin in
3 the Operative Complaint in the Action (which Operative Complaint shall include all
4 of the claims and allegations alleged in any of the Complaints in the Lawsuits), or
5 that could have been asserted against Cardinal, Mr. Sheerin, or any of the other
6 Released Parties based on or arising out of the facts alleged in the Operative
7 Complaint in the Action, that occurred or arose from May 11, 2017 up through and
8 including the last day of the FCRA Class Period (i.e., September 25, 2023)
9 (“Claims Released By Participating FCRA Class Members”).

10 Without limiting any of the foregoing, it is hereby stipulated that the Claims
11 Released By Participating FCRA Class Members are intended to include, and do
12 include, any and all claims and remedies asserted or sought or that could have been
13 asserted or sought based on the facts or allegations pled in the Operative Complaint
14 in the Action (which Operative Complaint shall include all of the claims and
15 allegations alleged in any of the Complaints in the Lawsuits) that occurred or arose
16 during the FCRA Class Period, including the first date and last date thereof and
17 every date in between. Subject to the terms and conditions of this Stipulation and
18 upon final approval of this Stipulation, all such claims and causes of action,
19 damages, and other remedies (including, but not limited to, any wages of any kind,
20 premium compensation, bonuses, penalties, civil penalties, waiting time penalties,
21 damages, liquidated damages, statutory damages, restitution, disgorgement,
22 reimbursement, interest, attorney fees, litigation costs, injunctive relief, declaratory
23 relief, or any other equitable or legal relief of any kind or nature whatsoever)
24 allegedly due and owing Participating FCRA Class Members by virtue of or related
25 to any of the facts or allegations pled in the Operative Complaint in the Action are
26 deemed to be fully and finally resolved.

27 ///

28 ///

1 **D. Claims Released by PAGA Subgroup Members and the State of**
2 **California.** Each PAGA Subgroup Member and, to the maximum extent permitted
3 by law, the State of California, forever relinquishes, releases, discharges, and agrees
4 to hold harmless Cardinal, Mr. Sheerin, and all of the other Released Parties, and
5 each of them, from any and all Claims (as that term is defined in Section II.H
6 above) based on or arising under California’s Private Attorneys’ General Act (i.e.,
7 California Labor Code sections 2698 *et seq.*) that have been asserted or were
8 asserted against Cardinal and Mr. Sheerin in the Operative Complaint in the Action
9 (which Operative Complaint shall include all of the claims and allegations alleged
10 in the Complaints in the Lawsuits), or that could have been asserted against
11 Cardinal, Mr. Sheerin, or any of the other Released Parties based on or arising out
12 of the facts alleged in the Operative Complaint in the Action, that occurred or arose
13 from May 11, 2021 up through and including the last day of the PAGA Subgroup
14 Period (i.e., September 25, 2023) (the “Claims Released By PAGA Subgroup
15 Members”).

16 Without limiting any of the foregoing, it is hereby stipulated that the Claims
17 Released By PAGA Subgroup Members are intended to include, and do include,
18 any and all PAGA claims and remedies asserted or sought or that could have been
19 asserted or sought based on the facts or allegations pled in the Operative Complaint
20 in the Action (which Operative Complaint shall include all of the claims and
21 allegations alleged in any of the Complaints in the Lawsuits) that occurred or arose
22 during the PAGA Subgroup Period, including the first date and last date thereof and
23 every date in between. Subject to the terms and conditions of this Stipulation and
24 upon final approval of this Stipulation, all such PAGA claims and causes of action,
25 civil penalties, and other remedies (including, but not limited to, for civil penalties
26 pursuant to Labor Code sections 432.7, 432.8, 210, 226.3, 558, 1174.5, 1197.1, and
27 2699) allegedly due and owing PAGA Subgroup Members and the State of
28 California by virtue of or related to any of the facts or allegations pled in the

1 Operative Complaint in the Action are deemed to be fully and finally resolved.

2 **E. Class Counsel's Released Claims.** In consideration of the Class
3 Counsel Fees Payment and Class Counsel Expenses Payment, Class Counsel
4 releases all claims, causes of action, demands, damages, costs, rights, and liabilities
5 of every nature and description for reasonable attorneys' fees, costs, and expenses
6 against Defendants and all of the other Released Parties arising from or related to
7 the Lawsuits, Plaintiff's Released Claims, the Claims Released By Participating
8 BTB Class Members, the Claims Released By Participating FCRA Class Members,
9 and the Claims Released By PAGA Subgroup Members, except as awarded
10 pursuant to this Stipulation (the "Class Counsel's Released Claims").

