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Attorneys for PLAINTIFFS

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF BUTTE

THOMAS HAVEN, BRETT OWENS, AND
DONAVON PATTERSON individuals, on
behalf of themselves and on behalf of all
persons similarly situated,

Plaintiffs,

v.

CALIFORNIA VOCATIONS, INC., a
California Corporation; and DOES 1-50,
Inclusive,

Defendants.

Case No. 20CV01514

**DECLARATION OF JEAN-CLAUDE
LAPUYADE, ESQ. IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: October 19, 2022

Time: 9:00 a.m.

Judge: Stephen E. Benson

Dept.: 6

1 I, Jean-Claude Lapuyade, Esq., declare as follows:

2 1. I am over eighteen years of age and if called as a witness, I could and would competently
3 testify to the following facts from my own personal knowledge. I am an attorney-at-law and the owner
4 of the law firm of JCL LAW FIRM, APC (hereinafter "Class Counsel"). I am co-counsel of record for
5 Plaintiffs THOMAS HAVEN, BRETT OWENS, and DONAVON ZACHARIAH PATTERSON
6 (hereinafter "Plaintiffs") in this wage and hour class and representative action filed against
7 CALIFORNIA VOCATIONS, INC. (hereinafter "Defendant").

8 2. This declaration is being submitted in support of Plaintiffs' Motion for Preliminary
9 Approval of Class Action and PAGA Settlement.

10 **I. EXHIBITS**

11 3. Attached hereto as **Exhibit "1"** is a true and correct copy of the fully executed Stipulation
12 of Settlement of Class and PAGA Action Claims and Release of Claims ("Agreement" or "Settlement
13 Agreement"). Attached as **Exhibit "A"** to the Agreement is a true and correct copy of the proposed
14 Class Notice.

15 4. Attached hereto as **Exhibit "2"** is a true and correct copy of the proof of filing with the
16 Labor and Workforce Development Agency notice of this settlement with the Settlement Agreement
17 and Motion for Preliminary Approval of Class Action and PAGA Settlement evidencing Class
18 Counsel's compliance with California Labor Code Section 2699(l)(2).

19 5. Attached hereto as **Exhibit "3"** is a true and correct copy of the bid for settlement
20 administration submitted by ILYM Group, Inc., in the amount of \$13,000.

21 **II. INTRODUCTION**

22 6. An objective evaluation of the Settlement confirms that the relief negotiated on behalf of
23 the Class is fair, reasonable, and adequate. The Settlement was negotiated by the Parties at arm's length.
24 The Settlement confers substantial benefits to the Settlement Class. The relief offered by the Settlement
25 is particularly impressive when viewed against the difficulties encountered by plaintiffs pursuing wage
26 and hour cases (*see infra*). Indeed, by settling now rather than proceeding to trial, Class Members will
27 not have to wait (possibly years) for relief, nor will they have to bear the risk of class certification being
28

1 denied or of Defendant prevailing at trial. Given that there are approximately 739 Class Members, the
2 average gross recovery is approximately \$401.89 (Net Settlement Amount divided by Class Members).

3 7. As discussed below, the proposed Settlement satisfies all criteria for preliminary
4 settlement approval and falls within the range of reasonableness. The average Individual Settlement
5 Share to the Settlement Class meets or exceeds awards in similar wage and hour class actions.
6 Moreover, the proposed Settlement Class is appropriate for provisional certification. Accordingly,
7 Plaintiffs respectfully request the Court grant preliminary approval of the Settlement.

8 **III. FACTS AND PROCEDURE**

9 **A. Overview of the Litigation**

10 8. Defendant provides residential and vocational support to developmentally disabled
11 adults. Defendant operates a facility in Butte County where Plaintiff worked. This action asserts claims
12 on behalf of Defendant's non-exempt employees who are or previously were employed in California.
13 Plaintiffs worked for Defendant in various non-exempt job positions at various times during the Class
14 Period. At all times during their employment, Plaintiff earned hourly wage, were entitled to legally
15 compliant meal and/or rest periods, and minimum, regular and overtime wages for all hours worked.

16 9. Generally, Plaintiffs claim that Defendant failed to pay for all time worked, failed to
17 provide compliant meal and rest periods, failed to furnish accurate itemized wage statements, and failed
18 to reimburse for required business expenses. Defendant forcefully denies liability for each of Plaintiffs'
19 claims. Further, Defendant asserts that it fully complied with all applicable employment laws and raised
20 several other significant defenses to Plaintiffs' claims, including but not limited to, facially compliant
21 meal and rest period policies, compliant wage statements, and reimbursed for all required business
22 expenses.

23 10. On May 27, 2020, Plaintiff Haven served Defendant and the Labor and Workforce
24 Development Agency ("LWDA") with a Notice of Violations ("PAGA Notice"). Plaintiff's PAGA
25 Notice set forth the facts and theories supporting Defendant's alleged violations of various provisions
26 of the California Labor Code and applicable Industrial Welfare Commissions ("IWC") Wage Order and
27 of her intent to pursue claims under California Labor Code Private Attorneys General Act, Cal. Lab.

Code Sections 2698 et seq (“PAGA”). On January 19, 2022 Plaintiff Haven and Plaintiff Owens served Defendant and the LWDA with an amended notice.

11. On August 3, 2020, Plaintiff Haven filed a class action complaint in the Butte County Superior Court (the “Action”). The Action alleged nine causes of action against Defendant for: (1) Unfair Competition in Violation of California Business and Professions Code §§ 17200; (2) Failure to Pay Minimum Wages in Violation of Cal. Lab. Code §§ 1194, 1197 and 1197.1; (3) Failure to Pay Overtime Wages in Violation of Cal. Lab. Code §§ 510 *et seq.*; (4) Failure to Provide Required Meal Periods in Violation of Cal. Lab. Code §§ 226.7 and 512; (5) Failure to Provide Required Rest Periods in Violation of Cal. Lab. Code §§ 226.7 and 512; (6) Failure to Provide Accurate Itemized Wage Statements in Violation of Cal. Lab. Code § 226; (7) Failure to Reimburse Employees for Required Business Expenses in Violation of Cal. Lab. Code § 2802; (8) Failure to provide wages when due in violation of Cal. Lab. Code Sections § 201, 202, and 203, and (9) Violations of the Private Attorney General Act at Lab. Code §§ 2698 *et. seq.* (“Class Claims”). On March 29, 2022 Plaintiff Haven filed an amended complaint adding Plaintiff Owens to the Action. On July 11, 2022, Plaintiffs filed a second amended complaint adding Plaintiff Patterson to the Action.

12. After the Action was commenced, the Parties engaged in motion practice and significant written discovery, including the dissemination of the *Belaire-West* notice to the Class Members. After answering each party’s respective written discovery, and after Class Counsel had an opportunity to contact many of the Class Members and discuss Plaintiffs’ claims with them, the Parties agreed to mediate the Action. To prepare for mediation, the Parties agreed to informally produce additional documents and data points subject to the mediation privilege, including but not limited to, the Class Members’ time data and certain payroll data points. As discussed *infra*, Plaintiff’s counsel retained the forensic consultants at Berger Consulting Group (“BCG”) to analyze Defendant’s time and payroll data.

13. On May 5, 2022 the Parties participated in a full day mediation with highly regarded wage and hour mediator Hon. Brian C. Walsh (Ret.). After arms-length negotiations and bargaining, the Parties reached an agreement to settle based on Judge Walsh’s mediator proposal, and signed a

Memorandum of Understanding. After reaching an agreement in principle, the Parties drafted and negotiated a long-form settlement agreement, which is the subject of the instant motion.

B. Class Counsel Thoroughly Investigated the Factual and Legal Issues

14. Months before filing any one of the Actions, Class Counsel began its pre-filing investigation into the Plaintiff Haven's complaints. Class Counsel's investigation started with several lengthy interviews with Plaintiff Haven. As part of the interview process, Plaintiff Haven produced documents related to her employment, including time and payroll records. At the conclusion of the interviews, Class Counsel determined that each of Plaintiff's complaints appeared to substantiate Plaintiff's claim that Defendant's failed to, among other things, pay for all time worked and to provide compliant meal and rest periods. Class Counsel continued its' investigation via formal discovery, including conducting telephone interviews with numerous Class Members.

15. Considering the many anticipated factual disputes, the Parties agreed that it would be in the best interest of both Parties to mediate the matter. To prepare for mediation, Class Counsel requested documents and data points to further evaluate Plaintiffs' claims and Defendant's liability exposure to the Class Members. In response to Class Counsel's request, Defendant produced the time records for the Class Members, aggregate workweek and pay period data for the Class Members, wage statements for the Class Members, and copies of applicable handbooks, policies, and agreements containing, *inter alia*, compensation, timekeeping and meal and rest period policies. In total, Defendant produced over thousands of pages of pertinent policy documents, time records for Class Members, and thousands of unique cells of payroll data for Class Counsel to analyze.

16. Class Counsel then retained the statisticians and economists at BCG to evaluate the Class Members' payroll and time data. BCG provides data analysis and damage modeling consulting services specializing in wage and hour class actions. BCG's team of financial and data analysts are credentialed and experienced experts in their fields and have provided their expertise on thousands of cases. Stated differently, the BCG is uniquely qualified to analyze Defendant's time and payroll data.

17. BCG analyzed Defendant's time and payroll data to assist in the development of various damage models. Among other things, BCG determined the approximate number of work shifts,

workweeks, pay periods, average length of shift and average number of hours worked per week and pay periods during the Class Period. BCG also estimated the number of missed, late or truncated meal and rest periods, the amount of paid missed meal period premiums paid during the Class Period, and the amount of off-the-clock work performed by the Class Members during the Class Period. BCG calculated and created a damage model for Defendant's potential liability exposure while accounting for the uncertainties of continued litigation. The damage model informed and guided Class Counsel during the mediated settlement discussions.

18. In addition to formal and informal discovery, witness interviews, document review, data analysis and legal research, Class Counsel also researched similar wage and hour actions. The investigation allowed to Class Counsel to realistically assess the value of the claims and intelligently engage defense counsel in settlement discussions that culminated in the proposed settlement now before the Court.

19. Overall, Class Counsel thoroughly investigated the claims at issue, including: (1) determining Plaintiff's suitability as a putative class representative through interviews, background investigations, and analysis of her employment files; (2) evaluating all of Plaintiffs' potential claims; (3) researching similar wage and hour class actions as to the claims brought, the nature of the positions, and the type of employer; (4) analyzing the Settlement Class' time and payroll records; (5) analyzing Defendant's labor policies and practices; (6) researching settlements in similar cases as well as outstanding issues which could affect settlement approval; (7) evaluating Plaintiff's claims and estimating Defendant's liability for purposes of settlement; (8) drafting the mediation brief; and (9) participating in the mediation. This investigation allowed Class Counsel to fully assess the nature and magnitude of the claims being settled, as well as the impediments to recovery, such as to make an independent assessment of the reasonableness of the terms to which the Parties have agreed.

20. Class Counsel only agreed to enter the Settlement following their thorough investigation and evaluation of Plaintiff's claims. Based on their investigation of the facts, applicable law, and marketplace for similar settlements, and considering the risk of significant delay, uncertainty associated with litigation, and the various defenses asserted by Defendant, Class Counsel firmly believes this

Agreement to be in the best interests of the Class Members. Because the Settlement's terms are fair, reasonable, and adequate, the Court should preliminarily approve the Settlement.

C. The Parties Settled at Mediation

21. On May 5, 2022, the Parties conducted a full day of mediation with Hon. Brian C. Walsh (Ret.), a highly regarded jurist and mediator of wage and hour class actions. Judge Walsh helped manage the Parties' expectations and provided a useful, neutral analysis of the issues and risks to both sides. The Parties made substantial progress with Judge Walsh's assistance. Namely, the Parties exchanged information regarding their respective claims and defense, including their respective evaluation of the damages. At the conclusion of the mediation, the Parties reached a settlement, which was subsequently memorialized in the form of a Memorandum of Understanding. The complete and final terms of the Parties' settlement are now set forth in the Agreement. Class Counsel submits that the Settlement constitutes a fair, adequate, and reasonable compromise of the claims at issue.

22. Once the Parties agreed to a settlement which was subsequently memorialized in the form of a Memorandum of Understanding, the Parties engaged in protracted negotiations regarding the written terms of the class action settlement. The Parties maintained the arm's length, non-collusive and adversarial negotiations while arriving at the final terms of the Settlement. The Agreement is the final product of these mediated negotiations. Objectively, the Settlement terms are fair, adequate and represent a reasonable compromise of the claims at issue.

IV. ARGUMENT

A. The Court Should Preliminarily Approve the Settlement

23. The Gross Settlement Amount of \$585,000 is within the range of reasonableness. To determine whether a settlement is fair and reasonable, the court should "consider enough information about the nature and magnitude of the claims being settled, as well as the impediments to recovery, to make an independent assessment of the reasonableness of the terms to which the parties have agreed." (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 133.) In making this determination, the court is "not to try the case" but rather "satisfy itself that the class action settlement is within the 'ballpark of reasonableness.'" (*Id.* (emphasis added).) For this analysis, courts do "not require any such

1 explicit statement of value; [they] require[] a record which allows an understanding of the amount that
2 is in controversy and the realistic range of outcomes of the litigation. ” (*Munoz v. BCI Coca-Cola*
3 *Bottling Co.* (2010) 186 Cal.App.4th 399, 409 (internal citation omitted).) The reasonableness of a
4 settlement is not dependent upon its actual value approaching the potential recovery plaintiffs might
5 have received if they had succeeded at trial.¹ Indeed, “[t]he determination whether a settlement is
6 reasonable does not involve the use of a ‘mathematical equation yielding a particularized sum.’ ” (*Frank*
7 *v. Eastman Kodak Co.* (W.D.N.Y. 2005) 228 FRD. 174, 186 (quoting *In re Michael Milken and Assoc.*
8 *Sec. Litig.* (S.D.N.Y. 1993) 150 F.R.D. 57, 66).)

9 24. In conclusion, the settlement of \$585,000.00 represents approximately 14.8% of the value
10 of the maximum potential *damages* at issue. Even when including the penalties for Plaintiff’s claim for
11 wage statement violations and waiting time penalties under *Labor Code* Sections 203 and 226, the
12 settlement represents up to 8.3% of the maximum potential liability, assuming all of these amounts
13 could be proved at trial. This is well within the bounds of reasonableness. (See *Viceral v. Mistras Grp.,*
14 *Inc.* (N.D. Cal. 2016) 2016 WL 5907869, at *3, 7 (approving a California wage and hour settlement
15 where the class received 11.6% of the estimated total liability); *Leverage v. Traeger Pellet Grills, LLC*
16 (N.D. Cal. 2017) 2017 WL 2797811, at *7 (Approving a California wage and hour settlement where
17 the class received 18% of the estimated total liability); *Stovall-Gusman v. W.W. Granger, Inc.*, (N.D.
18 Cal. 2015) 2015 WL 3776765 at * 4 (Approving California wage and hour misclassification settlement
19 where the class received approximately 7.3% of the estimated trial award was within the “range of
20 reasonableness.”).) The following summarizes Defendant’s estimated exposure.

