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as an aggrieved employee, and on behalf of
all other aggrieved employees

[Additional counsel on following page]

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

MARVIN BERNABE, as an aggrieved
employee, and on behalf of all other
aggrieved employees under the Labor Code
Private Attorneys General Act of 2004,

Plaintiff,

v.

DR. SQUATCH, INC., a California
corporation; KELLY SERVICES GLOBAL,
LLC, a Michigan Company; JOHN S.
HALDRUP, an individual; and
DOES 1 through 100, inclusive,

Defendants.

CASE NO.: 22STCV32762

[Related Case No. 22STCV28263]

[Assigned for all purposes to the Hon.
Elihu M. Berle in Dept 6]

REPRESENTATIVE ACTION

**JOINT STIPULATION RE: PAGA
SETTLEMENT**

Action Filed: October 6, 2022

Trial Date: None Set

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1 This Joint Stipulation re: PAGA Settlement (“Settlement,” “Agreement,” or “Settlement
2 Agreement”) is made by and between plaintiff Marvin Bernabe (“Plaintiff”), individually, and
3 on behalf of the Aggrieved Employees, on the one hand; and defendants Dr. Squatch, Inc. and
4 John S. Haldrup (collectively, “Dr. Squatch”), and Kelly Services Global, LLC (“Kelly
5 Services”) (Dr. Squatch and Kelly Services together, “Defendants”), on the other hand, in the
6 lawsuit entitled *Marvin Bernabe v. Dr. Squatch, Inc., et al.*, filed in the Los Angeles County
7 Superior Court, Case No. 22STCV32762. Plaintiff and Defendants shall be collectively referred
8 to as the “Parties.” This Agreement is intended by the Parties to fully, finally, and forever
9 resolve the claims as set forth herein, based upon and subject to the terms and conditions of this
10 Agreement.

11 **1. DEFINITIONS**

12 1.1. “**Action**” means Plaintiff’s PAGA lawsuit, alleging wage and hour violations
13 against Defendants, captioned *Marvin Bernabe v. Dr. Squatch, Inc., et al.*, Case No.
14 22STCV32762, initiated on October 6, 2022, and pending in the Superior Court of the State of
15 California, County of Los Angeles.

16 1.2. “**Administrator**” means Phoenix Class Action Administration Solutions
17 (“Phoenix”), the neutral entity the Parties have selected to administer the Settlement.

18 1.3. “**Administration Expenses Payment**” means the amount the Administrator
19 will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses
20 in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection
21 with approval of this Settlement.

22 1.4. “**Aggrieved Employees**” means (i) all individuals currently or formerly
23 employed by defendant Dr. Squatch as non-exempt, hourly paid, product production employees
24 at Dr. Squatch’s former production facility in Compton, California, or at Dr. Squatch’s current
25 production facility in Brea, California, during the PAGA Period and (ii) all individuals currently
26 or formerly employed by defendant Kelly Services who were assigned to work for Dr. Squatch
27 at any location in the State of California during the PAGA Period. “Aggrieved Employees”
28

1 shall not include any person employed by a third-party staffing agency other than Kelly
2 Services.

3 1.5. “**Aggrieved Employee Data**” means Aggrieved Employee identifying
4 information in Defendants’ possession including the Aggrieved Employee’s name, last-known
5 mailing address, Social Security number, and number of PAGA Pay Periods.

6 1.6. “**Aggrieved Employee Address Search**” means the Administrator’s
7 investigation and search for current Aggrieved Employee mailing addresses using reasonably
8 available sources, methods, and means, including the National Change of Address database,
9 skip traces, and direct contact by the Administrator with Aggrieved Employees.

10 1.7. “**Bernabe II**” means Plaintiff’s class action complaint alleging wage and hour
11 violations against Defendants captioned *Marvin Bernabe v. Dr. Squatch, Inc., et al.*, Case No.
12 22STCV28263, initiated on August 30, 2022, and pending in the Superior Court of the State of
13 California, County of Los Angeles.

14 1.8. “**Bernabe Arbitration**” means the demand in arbitration filed by Plaintiff with
15 the American Arbitration Association, Case No. 01-23-0002-6097, and currently pending
16 before Arbitrator Gayle L. Eskridge, Esq.

17 1.9. “**Court**” means the Superior Court of California, County of Los Angeles.

18 1.10. “**Defense Counsel**” means Larry R. Schmadeka of Pierson Ferdinand LLP and
19 Gerald L. Maatman, Jr., Jennifer A. Riley, Daniel D. Spencer, and Kenny T. Tran of Duane
20 Morris LLP.

21 1.11. “**Effective Date**” means the date by when both of the following have occurred:
22 (a) the Court enters a Judgment on its Order Approving the PAGA Settlement, and (b) the
23 Judgment is final. The Judgment is final as of the latest of the following occurrences: (1) the
24 Court’s Order Approving the PAGA Settlement, if no objections have been lodged and there is
25 no possibility of appeal; (2) if an objection has been lodged, the time for an appeal has expired
26 without the filing of any appeal; or (3) the final resolution of any appeal, writ, or challenge to
27 the Settlement that has been lodged upholding the Settlement.

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1.12. “**Gross Settlement Amount**” means \$410,000.00, the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, the Administrator’s Expenses Payment, and the Service Award Payment.

1.13. “**Individual PAGA Payment**” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

1.14. “**Individual Settlement**” or “**Individual Settlement Agreement**” means the separate Confidential Settlement Agreement and Release between Plaintiff and Defendants that resolves Plaintiff’s non-PAGA individual claims against Defendants related to *Bernabe II* and the *Bernabe* Arbitration.

1.15. “**Judgment**” means the judgment entered by the Court based upon the Approval Order.

1.16. “**LWDA**” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.17. “**LWDA PAGA Payment**” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.18. “**Net Settlement Amount**” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the LWDA PAGA Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.19. “**PAGA Counsel**” means David D. Bibiyan and Vedang J. Patel of Bibiyan Law Group, P.C., the attorneys representing Plaintiff in the Action.

1.20. “**PAGA Counsel Fees Payment**” and “**PAGA Counsel Litigation Expenses Payment**” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable

attorneys' fees and expenses, respectively, incurred to prosecute the Action, as described in Paragraph 3.2.1 below.

1.21. **"PAGA Pay Period"** means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.

1.22. **"PAGA Period"** means the period from June 29, 2021, through December 19, 2025.

1.23. **"PAGA"** means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.24. **"PAGA Notice"** means the June 29, 2022, letter that Plaintiff sent to Defendants and the LWDA, providing notice pursuant to the Labor Code section 2699.3, subd. (a).

1.25. **"PAGA Penalties"** means the total amount from the Gross Settlement Amount to be paid as civil penalties for alleged Labor Code violations, which will be allocated 25% to the Aggrieved Employees (no less than \$50,575.00) and 75% to the LWDA (no less than \$151,725.00). (This number assumes all deductions are approved by the Court.)

1.26. **"Plaintiff"** means Marvin Bernabe, the named plaintiff in the Action.

1.27. **"Approval Order"** means the proposed Court Order Granting Approval of PAGA Settlement.

1.28. **"Released PAGA Claims"** means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.

1.29. **"Released Parties"** means: Defendants and each of their former and present parents, owners, subsidiaries, divisions, customers, and affiliates or related persons or entities, and each of their respective directors, officers, employees, shareholders, owners, attorneys, insurers, predecessors, successors, assigns, and agents.

1.30. **"Settlement"** means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS

2.1. On June 29, 2022, Plaintiff filed with the LWDA and served on Defendants the PAGA Notice, pursuant to Labor Code section 2699.3, subd. (a), stating Plaintiff intended to

1 serve as a proxy of the LWDA to recover civil penalties on behalf of other non-exempt, hourly-
2 paid employees for various alleged Labor Code violations.

3 2.2. On October 6, 2022, Plaintiff commenced this Action by filing a Complaint (the
4 “Operative Complaint”), alleging causes of action against Defendants for civil penalties under
5 PAGA for the Labor Code violations alleged in the PAGA Notice. Defendants deny the
6 allegations in the Operative Complaint, deny any failure to comply with the laws identified in
7 the Operative Complaint, and deny any and all liability for the causes of action alleged.

8 2.3. On August 30, 2022, Plaintiff filed a class action complaint (“*Bernabe II*”) in in
9 the Los Angeles County Superior Court, Case No. 22STCV28263, alleging individual and class
10 claims under the California Labor Code and the California Business Professions Code (Cal.
11 Bus. & Prof. Code § 17200 *et seq.*) (“UCL”) against Defendants. Defendants moved to compel
12 the *Bernabe II* action to arbitration. On March 17, 2023, the Honorable Elihu M. Berle granted
13 Defendants’ motion, ordered Plaintiff’s individual and class claims to arbitration, and ordered
14 that the arbitrator would determine whether the arbitration would be conducted on a class or
15 individual basis. At present, *Bernabe II* is stayed pending the completion of arbitration.

16 2.4. On March 17, 2023, in the Action, the Court granted Defendants’ motion to
17 compel Plaintiff’s individual PAGA claim to arbitration and to stay Plaintiff’s representative
18 PAGA claim. At present, the Action is stayed pending the completion of arbitration.

19 2.5. On or around June 9, 2023, Plaintiff filed a demand in arbitration with the
20 American Arbitration Association (“AAA”) seeking to arbitrate his individual PAGA claim,
21 his individual Labor Code claims, and a determination as to whether Plaintiff’s arbitration of
22 his Labor Code claims would be conducted on a class or individual basis. The AAA assigned
23 case number 01-23-0002-6097 to the arbitration (the “*Bernabe* Arbitration”). The Demand
24 included an individual PAGA claim, individual Labor Code claims, and sought a determination
25 as to whether Plaintiff’s arbitration of his Labor Code claims would be conducted on a class or
26 individual basis. The AAA appointed Gayle L. Eskridge, Esq., to serve as the arbitrator.