11 **XXI. NO ADMISSION**

12 Nothing in this Stipulation shall be construed to be or deemed an admission
13 by Defendants or of any of the other Released Parties of any liability, culpability,
14 negligence, or wrongdoing toward the Class Representative, the Class Members, or
15 any other person, and Defendants specifically disclaim any liability, culpability,
16 negligence, or wrongdoing toward the Class Representative, the Class Members, or
17 any other person. Cardinal and Plaintiff have entered into this Stipulation with the
18 intention to avoid further disputes and litigation with the attendant inconvenience,
19 expenses, and contingencies. Nothing herein shall constitute any admission by
20 Defendants or any of the other Released Parties of wrongdoing or liability, or of the
21 truth of any factual allegations in the Action or Lawsuits. Nothing herein shall
22 constitute an admission by Defendants that the Action or Lawsuits were properly
23 brought as class, collective or representative actions other than for settlement
24 purposes. To the contrary, Defendants have denied and continue to deny each and
25 every material factual allegation and alleged claim asserted in the Action and other
26 Lawsuits. To this end, the Settlement of the Action and BTB Action, the
27 negotiation and execution of this Stipulation, and all acts performed or documents
28 executed pursuant to or in furtherance of this Stipulation or the Settlement are not,

1 shall not be deemed to be, and may not be used as, an admission or evidence of any
2 wrongdoing or liability on the part of Defendants or of the truth of any of the
3 factual allegations in the Complaints in the Lawsuits, and are not, shall not be
4 deemed to be, and may not be used as, an admission or evidence of any fault or
5 omission on the part of Defendants in any civil, criminal or administrative
6 proceeding in any court, administrative agency, arbitration proceeding, or other
7 tribunal of any kind.

8 **XXII. ADDITIONAL PROVISIONS**

9 **A. Integrated Agreement.** This Stipulation and its Exhibit constitute the
10 entire agreement between Cardinal and Plaintiff (and his counsel) relating to the
11 Settlement, this Stipulation and the transactions contemplated thereby. All prior or
12 contemporaneous agreements, understandings, representations, and statements,
13 whether oral or written and whether by a Party or a Party's counsel, are merged into
14 and superseded by this Stipulation. No rights under this Stipulation may be waived
15 except in writing.

16 **B. Modification.** This Stipulation may not be changed, altered or
17 modified, except in writing and signed by Cardinal and Plaintiff or their authorized
18 representatives and approved by the Court. This Stipulation may not be discharged
19 except by performance in accordance with its terms as approved by the Court or by
20 a writing signed by Cardinal and Plaintiff.

21 **C. Binding on Successors and Assigns.** This Stipulation will be binding
22 upon and will inure to the benefit of the Settling Parties and their respective heirs,
23 trustees, executors, administrators, parents, subsidiaries, successors and assigns.

24 **D. Participating Class Members.** Because there are a sizeable number of
25 Class Members, it is impossible or impractical to have each Participating Class
26 Member execute this Stipulation. The Notice Materials will inform all Class
27 Members of the binding nature of the Claims Released By Participating BTB Class
28 Members as well as the Claims Released By Participating FCRA Class Members

1 and it will have the same force and effect as if this Stipulation were executed by
2 each Participating Class Member.

3 **E. Jurisdiction.** Pursuant to California Code of Civil Procedure section
4 664.6, the Court shall retain jurisdiction with respect to the interpretation,
5 implementation, and enforcement of the terms of this Settlement and all orders and
6 judgments entered in connection therewith, and the Settling Parties and their
7 counsel hereto submit to the jurisdiction of the Court for purposes of interpreting,
8 implementing, and enforcing the Settlement embodied in this Stipulation and all
9 orders and judgments entered in connection therewith.

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

13 **G. Construction.** This Stipulation is the result of lengthy, arms-length
14 negotiations between Cardinal and Plaintiff. This Stipulation will not be construed
15 in favor of or against any Party by reason of the extent to which any Party or his,
16 her or its counsel participated in the drafting of this Stipulation.

