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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

DOLORES CHAVEZ, individually and
on behalf of similarly aggrieved
employees,

Plaintiffs,

v.

WINDSOR FASHIONS, LLC, an active
Delaware Limited Liability Company;
GOTWORX STAFFING, INC., an active
Delaware Corporation; and DOES 1
through 10,

Defendants.

Case No.: 22STCV20119

INDIVIDUAL AND REPRESENTATIVE
ACTION

*[Assigned to Hon. Carolyn B. Kuhl
in Dept. SS-12]*

**DECLARATION OF ZORIK
MOORADIAN IN SUPPORT OF
PLAINTIFF'S MOTION FOR
APPROVAL OF PAGA SETTLEMENT,
AND PAYMENT OF ATTORNEYS'
FEES AND COSTS, ADMINISTRATION
COSTS, AND ENHANCEMENT AWARD**

[CONCURRENTLY SUBMITTED WITH
NOTICE OF MOTION AND MOTION;
DECLARATION OF HAIK HACOPIAN;
AND [PROPOSED] ORDER]

Date: December 3, 2024

Time: 11:00 a.m.

Dept.: SS-12

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DECLARATION OF ZORIK MOORADIAN

I, Zorik Mooradian, declare as follows:

1. I am an attorney at law duly licensed to practice law in the state of California. I am the principal of Mooradian Law, APC and, along with Haik Hacopian, am counsel for Plaintiff Dolores Chavez in the lawsuit entitled *Dolores Chavez, individually and on behalf of similarly aggrieved employees v. Windsor Fashions, LLC; Gotworx Staffing, Inc.*, and bearing Los Angeles County Superior Court Case No. 22STCV20119. I make this Declaration in support of Plaintiff's Motion for Approval of PAGA Settlement, and Payment of Attorneys' Fees and Costs, Administrative Costs, and Enhancement Award based on my own personal knowledge and if called as a witness I could and would competently testify to the following facts stated herein.

2. I attended Texas A & M University (Kingsville) and California State University Los Angeles (Los Angeles), and I received a Bachelor of Science degree in Civil Engineering in 1979. I have also attended University of La Verne College of Law and graduated and was admitted to the State Bar of California in 1988. I have been in good standing since. For the past 35 years, I have litigated hundreds of cases with numerous bench and jury trials. My most recent employment jury verdict was in October 2019, in a Fair Employment and Housing retaliation matter, ranked in the US as the top 100 employment verdicts for that year. I have also been and continue to be plaintiff's counsel in many wage and hour and consumer class actions, complex and multi-party matters.

3. The following is a sample index of class action/PAGA and individual employment/wage-and-hour cases, in which I have represented and/or continue to represent the plaintiffs, mostly in the capacity of the lead counsel:

Fuentes v. Kamran Staffing/BC604535; Perez v. El Pollo Loco/BC624001; Perez v. Quest Nutrition/BC630914; Escalante v. Friendly Hills Country Club/BC640583; Serrano v. Noise Group/30-2017-00949440-CU-OE-CXC; Blandin v. Malibu Mgt. Svcs., Inc./BC618629; Barrera v. Coast Composites, Inc./30-2017-00909572 CU-OE-CJC; Aguilar v. Sweet Earth Café/19STCV13373; Avina v. Marriott/30-2017-00945551; Azeppita v. Eden