21
22 ¹ Federal district courts recognize that there is an inherent “range of reasonableness” in determining whether to approve a
23 settlement “which recognizes the uncertainties of law and fact in any particular case and the concomitant risks and costs
24 necessarily inherent in taking any litigation to completion.” *Newman v. Stein* (2d. Cir. 2002) 464 F.2d 689, 693; see *In re*
25 *Omnivision Tech, Inc.* (N.D. Cal. 2008) 559 F.Supp.2d 1036; see also *Nat’l Rural Telecomm. Coop. v. Directv. Inc.* (C.D.
26 Cal. 2004) 221 F.R.D. 523, 527 (“well settled law that a proposed settlement may be acceptable even though it amounts to
27 only a fraction of the potential recovery”); *In re Global Crossing Sec. and ERISA Litig.* (S.D.N.Y 2004) 225 F.R.D. 436,
28 460 (“settlement amount’s ratio to the maximum potential recovery need not be the sole, or even dominant, consideration
when assessing settlements fairness”); *In re IKON Office Solutions, Inc Sec Litig.* (E.D. Pa. 2000) 194 F.R.D. 166, 184
 (“the fact that a proposed settlement constitutes a relatively small percentage of the most optimistic estimate does not, in
itself, weigh against the settlement; rather the percentage should be considered in light of strength of the claims”); *Officers*
for Justice v. Civil Serv. Comm. (9th Cir. 1982) 688 F.2d 615, 628 (it is “the complete package, taken as a whole rather
than the individual component parts, that must be examined for overall fairness”).

25. One of Plaintiffs' primary claim in the Actions was that Defendant failed to pay for all hours worked. Specifically, Plaintiff asserted that Defendant required Plaintiff to undertake Covid-19 screenings before their shifts while clocked out. JCL Dec., ¶ 25. Defendant vigorously denied liability for this claim. Defendant asserted that these written policies and procedures directed its leadership to ensure all work is conducted while on-the-clock, including the Covid-19 screenings. Defendant further asserted that these screenings were only conducted for a short period of time during the Class Period.

26. Notwithstanding Defendant's arguments, Plaintiff perceived the off-the-clock as the strongest claim in the Actions. Assuming five (5) minutes of unpaid compensable time per shift worked by the Class Members during 2020 and 2021, BCG estimated Defendant's exposure for this claim at \$127,091.40.

27. Plaintiff also alleges that Defendant failed to provide compliant meal periods. Plaintiff contended that because of Plaintiff and Class Members' rigorous work requirements, the Class Members were often denied meal periods.

28. Conversely, Defendant argued that the vast majority of the Class Members were caretakers, who supervised disabled individuals, and were therefore exempt from the Labor Codes requiring off-duty meal and rest breaks, and instead subject to Wage Order 5's requirement that such employees be provided on-duty meal and rest breaks. Defendant argued, therefore, that the time records that did not show punch outs for meal breaks did not reflect violations, but rather reflected on-duty, paid meal breaks, consistent with Wage Order 5. Thus, Defendant argued that there was very little, if any, potential liability for Plaintiff's alleged meal period violations.

29. Plaintiff's meal period claim (together with the rest period claim) likely represented the most factually and legally contested claim in the Actions. Accounting for the strength of Defendant's defenses, the likely applicability of Wage Order 5, and the arguably individualized nature of those claims, Plaintiffs heavily discounted Defendant's potential liability for meal period violations. Plaintiff estimated the damages for this claim at \$1,599,445.33.

1 30. Plaintiff also alleged that Defendant failed to provide compliant rest periods. Specifically,
2 Plaintiff alleged that because of their rigorous work schedule they were not able to take timely and duty-
3 free rest periods.

4 31. Again, Defendant denied liability and asserted that it maintained legally compliant rest period
5 policies and practices throughout the Class Period, and specifically in accordance with Wage Order 5 as
6 discussed above. Moreover, Plaintiff recognizes the evidentiary burdens establishing this claim.
7 Establishing Plaintiff's rest period claim would rely, almost entirely, on Class Member testimony, making
8 it a riskier claim at class certification and liability stages. Certification likely would have required
9 depositions of Class Members who provided declarations, and Defendant surely would have obtained
10 opposing declarations stating either rest breaks were taken, or rest breaks were voluntarily waived. *See, e.g.,*
11 *Ordonez v. Radio Shack, Inc.* (C.D. Cal. Jan. 17, 2013) 2013 WL 210223, at *11 ("Because of the competing
12 testimony before the Court, plaintiff's evidence that defendant may have an illegal, written rest break policy
13 is insufficient for this Court to find that common issues predominate."); *Villa v. United Site Servs. of*
14 *California, Inc.* (N.D. Cal. Nov. 13, 2012) 2012 WL 5503550, at *8 ("Indeed, Plaintiff's own evidence
15 confirms that the written policy does not generate uniform practices."). Accordingly, the rest break claim
16 was heavily discounted in Plaintiffs' valuation of the case and was estimated at \$1,599,445.33.

17 32. Plaintiffs alleged that Defendant required the Settlement Class Members to incur personal
18 expenses for the use of their personal cell phones. California employers who require employees to incur
19 personal business expenses for work purposes must reimburse the employee for the cost incurred. (See
20 Cal. Labor Code § 2802(a), providing that "An employer shall indemnify his or her employee for all
21 necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his
22 or her duties, or of his or her obedience to the directions of the employer..."). Specifically, Plaintiff
23 alleged Defendant required Plaintiff and Class Members to use their personal cell phones in order to
24 perform work-related tasks, but Defendant failed to reimburse Plaintiff and Class Members for the
25 required business expenses in violation of Labor Code Section 2802.

26 33. Again, Defendant vigorously denied any liability for this claim. Defendant argued that
27 on the rare occasions where employees did incur business expenses, these employees had an opportunity
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1 to submit expense reimbursement request, and have those expenses fully reimbursed. This claim was
2 also heavily discounted based on Defendant's defenses. Plaintiff estimated Defendant's exposure for
3 this claim at \$585,090.

4 34. Plaintiffs alleged that Defendant's alleged violations resulted in derivative violations of
5 Labor Code sections 203 and 226(a). Class Counsel considered these penalties and weighed the
6 potential recoveries against probable defenses. Specifically, Defendant could argue that Plaintiffs could
7 not prove the "willful" prong needed to obtain waiting time penalties under Labor Code section 203.
8 Additionally, Defendant could argue that Plaintiffs could not show that Class Members suffered an
9 "injury" because of wage statement violations, as required by Labor Code section 226. These claims
10 represented legally precarious and uncertain claims. Notwithstanding the uncertain nature of the claims,
11 Plaintiffs estimated Defendant's *maximum* exposure for these claims at approximately \$3,073,378
12 (approximately \$1,558,728 for waiting time and \$1,514,650 for wage statement).

13 35. Class Counsel's damage models also estimated Defendant's exposure for PAGA
14 penalties. At the time of mediation, Plaintiffs estimated Defendant's PAGA exposure was
15 approximately \$5,912,200.

16 36. In order to recover any PAGA penalties, Plaintiffs would be required at trial to prove each
17 of the underlying Labor Code violations. See *Cardenas v. McLane Foodservice, Inc.*, 2011 U.S. Dist.
18 LEXIS 13126, *10 (C.D. Cal. 2011) ("Given the statutory language [of PAGA], a plaintiff cannot
19 recover on behalf of individuals whom the plaintiff has not proven suffered a violation of the Labor
20 Code by the defendant."). Here, Plaintiffs would need to prove that each Aggrieved Employee suffered
21 a violation for each pay period the employee worked. Again, Defendant raised several defenses that
22 presented serious threats to the claims of the Plaintiffs and the Aggrieved Employees. Defendant
23 asserted that its employment practices complied with all applicable Labor Laws. In all, Plaintiff's
24 PAGA liability exposure is hotly contested.

25 **B. Litigation Risks**

26 37. Although Plaintiff is confident about the strength of their claims, it would be foolish to
27 ignore the most immediate risk to continued litigation, i.e., class certification. With respect to the most
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1 immediate challenge, i.e., class certification, the risks attendant to the certification of similar wage and
2 hour claims are demonstrated by *Magadia v. Wal-Mart Associates, Inc.* (9th Cir. 2021) 999 F.3d 668.
3 There, the Ninth Circuit, vacated reversed and remanded a \$110 million judgement against an employer
4 for, *inter alia*, inaccurately paying overtime, and directed the trial court to enter judgement in favor of
5 the employer. *See also O’Conner v. Uber Technologies, Inc.* (9th Cir. 2018) 904 F.3d 1087
6 (decertification of wage and hour misclassification action); *see also Duran v. U.S. Bank National*
7 *Association* (2014) 59 Cal.4th 1, 31 (reversing a trial verdict in favor plaintiffs in a wage and hour class
8 action)); *Tien v. Tenet Healthcare Corp.* (2012) 209 Cal.App.4th 1077, 1088 (“[T]he reason, if any, that
9 employees might not take their breaks were predominantly individualized questions of fact not
10 susceptible to class treatment.”); *Ali v. U.S.A. Cab Ltd.* (2009) 176 Cal.App.4th 1333, 1341 (affirming
11 denial of certification because employees’ declarations attesting to having taken meal and rest breaks
12 demonstrated that individualized inquiries were required to show harm); *Campbell v. Best Buy Stores,*
13 *L.P.*, (C.D. Cal. 2013) 2013 WL 5302217 at *11-13 (following *Brinker* and denying certification of
14 proposed off-the-clock and rest and meal break classes due to lack of uniform policy); *Brown v. Fed*
15 *Express Corp.* (C.D. Cal. 2008) 249 F.R.D. 580, 587-88 (denying certification of driver meal and rest
16 period claims based on the predominance of individual issues). Collectively, the examples cited above
17 illustrate the uncertain nature of class litigation. Consequently, the uncertainty of obtaining certification
18 through a contested motion is a significant risk factor favoring settlement.

19 38. Plaintiff recognizes that Defendant has factual and legal defenses that, if successful,
20 would potentially defeat or substantially impair the value of Plaintiff’s lawsuit. Collectively, the
21 examples cited in Plaintiff’s brief illustrate the uncertain nature of class litigation. Consequently, the
22 uncertainty of obtaining certification through a contested motion is a significant risk factor favoring
23 settlement.

24 39. Finally, continuing to litigate this action would require continued and extensive resources
25 coupled with significant Court time to proceed through trial and post-trial motions; which can often
26 take years. Furthermore, wage and hour litigation is complex and expensive, as it often necessitates
27 extensive expert testimony, particularly with regards to damages. But even if Plaintiffs are successful
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1 at trial, Plaintiff are acutely aware that a judgment does not end the litigation. Plaintiffs fully expect
2 that Defendant would appeal any favorable judgment. As demonstrated by *Magadia, supra*, 999 F.3d
3 668, the risk of an appeal and subsequent reversal is real.

4 40. In this matter, Class Counsel negotiated a Gross Settlement Amount of \$585,000 that is
5 roughly 14.8% of Defendant's liability exposure for damages, and 8.3% of Defendant's liability
6 exposure for damages and penalties. Given the amount of the settlement here, as compared to potential
7 value of the claims, offset by the various inherent risks to continued litigation, the settlement is fair and
8 reasonable.

9 **B. Proposed Notice Informs the Class About the Case and Settlement**

10 41. The Parties jointly drafted the Class Notice which fairly and neutrally informs the Class
11 Members of their rights and remedies. The Settlement Administrator will first verify addresses, then
12 mail the proposed Class Notice to all Class Members. The Notice will include information regarding
13 the nature of the lawsuit, a summary of the substance of the Settlement's terms, the class definition, the
14 procedure and time period within which to requests for exclusions or objections to the Settlement, the
15 date for the final approval hearing, the formula used to calculate settlement payments, and the terms
16 and scope of the Released Claims. This method was negotiated by the Parties to ensure delivering the
17 most reasonable method of notice to the Class Members while ensuring cost effective administration of
18 the Settlement.

19 42. As detailed in the Agreement, the method of disseminating the proposed Class Notice and
20 contents of the Proposed Class Notice satisfy due process and the California Rule of Court 3.766.

21 **C. The Court Should Preliminarily Approve the Enhancement Award**

22 43. The 739 Class Members will share in the Net Settlement Amount due entirely to the effort
23 and commitment of Plaintiff. Subject to Court approval, therefore, the Settlement provides for a Class
24 Representative Service Award of \$10,000² for each Plaintiff. The service awards are fair and reasonable

25 ² The amount of the requested enhancement payment-\$10,000-is reasonable by reference to the amounts that California courts (both
26 federal and state) have repeatedly found to be reasonable for wage and hour class action settlements: *See Baker v. LA. Fitness Int'l, LLC*,
27 No. BC438654 (L.A. County Super. Ct. Dec. 12, 2012) (awarding \$10,000 enhancement payments to three of the named plaintiffs); *Blue*
28 *v. Codwell Banker Residential Brokerage Co.*, No. BC417335 (L.A. County Super. Ct. Mar. 21, 2011) (awarding \$10,000 enhancement
payment); *Buckmire v. Jo-Ann Stores, Inc.*, No. BC394795 (L.A. County Super. Ct. June 11, 2010) (awarding \$10,000 enhancement
payments to the named plaintiff); *Coleman v. Estes Express Lines, Inc.*, No. BC429042 (L.A. County Super. Ct. Oct. 3, 2013) (awarding

1 compensation for the Plaintiffs' efforts bringing the action, assisting Class Counsel with the litigation
2 and settlement, regularly conferring with Class Counsel on the status of their case and the strategies for
3 prosecuting the claims, responding to Defendant's written discovery, reviewing the proposed
4 Settlement to ensure that its terms are fair and provide adequate relief for the Settlement Class, and
5 agreeing to provide Defendant a general release of all claims arising out of her employment.

6 44. Class Counsel on behalf of Plaintiffs will file a formal motion for the negotiated Class
7 Representative Service Award once preliminary approval of the Settlement is granted. Plaintiffs
8 respectfully submit that the above showing is sufficient for preliminary approval of the negotiated Class
9 Representative Service Award.