17 **H. Severability.** In the event that one or more of the provisions contained
18 in this Stipulation shall for any reason be held invalid, illegal, or unenforceable in
19 any respect, such invalidity, illegality, or unenforceability shall in no way effect any
20 other provision if Defense Counsel and Class Counsel, on behalf of Cardinal,
21 Plaintiff, and the Settlement Class, mutually elect in writing to proceed as if such
22 invalid, illegal, or unenforceable provision had never been included in this
23 Stipulation.

24 **I. Headings.** Paragraph and section titles, headings or captions contained
25 in this Stipulation are inserted as a matter of convenience and for reference, and in
26 no way define, limit, extend, or describe the scope of this Stipulation or any of its
27 provisions. Each term of this Stipulation is contractual and not merely a recital,
28 except for those denominated as Recitals in Section III above.

1 **J. Notices.** Unless otherwise specifically provided by this Stipulation, all
2 notices, demands or other communications given under this Stipulation will be in
3 writing and be deemed to have been duly given as of the fifth business day after
4 mailing by United States registered or certified mail, return-receipt requested, or as
5 of the first business day after deposit with an overnight delivery service, addressed
6 as follows:

7 **To the Class Representative and the Class:**

8 David Bibiyan
9 Bibyan Law Group
10 8484 Wilshire Blvd, Ste. 500
 Beverly Hills, California 90211

11 **To Cardinal:**

12 Drew R. Hansen, Esq.
13 Nossaman LLP
14 18101 Von Karman Avenue, Suite 1800
 Irvine, CA 92612

15 **K. Cooperation.** Cardinal and Plaintiff will fully cooperate and use
16 reasonable efforts, including all efforts contemplated by this Stipulation and any
17 other efforts that may become necessary or be ordered by the Court, or otherwise,
18 to accomplish the terms of this Stipulation, including, but not limited to, executing
19 such documents and taking such other action as may reasonably be necessary to
20 obtain preliminary and final approval of this Stipulation without material
21 modifications and to implement its terms. Cardinal and Plaintiff (and his counsel)
22 hereby agree to abide by all of the terms of the Settlement in good faith and to
23 support the Settlement fully and to use their best efforts to defend this Settlement
24 from any legal challenge, whether by appeal or collateral attack. In addition, they
25 agree that any disputes regarding the terms of the Settlement shall be referred to
26 Mediator Michael Dickstein for resolution. In the event they are unable to agree
27 upon the form or content of any document necessary to implement the Settlement,
28 or on any modification of the Stipulation that may become necessary to implement

1 the Settlement, they will seek the assistance of Mediator Michael Dickstein and/or
2 the Court for resolution.

3 **L. No Prior Assignments.** Cardinal and Plaintiff represent, covenant, and
4 warrant that they have not directly or indirectly, assigned, transferred, encumbered,
5 or purported to assign, transfer, or encumber to any person or entity any portion of
6 any claims, causes of action, demands, rights, and liabilities of every nature and
7 description released under this Stipulation.

8 **M. Different Facts.** Plaintiff and Cardinal, and each of them, acknowledge
9 that, except for matters expressly represented herein, the facts in relation to the
10 dispute and all claims released by the terms of this Stipulation may turn out to be
11 other than or different from the facts now known by each party and/or its counsel,
12 or believed by such party or counsel to be true, and each party therefore expressly
13 assumes the risk of the existence of different or presently unknown facts, and
14 agrees that this Stipulation shall be in all respects effective and binding despite such
15 difference.

16 **N. Use of Documents and Data.** All originals, copies, and summaries of
17 documents, presentations, and data provided to Plaintiff and Class Counsel by
18 Cardinal in connection with the mediation or other settlement negotiations in the
19 Lawsuits, including e-mail attachments containing such materials, may be used
20 only with respect to this Stipulation, and for no other purpose, and may not be used
21 in any way that violates any existing agreement, statute, law, or rule of court.

22 **O. No Publicity:** Cardinal and Plaintiff agree that they will not publicize
23 the existence or terms of the Settlement prior to the filing of the motion for
24 preliminary approval. Nothing in this Section shall prevent the Class Representative
25 or his counsel from taking any step necessary to obtain approval of the settlement
26 or posting publicly filed documents related to the Settlement.