27 2.6. On December 1, 2023, Arbitrator Eskridge issued her Partial Final Clause
28 Construction Award holding that the Parties’ Arbitration Agreement does not permit the

1 arbitration to proceed on behalf of a putative class and that the arbitration shall proceed on an
2 individual basis only as to all Defendants.

3 2.7. On September 16, 2025, the Parties participated in an all-day mediation presided
4 over by Michael E. Dickstein, Esq. Following mediation, the Parties, represented by their
5 respective counsel, and with the assistance of Mediator Dickstein, agreed to resolve the Action,
6 *Bernabe II*, and the *Bernabe* Arbitration.

7 2.8. Before mediation, Plaintiff obtained, through informal discovery, time and pay
8 data for the Aggrieved Employees and relevant written policies from Defendants.

9 2.9. Plaintiff has agreed to settle Plaintiff's non-PAGA individual claims alleged
10 against Defendants in *Bernabe II* and the *Bernabe* Arbitration, the terms of which are
11 memorialized in a separate confidential settlement and release agreement (the "Individual
12 Settlement" or "Individual Settlement Agreement").

13 2.10. The Parties, PAGA Counsel, and Defense Counsel represent that they are not
14 aware of any other pending matter or action asserting claims that will be extinguished or
15 affected by the Settlement.

16 **3. MONETARY TERMS**

17 3.1. **Gross Settlement Amount.** Except as otherwise provided by Paragraph 8
18 below, Defendants promise to pay \$410,000.00 and no more as the Gross Settlement Amount.
19 Defendants have no obligation to pay the Gross Settlement Amount prior to the deadline stated
20 in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement
21 Amount without asking or requiring Aggrieved Employees to submit any claim as a condition
22 of payment. None of the Gross Settlement Amount will revert to Defendants.

23 3.2. **Payments from the Gross Settlement Amount.** The Administrator will make
24 and deduct the following payments from the Gross Settlement Amount, in the amounts specified
25 by the Court in the Final Approval Order:

26 3.2.1. **To PAGA Counsel:** A PAGA Counsel Fees Payment of not more than
27 thirty-five percent (35%) of the Gross Settlement Amount, subject to escalation pursuant to
28 Paragraph 8.1 of this Agreement and approval by the Court, which is currently estimated to be

1 \$148,750.00, and PAGA Counsel Litigation Expenses Payment of not more than \$40,000.00.
2 Defendants will not oppose requests for Court approval of these payments provided that they
3 do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion
4 for PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment. If the
5 Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses
6 Payment less than the amounts requested, the Administrator will allocate the remainder to the
7 Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other
8 Plaintiff's Counsel arising from any claim to any portion of any PAGA Counsel Fees Payment
9 and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA
10 Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099
11 Forms. PAGA Counsel assume full responsibility and liability for taxes owed on the PAGA
12 Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and hold
13 Defendants harmless, and indemnify Defendants, from any dispute or controversy regarding
14 any division or sharing of any of these Payments.

15 3.2.2. **To Plaintiff:** Subject to the Court's approval, Plaintiff will receive a
16 payment from the Gross Settlement Fund in the amount of \$10,000 for a Service Award (in
17 addition to his Individual PAGA Payment). Defendants shall not oppose Plaintiff's application
18 for a Service Award up to \$10,000 as stated herein consistent with applicable law, and Plaintiff
19 shall not seek a Service Award greater than \$10,000. Plaintiff agrees to accept whatever Service
20 Award the Court orders, even if it is less than \$10,000. If the Court approves a Service Award
21 of less than the amount requested, the Administrator will allocate the remainder to the PAGA
22 Penalties. The Settlement Administrator will issue appropriate tax forms to Plaintiff reflecting
23 the payment of the Service Award. The Administrator will report any Service Award to Plaintiff
24 using an IRS Form 1099. Plaintiff assumes full responsibility and liability for any taxes owed
25 on the Service Award.

26 3.2.3. **To the Administrator:** An Administrator Expenses Payment not to
27 exceed \$8,950.00, except for a showing of good cause and as approved by the Court. To the
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1 extent the Administration Expenses are less, or the Court approves payment less than \$8,950.00,
2 the Administrator will retain the remainder in the Net Settlement Amount.

3 **3.2.4. To the LWDA and Aggrieved Employees:** PAGA Penalties in the
4 amount of no less than \$202,300.00 to be paid from the Gross Settlement Amount, with 75%
5 (no less than \$151,725) allocated to the LWDA PAGA Payment and 25% (no less than
6 \$50,575.00) allocated to the Individual PAGA Payments.

7 **3.2.4.1.** The Administrator will calculate each Individual PAGA
8 Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA
9 Penalties (no less than \$50,575.00) by the total number of PAGA Period Pay Periods worked
10 by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each
11 Aggrieved Employee's PAGA Pay Periods during the PAGA Period. Aggrieved Employees
12 assume full responsibility and liability for any taxes owed on their Individual PAGA Payments.

13 **3.2.4.2.** If the Court approves PAGA Penalties of less than the amount
14 requested, the Administrator will allocate the remainder to the Net Settlement Amount. The
15 Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

16 **3.3. Enforcement.** If any Party materially breaches this Agreement, the non-
17 breaching Party shall be entitled to preliminary and permanent injunctive relief, attorneys' fees
18 that the non-breaching Party incurred in enforcing this Agreement (which fees shall not be paid
19 from the Gross Settlement Amount or from any other amount or payment described in this
20 Agreement), plus any additional relief determined to be appropriate.

21 **4. SETTLEMENT FUNDING PAYMENTS**

22 **4.1. Aggrieved Employee Pay Periods.** Based on their records, Defendants estimate
23 that, as of the date of mediation (i.e., September 16, 2025), there are 1,018 Aggrieved
24 Employees who worked 15,721 Pay Periods during the PAGA Period.

25 **4.2. Aggrieved Employee Data.** Within 14 days of the Effective Date, Defendants
26 will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel
27 spreadsheet. To protect Aggrieved Employee's privacy rights, the Administrator must maintain
28 the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for

1 purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved
2 Employee Data to Administrator employees who need access to the Aggrieved Employee Data
3 to effect and perform under this Agreement. Defendants have a continuing duty to immediately
4 notify PAGA Counsel if they discover that the Aggrieved Employee Data omitted employee
5 identifying information and to provide corrected or updated Aggrieved Employee Data as soon
6 as reasonably feasible. Without any extension of the deadline by which Defendants must send
7 the Aggrieved Employee Data to the Administrator, the Parties and their counsel will
8 expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues
9 related to missing or omitted Aggrieved Employee Data.

10 **4.3. Funding of Gross Settlement Amount.** Defendants shall fully fund the Gross
11 Settlement Amount by transmitting the funds to the Administrator no later than thirty (30)
12 calendar days after the Effective Date. Defendants shall enter a separate agreement in
13 connection with the payment of the Gross Settlement Amount, including as to the allocation
14 between Kelly Services and Dr. Squatch.

15 **4.4. Payments from the Gross Settlement Amount.** Within 14 days after
16 Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all
17 Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses
18 Payment, the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses
19 Payment. Disbursement of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation
20 Expenses Payment shall not precede disbursement of Individual PAGA Payments.

21 **4.4.1.** The Administrator will issue checks for the Individual PAGA Payments
22 and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face
23 of each check shall prominently state the date (not less than 180 days after the date of mailing)
24 when the check will be voided. The Administrator will cancel all checks not cashed by the void
25 date. Before mailing any checks, the Settlement Administrator must update the recipients'
26 mailing addresses using the National Change of Address Database.

27 **4.4.2.** The Administrator must conduct an Aggrieved Employee Address
28 Search for all Aggrieved Employees whose checks are returned undelivered without USPS

1 forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail
2 checks to the USPS forwarding address provided or to an address ascertained through the
3 Aggrieved Employee Address Search. The Administrator need not take further steps to deliver
4 checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The
5 Administrator shall promptly send a replacement check to any Aggrieved Employee whose
6 original check was lost or misplaced or requested by the Aggrieved Employee prior to the void
7 date.

8 4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check
9 is uncashed and cancelled after the void date, the Administrator shall transmit the funds
10 represented by such checks to the California Controller's Unclaimed Property Fund in the name
11 of the Aggrieved Employee.