1 Social Restaurants, Inc./30-2019-01077185; Balaguer v. Eminent,
2 Inc./19STCV16803; Barragan v. Golden Hotels Limited Partnership/30-2018-
3 01007420; Boch v. Merchants Building Maintenance/BC681320; Bueno v. Proto
4 Homes/19STCV20011; Cardenas v. Intercon Security/19STCV11259; Castillo v.
5 Robert's Waste/30-2018-01027486; Castro v. Bee Gee Laboratories/BC712857;
6 Contreras Teo v. Golden State Foods/BC708535; Contreras Teo v. Golden State
7 Foods/BC722540; Corona v. Del Amo Hospital/19STCV24741; Cruz Ventura v.
8 WSON-55/19STCV22958; Cruel v. Andreas Elsenhans/19STCV35496;
9 Espinoza v. Don Chava Mgt./19STCV27068; Galvan v. Property Mgt.
10 Associates/BC722781; Godoy v. UCLA/19STCV04634; Gonzalez v. Toyon
11 Catering, Inc./19STCV11369; Gonzalez v. FMS Mgt./30-2019-01065563;
12 Gutierrez v. Anaheim Denn/30-2019-01092546; Guzman v. Millennium
13 Shoes/19STCV33166; Hernandez v. Township Retail Services/18STCV06709;
14 Hernandez v. Resource Employment Solutions/30-2019-01084740; Herrera v.
15 Color Spot Nurseries/30-2017-00933249; Leon v. Island Hospitality Mgt./30-
16 2019-01060719; Martinez v. Snakerz/19STCV02674; Mendoza v. Savage
17 Service Corp./18STCV04798; Martinez v. Riviera Beverages/ 30-2019-
18 01056796; Mendoza v. United Production Framing/30-2019-01104255; Morales
19 Cano v. Coordinated Staffing/19STCV29817; Enriquez v. Johnny Rockets
20 Group/19STCV43986; Ibarra v. DCX-CHOL Enterprises/19STCV26247;
21 Contoran Najera v. TOPH I, LLC/30-2018-00999474; Nunez v. Wonderland
22 Montessori, LLC/18STCV06042; Olmos v. Mall Food Mgt. Associates/30-2019-
23 01096292; Pallares - Mercado v. MB Santa Ana Restaurants/30-2019-01047135;
24 Perez v. First Rate Staffing/18STCV02057; Popoca v. Denim Technologies/
25 19STCV11434; Rosales v. DBR Premium/19STCV32726; Salceda v. GBG USA,
26 Inc./ 18STCV10004; Salceda v. GBG USA, Inc./ 18STCV04778; Torres v. Metro
27 Security/19STCV21114; Cazarez v. S. Carrol Massie, Inc./23STCV23844;
28 Cazarez v. Southern California Pizza Co., LLC/23STCV23179; Cervantez v.
DRE Workforce/22STCV270670; Diaz v. Paris Valley/22CVP-0244; Enrique v.

Johnny Rockets Group, Inc./19STCV43986; Esquivel v. Bodega Latina Corp./22STCV02622/Felipe v. One Stop Employment Services/21STCV39327; Fernandez v. World Flight Services/23STCV23197; Garcia v. Fresh Grill/22STCV08228; Hernandez v. N.W. Hotel Corp./30-2023-01310267; Jimenez v. Cargo/21STCV15258; Lemus v. PDA Group/21STCV40242; Maldonado v. McKessons/22STCV41086; Martinez v. Pharaoh Staffing, LLC/22STCV41086; Mendez v. ABM/23STCV11446; Mendoza v. Big Lot/30-2019-01047135; Merino v. Coast Sign, Inc./30-2023-01305781; Morales v. Phenix Enterprises, Inc./23STCV06594; Muniz v. Lot Management/22STCV32901; Ramirez v. H Mart Logistics/23STCV06670; Romero v. Partners Personnel/22STCV22509; Salazar v. Staffmark/21STCV39663 and 21STCV31753; Sanchez v. Recessroom/30-2022-01244194; Sepulveda v. Walmart/30-2022-01278658; Toledo v. Universal Molding Company/22STCV06965; Vargas v. Sincere Orient Commercial Corp./22STCV08311; Zapeta v. HR Service Group/22STCV07872; Panduro v. Inland Fuels Corp./23STCV04486; and Rodriguez v. Relentless Landcare/30-2023-01366648.

4. I am familiar with California wage and hour law and the laws governing employment wage and hour violations, including but not limited to: California Labor Code Sections 201 – 204, 206.5, 210, 226, 221, 224, 226.7, 227.3, 233, 350, 351, 245.5, 246, 246.5, 248.2, 500, 510, 512, 515, 516, 1174, 1182.12, 1194, 1194.2, 1198, 1198.5, 2698, 2699, 2800 and 2802, California Business and Profession Codes 17200 et. seq., the Orders of the Industrial Welfare Commission, and the Private Attorneys General Act.