27 **P. Attorney Fees, Costs and Expenses.** Except as otherwise specifically
28 provided for herein, Plaintiff and Cardinal shall bear his or its own attorney fees,

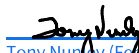
1 costs and expenses, taxable or otherwise, incurred by them in, or arising out of, the
2 Lawsuits and negotiation of this Settlement, and shall not seek reimbursement
3 thereof from any other party to this Stipulation or any of the other Released Parties.

4 **Q. Execution in Counterparts.** This Stipulation may be executed in
5 counterparts, by facsimile or electronic signature, and when each side has signed
6 and delivered at least one such counterpart, each counterpart will be deemed an
7 original, and, when taken together with other signed counterparts, will constitute
8 one Stipulation, which will be binding upon and effective as to all parties, subject to
9 Court approval.

10 **R. Authority to Sign.** Each of the undersigned represents that he or it,
11 acting on the advice of counsel, has authority to sign this Stipulation, and
12 understands that this Settlement is final and binding, and subject only to the
13 settlement process and other terms set forth above.

14 **EXECUTION BY PLAINTIFF, CARDINAL, AND THEIR COUNSEL**

15 Plaintiff, Cardinal, and their counsel hereby execute this document to
16 evidence their acceptance of, and agreement to, the Stipulation.

17 TONY NUNLEY
18
19 Dated: 02/05/24 By: 
20 TONY NUNLEY
Plaintiff and Class Representative

21 CARDINAL LOGISTICS MANAGEMENT
22 CORPORATION
23 Dated: _____ By: _____
24 JEFFREY D. STUPP
25 For Defendant Cardinal Logistics
26 Management Corporation
27
28

1 costs and expenses, taxable or otherwise, incurred by them in, or arising out of, the
2 Lawsuits and negotiation of this Settlement, and shall not seek reimbursement
3 thereof from any other party to this Stipulation or any of the other Released Parties.

4 Q. Execution in Counterparts. This Stipulation may be executed in
5 counterparts, by facsimile or electronic signature, and when each side has signed
6 and delivered at least one such counterpart, each counterpart will be deemed an
7 original, and, when taken together with other signed counterparts, will constitute
8 one Stipulation, which will be binding upon and effective as to all parties, subject to
9 Court approval.

10 R. Authority to Sign. Each of the undersigned represents that he or it,
11 acting on the advice of counsel, has authority to sign this Stipulation, and
12 understands that this Settlement is final and binding, and subject only to the
13 settlement process and other terms set forth above.

14 **EXECUTION BY PLAINTIFF, CARDINAL, AND THEIR COUNSEL**

15 Plaintiff, Cardinal, and their counsel hereby execute this document to
16 evidence their acceptance of, and agreement to, the Stipulation.

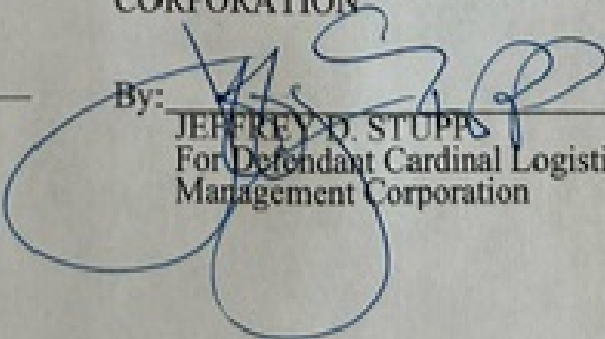
17 TONY NUNLEY

18
19 Dated: _____

By: _____
TONY NUNLEY
Plaintiff and Class Representative

21 CARDINAL LOGISTICS MANAGEMENT
22 CORPORATION

23 Dated: 1/31/24

By: 
JEFFREY D. STUPPS
For Defendant Cardinal Logistics
Management Corporation

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

BIBIYAN LAW GROUP

Dated: February 5, 2024

By: Vedang J. Patel
DAVID D. BIBIYAN
VEDANG J. PATEL
Attorneys for Plaintiff Tony Nunley and the
Class Members

NOSSAMAN LLP

Dated: February 6, 2024

By: Drew Hansen
DREW R. HANSEN
SETH M. GOLDSTEIN
Attorneys for Cardinal Logistics
Management Corporation

EXHIBIT A

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND DATE
FOR FINAL APPROVAL HEARING**

Nunley v. Cardinal Logistics Management Corporation et al.
(County of San Bernardino, California Superior Court Case No. CIVSB2210430)

As a California resident who applied for a job with Cardinal Logistics Management Corporation, you may be entitled to receive money from a class action settlement.