12 4.4.4. The payment of Individual PAGA Payments shall not obligate
13 Defendants to confer any additional benefits or make any additional payments to the Aggrieved
14 Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

15 **5. RELEASES OF CLAIMS**

16 As of the Effective Date, Plaintiff and PAGA Counsel will release claims against all
17 Released Parties as follows:

18 5.1. **Plaintiff's Release.** In addition to the Released Claims applicable to Aggrieved
19 Employees, to the extent not already released and discharged in Plaintiff's Individual
20 Settlement Agreement, Plaintiff and his respective former and present spouses, representatives,
21 agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns
22 generally, knowingly, and voluntarily release and discharge Released Parties from all claims,
23 transactions, or occurrences of every nature and description whatsoever, known or unknown,
24 asserted or that might have been asserted, whether in tort, contract, or in violation of any local,
25 state, or federal statute, rule, or regulation arising out of, relating to, or in connection with any
26 act or omission by or on the part of any of the Released Parties committed or omitted through
27 the Effective Date including but not limited to all claims that were or could have been alleged
28 in the Action, *Bernabe II*, or the *Bernabe* Arbitration, including any claims for alleged failure

1 to pay minimum wages, overtime or double time wages, failure to provide meal periods, failure
2 to provide rest periods, failure to pay unpaid wages (including premiums), failure to reimburse
3 for business expenses, failure to provide reporting time pay, failure to timely pay wages during
4 employment, failure to maintain requisite pay records, wage statement violations, failure to pay
5 all wages due upon termination of employment, failure to properly calculate the regular rate of
6 pay, violation of California's Unfair Competition Law on the preceding claims, any claim for
7 liquidated or multiple damages based on the preceding claims, waiting time penalties, civil
8 penalties, punitive damages, restitution, interest, attorneys' fees or costs, declaratory relief,
9 equitable relief, or injunctive relief for any such claims alleged in the Lawsuits. Plaintiff's
10 released claims include all claims arising under the California Labor Code (including, but not
11 limited to, sections 200, 201, 201.1, 201.3, 201.5, 202, 203, 204, 205.5, 206, 210, 216, 218,
12 218.5, 218.6, 221, 222, 222.5, 223, 224, 225, 225.5, 226, 226.3, 226.7, 226.8, 227.3, 256, 450,
13 510, 511, 512, 516, 550, 551, 552, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1,
14 1197.2, 1198, 1199, 2698 et seq., 2699 et seq., 2802, 2810 and 2810.3); all claims arising under:
15 the Wage Orders of the California Industrial Welfare Commission; PAGA; California Business
16 and Professions Code section 17200, et seq.; the California Civil Code, to include but not
17 limited to, sections 3287, 3294, and 3336; 12 C.C.R. § 11040; 8 C.C.R. § 11060; California
18 Code of Civil Procedure § 1021.5; the California common law of contract; the FLSA, 29 U.S.C.
19 § 201, et seq.; federal common law; and the Employee Retirement Income Security Act, 29
20 U.S.C. § 1001, et seq. ("ERISA"). Plaintiff's released claims also include all claims for lost
21 wages and benefits, emotional distress, retaliation, discrimination, harassment, punitive
22 damages, and attorneys' fees and costs arising under federal, state, or local laws for
23 discrimination, harassment, retaliation, and wrongful termination, such as, by way of example
24 only, (as amended) 42 U.S.C. section 1981, Title VII of the Civil Rights Act of 1964, the
25 Americans With Disabilities Act, the Age Discrimination in Employment Act, and the
26 California Fair Employment and Housing Act; and the law of contract and tort ("Plaintiff's
27 Release"). Plaintiff's Release does not extend to any claims or actions to enforce this
28 Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits,

1 social security benefits, workers' compensation benefits that arose at any time. Nothing in this
2 Agreement is intended to or shall be interpreted: (i) to restrict or otherwise interfere with
3 Plaintiff's obligation to testify truthfully in any forum; or (ii) to restrict or otherwise interfere
4 with Plaintiff's right and/or obligation to contact, cooperate with, provide information to, or
5 participate in any investigation conducted by, any government agency or commission. Plaintiff
6 acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts
7 or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's
8 Release shall be and remain effective in all respects, notwithstanding such different or
9 additional facts or Plaintiff's discovery of them.

10 **5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section**
11 **1542.** For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the
12 provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which
13 reads:

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

18 **5.2. Release by Aggrieved Employees:** All Aggrieved Employees are deemed to
19 release and forever discharge, on behalf of themselves and their respective former and present
20 representatives, agents, attorneys, heirs, administrators, successors, and assigns, Released
21 Parties from all claims, rights, demands, liabilities and causes of action that arose during the
22 PAGA Period for civil penalties under PAGA that were alleged, or reasonably could have been
23 alleged, based on the facts stated in the Operative Complaint and the PAGA Notice for PAGA
24 civil penalties, including but not limited to all civil penalties under PAGA during the PAGA
25 Period based on or reasonably related to the factual allegations in the Operative Complaint or
26 Plaintiff's PAGA Notice to the LWDA for alleged violations of state laws pertaining to unpaid
27 wages, overtime, double-overtime, minimum wage, meal period, rest break, premium pay,
28 regular rate of pay, reimbursing necessary business expenditures, wage statements, and

1 payment of wages at separation, including but not limited to Labor Code sections 201-204, 210,
2 226, 226.3, 226.7, 226.8, 510, 512, 558, 1194, 1197, 1197.1, 1198, 1199, 2699, et seq., 2802,
3 2810.3, applicable Wage Orders, and any other civil penalties that could have been sought by
4 the Labor Commissioner or through PAGA for violations reasonably related to the facts,
5 policies, practices, occurrences, or acts alleged in the Action or Plaintiff's PAGA Notice to the
6 LWDA.

7 5.3. **Release by PAGA Counsel:** PAGA Counsel release on behalf of their present
8 and former attorneys, employees, agents, successors, and assigns the Released Parties from all
9 claims for fees incurred in connection with the Action, *Bernabe II*, and the *Bernabe* Arbitration,
10 except as set forth in this Agreement or in the Individual Settlement.

11 **6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT**

12 Plaintiff shall prepare and file a Motion for Approval of PAGA Settlement.

13 6.1. **Plaintiff's Responsibilities.** Plaintiff will prepare and deliver to Defense
14 Counsel, at least 5 days prior to the deadline to file such documents with the Court, all
15 documents necessary for obtaining approval of this Settlement under Labor Code Section 2699,
16 subd. (f)(2)) including (i) a draft of the Notice and Memorandum of Points and Authorities in
17 support of the Motion for Approval of PAGA Settlement; (ii) a draft proposed Order Granting
18 Approval of PAGA Settlement; (iii) a signed declaration from the Administrator attaching its
19 "not to exceed" bid for administering the Settlement and attesting to its willingness to serve;
20 competency; operative procedures for protecting the security of Aggrieved Employee Data;
21 amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance;
22 all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or
23 the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA
24 Counsel or Defense Counsel; and (iv) a signed declaration from PAGA Counsel attesting to
25 their timely transmission to the LWDA of all necessary PAGA documents (initial notices of
26 violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section
27 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)).

28 ///

1 **6.2. Responsibilities of PAGA Counsel.** PAGA Counsel are responsible for
2 expeditiously preparing and filing the motion for approval of this Settlement after the full
3 execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion
4 and appearing in Court to advocate in favor of the motion. PAGA Counsel are responsible for
5 delivering the Court's Approval of the Settlement to the Administrator.

6 **6.3. Duty to Cooperate.** If the Parties disagree on any aspect of the proposed
7 application or motion for approval of this Settlement and/or the supporting declarations and
8 documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of
9 the Parties by meeting and conferring in good faith to resolve the disagreement. If the Court
10 does not grant the motion for approval of this Settlement or conditions its approval on any
11 material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously
12 work together on behalf of the Parties by meeting and conferring in good faith to modify the
13 Agreement and/or otherwise attempt to satisfy the Court's concerns. The Court's decision to
14 award less than the amounts requested for a Service Award Payment, the PAGA Counsel Fees
15 Payment, the PAGA Counsel Litigation Expenses Payment, and/or the Administration
16 Expenses Payment shall not constitute a material modification to the Agreement within the
17 meaning of this Paragraph.

18 **7. SETTLEMENT ADMINISTRATION**

19 **7.1. Selection of Administrator.** The Parties have selected Phoenix to serve as the
20 Administrator and verified that, as a condition of appointment, Phoenix agrees to be bound by
21 this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange
22 for payment of Administration Expenses. The Parties and their Counsel represent that they have
23 no interest or relationship, financial or otherwise, with the Administrator other than a
24 professional relationship arising out of prior experiences administering settlements.

25 **7.2. Employer Identification Number.** The Administrator shall have and use its
26 own Employer Identification Number for purposes of calculating tax withholdings (if any) and
27 providing reports to state and federal tax authorities.

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1 7.3. **Qualified Settlement Fund.** The Administrator shall establish a settlement fund
2 that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury
3 Regulation section 468B-1.

4 7.4. **Administrator Duties.** The Administrator has a duty to perform or observe all
5 tasks to be performed or observed by the Administrator contained in this Agreement or
6 otherwise.

7 **8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE**

8 Based on their records, Defendants estimate that as of the date of mediation (i.e.,
9 September 16, 2025) there were over 1,018 Aggrieved Employees who worked 16,803 Pay
10 Periods during the PAGA Period. In the event that the number of PAGA Pay Periods worked
11 during the PAGA Period exceeds 16,803 by more than 10% (i.e., if the aggregate PAGA Pay
12 Periods exceeds 18,483), or an additional 1,680 Pay Periods, Defendants shall have the option,
13 at their election, to either cut off the PAGA Period end date on the date on which the total
14 number of PAGA Pay Periods reaches 18,483, or to increase the Gross Settlement Amount in
15 proportion to the excess. If the latter, the Gross Settlement Amount shall be proportionately
16 increased, on a percentage basis, to the extent that such pay periods exceed the 10% threshold.
17 For example, if the number of PAGA Pay Periods exceeds 16,803 by 11%, then the Gross
18 Settlement Amount would be increased by 1% and total \$414,100. Defendants’ option to end
19 the PAGA Period on the date on which the total number of PAGA Pay Periods reached 18,483
20 expires upon the Court’s entry of Judgment.

21 **9. CONTINUING JURISDICTION OF THE COURT**

22 The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over
23 the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement
24 and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such
25 post-Judgment matters as are permitted by law.

26 9.1. **Waiver of Right to Appeal.** Provided the Judgment is consistent with the terms
27 and conditions of this Agreement, the Parties and their respective counsel waive all rights to
28 appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the

1 right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals.
2 The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or
3 appeals. If another party appeals the Judgment, the Parties' obligations to perform under this
4 Agreement will be suspended until such time as the appeal is finally resolved and the Judgment
5 becomes final, except as to matters that do not affect the amount of the PAGA Penalties.