5. As a result of my prior experience in other wage and hour matters, including representative PAGA matters, I believe that the proposed settlement is fair and reasonable and more than adequate in view of (i) the strength of Plaintiff's claims and Defendants' defenses, (ii) the risk, expense, complexity and likely duration of further litigation, (iii) the total settlement amount of \$275,000 offered in settlement, (iv) the risk of significant discretionary reduction of maximum penalties by a court even assuming liability was

1 established for any violations; (v) the discovery conducted by the Parties in this case, (vi) my
2 experience with similar settlements that have received court approval, and (vii) the fact that
3 the settlement involved arms' length negotiations between experienced counsel facilitated by
4 Mr. Lou Marlin, a respected neutral mediator.

5 6. Defendant Gotworx is a staffing agency based in Freehold, New Jersey and
6 operates nationally. Gotworx specializes in servicing light industrial and clerical industries.
7 One such client was Defendant Windsor Fashions, LLC ("Windsor"). Windsor is a retailer
8 of women's apparel and accessories at stores and online. Plaintiff was staffed by Gotworx at
9 Windsor's distribution facility in Santa Fe Springs, California where other aggrieved
10 employees worked. There, product was distributed to Windsor's retail stores and online
11 orders were fulfilled.

12 7. The number of Aggrieved Employees, i.e. Gotworx employees placed for
13 work at Windsor, around the time of mediation was 1,724 and who worked 12,964 weekly
14 pay periods. The settlement contemplates coverage for 1,874 Aggrieved Employees through
15 the end of the PAGA Period on October 25, 2024, subject to an escalator clause.

16 8. Plaintiff Dolores Chavez filed this lawsuit as a wage and hour class action on
17 June 20, 2022 and communicated a PAGA notice to Defendants and the LWDA on that date.
18 Upon submission to the LWDA, Plaintiff Chavez's PAGA claim was assigned Case No.
19 LWDA-CM-890611-22. On November 16, 2022, the First Amended Complaint ("FAC") was
20 filed in this case which added the representative PAGA claim. On June 17, 2023, the class
21 allegations were dismissed, Plaintiff's individual claims were ordered to arbitration, and the
22 PAGA cause of action was stayed pending arbitration completion.

23 9. As mentioned, Plaintiff Chavez filed a notice letter with the California Labor
24 and Workforce Development Agency ("LWDA") on June 21, 2022 giving notice of his intent
25 to pursue a PAGA representative action, on behalf of himself and the State of California as
26 well as on behalf of a group of similarly situated aggrieved employees giving notice of their
27 collective intent to seek penalties under Labor Code sections 2698 et. seq. based on alleged
28 violations of Labor Code sections 201, 202, 203, 204, 210, 226, 226.7, 510, 512, 1194, and

1 2802 (“PAGA letter”). A true and correct copy of the noted PAGA Letter is attached hereto
2 as **Exhibit “1”**.

3 10. This lawsuit has involved production of numerous documents and employee
4 data including policies relevant to asserted PAGA claims. Specifically, Defendant provided
5 data regarding the total number of aggrieved employees and total work weeks and a 25%
6 employee sample of time and payroll data, which covered 432 employees. This information
7 has been reviewed and assessed by Plaintiff with expert assistance. The Parties have
8 conducted investigation of the operative facts and applicable law during the litigation. The
9 Parties have also investigated the applicable law as applied to the facts, potential defenses
10 thereto, and damages claimed by Plaintiff on behalf of aggrieved employees. Subsequently,
11 on June 27, 2024, Plaintiff and Defendants engaged in mediation before an esteemed
12 mediator with significant wage and hour experience, Mr. Lou Marlin. During the Mediation,
13 and with significant assistance from the mediator, the Parties agreed to a PAGA
14 representative settlement, which was negotiated in light of all known facts and
15 circumstances—including the difficulty of proving some of Plaintiff’s underlying bases for
16 the PAGA penalty claims, potential defenses asserted by Defendants to the PAGA penalty
17 claims, the uncertainty associated with litigation, the risks of significant delay, and numerous
18 potential appellate issues. Thereafter, the settlement was solidified between the Parties during
19 the months that followed. Ultimately, the Settlement Agreement was entered into. The Parties
20 also agreed to a separate \$20,000 settlement for resolution of Plaintiff’s individual claims.