Please read this Notice carefully. This Notice relates to a proposed settlement of class action litigation. If you are a Class Member, it contains important information about your right to receive a payment from the Settlement fund.

You have received this Notice of Class Action Settlement because the records of Cardinal Logistics Management (“Cardinal” or “Defendant”) show that you are either a “FCRA Class Member” or “BTB Class Member” and, therefore, may be entitled to a payment from this class action settlement.

“FCRA Class Member” means all California residents who applied for a job with Cardinal and about whom Cardinal procured a background check of any kind (i.e., procured a consumer report, an investigative consumer report and/or a credit report, etc.) from May 11, 2017 through September 25, 2023.

“BTB Class Member” means all California residents who applied for a job with Cardinal from October 24, 2019 through September 25, 2023.

- The settlement is to resolve a putative class action lawsuit, *Nunley v. Cardinal Logistics Management Corporation and Robert Sheerin*, pending in the Superior Court of California for the County of San Bernardino, Case Number CIVSB2210430 (the “Lawsuit”), alleging, among other things, claims for: (1) violation of the federal Fair Credit Reporting Act (“FCRA”); (2) violation of the California Investigative Consumer Reporting Act (“ICRAA”); (3) violation of the California Consumer Credit Reporting Agencies Act (“CCRAA”); and (4) violation of California Labor Code section 432.7. Based on the alleged violations mentioned above and other alleged Labor Code violations, Plaintiff also seeks civil penalties under the California Labor Code Private Attorneys’ General Act (“PAGA”) that will be released by this Settlement.

- On [REDACTED], the San Bernardino County Superior Court granted preliminary approval of this class action settlement and ordered that all FCRA Class Members and BTB Class Members be notified of the Settlement. The Court has not made any determination of the validity of the claims in the Lawsuit. Cardinal and Robert Sheerin (“Mr. Sheerin”) vigorously deny the claims in the Lawsuit and contend that they fully complied with all applicable laws.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE PAYMENT	Get a payment and give up your legal rights to pursue claims released by the settlement of the Lawsuit.
OPT OUT OF THE SETTLEMENT	Exclude yourself from the Settlement, get no payment for settlement of the class claims, and retain your legal rights to individually pursue the class claims that would otherwise be released by the settlement of the Lawsuit. If you applied for a job and obtained employment with

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

	Cardinal from May 11, 2021 through September 25, 2023 (the “PAGA Subgroup Period”) as well, then you will be deemed a “PAGA Subgroup Member” and you will still receive your share of the proceeds available from the settlement of the PAGA Subgroup Released Claims, defined below, (your “Individual PAGA Payment”) even if you opt out of the class settlement.
OBJECT TO THE SETTLEMENT	If you do not opt out, but wish to object to certain aspects of the Settlement, you may write to the Settlement Administrator, [REDACTED], about why you object to the settlement, and they will forward your concerns to counsel which will then be provided to the Court. If the Court approves the Settlement despite your objection, you will still be bound by the Settlement. You or your attorney may also address the Court during the Final Approval Hearing scheduled for [DATE AND TIME] in Department S-17 of the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, CA 92415.

The Final Approval Hearing on the adequacy, reasonableness and fairness of the Settlement will be held at [REDACTED] : [REDACTED].m. on [REDACTED], in the Civil Division of the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, CA 92415, in Department S-17. You are not required to attend the Final Approval Hearing, but you are welcome to do so.

Why Am I Receiving This Notice?

Defendant’s records show that you applied for a job with Cardinal between May 11, 2017 through September 25, 2023 and Cardinal procured a background check of some kind about you (i.e., procured a consumer report, an investigative consumer report and/or a credit report, etc.), or you applied for a job with Cardinal between October 24, 2019 through September 25, 2023. You were sent this Class Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all your options before the Court decides whether to finally approve the settlement. If the Court approves the settlement and then any objections and appeals are resolved, a “Settlement Administrator” appointed by the Court will make the payments described in this Notice. This Notice explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them and how to get them.

What is This Case About?

Tony Nunley is the “Plaintiff” in this case and is suing Cardinal and Mr. Sheerin on behalf of himself, the FCRA Class Members, and BTB Class Members for defendants’ alleged violation of the FCRA, ICRAA, CCRAA, and California Labor Code 432.7.