10 **D. The Court Should Preliminary Approve the Negotiated Class Counsel Award**

11 45. Class Counsel took this matter on a contingency fee basis and invested significant time
12 and expense successfully prosecuting Plaintiff's claims. As discussed *supra*, the estimated average
13 Individual Settlement Payment illustrates the demonstrably positive outcome for the Settlement Class
14 Members. Considering the positive outcome for the Class Members, and in light of the supporting
15 authority, the proposed Class Counsel award is fair and reasonable.

16
17 \$10,000 enhancement payment); *Ethridge v. Universal Health Services, Inc.*, No. BC391958 (L.A. County Super. Ct. May 27, 2011)
18 (awarding \$10,000 enhancement payment); *Hickson v. South Coast Auto Insurance Marketing, Inc.*, No. BC390395 (L.A. County Super.
19 Ct. Mar. 27, 2012) (awarding \$10,000 enhancement payment); *Hill v. Sunglass Hut Int'l, Inc.*, No. BC422934 (L.A. County Super. Ct. July
20 2, 2012) (awarding \$10,000 enhancement payments to the named plaintiffs); *Kabamba v. Victoria's Secret Stores, LLC*, No. BC368528
21 (L.A. County Super. Ct. Aug. 19, 2011) (awarding enhancement payments of \$ 10,000 to the named plaintiffs along with additional
22 compensation for their general release of claims); *Magee v. American Residential Services, LLC*, No. BC423798 (L.A. County Super. Ct.
23 Apr. 21, 2011) (awarding \$15,000 enhancement payment); *Mares v. BFS Retail & Commercial Operations, LLC*, No. BC375967 (L.A.
24 County Super. Ct. June 24, 2010) (awarding \$15,000 enhancement payments to the named plaintiffs); *Nevarez v. Trader Joe's Co.*, No.
25 BC373910 (L.A. County Super. Ct. Jan. 29, 2010) (awarding \$10,000 enhancement payment); *Ordaz v. Rose Hills Mortuary, LP.*, No.
26 BC386500 (L.A. County Super. Ct. Mar. 19, 2010) (awarding 10,000 enhancement payments to the named plaintiffs); *Sheldon v. AHMC*
27 *Monterey Park Hospital LP*, No. BC440282 (L.A. County Super. Ct. Feb. 22, 2013) (awarding \$10,000 enhancement payment); *Silva v.*
28 *Catholic Moray Services, Inc.*, No. BC408054 (L.A. County Super. Ct. Feb. 8, 2011) (awarding \$10,000 enhancement payments to the
named plaintiffs); *Weisbarth v. Banc West Investment Services, Inc.*, No. BC422202 (L.A. County Super. Ct. May 24, 2013) (awarding
\$10,000 enhancement payment); *Zamora v. Balboa Life & Casualty LLC*, No. BC360026 (L.A. County Super. Ct. Mar. 7, 2013) (awarding
\$25,000 enhancement payments to the named plaintiffs); *Acheson v. Express, LLC*, No. 109CV135335 (Santa Clara County Super. Ct.
Sep. 13, 2011) (awarding \$10,000 enhancement payment); *Aguiar v. Cingular Wireless, LLC*, No. CV 06-8197 DDP (AJWx) (C.D. Cal.
Mar. 17, 2011) (awarding \$14,767 enhancement payment); *Bejarano v. Amerisave Mortgage Corp.*, No. EDCV 08-00599 SGL (Opx)
(C.D. Cal. June 22, 2010) (awarding \$10,000 enhancement payment); *Carbajal v. Sally Beauty Supply LLC*, No. CIVVS 1004307 (San
Bernardino Super. Ct. Aug. 6, 2012) (awarding \$10,000 enhancement payments to the named Plaintiffs); *Contreras v. Serco Inc.*, No. 10-
cv-04526-CAS-JEMx (CD. Cal. Sep. 10, 2012) (awarding \$10,000 enhancement payment); *Guerrero v. R.R. Donnelley & Sons Co.*, No.
RIC 10005196 (Riverside Super. Ct July 16, 2013) (awarding \$10,000 enhancement payment); *Kisliuk v. ADT Security Services, Inc.*, No.
CV08-0324 DSF (RZx) (C.D. Cal. Jan. 10, 2011) (awarding \$10,000 enhancement payment); *Morales v. BCBG Maxaria Int'l Holdings,*
Inc., No. JCCP 4582 (Orange County Super. Ct Jan. 24, 2013) (awarding \$10,000 enhancement payment); and *Barrett v. Doyon Security*
Services, LLC, Nos. BS900199, BS900517 (San Bernardino County Super. Ct. Apr. 23, 2010) (awarding \$10,000 enhancement payment).

46. Plaintiffs will file a formal motion for the negotiated Class Counsel Award once preliminary approval of the Settlement is granted. Plaintiffs respectfully submit that the above showing is sufficient for preliminary approval of the negotiated attorneys' fees.

E. The Court Should Provisionally Certify the Settlement Class

47. For Settlement, Plaintiffs contends, and Defendant does not dispute, that provisional certification of the Class is appropriate.

48. Because all Class Members are Defendant's current and former employees, the class is readily ascertainable from Defendant's regular business records, i.e., payroll records.

49. Factually, Defendant's policies and practices apply class-wide and Defendant's liability can be determined by facts common to all members of the class. The wage and hour issues are both numerous and substantial, and a class action is the most advantageous method of dealing with the claims of the Settlement Class.

50. Plaintiffs' wage and hour claims are typical of the proposed Settlement Class because they arise from the same factual basis and are based on the same legal theories applicable to the other Class Members. Likewise, Plaintiffs' interests are entirely coextensive with the interests of the Settlement Class. Plaintiffs allege that they were injured by the same company-wide practices to which the proposed Class Members were subject to and seek the same relief. Plaintiffs have already demonstrated their ability to advocate for the interests of the Class Members by initiating this litigation, undertaking extensive class discovery, and evaluating the proposed settlement to assure that it is fair.

51. A class action is superior to a multitude of individual lawsuits. Given the size and amount of each individual claim, the Class Members likely have little incentive to litigate their claims on an individual basis because the out-of-pocket expense and personal commitment necessary to litigate each claim outweighs any potential recovery. In sum, class treatment is superior to individual, case-by-case adjudication.

F. Class Counsel’s Experience

52. Plaintiffs, the Settlement Class Members and the Aggrieved Employees are represented by competent and experienced counsel to pursue their claims. I established the JCL Law Firm, APC

1 (“Firm”), in 2010. The Firm is a boutique plaintiff firm representing aggrieved employees and
2 consumers throughout California in wage and hour class actions, PAGA Actions and complex multi-
3 party product liability matters. The Firm currently consists of myself, Jean-Claude Lapuyade, Esq.
4 (Partner/Owner), Sydney Castillo-Johnson, Esq. (Associate Attorney), Tesla Stone (Paralegal), Jennifer
5 Heming (Legal Assistant), Sara Christensen (Legal Secretary).

6 53. I am qualified to represent the Plaintiffs, the State of California and the Aggrieved
7 Employees. I have extensive experience with wage and hour class and representative actions litigation
8 like this matter, and employment matters in general. Additionally, I have extensive complex mass tort
9 litigation experience and complex construction product liability experience. I can, will and have
10 adequately represented the interests of the Plaintiffs, the State of California and the Aggrieved
11 Employees throughout this action.

12 54. I have represented consumers and employees in California class actions, and complex
13 multi-party product liability actions exclusively for more than 15 years. I have been in practice as a
14 plaintiffs’ civil litigation attorney since April 2007.

15 55. I have significant class counsel and collective action counsel experience. I served as class
16 and/or collective (PAGA) counsel in the following matters:

17 a. *Nunes v. Home Depot U.S.A., Inc.* San Joaquin Superior Court Case No. Case
18 No. STK-CV-UOE-2020-0011011 (October 20, 2021 – Hon. Roger Ross appointed the
19 Jean-Claude Lapuyade, Esq. as Class Counsel and approved a \$1.5 million dollar wage
20 and hour class and PAGA action settlement for, among things, unpaid off-the-clock
21 work.

22 b. *Munoz v. AMTCR, Inc.*, San Bernardino Superior Court Case No.
23 CIVDS2001914 (August 24, 2021 – Hon. David Cohn approved a \$1.85 million dollar
24 wage and hour class and PAGA action for, among other things, inaccurate itemized wage
25 statements, and appointed the JCL Law Firm, APC as Class Counsel.)

26 c. *Rodriguez v. RSI Home Products, Inc.*, San Bernardino Superior Court Case No.
27 CIVDS2023354 (July 30, 2021 – Hon. David Cohn approved a \$1.45 million class and
28

1 PAGA settlement for, *inter alia*, failure to comply with piece-rate laws, and appointed
2 the JCL Law Firm, APC as Class Counsel)

3 d. *Jer Vang v. Bridge Property Management*, Alameda County Superior Court,
4 Case No RG19047434 (January 8, 2021 – Hon. Winifred Smith approved a class and
5 PAGA settlement for, *inter alia*, unpaid off the clock work. The JCL Law Firm, APC
6 acted as class counsel for the settlement class and as representative PAGA counsel the
7 State of California and the Aggrieved Employees.)

8 e. *Johnson v. Volt Management Corp., Inc. et al.*, Los Angeles County Superior
9 Court, Case No. 19STCV16466 (December 11, 2020 – Hon. Amy Hogue approved a
10 PAGA Settlement negotiated on behalf of the State of California and the aggrieved
11 employees by the JCL Law Firm, APC.)

12 f. *Salazar v. Frontier Auto Sales Inc., dba Frontier Toyota*, Los Angeles Superior
13 Court, Case No. 19STCV20382 (November 24, 2020 – Hon. John P. Doyle appointed
14 the JCL Law Firm, APC as class counsel and approved a class and PAGA settlement
15 for, *inter alia*, missed meal and rest periods.)

16 g. *Villalobos v. Alterra Group, LLC et al.*, Los Angeles County Superior Court,
17 Case No. 19STCV19448 (November 11, 2020 – Hon. Richard Fruin approved a PAGA
18 Settlement for, *inter alia*, unreimbursed business expenses. The JCL Law Firm, APC
19 acted as counsel for the plaintiff, the State of California and the Aggrieved Employees.)

20 h. *Stevens et al., v. Bank of England*, San Diego County Superior Court Case No.
21 37-2019-00018662-CU-OE-CTL (October 16, 2020 – Hon. John Meyer appointed JCL
22 Law Firm as Class Counsel and granted final approval of wage and hour class action for,
23 *inter alia*, off-the-clock work.)

24 i. *Frazier v. ASA Carlton, Inc.*, San Diego Superior Court Case No. 37-2019-
25 00036147 (October 9, 2020 Hon. Kenneth Medel appointed the JCL Law Firm as Class
26 Counsel and granted final approval of wage and hour class action for off-the-clock
27 work.)

1 j. *Krake et al., v. Central Valley Diner, Inc.*, Placer County Superior Court Case
2 No. SCV0041645 (September 4, 2020 – Hon. Michael Jones appointed JCL Law Firm
3 as class counsel and granted final approval of wage and hour class action for meal period
4 violations.)

5 k. *Conner v. Ascendant Marketing, LLC et al.*, San Diego Superior Court Case No.
6 37-2019-00026864-CU-OE-CTL (July 24, 2020 Hon. Joel Wohlfeil granted approval of
7 PAGA Settlement for, among other things, off-the-clock work. JCL Law Firm, APC
8 acted as lead counsel.)

9 l. *Guerrero v. Estancia Operations, LLC.*, San Diego Superior Court Case No. 37-
10 2019-00028963 (August 25, 2020 – Hon. Katherine Bacal approved PAGA Settlement
11 for, *inter alia*, missed meal and rest periods. JCL LAW Firm, APC, acted as lead
12 counsel.)

13 m. *Moreno v. Dash Lube, et al.*, United States District Court, Southern District of
14 California, Case No. 18cv1922 DMS (AHG) (December 13, 2019 – Granted class
15 certification of Labor Code Section 226 claim and appointed JCL Law Firm, APC, as
16 Class Counsel.)

17 n. *Perkins et al., v. Tahiti Enterprises, Inc., et al.*, Orange County Superior Court
18 Case No. 30-2016-00863095 (October 22, 2019 – Hon. Peter Wilson appointed JCL Law
19 Firm, APC, as Class Counsel and granted final approval for an unlawful housing class
20 action settlement arising out of Civil Code Section 1940.1.)

21 o. *Hill v. Stemak Holdings, Ltd.*, San Diego Superior Court Case No., 37-2018-
22 00000747 (January 28, 2020 – Hon. Kenneth Medel appointed JCL Law Firm, APC as
23 class counsel and granted final approval of wage and hour class action for unpaid
24 overtime.)

25 p. *Shachno et al., v. KT Hotels, LLC, et al.* San Diego Superior Court Case No Case
26 No. 37-2018-00043601 (May 31, 2019 – Hon, Gregory Pollack appointed JCL Law
27 Firm, APC, as Class Counsel and granted preliminary approval for the wage and hour
28

1 class action settlement involving nearly 900 current and former employees. Final
2 approval scheduled for October 4, 2019)

3 q. *Almanza v. The Express Group, Inc.*, San Bernardino Superior Court Case No.
4 CIVDS1722542 (April 19, 2019 – Hon. David Cohn appointed the JCL Law Firm, APC,
5 as Class Counsel and granted final approval for a wage and hour class action settlement
6 for *inter alia*, missed meal and rest periods and independent contractor
7 misclassification.)

8 r. *Moschetto v. Pillow Global, Inc. San Diego Superior Court*, Case No. 37-2017-
9 00024031-CU-OE-CTL (April 5, 2019 – Hon. John S. Meyer appointed JCL LAW Firm,
10 APC, as Class Counsel and granted final approval for a wage and hour wage class action
11 settlement involving misclassified house cleaners.)

12 s. *Burke v. Friendship Hotel, LLC*, San Diego County Superior Court Case No. 37-
13 2017-00022517-CU-OE-CTL (March 10, 2019 – final approval granted on for an
14 unlawful housing class action arising under Civil Code Section 1940.2)

15 t. *Terrado et al., v. Accredited Debt Relief, LLC*, San Diego County Superior Court
16 Case No. 37-2018-00014181-CU-OE-CTL (February 8, 2019 – Hon. Gregory W.
17 Pollock appointed JCL Law Firm, APC as Class Counsel and granted final approval for
18 a wage and hour class action settlement for meal and rest period violations);

19 u. *Macaspac v. San Antonio Regional Hospital*, San Bernardino Superior Court
20 Case No. CIVDS1512625, (July 27, 2018 – Hon. Thomas S. Garza appointed JCL Law
21 Firm, APC, as Class Counsel and granted final approval for a wage and hour class action
22 settlement involving claims for on duty meal and rest periods.);

23 v. *Summerlin et al. v. Maplebear, Inc. dba Instacart*, Los Angeles Superior Court
24 Case No. BC603030 (2018 - certified and settled wage and hour class action.)