6 **10. ADDITIONAL PROVISIONS**

7 **10.1. No Admission of Liability or Representative Manageability for Other**
8 **Purposes.** This Agreement represents a compromise and settlement of highly disputed claims.
9 Nothing in this Agreement is intended or should be construed as an admission by Defendants
10 that any of the allegations in any of the operative complaints in this Action, *Bernabe II*, or the
11 *Bernabe* Arbitration have merit or that Defendants have any liability for any claims asserted;
12 nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in
13 the Action, *Bernabe II*, or the *Bernabe* Arbitration have merit. The Parties agree that
14 representative treatment in this Action is for purposes of this Settlement only. If, for any reason
15 the Court does not approve this Settlement, Defendants reserve all available defenses to the
16 claims in the Action, and Plaintiff reserves the right to contest Defendants' defenses. The
17 Settlement, this Agreement, and the Parties' willingness to settle the Action, *Bernabe II*, or the
18 *Bernabe* Arbitration, will have no bearing on, and will not be admissible in connection with,
19 any litigation (except for proceedings to enforce or effectuate the Settlement and this
20 Agreement).

21 **10.2. Integrated Agreement.** Upon execution by all Parties and their counsel, this
22 Agreement together with its attached exhibits shall constitute the entire agreement between the
23 Parties relating to the Settlement, superseding any and all oral representations, warranties,
24 covenants, or inducements made to or by any Party.

25 **10.3. Attorney Authorization.** PAGA Counsel and Defense Counsel separately
26 warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take
27 all appropriate action required or permitted to be taken by such Parties pursuant to this
28

1 Agreement to effectuate its terms, and to execute any other documents reasonably required to
2 effectuate the terms of this Agreement including any amendments to this Agreement.

3 **10.4. Cooperation.** The Parties and their counsel will cooperate with each other and
4 use their best efforts, in good faith, to implement the Settlement by, among other things,
5 modifying the Settlement Agreement, submitting supplemental evidence and supplementing
6 points and authorities as requested by the Court. In the event the Parties are unable to agree
7 upon the form or content of any document necessary to implement the Settlement, or on any
8 modification of the Agreement that may become necessary to implement the Settlement, the
9 Parties will seek the assistance of a mediator and/or the Court for resolution.

10 **10.5. No Prior Assignments.** The Parties separately represent and warrant that they
11 have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
12 transfer, or encumber to any person or entity, any portion of any liability, claim, demand, action,
13 cause of action, or right released and discharged by the Party in this Settlement.

14 **10.6. No Tax Advice.** Neither Plaintiff, PAGA Counsel, Defendants nor Defense
15 Counsel are providing any advice regarding taxes or taxability, nor shall anything in this
16 Settlement be relied upon as such within the meaning of United States Treasury Department
17 Circular 230 (31 CFR Part 10, as amended) or otherwise.

18 **10.7. Modification of Agreement.** This Agreement, and all parts of it, may be
19 amended, modified, changed, or waived only by an express written instrument signed by all
20 Parties or their representatives, and approved by the Court. In the event that the Court does not
21 grant approval, or if the Court grants approval and a reviewing Court vacates, reverses, or
22 modifies the Judgment in a manner that requires a material modification of this Agreement
23 (including, but not limited to, the scope of release to be granted by Aggrieved Employees), the
24 Parties shall expeditiously work together in good faith to address the Court or the appellate
25 court's concerns and to obtain Approval and entry of Judgment. An order by the Court awarding
26 Service Award Payments or any payments to PAGA Counsel less than the amounts
27 contemplated by this Agreement, or an appellate decision to vacate, reverse, or modify the
28

1 Court's award of the Service Award Payments or any payments to PAGA Counsel shall not
2 constitute a material modification of the Judgment within the meaning of this Paragraph.

3 10.8. **Agreement Binding on Successors.** This Agreement will be binding upon, and
4 inure to the benefit of, the successors of each of the Parties.

5 10.9. **Applicable Law.** All terms and conditions of this Agreement and its exhibits
6 will be governed by and interpreted according to the internal laws of the state of California,
7 without regard to conflict of law principles.

8 10.10. **Cooperation in Drafting.** The Parties have cooperated in the drafting and
9 preparation of this Agreement. This Agreement will not be construed against any Party on the
10 basis that the Party was the drafter or participated in the drafting.

11 10.11. **Confidentiality.** To the extent permitted by law, all agreements made, and
12 orders entered during Action and in this Agreement relating to the confidentiality of information
13 shall survive the execution of this Agreement.

14 10.12. **Use of Aggrieved Employee Data.** Information provided to PAGA Counsel
15 pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided
16 to PAGA Counsel by Defendants in connection with the mediation, other settlement
17 negotiations, or in connection with the Settlement, may be used only with respect to this
18 Settlement, and no other purpose, and may not be used in any way that violates any existing
19 contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator
20 discharges its obligation to pay out of all Settlement funds, Plaintiff and PAGA Counsel shall
21 destroy all paper and electronic versions of Aggrieved Employee Data received from
22 Defendants.

23 10.13. **Headings.** The descriptive heading of any section or paragraph of this
24 Agreement is inserted for convenience of reference only and does not constitute a part of this
25 Agreement.

26 10.14. **Calendar Days.** Unless otherwise noted, all reference to "days" in this
27 Agreement shall be to calendar days. In the event any date or deadline set forth in this
28

1 Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the
2 first business day thereafter.

3 10.15. **Notice.** All notices, demands or other communications between the Parties in
4 connection with this Agreement will be in writing and deemed to have been duly given as of
5 the third business day after mailing by United States mail, or the day sent by email or messenger,
6 addressed as follows:

7 To Plaintiff:

8 **BIBIYAN LAW GROUP, P.C.**

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9 *vedang@tomorrowlaw.com*

Brandon M. Chang (SBN 316197)

10 *brandon@tomorrowlaw.com*

1460 Westwood Boulevard

11 Los Angeles, California 90024

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

13 To Defendants:

14 Larry R. Schmadeka,

PIERSON FERDINAND LLP

260 Newport Center Drive, Suite 100

15 Newport Beach, CA 92660

16 TEL: 949-693-5388

Email: larry.schmadeka@pierferd.com

17 Attorneys for Defendants, DR. SQUATCH, INC. and John S.
18 Haldrup

19 **DUANE MORRIS LLP**

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24 *ddspencer@duanemorris.com*

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25 *ktran@duanemorris.com*

865 South Figueroa Street, Suite 3100

26 Los Angeles, California 90017-4028

27 Tel: (213) 689-7413

28 Attorneys for Defendant, KELLY SERVICES GLOBAL, LLC

1 10.16. **Execution in Counterparts.** This Agreement may be executed in one or more
2 counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this
3 Agreement shall be accepted as an original. All executed counterparts and each of them will be
4 deemed to be one and the same instrument if counsel for the Parties will exchange between
5 themselves signed counterparts. Any executed counterpart will be admissible in evidence to
6 prove the existence and contents of this Agreement.

7 10.17. **Stay of Litigation.** The Parties agree that upon the execution of this Agreement
8 the litigation in this Action, *Bernabe II*, and the *Bernabe* Arbitration shall be stayed, except to
9 effectuate the terms of this Agreement. The Parties further agree that upon the signing of this
10 Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under
11 CCP section 583.310 for the entire period of this settlement process.

12 10.18. **Severability.** In the event that one or more of the provisions contained in this
13 Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such
14 invalidity, illegality, or unenforceability shall in no way effect any other provision if
15 Defendants' Counsel and PAGA Counsel, on behalf of Plaintiff and the Aggrieved Employees,
16 mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had
17 never been included in this Agreement.

18 **IT IS SO AGREED:**

19
20 *Marvin Bernabe*

06/27/2026

21 Plaintiff Marvin Bernabe

Defendant Dr. Squatch, Inc.

By: _____

Its: _____

22
23 *David D. Bibiyan*

06/29/2026

24 David D. Bibiyan

25 Vedang J. Patel

Brandon M. Chang

26 Counsel for Plaintiff Marvin Bernabe

27 Defendant John S. Haldrup

Defendant Kelly Services Global, LLC

By: _____

Its: _____

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Larry R. Schmadeka
Counsel for Defendant Dr. Squatch, Inc.

Gerald L. Maatman, Jr
Jennifer A. Riley
Daniel D. Spencer
Kenny T. Tran
Counsel for Defendant Kelly Services
Global, LLC

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Attorneys for Plaintiff, MARVIN BERNABE,
as an aggrieved employee, and on behalf of
all other aggrieved employees

[Additional counsel on following page]

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

MARVIN BERNABE, as an aggrieved
employee, and on behalf of all other
aggrieved employees under the Labor Code
Private Attorneys General Act of 2004,

Plaintiff,

v.

DR. SQUATCH, INC., a California
corporation; KELLY SERVICES GLOBAL,
LLC, a Michigan Company; JOHN S.
HALDRUP, an individual; and
DOES 1 through 100, inclusive,

Defendants.