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

Based on the alleged violations mentioned above and other alleged Labor Code violations, Plaintiff also seeks to recover penalties against Defendant and Mr. Sheerin under California Labor Code Private Attorneys' General Act ("PAGA").

Defendant and Mr. Sheerin deny all the allegations made by Plaintiff and deny that they violated any law. The Court has made no ruling on the merits of Plaintiff's claims. The Court has only preliminarily approved this class action settlement. The Court will decide whether to give final approval to this settlement at the Final Approval Hearing.

Summary of the Settlement Terms

Plaintiff and Cardinal have agreed to settle this case on behalf of the FCRA Class Members, BTB Class Members and PAGA Subgroup Members for the Gross Settlement Amount of \$635,000.00, unless escalated pursuant to the Settlement Agreement. The Gross Settlement includes: (1) Administration Costs up to \$30,000 (2) a service award of up to \$7,500.00 to Tony Nunley for his time and effort in pursuing this case; (3) up to 35% of the Gross Settlement Amount in attorneys' fees which, unless escalated pursuant to the Settlement Agreement, amounts to \$222,250.00; (4) up to \$30,000.00 in litigation costs to Class Counsel, according to proof; (5) payment allocated to PAGA penalties in the amount of \$30,000.00 of the Gross Settlement Amount toward PAGA penalties. Pursuant to the PAGA, seventy-five percent (75%) of the amount allocated toward PAGA, or \$22,500.00, will be paid to the LWDA and twenty-five percent (25%), or \$7,500.00, will be distributed to PAGA Subgroup Members. After deducting these sums, a total of approximately not less than \$315,250 will be available for distribution ("Net Settlement Amount"), 50% to the FCRA Class Members, and 50% to the BTB Class Members.

Defendant represents that there were 4,787 FCRA Class Members, 4,706 BTB Class Members, and 248 PAGA Subgroup Members. If the number of members of any of these three groups turns out to be more than 10 percent greater than these representations (i.e., if there are 5,266 or more FCRA Class Members, 5,177 or more BTB Class Members, or 273 or more PAGA Subgroup Members), Cardinal agrees to increase the GSA on a proportional basis for every member of that group above the 10 percent threshold ("Escalator"). For example, if the total number of BTB Class Members is 11 percent more than 4,706, the portion of the GSA allocated to BTB Class Members shall be increased by one percent (i.e., by a total of \$3,025). Similarly, if the total number of members of the PAGA Subgroup is 11 percent more than 248, the portion of the GSA allocated to cover alleged PAGA penalties shall be increased by 1 percent (i.e., by a total of \$300).

Distribution to Class Members

To each Participating FCRA Class Member: An Individual FCRA Class Member Payment in an amount calculated by dividing half of the Net Settlement Amount, plus the amount of any Escalator owed to Participating FCRA Class Members (if any), by the number of Participating FCRA Class Members.

To Each Participating BTB Class Member: An Individual BTB Class Member Payment in an amount calculated by dividing half of the Net Settlement Amount, plus the amount of any Escalator owed to Participating BTB Class Members (if any) by the number of Participating BTB Class Members.

To each Participating PAGA Subgroup Member: An Individual PAGA Subgroup Payment in an amount calculated by dividing Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00), plus 25 percent of any escalator owed with respect to alleged PAGA penalties (if any), by the number of Participating PAGA Subgroup Members.

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

Defendant's records indicate that you applied to work for Cardinal between May 11, 2017 through September 25, 2023 and Cardinal procured a background check of some kind about you (i.e., procured a consumer report, an investigative consumer report and/or a credit report, etc.) and/or you applied for a job with Cardinal between October 24, 2019 through September 25, 2023. Based on these records, your estimated payment as a FCRA Class Member would be [\$Estimated Award], your estimated payment as a BTB Class Member would be [\$Estimated Award], and your estimated payment as an PAGA Subgroup Member would be [\$Estimated Award].

Tax Reporting

Payments to FCRA Class Members, BTB Group Members, and PAGA Subgroup Members shall be designated as alleged penalties. The Settlement Administrator will be responsible for issuing IRS Form 1099s required by law. This notice is not intended to provide legal or tax advice in any way regarding your Settlement Share.

Your check will be valid for 180 days after issuance. For any FCRA Class Member or BTB Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd (b).