21 11. The Parties’ settlement allocates \$275,000 for settlement of the PAGA claims
22 which is the total amount to be paid by Defendants under this Settlement. After allocated
23 attorneys’ fees of \$91,666.67, requested costs of \$10,609.41, administrative costs of \$13,000,
24 and \$3,000 enhancement award to Plaintiff, 75% of the Net Settlement Amount, or
25 \$117,542.94 will be paid as the LWDA’s 75% share of PAGA penalties, and \$39,180.98 will
26 be payable to Aggrieved Employees . The amount payable to Aggrieved Employees will be
27 allocated on a pro-rata basis determined by the number of pay periods each such Aggrieved
28 Employee worked for Defendant during the PAGA Period. (S.A. at ¶3.2.4.1). The Gross

1 Settlement Payment is for civil penalties only and does not act as a waiver to any employee's
2 individual claims for individual relief. ZM Decl. ¶11. The average amount expected to be
3 paid amongst 1,874 Aggrieved Employees is \$20.91 ($\$39,180.98 \div 1,874$). A true and correct
4 copy of the PAGA Settlement Agreement and Release ("Settlement Agreement" or "S.A"),
5 is attached hereto as **Exhibit "2"**.

6 12. The Settlement contemplates inclusion of a "Notice of Settlement of PAGA
7 Representative Action" with payments to Aggrieved Employees which notifies them of the
8 Lawsuit, Settlement, Release, and calculation of their share. A true and correct copy of which
9 is attached hereto as **Exhibit "3"**.

10 13. My office is unaware of any other PAGA matters affected by this settlement.

11 14. Employees tracked their time, including meal breaks, by filling out their own
12 timesheets. Employees signed off on each weekly timesheet to confirm that it was "an
13 accurate record of [their] hours worked ..." Employees were instructed to record time in
14 "0.25 increments." Plaintiff contended that employees essentially mirrored scheduled shifts
15 such that the timesheets did not capture all time worked. Defendants countered that there
16 were no restrictions or limitations on time entries and employees would be paid for the time
17 they presented. Moreover, that due to a warehouse environment, there was a certain regularity
18 to shifts and meal breaks such that there was little to no risk that there would be any work
19 off-the-clock. Plaintiff's review of the sample time and payroll records did not reveal any
20 rounding or regular rate issues. Based on the foregoing, it will be extremely difficult to
21 establish that employees are owed any amount of additional wages for work off-the-clock.

22 15. Review of the sample records revealed that 99.4% of shifts more than 5 hours
23 had a recorded first meal break. Of those recorded meal breaks, only 8.9% were recorded
24 after the fifth hour of work, 40.9% were exactly 30 minutes in duration, and 58.3% were
25 more than 30 minutes long. Defendants represented that their analysis revealed a 92%
26 compliance rate. Plaintiff contended that such a high degree of compliance is reflective of
27 some degree of manipulation, mainly that employees were expected to log meal breaks as
28 scheduled regardless of when and if they were taken. Defendants countered that meal breaks

1 were properly scheduled and taken. That the warehouse work environment was conducive to
2 timely and proper meal breaks and the records affirm as such. Per the records, Plaintiff
3 calculates 2,615 pay periods with unique meal break violations (late, short, and/or no meal
4 break) such that this may be deemed the theoretical maximum for coverage of this claim.
5 Ultimately, varying circumstances would potentially force determination on a myriad of
6 individual issues which would present issues of proof at trial.