CASE NO.: 22STCV32762

[Related Case No. 22STCV28263]

[Assigned for all purposes to the Hon.
Elihu M. Berle in Dept 6]

REPRESENTATIVE ACTION

**JOINT STIPULATION RE: PAGA
SETTLEMENT**

Action Filed: October 6, 2022

Trial Date: None Set

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22 Los Angeles, California 90017-4028
23 Tel: (213) 689-7413

24 Attorneys for Defendant, KELLY SERVICES GLOBAL, LLC
25
26
27
28

1 This Joint Stipulation re: PAGA Settlement (“Settlement,” “Agreement,” or “Settlement
2 Agreement”) is made by and between plaintiff Marvin Bernabe (“Plaintiff”), individually, and
3 on behalf of the Aggrieved Employees, on the one hand; and defendants Dr. Squatch, Inc. and
4 John S. Haldrup (collectively, “Dr. Squatch”), and Kelly Services Global, LLC (“Kelly
5 Services”) (Dr. Squatch and Kelly Services together, “Defendants”), on the other hand, in the
6 lawsuit entitled *Marvin Bernabe v. Dr. Squatch, Inc., et al.*, filed in the Los Angeles County
7 Superior Court, Case No. 22STCV32762. Plaintiff and Defendants shall be collectively referred
8 to as the “Parties.” This Agreement is intended by the Parties to fully, finally, and forever
9 resolve the claims as set forth herein, based upon and subject to the terms and conditions of this
10 Agreement.

11 **1. DEFINITIONS**

12 1.1. “**Action**” means Plaintiff’s PAGA lawsuit, alleging wage and hour violations
13 against Defendants, captioned *Marvin Bernabe v. Dr. Squatch, Inc., et al.*, Case No.
14 22STCV32762, initiated on October 6, 2022, and pending in the Superior Court of the State of
15 California, County of Los Angeles.

16 1.2. “**Administrator**” means Phoenix Class Action Administration Solutions
17 (“Phoenix”), the neutral entity the Parties have selected to administer the Settlement.

18 1.3. “**Administration Expenses Payment**” means the amount the Administrator
19 will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses
20 in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection
21 with approval of this Settlement.

22 1.4. “**Aggrieved Employees**” means (i) all individuals currently or formerly
23 employed by defendant Dr. Squatch as non-exempt, hourly paid, product production employees
24 at Dr. Squatch’s former production facility in Compton, California, or at Dr. Squatch’s current
25 production facility in Brea, California, during the PAGA Period and (ii) all individuals currently
26 or formerly employed by defendant Kelly Services who were assigned to work for Dr. Squatch
27 at any location in the State of California during the PAGA Period. “Aggrieved Employees”
28

1 shall not include any person employed by a third-party staffing agency other than Kelly
2 Services.

3 1.5. “**Aggrieved Employee Data**” means Aggrieved Employee identifying
4 information in Defendants’ possession including the Aggrieved Employee’s name, last-known
5 mailing address, Social Security number, and number of PAGA Pay Periods.

6 1.6. “**Aggrieved Employee Address Search**” means the Administrator’s
7 investigation and search for current Aggrieved Employee mailing addresses using reasonably
8 available sources, methods, and means, including the National Change of Address database,
9 skip traces, and direct contact by the Administrator with Aggrieved Employees.

10 1.7. “**Bernabe II**” means Plaintiff’s class action complaint alleging wage and hour
11 violations against Defendants captioned *Marvin Bernabe v. Dr. Squatch, Inc., et al.*, Case No.
12 22STCV28263, initiated on August 30, 2022, and pending in the Superior Court of the State of
13 California, County of Los Angeles.

14 1.8. “**Bernabe Arbitration**” means the demand in arbitration filed by Plaintiff with
15 the American Arbitration Association, Case No. 01-23-0002-6097, and currently pending
16 before Arbitrator Gayle L. Eskridge, Esq.

17 1.9. “**Court**” means the Superior Court of California, County of Los Angeles.

18 1.10. “**Defense Counsel**” means Larry R. Schmadeka of Pierson Ferdinand LLP and
19 Gerald L. Maatman, Jr., Jennifer A. Riley, Daniel D. Spencer, and Kenny T. Tran of Duane
20 Morris LLP.

21 1.11. “**Effective Date**” means the date by when both of the following have occurred:
22 (a) the Court enters a Judgment on its Order Approving the PAGA Settlement, and (b) the
23 Judgment is final. The Judgment is final as of the latest of the following occurrences: (1) the
24 Court’s Order Approving the PAGA Settlement, if no objections have been lodged and there is
25 no possibility of appeal; (2) if an objection has been lodged, the time for an appeal has expired
26 without the filing of any appeal; or (3) the final resolution of any appeal, writ, or challenge to
27 the Settlement that has been lodged upholding the Settlement.

28 ///

1.12. **“Gross Settlement Amount”** means \$410,000.00, the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, the Administrator’s Expenses Payment, and the Service Award Payment.

1.13. **“Individual PAGA Payment”** means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

1.14. **“Individual Settlement”** or **“Individual Settlement Agreement”** means the separate Confidential Settlement Agreement and Release between Plaintiff and Defendants that resolves Plaintiff’s non-PAGA individual claims against Defendants related to *Bernabe II* and the *Bernabe* Arbitration.

1.15. **“Judgment”** means the judgment entered by the Court based upon the Approval Order.

1.16. **“LWDA”** means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.17. **“LWDA PAGA Payment”** means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.18. **“Net Settlement Amount”** means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the LWDA PAGA Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.19. **“PAGA Counsel”** means David D. Bibiyan and Vedang J. Patel of Bibiyan Law Group, P.C., the attorneys representing Plaintiff in the Action.

1.20. **“PAGA Counsel Fees Payment”** and **“PAGA Counsel Litigation Expenses Payment”** mean the amounts allocated to PAGA Counsel for reimbursement of reasonable

1 attorneys' fees and expenses, respectively, incurred to prosecute the Action, as described in
2 Paragraph 3.2.1 below.

3 1.21. **"PAGA Pay Period"** means any Pay Period during which an Aggrieved
4 Employee worked for Defendants for at least one day during the PAGA Period.

5 1.22. **"PAGA Period"** means the period from June 29, 2021, through December 19,
6 2025.

7 1.23. **"PAGA"** means the Private Attorneys General Act (Labor Code §§ 2698. et
8 seq.).

9 1.24. **"PAGA Notice"** means the June 29, 2022, letter that Plaintiff sent to Defendants
10 and the LWDA, providing notice pursuant to the Labor Code section 2699.3, subd. (a).

11 1.25. **"PAGA Penalties"** means the total amount from the Gross Settlement Amount
12 to be paid as civil penalties for alleged Labor Code violations, which will be allocated 25% to
13 the Aggrieved Employees (no less than \$50,575.00) and 75% to the LWDA (no less than
14 \$151,725.00). (This number assumes all deductions are approved by the Court.)

15 1.26. **"Plaintiff"** means Marvin Bernabe, the named plaintiff in the Action.

16 1.27. **"Approval Order"** means the proposed Court Order Granting Approval of
17 PAGA Settlement.

18 1.28. **"Released PAGA Claims"** means the claims being released by the Plaintiff and
19 PAGA Counsel and as described in Paragraph 5 below.

20 1.29. **"Released Parties"** means: Defendants and each of their former and present
21 parents, owners, subsidiaries, divisions, customers, and affiliates or related persons or entities,
22 and each of their respective directors, officers, employees, shareholders, owners, attorneys,
23 insurers, predecessors, successors, assigns, and agents.

24 1.30. **"Settlement"** means the disposition of the Action effected by this Agreement
25 and the Judgment.

26 **2. RECITALS**

27 2.1. On June 29, 2022, Plaintiff filed with the LWDA and served on Defendants the
28 PAGA Notice, pursuant to Labor Code section 2699.3, subd. (a), stating Plaintiff intended to

1 serve as a proxy of the LWDA to recover civil penalties on behalf of other non-exempt, hourly-
2 paid employees for various alleged Labor Code violations.

3 2.2. On October 6, 2022, Plaintiff commenced this Action by filing a Complaint (the
4 “Operative Complaint”), alleging causes of action against Defendants for civil penalties under
5 PAGA for the Labor Code violations alleged in the PAGA Notice. Defendants deny the
6 allegations in the Operative Complaint, deny any failure to comply with the laws identified in
7 the Operative Complaint, and deny any and all liability for the causes of action alleged.

8 2.3. On August 30, 2022, Plaintiff filed a class action complaint (“*Bernabe II*”) in in
9 the Los Angeles County Superior Court, Case No. 22STCV28263, alleging individual and class
10 claims under the California Labor Code and the California Business Professions Code (Cal.
11 Bus. & Prof. Code § 17200 *et seq.*) (“UCL”) against Defendants. Defendants moved to compel
12 the *Bernabe II* action to arbitration. On March 17, 2023, the Honorable Elihu M. Berle granted
13 Defendants’ motion, ordered Plaintiff’s individual and class claims to arbitration, and ordered
14 that the arbitrator would determine whether the arbitration would be conducted on a class or
15 individual basis. At present, *Bernabe II* is stayed pending the completion of arbitration.

16 2.4. On March 17, 2023, in the Action, the Court granted Defendants’ motion to
17 compel Plaintiff’s individual PAGA claim to arbitration and to stay Plaintiff’s representative
18 PAGA claim. At present, the Action is stayed pending the completion of arbitration.

19 2.5. On or around June 9, 2023, Plaintiff filed a demand in arbitration with the
20 American Arbitration Association (“AAA”) seeking to arbitrate his individual PAGA claim,
21 his individual Labor Code claims, and a determination as to whether Plaintiff’s arbitration of
22 his Labor Code claims would be conducted on a class or individual basis. The AAA assigned
23 case number 01-23-0002-6097 to the arbitration (the “*Bernabe Arbitration*”). The Demand
24 included an individual PAGA claim, individual Labor Code claims, and sought a determination
25 as to whether Plaintiff’s arbitration of his Labor Code claims would be conducted on a class or
26 individual basis. The AAA appointed Gayle L. Eskridge, Esq., to serve as the arbitrator.