Your Options Under the Settlement

Option 1 – Do Nothing and Receive Your Payment

If you do not opt out and the Settlement is approved and becomes Final, you are automatically entitled to your Individual Settlement Payment (i.e., your share of the Net Settlement Amount) because you are a FCRA Class Member and/or BTB Class Member. If you do not dispute your settlement share calculation and do not opt out of the settlement, you will be bound by the entire release in the settlement and receive your Individual Settlement Payment, as well as your Individual PAGA Payment if you are also a PAGA Subgroup Member. **In other words, if you are a FCRA Class Member or BTB Class Member, you do not need to take any action to receive the settlement payment(s) set forth above so long as the Settlement is approved and becomes Final.**

FCRA Class Members and BTB Class Members who do not submit a valid and timely opt out (pursuant to Option 2 below), will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged Cardinal, Mr. Sheerin, and the other Released Parties of all "Released Claims" he or she may have or had upon final approval of this Settlement and payment by Defendant to the Settlement Administrator.

Effective only upon the entry of an Order granting Final Approval of the Settlement, entry of Judgment and payment by Defendant to the Settlement Administrator of the full Gross Settlement Amount, Plaintiff and all Participating FCRA Class Members and BTB Class Members release all claims asserted in the Operative Complaint in the Action, or any and all claims that could have been asserted based on the factual allegations in the Operative Complaint, as follows:

Each Participating FCRA Class Member forever relinquishes, releases, discharges, and agrees to hold harmless Cardinal, Mr. Sheerin, and all of the other Released Parties, and each of them, from any and all Claims (as that term is defined in Section II.H of the Settlement Agreement) that have been asserted or were asserted against Cardinal and Mr. Sheerin in the Operative Complaint in the Action, or that could have been asserted against Cardinal, Mr. Sheerin, or any of the other Released Parties based on or arising out of the facts alleged in the Operative Complaint in the Action, that occurred or arose from May 11, 2017 up through and including the last

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

day of the FCRA Class Period (i.e., September 25, 2023). (“Claims Released By Participating FCRA Class Members”).

Each Participating BTB Class Member (which includes, but is not limited to, all PAGA Subgroup Members) forever relinquishes, releases, discharges, and agrees to hold harmless Cardinal, Mr. Sheerin and all of the other Released Parties, and each of them, from any and all Claims (as that term is defined in Section II.H of the Settlement Agreement) that have been asserted or were asserted against Cardinal and Mr. Sheerin in the Operative Complaint in the Action, or that could have been asserted against Cardinal, Mr. Sheerin, and/or any of the other Released Parties based on or arising out of the facts alleged in the Operative Complaint in the Action, that occurred or arose from October 24, 2019 up through and including the last day of the BTB Class Period (i.e., September 25, 2023) (“Claims Released By Participating BTB Class Members”)

Each PAGA Subgroup Member and, to the maximum extent permitted by law, the State of California, forever relinquishes, releases, discharges, and agrees to hold harmless Cardinal, Mr. Sheerin, and all of the other Released Parties, and each of them, from any and all Claims (as that term is defined in Section II.H of the Settlement Agreement) based on or arising under California’s Private Attorneys’ General Act (i.e., California Labor Code sections 2698 et seq.) that have been asserted or were asserted against Cardinal and Mr. Sheerin in the Operative Complaint in the Action, or that could have been asserted against Cardinal, Mr. Sheerin, or any of the other Released Parties based on or arising out of the facts alleged in the Operative Complaint in the Action, that occurred or arose from May 11, 2021 up through and including the last day of the PAGA Subgroup Period (i.e., September 25, 2023) (the “Claims Released By PAGA Subgroup Members”). “Released Parties” means (i) Cardinal Logistics Management Corporation and its parent companies, subsidiaries, divisions and other affiliated or related entities, past and present, as well as all of Cardinal Logistics Management Corporation’s and the other aforementioned entities’ employees, officers, directors, agents, attorneys, insurers, partners, shareholders, owners, representatives, joint venturers, and successors and assigns of each, and (ii) Mr. Sheerin and his heirs, successors and assigns.

Option 2 – Opt Out of the Settlement

In order to opt out of the Settlement, a FCRA Class Member and/or BTB Class Member must timely submit by mail, facsimile transmission, professional delivery, or personally deliver, an opt-out request in writing to the Settlement Administrator by the Response Deadline to the Settlement Administrator’s address below. The opt-out request must state the Class Member’s name, address, signature, and any statement standing for the proposition that you do not wish to participate in the settlement, or the following statement: “ Please exclude me from the Settlement Class in the *Nunley v. Cardinal Logistics Management Corporation, et al.*, matter.”