25 w. *Ortega v. Prime Healthcare*, San Diego Superior Court Case No. 37-2014-
26 00011240-CU-OE-CTL (2018 – Approved PAGA only settlement for on duty meal and
27 rest periods)

1 x. *Engstrom v. Bender-Rosenthal, Inc.* San Diego Superior Court Case No. 37-
2 2016-00012373-CU-OE-CTL (2017 - Certified and settled class action for employee
3 misclassification);

4 y. *Crawford v. Outlook Amusements, Inc.*, Los Angeles Superior Court Case No.
5 BC617160 (2017 - Certified and settled wage and hour class action.);

6 z. *Hernandez v. Sunglass Hut Trading, LLC*, San Bernardino Superior Court Case
7 No. CIVDS1505181 (2016 - Certified and settled wage and hour class action);

8 aa. *Burns v. Shalom, LLC*, San Diego Superior Court, Case No., 37-2013-00058356-
9 CU-BT-CTL (2015 - certified and settled class action for unlawful housing practices
10 arising out of Civil Code Section 1940.1);

11 56. Since 2010, my firm has successfully resolved more than sixty (65) cases and recovered
12 in excess of \$75 million on behalf of the Firm's clients.

13 57. Since 2010, I have successfully tried two (2) cases to conclusion, each resulting in a
14 favorable verdict for the firm's clients.

15 58. Finally, I have published appellate experience in *William Blanchette et al., v. The*
16 *Superior Court of Imperial County, (GHA Enterprises)*, 8 Cal.App.5th 521.

17 59. Consequently, I was named to the prestigious Thomson Reuters, Super Lawyers, Rising
18 Star in 2015, 2016, 2017 and, again, in 2018. According to Thomson Reuters, the Super Lawyers, Rising
19 Star list recognizes the top 2.5% of eligible attorneys. (see
20 https://www.superlawyers.com/about/selection_process.html.)

21 I declare under the penalty of perjury under the laws of the State of California that the foregoing
22 is true and correct. Executed this 16th day of September, 2022, at San Diego, California.

23 **JCL LAW FIRM, APC**

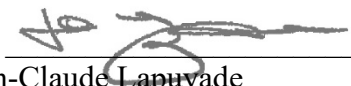
24 By: 
25 Jean-Claude Lapuyade
26 Attorneys for Plaintiff
27
28

EXHIBIT 1

ZAKAY LAW GROUP, APLC
Shani O. Zakay (State Bar #277924)
Jackland K. Hom (State Bar #327243)
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JCL LAW FIRM, APC
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SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF BUTTE

THOMAS HAVEN, BRETT OWENS and
DONOVAN ZACHARIAH PATTERSON,
individuals, on behalf of themselves and on
behalf of all persons similarly situated,

Plaintiffs,

v.

CALIFORNIA VOCATIONS, INC., a
California Corporation, a California
Corporation; and DOES 1-50, Inclusive,

DEFENDANT.

Case No. 20CV01514

[Action Filed 08/03/2020]

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

Judge: Honorable Stephen E. Benson
Dept.: 6

1 This Stipulation of Class and PAGA Action Claims and Release of Claims is entered into by
2 and between Plaintiffs THOMAS HAVEN, BRETT OWENS and DONOVAN ZACHARIAH
3 PATTERSON (hereinafter collectively “Plaintiffs”), individually and on behalf of the Settlement
4 Class, and in their representative capacity on behalf of the State of California and the Aggrieved
5 Employees, and Defendant CALIFORNIA VOCATIONS, INC., a California Corporation
6 (hereinafter “Defendant”).

7 **I. DEFINITIONS**

- 8 A. “Action” shall mean *Haven v. California Vocations, Inc.*, a California Corporation,
9 Butte Superior Court, Case No. 20CV01514, filed August 3, 2020.
- 10 B. “Aggrieved Employees” shall mean all non-exempt employees who are or previously
11 were employed by Defendant and performed work in California during the PAGA
12 Period.
- 13 C. “Agreement” or “Settlement Agreement” means this Stipulation of Settlement of
14 Class Action and Release of Claims.
- 15 D. “Class Counsel” shall mean Jean-Claude Lapuyade, Esq. of JCL Law Firm, APC, and
16 Shani Zakay of Zakay Law Group, APLC.
- 17 E. “Class Counsel Award” means the award of fees and expenses that the Court
18 authorizes to be paid to Class Counsel for the services they have rendered to
19 Plaintiffs and the Class in the Action, consisting of attorneys’ fees currently not to
20 exceed one-third of the Gross Settlement Amount currently estimated to be \$195,000
21 out of \$585,000.00 plus costs and expenses not to exceed \$20,000.00 and supported
22 by declaration as to the reasonableness of attorney’s fees and costs. Class Counsel’s
23 award for attorneys’ fees will be allocated between Class Counsel as follows: Fifty
24 percent (50%) to the JCL Law Firm, APC; fifty percent (50%) to the Zakay Law
25 Group, APLC.
- 26 F. “Class Data” means information regarding Class Members that Defendant will in
27 good faith compile from its records and provide to the Settlement Administrator. It
28 shall be formatted as a Microsoft Excel spreadsheet and shall include: each Class

1 Member's full name; last known address; Social Security Number; start dates and end
2 dates of employment. The Class Data will also include any Class Member's legal
3 representative's name and address, if applicable.

4 G. "Class Members" or the "Class" means all non-exempt employees who are or
5 previously were employed by Defendant and performed work in California during the
6 Class Period.

7 H. "Class Period" means the period from April 6, 2016 to May 5, 2022.

8 I. "Class Representative Service Awards" means the amount that the Court authorizes
9 to be paid to the Class Representatives, in addition to their Individual Settlement
10 Payments and their pro-rata share of the PAGA Settlement, in recognition of their
11 efforts and risks in assisting with the prosecution of the Actions and, partially, in
12 exchange for executing a General Release of Defendant.

13 J. "Class Representatives" shall mean plaintiffs THOMAS HAVEN, BRETT OWENS
14 and DONOVAN ZACHARIAH PATTERSON.

15 K. "Court" means the Superior Court for the State of California, County of Butte
16 currently presiding over the Action.

17 L. "Defendant" shall mean CALIFORNIA VOCATIONS, INC., a California Non-Profit
18 Corporation.

19 M. "Effective Date" means earliest date, following entry by the Court of an order and
20 judgment finally approving this Settlement, upon which one of the following have
21 occurred: (i) if no objection is filed to the settlement and no objector appears at the
22 hearing on final approval, the date of the Court's entry of the order granting final
23 approval, (ii) if an objection is filed to the settlement and/or an objector appears at the
24 hearing on final approval, then the earlier of the following: (a) the expiration of all
25 potential appeal periods without a filing of a notice of appeal of the final approval
26 order or judgment; (b) final affirmance of the final approval order and judgment by
27 an appellate court as a result of any appeal(s), or (c) final dismissal or denial of all
28

1 such appeals (including any petition for review, rehearing, certiorari, etc.) such that
2 the final approval order and judgment is no longer subject to further judicial review.

3 N. "Funding Date" shall mean the date Defendant fully funds the Gross Settlement
4 Amount by transferring the final Installment Payment, as defined herein in Section
5 III(A)(3), into the QSF in accordance with terms of this Agreement.

6 O. "Gross Settlement Amount" means Five Hundred Eighty-Five Thousand Dollars
7 (\$585,000.00) that Defendant must pay into the QSF in connection with this
8 Settlement, inclusive of the sum of the Individual Settlement Payments, the Class
9 Representative Service Awards, the Class Counsel Award, PAGA Settlement and the
10 Settlement Administration Costs and *exclusive* of the employer's share of payroll tax,
11 if any, triggered by any payment under this Settlement.

12 P. "Individual Settlement Payment" means the amount payable from the Net Settlement
13 Amount to each Settlement Class Member and excludes any amounts distributed to
14 Aggrieved Employees pursuant to PAGA.

15 Q. "Net Settlement Amount" or "NSA" means the Gross Settlement Amount, less Class
16 Counsel Award, Class Representative Service Awards, PAGA Settlement, and
17 Settlement Administration Costs.

18 R. "Notice Packet" means the Class Notice to be provided to the Class Members by the
19 Settlement Administrator in the form set forth as Exhibit A to this Agreement (other
20 than formatting changes to facilitate printing by the Settlement Administrator).

21 S. "PAGA" means the California Labor Code Private Attorneys General Act of 2004,
22 Labor Code § 2698 *et seq.*

23 T. "PAGA Pay Periods", for purposes of calculating the distribution of the Aggrieved
24 Employee Payment, as defined herein, means the number of pay periods of
25 employment during the PAGA Period that each Aggrieved Employee worked in
26 California.

- 1 U. "PAGA Payment Ratio" means the respective Workweeks during the PAGA Period
2 for each Aggrieved Employee divided by the sum total of the Workweeks for all
3 Aggrieved Employees during the PAGA Period.
- 4 V. "PAGA Period" means the period of August 3, 2019 to May 5, 2022.
- 5 W. "PAGA Settlement" shall mean Thirty Thousand Dollars (\$30,000.00) to be allocated
6 from the Gross Settlement Amount.
- 7 X. "Parties" means Plaintiffs and Defendant, collectively, and "Party" shall mean either
8 Plaintiffs or Defendant, individually.
- 9 Y. "Payment Ratio" means the respective Workweeks for each Class Member divided
10 by the sum total Workweeks for all Class Members.
- 11 Z. "Plaintiffs" shall mean THOMAS HAVEN, BRETT OWENS and DONOVAN
12 ZACHARIAH PATTERSON.
- 13 AA. "QSF" means the Qualified Settlement Fund established, designated and maintained
14 by the Settlement Administrator to fund the Gross Settlement Amount.
- 15 BB. "Released Class Claims" means all class claims alleged in the operative complaint
16 which occurred during the Class Period.
- 17 CC. "Released PAGA Claims" means all PAGA claims alleged in the operative complaint
18 and Plaintiffs' PAGA notices to the LWDA which occurred during the PAGA Period,
19 and other than the named Plaintiffs, expressly excluding all other claims, including
20 claims for vested benefits, wrongful termination, unemployment insurance, disability,
21 social security, workers' compensation, and PAGA claims outside the PAGA Period.
- 22 DD. "Response Deadline" means the date forty-five (45) days after the Settlement
23 Administrator mails Notice Packets to Class Members and the last date on which
24 Class Members may submit requests for exclusion or objections to the Settlement.
- 25 EE. "Settlement" means the disposition of the Action pursuant to this Agreement.
- 26 FF. "Settlement Administrator" means ILYM Group Inc., 14771 Plaza Drive, Ste. L,
27 Tustin, CA 92780; Tel: 1-888-250-6810; Fax: 1-888-845-6185. The Settlement
28 Administrator establishes, designates and maintains, as a QSF under Internal Revenue

Code section 468B and Treasury Regulation section 1.468B-1, into which the amount of the Gross Settlement Amount is deposited for the purpose of resolving the claims of Settlement Class Members. The Settlement Administrator shall maintain the funds until distribution in an account(s) segregated from the assets of Defendant and any person related to Defendant. *All accrued interest shall be paid and distributed to the Settlement Class Members as part of their respective Individual Settlement Payment.*

GG. “Settlement Class Members” or “Settlement Class” means all Class Members who have not submitted a timely and valid request for exclusion as provided in this Agreement.

HH. “Workweeks”, for purposes of calculating the distribution of the Net Settlement Amount, means the number of weeks of employment during the Class Period that each Class Member was employed by Defendant in California, excluding weeks during which the Class Member did not perform any work for Defendant.

II. RECITALS

A. On May 27, 2020, Plaintiff Haven filed a Notice of Violations with the Labor and Workforce Development Agency (LWDA) and served the same on Defendant.

B. On January 19, 2022, Plaintiff Haven and Plaintiff Owen filed an Amended Notice of Violations with the Labor and Workforce Development Agency (LWDA) and served the same on Defendant.

C. On August 3, 2020, Plaintiffs filed the Lawsuit for:

1. Unfair Competition in Violation of Bus. and Prof. Code sections 17200 *et seq*;
2. Failure to pay overtime wages in violation of California Labor Code sections 510 *et seq*;
3. Failure to provide required meal periods in violation of California Labor Code sections 226.7 and 512 and the applicable IWC wage order;
4. Failure to provide required rest periods in violation of California Labor Code sections 226.7 and 512 and the applicable IWC wage order ;

1 5. Failure to provide accurate itemized wage statements in violation of California
2 Labor Code section 226 and 226.2;

3 6. Failure to reimburse Plaintiffs for required expenses in violation of California
4 Labor Code section 2802;

5 7. Failure to provide wages when due in violation of California Labor Code
6 sections 201, 202 and 203;

7 8. Failure to pay minimum wages in violation of California Labor Code sections
8 1194, 1197 and 1197.1;

9 9. Violation of the private attorneys general act in violation of Labor Code
10 sections 2698 et seq.

11 D. On March 29, 2022, Plaintiff Haven filed a First Amended Complaint to add Brett
12 Owens as a named Plaintiff in the Action.

13 E. The Class Representatives believe they have meritorious claims based on alleged
14 violations of the California Labor Code, and the Industrial Wage Commission
15 Orders, and that class certification is appropriate because the prerequisites for class
16 certification can be satisfied in the Action, and this action is manageable as a PAGA
17 representative action.

18 F. Defendant denies any liability or wrongdoing of any kind associated with the claims
19 alleged in the Action, disputes any wages, damages and penalties claimed by the
20 Class Representative are owed, and further contend that, for any purpose other than
21 settlement, the Action is not appropriate for class or representative action treatment.
22 Defendant contends, among other things, that at all times they complied with the
23 California Labor Code and the Industrial Wage Commission Orders.