27 2.6. On December 1, 2023, Arbitrator Eskridge issued her Partial Final Clause
28 Construction Award holding that the Parties’ Arbitration Agreement does not permit the

1 arbitration to proceed on behalf of a putative class and that the arbitration shall proceed on an
2 individual basis only as to all Defendants.

3 2.7. On September 16, 2025, the Parties participated in an all-day mediation presided
4 over by Michael E. Dickstein, Esq. Following mediation, the Parties, represented by their
5 respective counsel, and with the assistance of Mediator Dickstein, agreed to resolve the Action,
6 *Bernabe II*, and the *Bernabe* Arbitration.

7 2.8. Before mediation, Plaintiff obtained, through informal discovery, time and pay
8 data for the Aggrieved Employees and relevant written policies from Defendants.

9 2.9. Plaintiff has agreed to settle Plaintiff's non-PAGA individual claims alleged
10 against Defendants in *Bernabe II* and the *Bernabe* Arbitration, the terms of which are
11 memorialized in a separate confidential settlement and release agreement (the "Individual
12 Settlement" or "Individual Settlement Agreement").

13 2.10. The Parties, PAGA Counsel, and Defense Counsel represent that they are not
14 aware of any other pending matter or action asserting claims that will be extinguished or
15 affected by the Settlement.

16 **3. MONETARY TERMS**

17 3.1. **Gross Settlement Amount.** Except as otherwise provided by Paragraph 8
18 below, Defendants promise to pay \$410,000.00 and no more as the Gross Settlement Amount.
19 Defendants have no obligation to pay the Gross Settlement Amount prior to the deadline stated
20 in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement
21 Amount without asking or requiring Aggrieved Employees to submit any claim as a condition
22 of payment. None of the Gross Settlement Amount will revert to Defendants.

23 3.2. **Payments from the Gross Settlement Amount.** The Administrator will make
24 and deduct the following payments from the Gross Settlement Amount, in the amounts specified
25 by the Court in the Final Approval Order:

26 3.2.1. **To PAGA Counsel:** A PAGA Counsel Fees Payment of not more than
27 thirty-five percent (35%) of the Gross Settlement Amount, subject to escalation pursuant to
28 Paragraph 8.1 of this Agreement and approval by the Court, which is currently estimated to be

1 \$148,750.00, and PAGA Counsel Litigation Expenses Payment of not more than \$40,000.00.
2 Defendants will not oppose requests for Court approval of these payments provided that they
3 do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion
4 for PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment. If the
5 Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses
6 Payment less than the amounts requested, the Administrator will allocate the remainder to the
7 Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other
8 Plaintiff's Counsel arising from any claim to any portion of any PAGA Counsel Fees Payment
9 and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA
10 Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099
11 Forms. PAGA Counsel assume full responsibility and liability for taxes owed on the PAGA
12 Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and hold
13 Defendants harmless, and indemnify Defendants, from any dispute or controversy regarding
14 any division or sharing of any of these Payments.

15 3.2.2. **To Plaintiff:** Subject to the Court's approval, Plaintiff will receive a
16 payment from the Gross Settlement Fund in the amount of \$10,000 for a Service Award (in
17 addition to his Individual PAGA Payment). Defendants shall not oppose Plaintiff's application
18 for a Service Award up to \$10,000 as stated herein consistent with applicable law, and Plaintiff
19 shall not seek a Service Award greater than \$10,000. Plaintiff agrees to accept whatever Service
20 Award the Court orders, even if it is less than \$10,000. If the Court approves a Service Award
21 of less than the amount requested, the Administrator will allocate the remainder to the PAGA
22 Penalties. The Settlement Administrator will issue appropriate tax forms to Plaintiff reflecting
23 the payment of the Service Award. The Administrator will report any Service Award to Plaintiff
24 using an IRS Form 1099. Plaintiff assumes full responsibility and liability for any taxes owed
25 on the Service Award.

26 3.2.3. **To the Administrator:** An Administrator Expenses Payment not to
27 exceed \$8,950.00, except for a showing of good cause and as approved by the Court. To the
28

1 extent the Administration Expenses are less, or the Court approves payment less than \$8,950.00,
2 the Administrator will retain the remainder in the Net Settlement Amount.

3 **3.2.4. To the LWDA and Aggrieved Employees:** PAGA Penalties in the
4 amount of no less than \$202,300.00 to be paid from the Gross Settlement Amount, with 75%
5 (no less than \$151,725) allocated to the LWDA PAGA Payment and 25% (no less than
6 \$50,575.00) allocated to the Individual PAGA Payments.

7 **3.2.4.1.** The Administrator will calculate each Individual PAGA
8 Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA
9 Penalties (no less than \$50,575.00) by the total number of PAGA Period Pay Periods worked
10 by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each
11 Aggrieved Employee's PAGA Pay Periods during the PAGA Period. Aggrieved Employees
12 assume full responsibility and liability for any taxes owed on their Individual PAGA Payments.

13 **3.2.4.2.** If the Court approves PAGA Penalties of less than the amount
14 requested, the Administrator will allocate the remainder to the Net Settlement Amount. The
15 Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

16 **3.3. Enforcement.** If any Party materially breaches this Agreement, the non-
17 breaching Party shall be entitled to preliminary and permanent injunctive relief, attorneys' fees
18 that the non-breaching Party incurred in enforcing this Agreement (which fees shall not be paid
19 from the Gross Settlement Amount or from any other amount or payment described in this
20 Agreement), plus any additional relief determined to be appropriate.

21 **4. SETTLEMENT FUNDING PAYMENTS**

22 **4.1. Aggrieved Employee Pay Periods.** Based on their records, Defendants estimate
23 that, as of the date of mediation (i.e., September 16, 2025), there are 1,018 Aggrieved
24 Employees who worked 15,721 Pay Periods during the PAGA Period.

25 **4.2. Aggrieved Employee Data.** Within 14 days of the Effective Date, Defendants
26 will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel
27 spreadsheet. To protect Aggrieved Employee's privacy rights, the Administrator must maintain
28 the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for

1 purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved
2 Employee Data to Administrator employees who need access to the Aggrieved Employee Data
3 to effect and perform under this Agreement. Defendants have a continuing duty to immediately
4 notify PAGA Counsel if they discover that the Aggrieved Employee Data omitted employee
5 identifying information and to provide corrected or updated Aggrieved Employee Data as soon
6 as reasonably feasible. Without any extension of the deadline by which Defendants must send
7 the Aggrieved Employee Data to the Administrator, the Parties and their counsel will
8 expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues
9 related to missing or omitted Aggrieved Employee Data.

10 **4.3. Funding of Gross Settlement Amount.** Defendants shall fully fund the Gross
11 Settlement Amount by transmitting the funds to the Administrator no later than thirty (30)
12 calendar days after the Effective Date. Defendants shall enter a separate agreement in
13 connection with the payment of the Gross Settlement Amount, including as to the allocation
14 between Kelly Services and Dr. Squatch.

15 **4.4. Payments from the Gross Settlement Amount.** Within 14 days after
16 Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all
17 Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses
18 Payment, the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses
19 Payment. Disbursement of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation
20 Expenses Payment shall not precede disbursement of Individual PAGA Payments.

21 **4.4.1.** The Administrator will issue checks for the Individual PAGA Payments
22 and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face
23 of each check shall prominently state the date (not less than 180 days after the date of mailing)
24 when the check will be voided. The Administrator will cancel all checks not cashed by the void
25 date. Before mailing any checks, the Settlement Administrator must update the recipients'
26 mailing addresses using the National Change of Address Database.

27 **4.4.2.** The Administrator must conduct an Aggrieved Employee Address
28 Search for all Aggrieved Employees whose checks are returned undelivered without USPS

1 forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail
2 checks to the USPS forwarding address provided or to an address ascertained through the
3 Aggrieved Employee Address Search. The Administrator need not take further steps to deliver
4 checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The
5 Administrator shall promptly send a replacement check to any Aggrieved Employee whose
6 original check was lost or misplaced or requested by the Aggrieved Employee prior to the void
7 date.

8 4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check
9 is uncashed and cancelled after the void date, the Administrator shall transmit the funds
10 represented by such checks to the California Controller's Unclaimed Property Fund in the name
11 of the Aggrieved Employee.

12 4.4.4. The payment of Individual PAGA Payments shall not obligate
13 Defendants to confer any additional benefits or make any additional payments to the Aggrieved
14 Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

15 **5. RELEASES OF CLAIMS**

16 As of the Effective Date, Plaintiff and PAGA Counsel will release claims against all
17 Released Parties as follows:

18 5.1. **Plaintiff's Release.** In addition to the Released Claims applicable to Aggrieved
19 Employees, to the extent not already released and discharged in Plaintiff's Individual
20 Settlement Agreement, Plaintiff and his respective former and present spouses, representatives,
21 agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns
22 generally, knowingly, and voluntarily release and discharge Released Parties from all claims,
23 transactions, or occurrences of every nature and description whatsoever, known or unknown,
24 asserted or that might have been asserted, whether in tort, contract, or in violation of any local,
25 state, or federal statute, rule, or regulation arising out of, relating to, or in connection with any
26 act or omission by or on the part of any of the Released Parties committed or omitted through
27 the Effective Date including but not limited to all claims that were or could have been alleged
28 in the Action, *Bernabe II*, or the *Bernabe* Arbitration, including any claims for alleged failure