[Settlement Administrator]

[Mailing Address]

The Request for Exclusion form must be mailed to the Administrator not later than [RESPONSE DEADLINE].

The proposed settlement includes the settlement of Claims Released By PAGA Subgroup Members. PAGA Subgroup Members may not request exclusion from the settlement of the PAGA claims released by the Settlement. Thus, if the court approves the Settlement, then even if you request exclusion from it, if you are PAGA Subgroup Member, you will still receive your Individual PAGA Payment and will be deemed to have released the Claims Released By PAGA Subgroup Members. A request for exclusion will preserve your right, if any, to individually pursue only the Claims Released By Participating FCRA Class Members and/or Claims Released By Participating BTB Class Members.

Option 3 – Submit an Objection to the Settlement

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

If you wish to object to the Settlement, you may submit an objection by serving on the Settlement Administrator, Class Counsel, Defense Counsel, and filing with the Court, a written objection to the Settlement, Class Representative Service Payment, and/or Class Counsel's attorneys' fees and costs. A FCRA Class Member or BTB Class Member who does not serve a written objection in the manner and by the deadline specified above will be deemed to have waived any objection and will be precluded from making any objection to the Settlement, the Plaintiff's motion for the Class Representative Service Payment, or Class Counsel's motion for attorneys' fees and costs. Your written objection must be mailed to the Administrator, Class Counsel, and Defense Counsel, and filed with the Court no later than [RESPONSE DEADLINE]. Please note that you cannot both object to the Settlement and opt out of the Settlement. If you exclude yourself, then you have no right to comment on the Settlement and any objection you submit will be disregarded and overruled. If you participate in the settlement and decide to submit a timely and valid objection, and the Court overrules your objection, you will be bound by the Settlement and will receive your Settlement Share.

[Settlement Administrator]
[Mailing Address]

Even if you don't submit a written objection, you may appear at the Final Approval Hearing and provide a verbal objection before the Court. However, if you intend to appear at the Final Approval Hearing with submitting a written objection, you should alert the Court, Class Counsel, and Defense Counsel of your intent to appear at the hearing.

Final Approval Hearing

At your own expense, you may, if you wish, appear at the Final Approval Hearing set for [REDACTED] at [REDACTED]:[REDACTED] .m. in the Department S-17 of the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, CA 92415, in Department S-17, and discuss your written or oral objections with the Court and the Parties, or otherwise comment on the Settlement. You may attend this hearing virtually by audio or video at <https://www.sb-court.org/divisions/civil-general-information/court-case-information-and-document-sales>. You may also retain an attorney to represent you at the Hearing at your own expense.

Additional Information

This Notice of Class Action Settlement is only a summary of this case and the Settlement. For a more detailed statement of the matters involved in this case and the Settlement, you may call the Settlement Administrator at [PHONE NUMBER] or Class Counsel, whose information appears below:

BIBIYAN LAW GROUP, P.C.

David D. Bibiyan (SBN 287811)

david@tomorrowlaw.com

Jeffrey D. Klein (SBN 297296)

jeff@tomorrowlaw.com

Vedang J. Patel (SBN 328647)

vedang@tomorrowlaw.com

8484 Wilshire Boulevard, Suite 500

Beverly Hills, California 90211

Tel: (310) 438-5555; Fax: (310) 300-1705

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

You may also visit the Settlement Administrator's website at [WEBSITE] to gain access to key documents in this case, including the Settlement Agreement, the Order Granting Preliminary Approval of this Settlement, etc.

You may also refer to the pleadings, the Settlement Agreement, and other papers filed in this case, which may be inspected at the Department S-17 of the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, CA 92415, during regular business hours of each court day. You may also obtain these documents through the Court's website at <https://www.sb-court.org/divisions/civil-general-information/court-case-information-and-document-sales>

All inquiries by FCRA Class Members and BTB Class Members regarding this Notice of Class Action Settlement and/or the Settlement should be directed to the Settlement Administrator or Class Counsel.

**PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE,
DEFENDANT, OR DEFENDANT'S ATTORNEYS WITH INQUIRIES.**

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]