24 G. The Class Representatives are represented by Class Counsel. Class Counsel
25 conducted an investigation into the facts relevant to the Action, including
26 conducting an independent investigation as to the allegations, reviewing documents
27 and information exchanged through formal and informal discovery, and reviewing
28 documents and information provided by Defendant pursuant to informal requests for

information to prepare for mediation. Defendant produced for the purpose of settlement negotiations certain employment data concerning the Settlement Class, which Class Counsel reviewed and analyzed. Furthermore, Class Counsel propounded extensive discovery, including numerous requests for production, requests for admission, and form and special interrogatories. Moreover, Plaintiffs successfully opposed Defendant's demurrer and prevailed a Motion to Compel further discovery responses. Class Counsel engaged in a comprehensive review and analysis of Defendant's discovery responses. Based on their own independent investigation and evaluation, Class Counsel are of the opinion that the Settlement with Defendant is fair, reasonable and adequate, and is in the best interest of the Settlement Class in light of all known facts and circumstances, including the risks of significant delay, defenses asserted by Defendant, uncertainties regarding class certification, and numerous potential appellate issues. Although it denies any liability, Defendant is agreeing to this Settlement solely to avoid the inconveniences and cost of further litigation. The Parties and their counsel have agreed to settle the claims on the terms set forth in this Agreement

H. On May 5, 2022, the Parties participated in mediation presided over by Hon. Brian C. West (Ret.) a respected and experienced jurist and mediator of wage and hour class and PAGA actions. The mediation concluded with a settlement after both sides agreed to a Mediator's proposal which was subsequently memorialized in the form of a Memorandum of Understanding ("MOU").

I. To facilitate settlement, and review by the Court, the Parties stipulated to the filing of a Second Amended Class Action Complaint ("SAC") adding Donovan Zachariah Patterson as a named Plaintiff in the Action.

J. On July 11, 2022, Plaintiffs filed the SAC adding Donovan Zachariah Patterson as a named Plaintiff in the Action.

K. This Agreement replaces and supersedes the MOU and any other agreements, understandings, or representations between the Parties. This Agreement represents a

1 compromise and settlement of highly disputed claims. Nothing in this Agreement is
2 intended or will be construed as an admission by Defendant that the claims in the
3 Action of Plaintiffs or the Class Members have merit or that Defendant bears any
4 liability to Plaintiffs or the Class on those claims or any other claims, or as an
5 admission by Plaintiffs that Defendant's defenses in the Action have merit.

6 L. The Parties believe that the Settlement is fair, reasonable and adequate. The
7 Settlement was arrived at through arm's-length negotiations, taking into account all
8 relevant factors. The Parties recognize the uncertainty, risk, expense and delay
9 attendant to continuing the Action through trial and any appeal. Accordingly, the
10 Parties desire to fully, finally, and forever settle, compromise and discharge all
11 disputes and claims arising from or relating to the Action.

12 M. The Parties agree to certification of the Class for purposes of this Settlement only. If
13 for any reason the settlement does not become effective, Defendant reserves the right
14 to contest certification of any class for any reason and reserves all available defenses
15 to the claims in the Action.

16 Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

17 **III. TERMS OF AGREEMENT**

18 A. Settlement Consideration and Settlement Payments by Defendant.

- 19 1. Settlement Consideration. In full and complete settlement of the Actions, and
20 in exchange for the releases set forth below, Defendant will pay the sum of
21 the Individual Settlement Payment, the Class Representative Service Awards,
22 the Class Counsel Award, PAGA Settlement, and the Settlement
23 Administration Costs, as specified in this Agreement, equal to the Gross
24 Settlement Amount of Five Hundred Eighty-Five Thousand Dollars
25 (\$585,000.00). The Parties agree that this is a non-reversionary Settlement and
26 that no portion of the Gross Settlement Amount shall revert to Defendant.
27 Other than the Defendant's share of employer payroll taxes, or as otherwise
28

1 specified in the Agreement, Defendant shall not be required to pay more or
2 less than the Gross Settlement Amount, except as provided for herein below.

3 2. Class Size. At the time of mediation, Defendant estimated that the Settlement
4 Class was comprised of 739 individuals who collectively worked
5 approximately 77,511 Workweeks ("Projected Workweeks") during the Class
6 Period. Defendant will provide a declaration under penalty of perjury before
7 the deadline for filing the motion for preliminary approval of the settlement,
8 confirming the number of applicable Class Members and workweeks they
9 worked during the applicable Class Period. If the workweek number increases
10 by more than 10% of the estimate herein, the Settlement Amount will increase
11 proportionally for the number of workweeks over 110% (85,262).

12 3. Settlement Installment Payments. Defendant is liable for payment of the Gross
13 Settlement Amount. Defendant shall pay, via wire transfer, the Gross
14 Settlement Amount in two parts as follows: (1) \$400,000 within sixty-five
15 (65) days after entry by the Court of an Order and judgment finally approving
16 the Settlement ("Initial Payment"), and (2) twelve (12) equal monthly
17 installments in the amount of Fifteen Thousand Four Hundred Sixteen Dollars
18 and Sixty-Seven Cents (\$15,416.67) paid monthly thereafter, commencing on
19 the first day of the first full month following the Initial Payment, and on the
20 first of every month thereafter until the Gross Settlement Amount is fully
21 funded ("Installment Payments").

22 4. Defendant's Share of Payroll Taxes. Defendant's share of employer side
23 payroll taxes is in addition to the Gross Settlement Amount and shall be paid
24 together with the Gross Settlement Amount on the Funding Date.

25 B. Release by Settlement Class Members. As of the Funding Date, in exchange for the
26 consideration set forth in this Agreement, Plaintiffs and the Settlement Class Members
27 release the Defendant from the Released Class Claims for the Class Period.
28

1 C. Release by the Aggrieved Employees. As of the Funding Date, in exchange for the
2 consideration set forth in this Agreement, the Plaintiffs, the LWDA and the State of
3 California release the Defendant from the PAGA Released Claims for the PAGA
4 Period.

5 D. General Release by Plaintiffs. As of the Funding Date, for the consideration set forth
6 in this Agreement which includes the Class Representative Service Awards,
7 Plaintiffs waive, release, acquit and forever discharge the Defendant from any and all
8 claims, whether known or unknown, which exist or may exist on their behalf as of
9 the date of this Agreement, including but not limited to any and all tort claims,
10 contract claims, wage claims, wrongful termination claims, disability claims, benefit
11 claims, public policy claims, retaliation claims, statutory claims, personal injury
12 claims, emotional distress claims, invasion of privacy claims, defamation claims,
13 fraud claims, quantum meruit claims, and any and all claims arising under any
14 federal, state or other governmental statute, law, regulation or ordinance, including,
15 but not limited to claims for violation of the Fair Labor Standards Act, the California
16 Labor Code, the Wage Orders of California's Industrial Welfare Commission, other
17 state wage and hour laws, the Americans with Disabilities Act, the Age
18 Discrimination in Employment Act (ADEA), the Employee Retirement Income
19 Security Act, Title VII of the Civil Rights Act of 1964, the California Fair
20 Employment and Housing Act, the California Family Rights Act, the Family Medical
21 Leave Act, California's Whistleblower Protection Act, California Business &
22 Professions Code Section 17200 et seq., and any and all claims arising under any
23 federal, state or other governmental statute, law, regulation or ordinance. Plaintiffs
24 also waive and relinquish any and all claims, rights or benefits that they may have
25 under California Civil Code § 1542, which provides as follows:

26 ***A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE***
27 ***CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO***
28 ***EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE***

RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Thus, notwithstanding the provisions of section 1542, and to implement a full and complete release and discharge of the Defendant, Plaintiffs expressly acknowledge this Settlement Agreement is intended to include in its effect, without limitation, all claims Plaintiffs does not know or suspect to exist in Plaintiffs' favor at the time of signing this Settlement Agreement, and that this Settlement Agreement contemplates the extinguishment of any such claims. Plaintiffs warrant that Plaintiffs have read this Settlement Agreement, including this waiver of California Civil Code section 1542, and that Plaintiffs have consulted with or had the opportunity to consult with counsel of Plaintiffs' choosing about this Settlement Agreement and specifically about the waiver of section 1542, and that Plaintiffs understand this Settlement Agreement and the section 1542 waiver, and so Plaintiffs freely and knowingly enter into this Settlement Agreement. Plaintiffs further acknowledge that Plaintiffs later may discover facts different from or in addition to those Plaintiffs now know or believe to be true regarding the matters released or described in this Settlement Agreement, and even so Plaintiffs agree that the releases and agreements contained in this Settlement Agreement shall remain effective in all respects notwithstanding any later discovery of any different or additional facts. Plaintiffs expressly assume any and all risk of any mistake in connection with the true facts involved in the matters, disputes, or controversies released or described in this Settlement Agreement or with regard to any facts now unknown to Plaintiffs relating thereto.

E. Should any Class Member, Aggrieved Employee, or named Plaintiff seek to assert a claim or any dispute or action against Defendant with regard to the Released Claims herein, this Agreement, once approved by the Court, will be sufficient to support dismissal of any claim, dispute, or action, following Defendant's payment of the Initial Payment of \$400,000.00. However, should Defendant fail to make subsequent payments in accordance

1 with Section III(A)(3) above, the release provided for in this Agreement shall be null and
2 void, and Class Members, Aggrieved Employees, or the named Plaintiff may seek to assert
3 a claim or any dispute or action against Defendant with regard to the Released Claims.

4 F. Defendant's Right to Rescind. If ten percent (10%) or more of the putative Class
5 Members opt out of the class or the settlement by submitting valid and timely Requests
6 for Exclusion, Defendant has the right, in its sole discretion, to revoke the Parties'
7 Settlement. If Defendant exercises its option to rescind, Defendant shall: (a) provide
8 written notice to Class Counsel at least ten (10) business days after Defendant receives
9 written notice of the number of putative Class Members who have timely opted out of
10 the settlement, provided Defendant has been provided notice of all such opt outs, and
11 (b) pay all Settlement Administration Costs incurred by the Settlement Administrator
12 up to the date of Defendant's notice to rescind. If the Court does not grant both
13 preliminary and final approval of this settlement, the Parties further stipulate that this
14 and any future settlement agreement shall not affect Defendant's ability to maintain
15 that class certification is inappropriate in this lawsuit and/or that this lawsuit cannot be
16 managed as representative action.

17 G. Conditions Precedent: This Settlement will become final and effective only upon the
18 occurrence of all of the following events:

- 19 1. The Court enters an order granting preliminary approval of the Settlement;
- 20 2. The Court enters an order granting final approval of the Settlement and a Final
21 Judgment;
- 22 3. If an objector appears at the final approval hearing, the time for appeal of the
23 Final Judgment and Order Granting Final Approval of Class Action
24 Settlement expires; or, if an appeal is timely filed, there is a final resolution of
25 any appeal from the Judgment and Order Granting Final Approval of Class
26 Action Settlement; and
- 27 4. Defendant fully funds the Gross Settlement Amount by making the final
28 Installment Payment to the Settlement Administrator.

1 H. Nullification of Settlement Agreement. In the event that this Settlement Agreement is
2 not preliminarily or finally approved by the Court, fails to become effective, or is
3 reversed, withdrawn or modified by the Court, or in any way prevents or prohibits
4 Defendant from obtaining a complete resolution of the Released Claims, or if
5 Defendant fails to fully fund the Gross Settlement Amount:

- 6 1. This Settlement Agreement shall be void *ab initio* and of no force or effect,
7 and shall not be admissible in any judicial, administrative or arbitral
8 proceeding for any purpose or with respect to any issue, substantive or
9 procedural;
- 10 2. The conditional class certification (obtained for any purpose) shall be void *ab*
11 *initio* and of no force or effect, and shall not be admissible in any judicial,
12 administrative or arbitral proceeding for any purpose or with respect to any
13 issue, substantive or procedural; and
- 14 3. None of the Parties to this Settlement will be deemed to have waived any
15 claims, objections, defenses or arguments in the Action, including with respect
16 to the issue of class certification.
- 17 4. Defendant shall bear the sole responsibility for any cost to issue or reissue any
18 curative notice to the Settlement Class Members and all Settlement
19 Administration Costs incurred to the date of nullification.

20 I. Certification of the Settlement Class. The Parties stipulate to conditional class
21 certification of the Class for the Class Period for purposes of settlement only. In the
22 event that this Settlement is not approved by the Court, fails to become effective, or is
23 reversed, withdrawn or modified by the Court, or in any way prevents or prohibits
24 Defendant from obtaining a complete resolution of the Released Claims, the
25 conditional class certification (obtained for any purpose) shall be void *ab initio* and of
26 no force or effect, and shall not be admissible in any judicial, administrative or arbitral
27 proceeding for any purpose or with respect to any issue, substantive or procedural.
28

1 J. Tax Liability. The Parties make no representations as to the tax treatment or legal
2 effect of the payments called for, and Class Members and/or Aggrieved Employees are
3 not relying on any statement or representation by the Parties in this regard. Class
4 Members and/or Aggrieved Employees understand and agree that they will be
5 responsible for the payment of any taxes and penalties assessed on the Individual
6 Settlement Payments and/or Aggrieved Employees' individual shares of the PAGA
7 Settlement described and will be solely responsible for any penalties or other
8 obligations resulting from their personal tax reporting of Individual Settlement
9 Payments and/or Aggrieved Employees' individual shares of the PAGA Settlement.

10 K. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section,
11 the "acknowledging party" and each Party to this Agreement other than the
12 acknowledging party, an "other party") acknowledges and agrees that: (1) no provision
13 of this Agreement, and no written communication or disclosure between or among the
14 Parties or their attorneys and other advisers, is or was intended to be, nor shall any
15 such communication or disclosure constitute or be construed or be relied upon as, tax
16 advice within the meaning of United States Treasury Department circular 230 (31 CFR
17 part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his,
18 her or its own, independent legal and tax counsel for advice (including tax advice) in
19 connection with this Agreement, (b) has not entered into this Agreement based upon
20 the recommendation of any other Party or any attorney or advisor to any other Party,
21 and (c) is not entitled to rely upon any communication or disclosure by any attorney
22 or adviser to any other party to avoid any tax penalty that may be imposed on the
23 acknowledging party, and (3) no attorney or adviser to any other Party has imposed
24 any limitation that protects the confidentiality of any such attorney's or adviser's tax
25 strategies (regardless of whether such limitation is legally binding) upon disclosure by
26 the acknowledging party of the tax treatment or tax structure of any transaction,
27 including any transaction contemplated by this Agreement.

1 L. Preliminary Approval Motion. At the earliest practicable time, Plaintiffs shall file with
2 the Court a Motion for Order Granting Preliminary Approval and supporting papers,
3 which shall include this Settlement Agreement. Plaintiffs will provide Defendant with
4 a draft of the Motion at least 3 business days prior to the filing of the Motion to give
5 Defendant an opportunity to propose changes or additions to the Motion.