1 to pay minimum wages, overtime or double time wages, failure to provide meal periods, failure
2 to provide rest periods, failure to pay unpaid wages (including premiums), failure to reimburse
3 for business expenses, failure to provide reporting time pay, failure to timely pay wages during
4 employment, failure to maintain requisite pay records, wage statement violations, failure to pay
5 all wages due upon termination of employment, failure to properly calculate the regular rate of
6 pay, violation of California's Unfair Competition Law on the preceding claims, any claim for
7 liquidated or multiple damages based on the preceding claims, waiting time penalties, civil
8 penalties, punitive damages, restitution, interest, attorneys' fees or costs, declaratory relief,
9 equitable relief, or injunctive relief for any such claims alleged in the Lawsuits. Plaintiff's
10 released claims include all claims arising under the California Labor Code (including, but not
11 limited to, sections 200, 201, 201.1, 201.3, 201.5, 202, 203, 204, 205.5, 206, 210, 216, 218,
12 218.5, 218.6, 221, 222, 222.5, 223, 224, 225, 225.5, 226, 226.3, 226.7, 226.8, 227.3, 256, 450,
13 510, 511, 512, 516, 550, 551, 552, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1,
14 1197.2, 1198, 1199, 2698 et seq., 2699 et seq., 2802, 2810 and 2810.3); all claims arising under:
15 the Wage Orders of the California Industrial Welfare Commission; PAGA; California Business
16 and Professions Code section 17200, et seq.; the California Civil Code, to include but not
17 limited to, sections 3287, 3294, and 3336; 12 C.C.R. § 11040; 8 C.C.R. § 11060; California
18 Code of Civil Procedure § 1021.5; the California common law of contract; the FLSA, 29 U.S.C.
19 § 201, et seq.; federal common law; and the Employee Retirement Income Security Act, 29
20 U.S.C. § 1001, et seq. ("ERISA"). Plaintiff's released claims also include all claims for lost
21 wages and benefits, emotional distress, retaliation, discrimination, harassment, punitive
22 damages, and attorneys' fees and costs arising under federal, state, or local laws for
23 discrimination, harassment, retaliation, and wrongful termination, such as, by way of example
24 only, (as amended) 42 U.S.C. section 1981, Title VII of the Civil Rights Act of 1964, the
25 Americans With Disabilities Act, the Age Discrimination in Employment Act, and the
26 California Fair Employment and Housing Act; and the law of contract and tort ("Plaintiff's
27 Release"). Plaintiff's Release does not extend to any claims or actions to enforce this
28 Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits,

1 social security benefits, workers' compensation benefits that arose at any time. Nothing in this
2 Agreement is intended to or shall be interpreted: (i) to restrict or otherwise interfere with
3 Plaintiff's obligation to testify truthfully in any forum; or (ii) to restrict or otherwise interfere
4 with Plaintiff's right and/or obligation to contact, cooperate with, provide information to, or
5 participate in any investigation conducted by, any government agency or commission. Plaintiff
6 acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts
7 or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's
8 Release shall be and remain effective in all respects, notwithstanding such different or
9 additional facts or Plaintiff's discovery of them.

10 **5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section**
11 **1542.** For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the
12 provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which
13 reads:

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

18 **5.2. Release by Aggrieved Employees:** All Aggrieved Employees are deemed to
19 release and forever discharge, on behalf of themselves and their respective former and present
20 representatives, agents, attorneys, heirs, administrators, successors, and assigns, Released
21 Parties from all claims, rights, demands, liabilities and causes of action that arose during the
22 PAGA Period for civil penalties under PAGA that were alleged, or reasonably could have been
23 alleged, based on the facts stated in the Operative Complaint and the PAGA Notice for PAGA
24 civil penalties, including but not limited to all civil penalties under PAGA during the PAGA
25 Period based on or reasonably related to the factual allegations in the Operative Complaint or
26 Plaintiff's PAGA Notice to the LWDA for alleged violations of state laws pertaining to unpaid
27 wages, overtime, double-overtime, minimum wage, meal period, rest break, premium pay,
28 regular rate of pay, reimbursing necessary business expenditures, wage statements, and

1 payment of wages at separation, including but not limited to Labor Code sections 201-204, 210,
2 226, 226.3, 226.7, 226.8, 510, 512, 558, 1194, 1197, 1197.1, 1198, 1199, 2699, et seq., 2802,
3 2810.3, applicable Wage Orders, and any other civil penalties that could have been sought by
4 the Labor Commissioner or through PAGA for violations reasonably related to the facts,
5 policies, practices, occurrences, or acts alleged in the Action or Plaintiff's PAGA Notice to the
6 LWDA.

7 5.3. **Release by PAGA Counsel:** PAGA Counsel release on behalf of their present
8 and former attorneys, employees, agents, successors, and assigns the Released Parties from all
9 claims for fees incurred in connection with the Action, *Bernabe II*, and the *Bernabe* Arbitration,
10 except as set forth in this Agreement or in the Individual Settlement.

11 **6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT**

12 Plaintiff shall prepare and file a Motion for Approval of PAGA Settlement.

13 6.1. **Plaintiff's Responsibilities.** Plaintiff will prepare and deliver to Defense
14 Counsel, at least 5 days prior to the deadline to file such documents with the Court, all
15 documents necessary for obtaining approval of this Settlement under Labor Code Section 2699,
16 subd. (f)(2)) including (i) a draft of the Notice and Memorandum of Points and Authorities in
17 support of the Motion for Approval of PAGA Settlement; (ii) a draft proposed Order Granting
18 Approval of PAGA Settlement; (iii) a signed declaration from the Administrator attaching its
19 "not to exceed" bid for administering the Settlement and attesting to its willingness to serve;
20 competency; operative procedures for protecting the security of Aggrieved Employee Data;
21 amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance;
22 all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or
23 the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA
24 Counsel or Defense Counsel; and (iv) a signed declaration from PAGA Counsel attesting to
25 their timely transmission to the LWDA of all necessary PAGA documents (initial notices of
26 violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section
27 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)).

28 ///

1 **6.2. Responsibilities of PAGA Counsel.** PAGA Counsel are responsible for
2 expeditiously preparing and filing the motion for approval of this Settlement after the full
3 execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion
4 and appearing in Court to advocate in favor of the motion. PAGA Counsel are responsible for
5 delivering the Court's Approval of the Settlement to the Administrator.

6 **6.3. Duty to Cooperate.** If the Parties disagree on any aspect of the proposed
7 application or motion for approval of this Settlement and/or the supporting declarations and
8 documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of
9 the Parties by meeting and conferring in good faith to resolve the disagreement. If the Court
10 does not grant the motion for approval of this Settlement or conditions its approval on any
11 material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously
12 work together on behalf of the Parties by meeting and conferring in good faith to modify the
13 Agreement and/or otherwise attempt to satisfy the Court's concerns. The Court's decision to
14 award less than the amounts requested for a Service Award Payment, the PAGA Counsel Fees
15 Payment, the PAGA Counsel Litigation Expenses Payment, and/or the Administration
16 Expenses Payment shall not constitute a material modification to the Agreement within the
17 meaning of this Paragraph.

18 **7. SETTLEMENT ADMINISTRATION**

19 **7.1. Selection of Administrator.** The Parties have selected Phoenix to serve as the
20 Administrator and verified that, as a condition of appointment, Phoenix agrees to be bound by
21 this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange
22 for payment of Administration Expenses. The Parties and their Counsel represent that they have
23 no interest or relationship, financial or otherwise, with the Administrator other than a
24 professional relationship arising out of prior experiences administering settlements.

25 **7.2. Employer Identification Number.** The Administrator shall have and use its
26 own Employer Identification Number for purposes of calculating tax withholdings (if any) and
27 providing reports to state and federal tax authorities.

28 ///

1 7.3. **Qualified Settlement Fund.** The Administrator shall establish a settlement fund
2 that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury
3 Regulation section 468B-1.

4 7.4. **Administrator Duties.** The Administrator has a duty to perform or observe all
5 tasks to be performed or observed by the Administrator contained in this Agreement or
6 otherwise.

7 **8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE**

8 Based on their records, Defendants estimate that as of the date of mediation (i.e.,
9 September 16, 2025) there were over 1,018 Aggrieved Employees who worked 16,803 Pay
10 Periods during the PAGA Period. In the event that the number of PAGA Pay Periods worked
11 during the PAGA Period exceeds 16,803 by more than 10% (i.e., if the aggregate PAGA Pay
12 Periods exceeds 18,483), or an additional 1,680 Pay Periods, Defendants shall have the option,
13 at their election, to either cut off the PAGA Period end date on the date on which the total
14 number of PAGA Pay Periods reaches 18,483, or to increase the Gross Settlement Amount in
15 proportion to the excess. If the latter, the Gross Settlement Amount shall be proportionately
16 increased, on a percentage basis, to the extent that such pay periods exceed the 10% threshold.
17 For example, if the number of PAGA Pay Periods exceeds 16,803 by 11%, then the Gross
18 Settlement Amount would be increased by 1% and total \$414,100. Defendants’ option to end
19 the PAGA Period on the date on which the total number of PAGA Pay Periods reached 18,483
20 expires upon the Court’s entry of Judgment.

21 **9. CONTINUING JURISDICTION OF THE COURT**

22 The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over
23 the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement
24 and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such
25 post-Judgment matters as are permitted by law.

26 9.1. **Waiver of Right to Appeal.** Provided the Judgment is consistent with the terms
27 and conditions of this Agreement, the Parties and their respective counsel waive all rights to
28 appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the

1 right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals.
2 The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or
3 appeals. If another party appeals the Judgment, the Parties' obligations to perform under this
4 Agreement will be suspended until such time as the appeal is finally resolved and the Judgment
5 becomes final, except as to matters that do not affect the amount of the PAGA Penalties.