6 M. Settlement Administrator. The Settlement Administrator shall be responsible for:
7 establishing and administering the QSF; calculating, processing and mailing payments
8 to the Class Representatives, Class Counsel, LWDA, Class Members, and all legal
9 representatives; printing and mailing the Notice Packets to the Class Members as
10 directed by the Court; receiving and reporting the objections and requests for
11 exclusion; calculating, deducting and remitting all legally required taxes from
12 Individual Settlement Payments and distributing tax forms for the Wage Portion and
13 Non-Wage Portion of the Individual Settlement Payments and/or Aggrieved
14 Employees' individual shares of the PAGA Settlement; processing and mailing tax
15 payments to the appropriate state and federal taxing authorities; providing
16 declaration(s) as necessary in support of preliminary and/or final approval of this
17 Settlement; and other tasks as the Parties mutually agree or the Court orders the
18 Settlement Administrator to perform. The Settlement Administrator shall keep the
19 Parties timely apprised of the performance of all Settlement Administrator
20 responsibilities by among other things, sending a weekly status report to the Parties'
21 counsel stating the date of the mailing, the of number of Elections Not to Participate
22 in Settlement it receives (including the numbers of valid and deficient), and number of
23 objections received.

24 N. Notice Procedure.

- 25 1. Class Data. No later than ten (10) business days after the Preliminary
26 Approval Date, Defendant shall provide the Settlement Administrator with the
27 Class Data for purposes of preparing and mailing Notice Packets to the Class
28 Members.

1 2. Notice Packets.

- 2 a) The Notice Packet shall contain the Notice of Class Action Settlement
3 in a form substantially similar to the form attached as Exhibit A and a
4 Request for Exclusion form attached hereto as Exhibit B. The Notice
5 of Class Action Settlement shall inform Class Members and
6 Aggrieved Employees that they need not do anything in order to
7 receive an Individual Settlement Payment and/or Aggrieved
8 Employees' individual shares of the PAGA Settlement and to keep the
9 Settlement Administrator apprised of their current mailing address, to
10 which the Individual Settlement Payments and/or Aggrieved
11 Employees' individual shares of the PAGA Settlement will be mailed
12 following the Funding Date. The Notice of Class Action Settlement
13 shall set forth the release to be given by all members of the Class who
14 do not request to be excluded from the Settlement Class and/or
15 Aggrieved Employees' in exchange for an Individual Settlement
16 Payment and/or Aggrieved Employees' individual shares of the PAGA
17 Settlement, the number of Workweeks worked by each Class Member
18 during the Class Period and PAGA Period, if any, and the estimated
19 amount of their Individual Settlement Payment if they do not request
20 to be excluded from the Settlement and each Aggrieved Employee's
21 share of the PAGA Settlement, if any. The Settlement Administrator
22 shall use the Class Data to determine Class Members' Workweeks and
23 PAGA Workweeks. The Notice will also advise the Aggrieved
24 Employees that they will release the Released PAGA Claims and will
25 receive their share of the PAGA Settlement regardless of whether they
26 request to be excluded from the Settlement.
- 27 b) The Notice Packet's mailing envelope shall include the following
28 language: "IMPORTANT LEGAL DOCUMENT- YOU MAY BE

1 ENTITLED TO PARTICIPATE IN A CLASS ACTION
2 SETTLEMENT; A PROMPT REPLY TO CORRECT YOUR
3 ADDRESS IS REQUIRED AS EXPLAINED IN THE ENCLOSED
4 NOTICE.”

5 3. Notice by First Class U.S. Mail and Email. Upon receipt of the Class Data,
6 the Settlement Administrator will perform a search based on the National
7 Change of Address Database to update and correct any known or identifiable
8 address changes. No later than fourteen (14) calendar days after receiving the
9 Class Data from Defendant, the Settlement Administrator shall mail and email
10 copies of the Notice Packet to all Class Members via regular First-Class U.S.
11 Mail and electronic mail. The Settlement Administrator shall exercise its best
12 judgment to determine the current mailing address for each Class Member.
13 The address identified by the Settlement Administrator as the current mailing
14 address shall be presumed to be the best mailing address for each Class
15 Member.

16 4. Undeliverable Notices. Any Notice Packets returned to the Settlement
17 Administrator as non-delivered on or before the Response Deadline shall be
18 re-mailed to any forwarding address provided. If no forwarding address is
19 provided, the Settlement Administrator shall promptly attempt to determine a
20 correct address by lawful use of skip-tracing, or other search using the name,
21 address and/or Social Security number of the Class Member involved, and
22 shall then perform a re-mailing, if another mailing address is identified by the
23 Settlement Administrator. In addition, if any Notice Packets, which are
24 addressed to Class Members who are currently employed by Defendant, are
25 returned to the Settlement Administrator as non-delivered and no forwarding
26 address is provided, the Settlement Administrator shall notify Defendant.
27 Defendant will request that the currently employed Class Member provide a
28 corrected address and transmit to the Administrator any corrected address

1 provided by the Class Member. Class Members who received a re-mailed
2 Notice Packet shall have their Response Deadline extended fifteen (15) days
3 from the original Response Deadline.

4 5. Disputes Regarding Individual Settlement Payments. Class Members will
5 have the opportunity, should they disagree with Defendant's records regarding
6 the start and end dates of employment to provide documentation and/or an
7 explanation to show contrary dates. If there is a dispute, the Settlement
8 Administrator will consult with the Parties to determine whether an
9 adjustment is warranted. The Settlement Administrator shall determine the
10 eligibility for, and the amounts of, any Individual Settlement Payments under
11 the terms of this Agreement. The Settlement Administrator's determination
12 of the eligibility for and amount of any Individual Settlement Payment shall
13 be binding upon the Class Member and the Parties, except as provided herein
14 below in Paragraph 6.

15 6. Disputes Regarding Administration of Settlement. Any disputes not resolved
16 by the Settlement Administrator concerning the administration of the
17 Settlement will be resolved by the Court under the laws of the State of
18 California. Before any such involvement of the Court, counsel for the Parties
19 will confer in good faith to resolve the disputes without the necessity of
20 involving the Court.

21 7. Exclusions. The Notice of Class Action Settlement contained in the Notice
22 Packet shall state that Class Members who wish to exclude themselves from
23 the Settlement must submit a signed copy of the Request for Exclusion form
24 to the Settlement Administrator by the Response Deadline. A Request for
25 Exclusion form will be mailed together with the Notice Packet to all Class
26 Members. The Request for Exclusion will not be valid if it is not timely
27 submitted, if it is not signed by the Class Member or their legal representative,
28 or if it does not contain the name and address and last four digits of the Social

1 Security number of the Class Member. The date of the postmark on the
2 mailing envelope or fax stamp on the Request for Exclusion shall be the
3 exclusive means used to determine whether the request for exclusion was
4 timely submitted. Any Class Member who submits a timely Request for
5 Exclusion shall be excluded from the Settlement Class will not be entitled to
6 an Individual Settlement Payment and will not be otherwise bound by the
7 terms of the Settlement or have any right to object, appeal or comment
8 thereon. However, any Class Member that submits a timely Request for
9 Exclusion that is also a member of the Aggrieved Employees will still receive
10 his/her pro rata share of the PAGA Settlement, as specified below, and in
11 consideration, will be bound by the Release by the Aggrieved Employees as
12 set forth herein. Settlement Class Members who fail to submit a valid and
13 timely Request for Exclusion on or before the Response Deadline shall be
14 bound by all terms of the Settlement and any final judgment entered in this
15 Action if the Settlement is approved by the Court. No later than fourteen (14)
16 calendar days after the Response Deadline, the Settlement Administrator shall
17 provide counsel for the Parties with a final list of the Class Members who have
18 timely submitted timely Requests for Exclusion. At no time shall any of the
19 Parties or their counsel seek to solicit or otherwise encourage members of the
20 Class to submit Requests for Exclusion from the Settlement.

- 21 8. Objections. The Notice of Class Action Settlement contained in the Notice
22 Packet shall state that Class Members who wish to object to the Settlement
23 may submit to the Settlement Administrator a written statement of objection
24 (“Notice of Objection”) by the Response Deadline. The postmark date of
25 mailing shall be deemed the exclusive means for determining that a Notice of
26 Objection was served timely. The Notice of Objection must be signed by the
27 Settlement Class Member and any legal representative and state: (1) the case
28 name and number; (2) the name of the Settlement Class Member; (3) the

1 address of the Settlement Class Member; (4) the last four digits of the
2 Settlement Class Member's Social Security number; (5) the basis for the
3 objection; and (6) if the Settlement Class Member intends to appear at the
4 Final Approval/Settlement Fairness Hearing. Class Members who fail to
5 make objections in writing in the manner specified above may still make their
6 objections orally at the Final Approval/Settlement Fairness Hearing with the
7 Court's permission. Settlement Class Members will have a right to appear at
8 the Final Approval/Settlement Fairness Hearing to have their objections heard
9 by the Court. At no time shall any of the Parties or their counsel seek to solicit
10 or otherwise encourage Class Members to file or serve written objections to
11 the Settlement or appeal from the Order and Final Judgment. Class Members
12 who submit a written request for exclusion may not object to the Settlement.
13 Class Members may not object to the PAGA Settlement.

14 O. Funding and Allocation of the Gross Settlement Amount. Defendant is required to pay
15 the Gross Settlement Amount on or before the Funding Date, plus any employer's
16 share of payroll taxes as mandated by law within the time specified herein.

17 1. Individual Settlement Payments. Individual Settlement Payments shall be
18 paid from the Net Settlement Amount and shall be paid pursuant to the
19 formula set forth herein. Using the Class Data, the Settlement Administrator
20 shall add up the total number of Workweeks for all Class Members. The
21 respective Workweeks for each Class Member will be divided by the total
22 Workweeks for all Class Members, resulting in the Payment Ratio for each
23 Class Member. Each Class Member's Payment Ratio will then be multiplied
24 by the Net Settlement Amount to calculate each Class Member's estimated
25 Individual Settlement Payments. Each Individual Settlement Payment will be
26 reduced by any legally mandated employee tax withholdings (e.g., employee
27 payroll taxes, etc.). Individual Settlement Payments for Class Members who
28 submit valid and timely requests for exclusion will be redistributed to

1 Settlement Class Members who do not submit valid and timely requests for
2 exclusion on a pro rata basis based on their respective Payment Ratios.

3 2. Calculation of Individual Payments to the Aggrieved Employees. Using the
4 Class Data, the Settlement Administrator shall add up the total number of
5 PAGA pay periods for all Aggrieved Employees during the PAGA Period.
6 The respective PAGA pay periods for each Aggrieved Employee will be
7 divided by the total PAGA pay periods for all Aggrieved Employees, resulting
8 in the “PAGA Payment Ratio” for each Aggrieved Employee. Each
9 Aggrieved Employee’s PAGA Payment Ratio will then be multiplied by the
10 Aggrieved Employee Payment to calculate each Aggrieved Employee’s
11 estimated share of the PAGA Settlement.

12 3. Allocation of Individual Settlement Payments. For tax purposes, Individual
13 Settlement Payments shall be allocated and treated as follows: 15% as wages
14 (“Wage Portion”); 85% as penalties and interest (“Non-Wage Portion”). The
15 Wage Portion is subject to wage withholdings and shall be reported on IRS
16 Form W-2. The Non-Wage Portion shall not be subject to wage withholdings
17 and shall be reported on IRS Form 1099.

18 4. Allocation of Aggrieved Employee Payments. For tax purposes, Aggrieved
19 Employee Settlement Payments shall be allocated and treated as 100%
20 penalties and shall be reported on IRS Form 1099.

21 5. No Credit Toward Benefit Plans. The Individual Settlement Payments and
22 individual shares of the PAGA Settlement made to Settlement Class Members
23 and/or Aggrieved Employees under this Settlement Agreement, as well as any
24 other payments made pursuant to this Settlement Agreement, will not be
25 utilized to calculate any additional benefits under any benefit plans to which
26 any Class Members may be eligible, including, but not limited to profit-
27 sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans,
28 sick leave plans, PTO plans, and any other benefit plan. Rather, it is the

Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

6. All monies received by Settlement Class Members under the Settlement which are attributable to wages shall constitute income to such Settlement Class Members solely in the year in which such monies actually are received by the Settlement Class Members. It is the intent of the Parties that Individual Settlement Payments and individual shares of the PAGA Settlement provided for in this Settlement agreement are the sole payments to be made by Defendant to Settlement Class Members and/or Aggrieved Employees in connection with this Settlement Agreement, with the exception of Plaintiffs, and that the Settlement Class Members and/or Aggrieved Employees are not entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Payments and/or their shares of the PAGA Settlement.

7. Mailing. Individual Settlement Payments and Aggrieved Employee Payments shall be mailed by regular First-Class U.S. Mail to Settlement Class Members' and/or Aggrieved Employees last known mailing address no later than fifteen (15) calendar days after Defendant makes the Initial Payment of Four Hundred Thousand Dollars (\$400,000.00).

8. Expiration. Any checks issued to Settlement Class Members and Aggrieved Employees shall remain valid and negotiable for one hundred and eighty (180) days from the date of their issuance. If a Settlement Class Member and/or Aggrieved Employee does not cash his or her settlement check within 90 days, the Settlement Administrator will send a letter to such persons, advising that the check will expire after the 180th day, and invite that Settlement Class Member and/or Aggrieved Employee to request reissuance in the event the check was destroyed, lost or misplaced. In the event an Individual Settlement Payment and/or Aggrieved Employee's individual share of the PAGA

1 Settlement check has not been cashed within one hundred and eighty (180)
2 days, all funds represented by such uncashed checks, plus any interest accrued
3 thereon, shall be transmitted to the Controller of the State of California to be
4 held pursuant to the Unclaimed Property Law, California Civil Code § 1500
5 *et seq.*, in the names and corresponding amounts associated with each Class
6 Member and/or Aggrieved Employee whose check(s) are cancelled.

- 7 9. Class Representative Service Awards. In addition to the Individual Settlement
8 Payment and their individual share of the PAGA Settlement to be paid to
9 Plaintiffs, Plaintiffs will apply to the Court for an award of not more than
10 \$10,000 for each Plaintiff, as the Class Representative Service Awards.
11 Defendant does not presently intend to oppose Class Representative Service
12 Awards of not more than \$10,000 for each Plaintiff. In the event the Court
13 reduces or does not approve of the requested Service Award payments,
14 Plaintiffs shall not have the right to revoke the settlement and it will remain
15 binding. Plaintiffs each retain the right to appeal any denial of a requested
16 Service Award. The Settlement Administrator shall pay the Class
17 Representative Service Awards, either in the amount stated herein if approved
18 by the Court or some other amount as approved by the Court, to Plaintiffs
19 from the Gross Settlement Amount no later than fifteen (15) calendar days
20 after Defendant makes the Initial Payment. Any portion of the requested Class
21 Representative Service Awards that are not awarded to the Class
22 Representatives shall be part of the Net Settlement Amount and shall be
23 distributed to Settlement Class Members as provided in this Agreement. The
24 Settlement Administrator shall issue an IRS Form 1099 — MISC to Plaintiffs
25 for their Class Representative Service Awards. Plaintiffs shall be solely and
26 legally responsible to pay any and all applicable taxes on their Class
27 Representative Service Awards and shall hold harmless the Defendant from
28 any claim or liability for taxes, penalties, or interest arising as a result of the

1 Class Representative Service Awards. The Class Representative Service
2 Awards shall be in addition to Plaintiffs' Individual Settlement Payment as a
3 Settlement Class Member. Approval of this Settlement shall not be
4 conditioned on Court approval of the requested amount of the Class
5 Representative Service Award. In the event that the Court reduces or does not
6 approve the requested Class Representative Service Award, Plaintiffs shall not
7 have the right to revoke the Settlement, and it will remain binding.

8 10. Class Counsel Award. Defendant understands a motion by Class Counsel for
9 attorneys' fees not to exceed one-third of the Gross Settlement Amount
10 currently estimated to be \$195,000.00 plus costs and expenses supported by
11 declaration not to exceed Twenty Thousand Dollars and Zero Cents
12 (\$20,000.00), from the Gross Settlement Amount will be filed. Any portion
13 of the requested Class Counsel Award that is not awarded to Class Counsel
14 shall be part of the Net Settlement Amount and shall be distributed to
15 Settlement Class Members as provided in this Agreement. The Settlement
16 Administrator shall allocate and pay the Class Counsel Award to Class
17 Counsel from the Gross Settlement Amount no later than seven (7) calendar
18 days after the Funding Date. Class Counsel shall be solely and legally
19 responsible to pay all applicable taxes on the payment made pursuant to this
20 paragraph. The Settlement Administrator shall issue an IRS Form 1099 —
21 MISC to Class Counsel for the payments made pursuant to this paragraph. In
22 the event that the Court reduces or does not approve the requested Class
23 Counsel Award, Plaintiffs and Class Counsel shall not have the right to revoke
24 the Settlement, or to appeal such order, and the Settlement will remain
25 binding.

26 11. PAGA Settlement. Thirty Thousand Dollars and Zero Cents (\$30,000.00)
27 shall be allocated from the Gross Settlement Amount for settlement of claims
28 for civil penalties under the Private Attorneys General Act of 2004 ("PAGA

Settlement”). The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Settlement (\$22,500.00) to the California Labor and Workforce Development Agency no later than fifteen (15) calendar days after the Funding Date (hereinafter “LWDA Payment”). Twenty-five (25%) of the PAGA Settlement (\$7,500.00) will be distributed to the Aggrieved Employees as described in this Agreement (hereinafter “Aggrieved Employee Payment”). For purposes of distributing the PAGA Settlement to the Aggrieved Employees, each Aggrieved Employee shall receive their pro-rata share of the Aggrieved Employee Payment using the PAGA Payment Ratio as defined above.

12. Settlement Administration Costs. The Settlement Administrator shall be paid for the costs of administration of the Settlement from the Gross Settlement Amount. The estimate of the Settlement Administration Costs is \$13,000. The Settlement Administrator shall be paid the Settlement Administration Costs no later than fifteen (15) calendar days after the Funding Date.

P. Final Approval Motion. Class Counsel and Plaintiffs shall use best efforts to file with the Court a Motion for Order Granting Final Approval and Entering Judgment, within twenty-eight (28) days following the expiration of the Response Deadline, which motion shall request final approval of the Settlement and a determination of the amounts payable for the Class Representative Service Award, the Class Counsel Award, the PAGA Settlement, and the Settlement Administration Costs. Plaintiffs will provide Defendant with a draft of the Motion at least 3 business days prior to the filing of the Motion to give Defendant an opportunity to propose changes or additions to the Motion

1. Declaration by Settlement Administrator. No later than fourteen (14) days after the Response Deadline, the Settlement Administrator shall submit a declaration in support of Plaintiffs’ motion for final approval of this Settlement detailing the number of Notice Packets mailed and re-mailed to

1 Class Members, the number of undeliverable Notice Packets, the number of
2 timely requests for exclusion, the number of objections received, the amount
3 of the average Individual Settlement Payment and highest Individual
4 Settlement Payment, the Settlement Administration Costs, and any other
5 information as the Parties mutually agree or the Court orders the Settlement
6 Administrator to provide.

7 2. Final Approval Order and Judgment. Class Counsel shall present an Order
8 Granting Final Approval of Class Action Settlement to the Court for its
9 approval, and Judgment thereon, at the time Class Counsel files the Motion
10 for Final Approval.

11 N. Review of Motions for Preliminary and Final Approval. Class Counsel will provide
12 an opportunity for Counsel for Defendant to review the Motions for Preliminary and
13 Final Approval, including the Order Granting Final Approval of Class Action
14 Settlement, and Judgment before filing with the Court. The Parties and their counsel
15 will cooperate with each other and use their best efforts to affect the Court's approval
16 of the Motions for Preliminary and Final Approval of the Settlement, and entry of
17 Judgment.

18 O. Cooperation. The Parties and their counsel will cooperate with each other and use
19 their best efforts to implement the Settlement.

20 P. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Actions,
21 except such proceedings necessary to implement and complete the Settlement, pending
22 the Final Approval/Settlement Fairness Hearing to be conducted by the Court.

23 Q. Amendment or Modification. This Agreement may be amended or modified only by
24 a written instrument signed by counsel for all Parties or their successors-in-interest.

25 R. Entire Agreement. This Agreement and any attached Exhibit constitute the entire
26 Agreement among these Parties, and no oral or written representations, warranties or
27 inducements have been made to any Party concerning this Agreement or its Exhibit
28

1 other than the representations, warranties and covenants contained and memorialized
2 in this Agreement and its Exhibit.

3 S. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
4 represent they are expressly authorized by the Parties whom they represent to negotiate
5 this Agreement and to take all appropriate Action required or permitted to be taken by
6 such Parties pursuant to this Agreement to effectuate its terms, and to execute any other
7 documents required to effectuate the terms of this Agreement. The persons signing
8 this Agreement on behalf of Defendant represents and warrants that he/she is
9 authorized to sign this Agreement on behalf of Defendant. Plaintiffs represent and
10 warrant that they are authorized to sign this Agreement and that they have not assigned
11 any claim, or part of a claim, covered by this Settlement to a third-party.

12 T. No Public Comment: The Parties and their counsel agree that they will not issue any
13 press releases, initiate any contact with the press, respond to any press inquiry, or have
14 any communication with the press about the fact, amount or terms of the Settlement
15 Agreement. Class Counsel further agrees not to use the Settlement Agreement or any
16 of its terms for any marketing or promotional purposes. Nothing herein will restrict
17 Class Counsel from including publicly available information regarding this settlement
18 in future judicial submissions regarding Class Counsel's qualifications and experience.
19 Further, Class Counsel will not include, reference or use the Settlement Agreement for
20 any marketing or promotional purposes, either before or after the Motion for
21 Preliminary Approval is filed.

22 U. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure
23 to the benefit of, the successors or assigns of the Parties, as previously defined.

24 V. California Law Governs. All terms of this Agreement and the Exhibit and any disputes
25 shall be governed by and interpreted according to the laws of the State of California.

26 W. Counterparts. This Agreement may be executed in one or more counterparts. All
27 executed counterparts and each of them shall be deemed to be one and the same
28

instrument provided that counsel for the Parties to this Agreement shall exchange among themselves copies or originals of the signed counterparts.

X. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this Settlement is a fair, adequate and reasonable settlement of this Action and have arrived at this Settlement after extensive arms-length negotiations, taking into account all relevant factors, present and potential.

Y. Jurisdiction of the Court. The Parties agree that the Court shall retain jurisdiction with respect to the interpretation, implementation and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing and enforcing the settlement and all orders and judgments entered in connection with this Agreement.

Z. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

AA. No Unalleged Claims. Plaintiffs and Class Counsel represent that they do not currently intend to pursue any claims against the Defendant, including, but not limited to, any and all claims relating to or arising from Plaintiffs' employment with Defendant, regardless of whether Class Counsel is currently aware of any facts or legal theories upon which any claims or causes of action could be brought against Defendant, including those facts or legal theories alleged in the operative complaint in this Action. The Parties further acknowledge, understand and agree that this representation is essential to the Agreement and that this Agreement would not have been entered into were it not for this representation.

BB. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class certification for purposes of this settlement only.

1 CC. No Admissions by the Parties. Plaintiffs have claimed and continue to claim that the
 2 Released Claims have merit and give rise to liability on the part of Defendant.
 3 Defendant claims that the Released Claims have no merit and do not give rise to
 4 liability. This Agreement is a compromise of disputed claims. Nothing contained in
 5 this Agreement and no documents referred to and no action taken to carry out this
 6 Agreement may be construed or used as an admission by or against the Defendant or
 7 Plaintiffs or Class Counsel as to the merits or lack thereof of the claims asserted. Other
 8 than as may be specifically set forth herein, each Party shall be responsible for and
 9 shall bear its/their own attorney's fees and costs.

10 DD. Confidentiality. Class Counsel agrees that it will not initiate or contact or have any
 11 communications with putative Class Members during the Settlement approval process.
 12 Nothing will prevent Class Counsel from responding to inquiries from putative Class
 13 Members. For its part, Defendant agrees it shall not discourage putative Class
 14 Members from participating in the Settlement and shall refer any questions to the
 15 Claims Administrator. No public comment, communications to media, or any form of
 16 advertising or public announcement (including social media) regarding the case shall
 17 be made by Plaintiffs or Class Counsel at any time. Prior to filing of the Motions for
 18 Preliminary and Final Approval, Class Counsel shall not discuss the terms of the
 19 settlement or the negotiations leading to settlement with any person other than the
 20 Plaintiffs and Class Administrator.

21 IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFFS:

22
 23 DATED: Jul 19, 2022


 Thomas Haven (Jul 19, 2022 14:07 PDT)

THOMAS HAVEN

24
 25 DATED: Jul 19, 2022


 Brett Owens (Jul 19, 2022 13:32 PDT)

BRETT OWENS

26
 27 DATED: Jul 19, 2022


 Donovan Patterson (Jul 19, 2022 13:33 PDT)

DONOVAN ZACHARIAH

IT IS SO AGREED, FORM AND CONTENT, BY DEFENDANT:

DATED: 7/21/2022

DocuSigned by:

Arlene Groos

97045FF51E7746F...

CALIFORNIA VOCATIONS, INC.

Arlene Groos

Printed Name

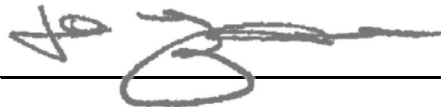
Executive Director

Title

IT IS SO AGREED AS TO FORM BY COUNSEL:

DATED: July 19, 2022

JCL LAW FIRM, A.P.C.

By: 

Attorneys for Plaintiffs and the Settlement Class Members

DATED: July 19, 2022

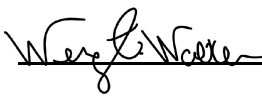
ZAKAY LAW GROUP, APLC

By: 

Attorneys for Plaintiffs and the Settlement Class Members

DATED: 7/19/2022

WENDY A. WALKER
YOUNG, MINNEY & CORR, LLP

By: 

Attorneys for Defendant

4873-7040-2085, v. 2
4873-7040-2085, v. 2

EXHIBIT A

**NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT
AND FINAL HEARING DATE**

*Haven v. California Vocations, Inc.
Butte County Superior Court Case No. 20CV01514*

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT.
PLEASE READ THIS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Settlement Share is: \$<<[REDACTED]>>. See the explanation below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendant as detailed below.
Exclude Yourself	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement. Instructions are set forth below.
Object	You may write to the Court about why you believe the settlement should not be approved. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the “Settlement”) of this lawsuit pending in the Superior Court for the State of California, County of Butte (the “Court”) has been reached between Plaintiffs Thomas Haven, Brett Owens and Donovan Zachariah Patterson (collectively “Plaintiffs”) and Defendant California Vocations, Inc. (“Defendant”). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a member of the Class or a legal representative of a Class Member, which is defined as:

All non-exempt employees who are or previously were employed by Defendant and performed work in California during the Class Period.

The “Class Period” is the period of time running from April 6, 2016 to May 5, 2022.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On August 03, 2020, Plaintiffs filed a Complaint against Defendant in the Superior Court of the State of California, County of Butte. Plaintiffs asserted claims that Defendant: (a) Violated California Business and Professions Code § 17200 *et seq.*; (b) Failed to pay overtime wages in violation of California Labor Code Sections 510 *et seq.*; (c) Failed to provide required meal periods in violation of California Labor Code §§ 226.7 & 512, and the applicable IWC Wage Order; (d) Failed to provide required rest periods in violation of California Labor Code §§ 226.7 & 512, and the applicable IWC Wage Order; (e) Failed to provide accurate itemized wage statements in violation of California Labor Code § 226; (f) Failed to reimburse employees for required business expenses in violation of California Labor Code § 2802 (g) Failed to provide wages when due in violation of California Labor Code §§ 201, 202, and 203; (h) Failed to pay minimum wages in violation of California Labor Code §§ 1194, 1197, and 1197.1; and (i) Violation of the Private Attorneys General Act [Labor Code §§ 2698, *et seq.*]. On March 29, 2022, Plaintiff Haven filed a First Amend Complaint (“FAC”) adding Brett Owens as a named Plaintiff in the Action. On July 11, 2022, Plaintiffs Haven and Owens filed a Second Amended Complaint (“SAC”) adding Donovan Zachariah Patterson as a named Plaintiff in the Action.

Defendant denies and disputes all claims asserted in the Action. Specifically, Defendant contended (and continues to contend) that the Action could not properly be maintained as a class action; that Defendant properly paid members of the class all wages and overtime that was due; that Defendant provided members of the class with all legally required meal breaks and rest breaks; that Defendants paid any members of the class all wages due them at the time of their terminations; that Defendant fully reimbursed members of the class for all required business expenses; that Defendant provided accurate, itemized wage statements to members of the class; that Defendant did not violate California Business and Professions Code section 17200 *et seq.*; and that Defendant is not liable for any of the penalties claimed or that could be claimed in the Action.