6 **10. ADDITIONAL PROVISIONS**

7 **10.1. No Admission of Liability or Representative Manageability for Other**
8 **Purposes.** This Agreement represents a compromise and settlement of highly disputed claims.
9 Nothing in this Agreement is intended or should be construed as an admission by Defendants
10 that any of the allegations in any of the operative complaints in this Action, *Bernabe II*, or the
11 *Bernabe* Arbitration have merit or that Defendants have any liability for any claims asserted;
12 nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in
13 the Action, *Bernabe II*, or the *Bernabe* Arbitration have merit. The Parties agree that
14 representative treatment in this Action is for purposes of this Settlement only. If, for any reason
15 the Court does not approve this Settlement, Defendants reserve all available defenses to the
16 claims in the Action, and Plaintiff reserves the right to contest Defendants' defenses. The
17 Settlement, this Agreement, and the Parties' willingness to settle the Action, *Bernabe II*, or the
18 *Bernabe* Arbitration, will have no bearing on, and will not be admissible in connection with,
19 any litigation (except for proceedings to enforce or effectuate the Settlement and this
20 Agreement).

21 **10.2. Integrated Agreement.** Upon execution by all Parties and their counsel, this
22 Agreement together with its attached exhibits shall constitute the entire agreement between the
23 Parties relating to the Settlement, superseding any and all oral representations, warranties,
24 covenants, or inducements made to or by any Party.

25 **10.3. Attorney Authorization.** PAGA Counsel and Defense Counsel separately
26 warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take
27 all appropriate action required or permitted to be taken by such Parties pursuant to this
28

1 Agreement to effectuate its terms, and to execute any other documents reasonably required to
2 effectuate the terms of this Agreement including any amendments to this Agreement.

3 **10.4. Cooperation.** The Parties and their counsel will cooperate with each other and
4 use their best efforts, in good faith, to implement the Settlement by, among other things,
5 modifying the Settlement Agreement, submitting supplemental evidence and supplementing
6 points and authorities as requested by the Court. In the event the Parties are unable to agree
7 upon the form or content of any document necessary to implement the Settlement, or on any
8 modification of the Agreement that may become necessary to implement the Settlement, the
9 Parties will seek the assistance of a mediator and/or the Court for resolution.

10 **10.5. No Prior Assignments.** The Parties separately represent and warrant that they
11 have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
12 transfer, or encumber to any person or entity, any portion of any liability, claim, demand, action,
13 cause of action, or right released and discharged by the Party in this Settlement.

14 **10.6. No Tax Advice.** Neither Plaintiff, PAGA Counsel, Defendants nor Defense
15 Counsel are providing any advice regarding taxes or taxability, nor shall anything in this
16 Settlement be relied upon as such within the meaning of United States Treasury Department
17 Circular 230 (31 CFR Part 10, as amended) or otherwise.

18 **10.7. Modification of Agreement.** This Agreement, and all parts of it, may be
19 amended, modified, changed, or waived only by an express written instrument signed by all
20 Parties or their representatives, and approved by the Court. In the event that the Court does not
21 grant approval, or if the Court grants approval and a reviewing Court vacates, reverses, or
22 modifies the Judgment in a manner that requires a material modification of this Agreement
23 (including, but not limited to, the scope of release to be granted by Aggrieved Employees), the
24 Parties shall expeditiously work together in good faith to address the Court or the appellate
25 court's concerns and to obtain Approval and entry of Judgment. An order by the Court awarding
26 Service Award Payments or any payments to PAGA Counsel less than the amounts
27 contemplated by this Agreement, or an appellate decision to vacate, reverse, or modify the
28

1 Court's award of the Service Award Payments or any payments to PAGA Counsel shall not
2 constitute a material modification of the Judgment within the meaning of this Paragraph.

3 10.8. **Agreement Binding on Successors.** This Agreement will be binding upon, and
4 inure to the benefit of, the successors of each of the Parties.

5 10.9. **Applicable Law.** All terms and conditions of this Agreement and its exhibits
6 will be governed by and interpreted according to the internal laws of the state of California,
7 without regard to conflict of law principles.

8 10.10. **Cooperation in Drafting.** The Parties have cooperated in the drafting and
9 preparation of this Agreement. This Agreement will not be construed against any Party on the
10 basis that the Party was the drafter or participated in the drafting.

11 10.11. **Confidentiality.** To the extent permitted by law, all agreements made, and
12 orders entered during Action and in this Agreement relating to the confidentiality of information
13 shall survive the execution of this Agreement.

14 10.12. **Use of Aggrieved Employee Data.** Information provided to PAGA Counsel
15 pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided
16 to PAGA Counsel by Defendants in connection with the mediation, other settlement
17 negotiations, or in connection with the Settlement, may be used only with respect to this
18 Settlement, and no other purpose, and may not be used in any way that violates any existing
19 contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator
20 discharges its obligation to pay out of all Settlement funds, Plaintiff and PAGA Counsel shall
21 destroy all paper and electronic versions of Aggrieved Employee Data received from
22 Defendants.

23 10.13. **Headings.** The descriptive heading of any section or paragraph of this
24 Agreement is inserted for convenience of reference only and does not constitute a part of this
25 Agreement.

26 10.14. **Calendar Days.** Unless otherwise noted, all reference to "days" in this
27 Agreement shall be to calendar days. In the event any date or deadline set forth in this
28

1 Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the
2 first business day thereafter.

3 10.15. **Notice.** All notices, demands or other communications between the Parties in
4 connection with this Agreement will be in writing and deemed to have been duly given as of
5 the third business day after mailing by United States mail, or the day sent by email or messenger,
6 addressed as follows:

7 To Plaintiff:

8 **BIBIYAN LAW GROUP, P.C.**

Vedang J. Patel (SBN 328647)

9 *vedang@tomorrowlaw.com*

Brandon M. Chang (SBN 316197)

10 *brandon@tomorrowlaw.com*

1460 Westwood Boulevard

11 Los Angeles, California 90024

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

13 To Defendants:

14 Larry R. Schmadeka,

PIERSON FERDINAND LLP

260 Newport Center Drive, Suite 100

15 Newport Beach, CA 92660

16 TEL: 949-693-5388

Email: larry.schmadeka@pierferd.com

17 Attorneys for Defendants, DR. SQUATCH, INC. and John S.
18 Haldrup

19 **DUANE MORRIS LLP**

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gmaatman@duanemorris.com

21 190 South LaSalle Street, Suite 3700

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ddspencer@duanemorris.com

25 Kenny T. Tran (SBN 345377)

ktran@duanemorris.com

26 865 South Figueroa Street, Suite 3100

Los Angeles, California 90017-4028

27 Tel: (213) 689-7413

28 Attorneys for Defendant, KELLY SERVICES GLOBAL, LLC

1 10.16. **Execution in Counterparts.** This Agreement may be executed in one or more
2 counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this
3 Agreement shall be accepted as an original. All executed counterparts and each of them will be
4 deemed to be one and the same instrument if counsel for the Parties will exchange between
5 themselves signed counterparts. Any executed counterpart will be admissible in evidence to
6 prove the existence and contents of this Agreement.

7 10.17. **Stay of Litigation.** The Parties agree that upon the execution of this Agreement
8 the litigation in this Action, *Bernabe II*, and the *Bernabe* Arbitration shall be stayed, except to
9 effectuate the terms of this Agreement. The Parties further agree that upon the signing of this
10 Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under
11 CCP section 583.310 for the entire period of this settlement process.

12 10.18. **Severability.** In the event that one or more of the provisions contained in this
13 Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such
14 invalidity, illegality, or unenforceability shall in no way effect any other provision if
15 Defendants' Counsel and PAGA Counsel, on behalf of Plaintiff and the Aggrieved Employees,
16 mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had
17 never been included in this Agreement.

18 **IT IS SO AGREED:**

19
20 *Marvin Bernabe*

06/27/2026

21 Plaintiff Marvin Bernabe

Defendant Dr. Squatch, Inc.

By: _____

Its: _____

22
23 *David D. Bibiyan*

06/29/2026

24 David D. Bibiyan

25 Vedang J. Patel

Brandon M. Chang

26 Counsel for Plaintiff Marvin Bernabe

Defendant Kelly Services Global, LLC

By: _____

Its: _____

1 10.16. **Execution in Counterparts.** This Agreement may be executed in one or more
2 counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this
3 Agreement shall be accepted as an original. All executed counterparts and each of them will be
4 deemed to be one and the same instrument if counsel for the Parties will exchange between
5 themselves signed counterparts. Any executed counterpart will be admissible in evidence to
6 prove the existence and contents of this Agreement.

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8 the litigation in this Action, *Bernabe II*, and the *Bernabe* Arbitration shall be stayed, except to
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10 Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under
11 CCP section 583.310 for the entire period of this settlement process.

12 10.18. **Severability.** In the event that one or more of the provisions contained in this
13 Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such
14 invalidity, illegality, or unenforceability shall in no way effect any other provision if
15 Defendants' Counsel and PAGA Counsel, on behalf of Plaintiff and the Aggrieved Employees,
16 mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had
17 never been included in this Agreement.

18 **IT IS SO AGREED:**
19

20 _____
21 Plaintiff Marvin Bernabe

Jackie Shyman Holt

Defendant Dr. Squatch, Inc.

By: Jackie Shyman Holt

Its: Chief People Officer

22 _____
23
24 David D. Bibiyan
25 Vedang J. Patel
26 Brandon M. Chang
27 Counsel for Plaintiff Marvin Bernabe

Robert Haddad

Defendant Kelly Services Global, LLC

By: Robert Haddad

Its: VP, Deputy GC

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Larry R. Schmadeka
Counsel for Defendant Dr. Squatch, Inc.



Gerald L. Maatman, Jr
Jennifer A. Riley
Daniel D. Spencer
Kenny T. Tran
Counsel for Defendant Kelly Services
Global, LLC