On May 5, 2022, the Parties participated in an all-day mediation with Hon. Brian C. Walsh (Ret.), a respected and experienced jurist and mediator of wage and hour class and PAGA actions. At the conclusion of the full-day mediation, the Parties were able to reach an agreement for settlement. The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiffs to serve as the Class Representative and the law firms of Zakay Law Group, APC and JCL Law Firm, APC.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendant has agreed to pay an “all in” amount of Five Hundred Eighty-Five Thousand Dollars (\$585,000) (the “Gross Settlement Amount”) to fund the settlement. The Gross Settlement Amount includes the payment of all Settlement Shares to Participating Class Members, Class Counsel’s attorneys’ fees and costs, Settlement Administration Expenses, the LWDA Payment, PAGA Shares, and the Class Representative Service Payments to the Plaintiffs.

After the Judgment becomes Final, Defendant will pay the Gross Settlement Amount by depositing the money with the Settlement Administrator as follows: (1) \$400,000 within sixty-five (65) days after final approval. “Final” means the date the Judgment is no longer subject to appeal, or if an appeal is filed, the date the appeal process is completed and the Judgment is affirmed; and (2) twelve (12) equal monthly installments in the amount of Fifteen Thousand Four Hundred Sixteen Dollars and Sixty-Seven Cents (\$15,416.67) paid monthly thereafter, commencing on the first day of the first full month following the Initial Payment, and on the first of every month thereafter until the Gross Settlement Amount is fully funded.

Amounts to be Paid From the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before settlement payments are made to Class Members, as follows:

- Settlement Administration Expenses. Payment to the Settlement Administrator, estimated not to exceed \$13,000, for expenses, including expenses of sending this Notice, processing opt outs, and distributing settlement payments.
- Attorneys' Fees and Costs. Payment to Class Counsel of an award of a Class Counsel Fees Payment of no more than 1/3 of the Gross Settlement Amount (currently \$195,000.00) and a Class Counsel Litigation Expenses Payment of not more than \$20,000.00 for all expenses incurred as documented in Class Counsel's billing records, both subject to Court approval. Class Counsel have been prosecuting the Actions on behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.
- Class Representative Service Payments. Class Representative Service Payments of up to Ten Thousands Dollars (\$10,000.00) for each Plaintiff, or such lesser amount as may be approved by the Court, to compensate them for services on behalf of the Class in initiating and prosecuting the Action, and for the risks they undertook.
- PAGA Payment. A payment of \$30,000 relating to Plaintiffs' claim under the Private Attorneys General Act ("PAGA"), \$22,500 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining \$7,500 will be distributed to PAGA Employees as the Net PAGA Amount.
- Calculation of Payments to Participating Class Members. After all the above payments of the court-approved Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, the Class Representative Service Payments, the LWDA Payment, the PAGA Payment, and the Settlement Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to class members who do **not** request exclusion ("Settlement Class Members"). The Settlement Share for each Settlement Class Member will be calculated by dividing the Net Settlement Amount by the total number of workweeks for all Participating Class Members that occurred during the Class Period and multiplying the result by each individual Participating Class Member's workweeks that occurred during the Class Period. A "workweek" is defined as a normal seven-day week of work during the Class Period in which, according to Defendant's records, a member of the class worked at least one-day during any such workweek.
- Calculation of PAGA Penalties Payments to PAGA Employees. The Net PAGA Amount shall be distributed to PAGA Employees irrespective of whether they exclude themselves or opt-out. The Net PAGA Amount will be divided by the total number of pay periods worked by all PAGA Employees during the PAGA Period, and then taking that number and multiplying it by the number of pay periods worked by each respective PAGA Employee during the PAGA Period. "PAGA Employees" means all non-exempt employees who are or previously were employed by Defendant and performed work in California during the period of August 3, 2019 to May 5, 2022.

If the Settlement is approved by the Court, you will automatically be mailed a check for your Settlement Share to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to insure you receive your payment.

Tax Matters. 15% of each Settlement Share is allocated to wages. Taxes are withheld from this amount, and each Participating Class Member will be issued an Internal Revenue Service Form W-2 for such payment. 85% of each Settlement Share is allocated to interest, penalties and other non-wage payments, and no taxes will be withheld, and each Participating Class Member will be issued an Internal Revenue Service Form 1099 for such payment. In addition, no taxes will be withheld from the PAGA Penalties paid to PAGA Employees, and each

PAGA Employee will be issued an Internal Revenue Service Form 1099 for such payment. Neither Class Counsel nor Defendant's counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

4. What Do I Release Under the Settlement?

Released Claims. Upon entry of final judgment and funding the Initial Payment of the Gross Settlement Amount by Defendant, Plaintiffs and the Settlement Class Members shall release all Released Class Claims that occurred during the Class Period as to the Released Parties. Released Class Claims are defined as all class claims alleged in the operative complaint which occurred during the Class Period. The Released PAGA Claims shall be released as follows: As of the Settlement Effective Date and upon funding the Initial Payment of the Gross Settlement Amount by Defendant, all Aggrieved Employees shall release all Released PAGA Claims, irrespective of whether they opted-out of the class settlement, and will be bound by this PAGA Release (the "PAGA Release"). "Released PAGA Claims" are defined as all PAGA claims alleged in the operative complaint and Plaintiff's PAGA notice to the LWDA which occurred during the PAGA Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside of the PAGA Period.

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant about the legal issues resolved by this Settlement. It also means that all of the Court's orders in this Action will apply to you and legally bind you.

5. How much will my payment be?

Defendant's records reflect that you have <<____>> work-weeks worked during the Class Period (April 6, 2016 to May 5, 2022).

Based on this information, your estimated Settlement Share is <<____>>.

Defendant's records reflect that you have <<____>> pay periods worked during the PAGA Period (August 3, 2019 to May 5, 2022).

Based on this information, your estimated PAGA Settlement Share is <<____>>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than _____ [forty-five (45) days after the Notice or re-mailed Notice].

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: _____. (800) _____.

The Court will hold a hearing on _____ to decide whether to finally approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient. After entry of the Judgment, the Settlement Administrator will provide notice of the final

judgment to the Class Members by posting a copy of the Judgment on the administrator's website at www._____.com

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms, except as provided as follows.** Irrespective of whether you exclude yourself from the Settlement or "opt out," you will be bound by the PAGA Release, you will be deemed to have released the Released PAGA Claims, and you will receive a share of the Net PAGA Amount.

To opt out, you or your legal representative must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than _____. The address for the Settlement Administrator is _____. The request for exclusion must state in substance: "I have read the Class Notice and I wish to opt out of the class action and settlement of the case *Haven v. California Vocations, Inc.*, Case No. 20CV01514." The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class, other than their legal representative.

Written requests for exclusion that are postmarked after _____, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I would like to challenge the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections may be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All written objections or other correspondence must also state the name and number of the case, which is *Haven v. California Vocations, Inc.*, Case No. 20CV01514. You may also object without submitting a written objection by appearing at the final approval hearing scheduled as described in Section 9 below.

To object to the Settlement, you can opt out. If the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

Written objections must be delivered or mailed to the Settlement Administrator no later than _____. The address for the Settlement Administrator is _____.

The addresses for the Parties' counsel are as follows:

Class Counsel:

Jean-Claude Lapuyade, Esq.
JCL Law Firm, APC
5440 Morehouse Dr., Ste. 3600
San Diego, CA 92121
Tel.: (619) 599-8292
Fax: (619) 599-2891
E-Mail: jlapuyade@jcl-lawfirm.com

Class Counsel:

Shani O. Zakay, Esq.
Zakay Law Group, APLC
5440 Morehouse Dr., Ste. 3600
San Diego, CA 92121
Tel: (619) 255-9047
Email: shani@zakaylaw.com
Website: www.zakaylaw.com

Counsel for Defendant:

Wendy A. Walker
Young, Minney & Corr, LLP
655 University Ave., Suite 150
Sacramento, CA 95825
Tel: (916) 646-1400
Fax: (916) 646-1300
Email: wwalker@mycharterlaw.com

9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at 00:00 AM/PM on _____, at the Butte County Superior Court, located at 1775 Concord Avenue, Chico, CA 95928 in Department 6 before Judge Stephen E. Benson. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing or who appear at the hearing to object. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at _____ or write to *Haven v. California Vocations, Inc.*, Case No. 20CV01514., Settlement Administrator, c/o _____.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by writing to Zakay Law Group, APLC, 5440 Morehouse Dr., Ste. 3600, San Diego, CA 92121 or by visiting the website page provided above.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to the State Controller's Office. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

EXHIBIT 2

EXHIBIT 3

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Case Name: Haven v. California Vacations

Wednesday, May 11, 2022

Requesting Attorney:	Eddie Garcia
Requesting Attorney's E-mail:	EGarcia@jcl-lawfirm.com
ILYM Contact	Sean Hartranft
E-Mail	Sean@ilymgroupclassaction.com
Contact Number	949.690.2564

ESTIMATE FOR ADMINISTRATION SOLUTIONS

Opt-Out

ASSUMPTIONS	
Total Estimated Number of Class Members	739
Estimated Percentage of Undeliverable Mail	20%
NCOA	Yes
Certified Spanish Translation	No
Case Duration (Years)	1

Activity	Rate Type	Unit Cost	Volume	Amount
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CASE STARTUP				
Initial Setup - Import and Formatting of Data*	Hourly	\$150.00	3	\$450.00
Programming of Class Database	Hourly	\$175.00	3	\$525.00

*ILYM assumes that data will be in a standard format. Client will be notified immediately if not in standard format to correct data or ILYM can convert to standard format @ \$150.00 per hour.

Subtotal \$975.00

PROJECT MANAGEMENT				
Project Manager (Case notification and maintenance)	Hourly	\$120.00	6	\$720.00
Staff Hours for Processing Opt-Outs, Disputes & Objection(s)	Hourly	\$70.00	2	\$140.00
Staff Hours for Processing Returned Mail	Hourly	\$70.00	1	\$70.00
Report Processing	Hourly	\$70.00	4	\$280.00
NCOA	Per Piece	\$106.70	1	\$106.70
Toll-Free Phone Support	Flat Fee	\$150.00	1	\$150.00
ILYM Group Static Website, Including Hosting	Flat Fee	\$750.00	1	\$750.00
Status Reports	Flat Fee	\$750.00	1	Waived

Subtotal \$2,216.70

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Activity	Rate Type	Unit Cost	Volume	Amount
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NOTIFICATION/MAILING				
Initial Mailing, Fulfillment of Notices	Per Piece	\$1.50	739	\$1,108.50
USPS First Class Postage	Per Piece	\$0.55	739	\$406.45
Remails (Forward/Skip Trace Undeliverables)	Per Piece	\$2.00	148	\$295.60
Storage, Photocopies, Deliveries	Flat Fee	\$300.00	1	\$300.00

Subtotal \$2,110.55

DISTRIBUTION (Includes EIN, Bank Acct * /QSF Setup)				
Distribution Setup & Management	Hourly	\$150.00	5	\$750.00
Account Reconciliation & Distribution Reporting	Hourly	\$125.00	5	\$625.00
Check, Stub & Release - Print & Mail (including W2 and/or 1099)**	Per Check	\$1.50	739	\$1,108.50
Check Mailing Postage	Per Piece	\$0.55	739	\$406.45
Reminder Mailing, Includes Postage	Per Piece	\$2.00	74	\$147.80
Preparation of Taxes	Hourly	\$120.00	13	\$1,560.00
Annual Filing of Tax Return	Per Year	\$1,500.00	1	\$1,500.00

***Additional Bank fees may apply*

Subtotal \$6,097.75

CASE CONCLUSION				
Data Manager Final Reporting	Hourly	\$100.00	5	\$500.00
Project Manager Final Reporting	Hourly	\$120.00	5	\$600.00
Declaration	Hourly	\$125.00	4	\$500.00

Subtotal \$1,600.00

Total Case Estimate: \$13,000.00

Terms and Conditions

All services to be provided by ILYM Group, Inc. (hereinafter, "ILYM") to Client shall be subject to the following terms and conditions:

Services: Subject to the terms hereof, ILYM agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are attached. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make provision for any services or class members/size not delineated in the request for proposal or stipulations. Such services do not in any way constitute legal services or advice. ILYM is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.

Mailing and Data Conversion: ILYM's database administration assumes the Client will provide complete data that includes all information required to send notifications and complete the administration process. Data must be provided in a complete, consistent, standardized electronic format. ILYM's standard format is Microsoft Excel, however, ILYM may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by ILYM on a time and materials basis, according to ILYM's Standard Rates.

Charges for Services: Charges to the Client for services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to ILYM. Actual fees charged by ILYM to Client may be greater or less than such estimate, and Client shall be responsible for the payment of all such charges and expenses in accordance with Section 5 hereof. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. ILYM may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.

Indemnification: Client will indemnify and hold ILYM (and the officers, employees, affiliates and agents harmless against any Losses incurred by ILYM, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by ILYM in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by ILYM pursuant to Client's instructions.

Payment of Charges: ILYM reserves the right to request payment of postage charges and 50% of the final administration charges at the start of the case. ILYM bills are due upon receipt unless otherwise negotiated and agreed to with the Client. In the event settlement terms provide that ILYM is to be paid out of the Settlement Fund, ILYM will request that Counsel endeavor to make alternate payment arrangements for ILYM charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the Settlement Account is funded by, or no later than the time of disbursement. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Client's liability to ILYM for payment of services. Services are not provided on a contingency fee basis.

Confidentiality: ILYM maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to ILYM by Client in connection herewith. Should ILYM ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, ILYM will promptly notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse ILYM for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If ILYM is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, ILYM will not be liable for breach of said obligation.

Data Rights: ILYM does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by ILYM in the ordinary course of business in the performance of this Agreement.

Document Retention: Unless directed otherwise in writing by Client, ILYM will destroy undeliverable mail on the effective date of the settlement or the date that the disposition of the case is no longer subject to appeal or review, whichever is later. ILYM will maintain claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.

Limitation of damages: ILYM is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of ILYM to the Client shall not exceed the total amount billed to the Client for the particular services that give rise to any loss.

Termination: The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to ILYM. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. ILYM may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.

Notice: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of ILYM or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

Force Majeure: To the extent performance by ILYM of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond ILYM's reasonable control, then such performance shall be excused and this Agreement, at ILYM's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

Waiver of Rights: No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing.

Jurisdiction: The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.

Entire Agreement: These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. **Attached here to is Exhibit D:** ILYM hereby incorporates the attached Exhibit D into the terms and conditions herein and Exhibit D shall be a part of this agreement. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.