7 16. Notices were posted for two 10-minute rest breaks which were scheduled by
8 department. Employees were advised to indicate on their timesheets if any rest period was
9 “not taken.”

10 17. Plaintiff contended that he had to provide supplies on occasion but there was
11 no indication that such was a systematic issue or that Defendants refused to reimburse for
12 expenses of which they were aware.

13 18. The weekly wage statements issued to Plaintiff identified “Windsor Store”
14 and did not identify “Gotworx” or any employer address. This would readily support a
15 violation across each of the 12,964 pay periods assuming all the wage statements are similarly
16 flawed. As to waiting time penalties, Plaintiff identified 488 former employees with at least
17 one of the 2,615 unique meal period violations to support a derivative claim.

18 19. The lawsuit implicates an estimated 13,750 weekly pay periods during the
19 PAGA Period. The only realistic route to recovery of penalties will be for some portion of
20 the 2,615 pay periods with unique meal break violations and wage statement claims.
21 Maximum penalties, assuming a violation for each and every pay period, assessed at the \$100
22 violation rate, for each of the 13,750 pay periods results in maximum potential exposure of
23 \$1,375,000. To the extent Plaintiff is able to trigger predicate violations beyond the security
24 check issue and is able to stack PAGA penalties, the potential maximum could be higher,
25 although this is extremely unlikely.

26 20. Furthermore, discretionary reductions are anticipated in addition to general
27 litigation risk and delay. Taking the \$1,375,000 sum as the maximum potential figure and
28 applying a discretionary reduction of 85% (consistent with reported cases) results in \$206,250

1 in available penalties. The penalties to be distributed (\$156,723.92) captures 76% of this sum.
2 The Parties' settlement substantially captures this realistic valuation, provides for significant
3 recovery of civil penalties by the state, and is expected to deter future Labor Code violations
4 by Gotworx and Windsor. Accordingly, Plaintiff's counsel believes that this PAGA
5 settlement is fair, reasonable, and in the best interests of the aggrieved employees and the
6 State of California.

7 21. My office is seeking recovery of \$91,666.67 in attorneys' fees, or one-third
8 percent of the Gross Settlement Amount. The incurred fees are necessary and reasonable.
9 Significantly, these fees are contingent in nature for my office. The fees received from one
10 case, such as this one, are often used to finance and move forward other cases that have failed
11 and bring in revenue for my office.

12 22. Plaintiff Chavez signed a single retainer with my office. The Retainer
13 Agreement had language providing for a contingency recovery in attorneys' fees in excess of
14 one-third, of course, subject to a court approval of class wide issues. The Retainer Agreement
15 also had a provision for recovery of costs in relation to the representation.

16 23. As for the representation of the individual rights of Mr. Chavez, a proposed
17 retainer agreement for recovery of fees could be one-third of the gross recovery. That would
18 be consistent with the market rate, and there is no reason to believe that if counsel had signed
19 a retainer agreement with the LWDA to prosecute claims on the LWDA's behalf, it would
20 be any different.

21 24. In almost all the mediations that I have attended, a one-third to 35% attorney
22 fee percentage is generally agreed upon by the defendant and the plaintiff subject to court
23 approval. In this matter, the Parties agreed that PAGA Counsel may request up to one-third
24 and Defendants would not oppose the same.

25 25. It is beyond any reasonable dispute that, if my office had been able to negotiate
26 directly with the LWDA, the LWDA would have found that a one-third fee arrangement was
27 eminently reasonable.
28

1 26. As to the attorneys' fees, our office intake form is dated 10/11/2021, which is
2 the first attention to the matter pursuant to the contact from the client. Two attorneys from
3 our office have worked on this file/case for the past almost three (3) years. I have spent 63.7
4 hours on this matter and my hourly rate (as a 35+ year practicing attorney) is \$650. My
5 lodestar on this matter calculates to **\$41,405** (63.7 x \$650).

6 27. The attorney time on the case/file may be summarized as follows:
7 Communications with the client, office staff meetings, drafting of pleadings, PAGA
8 submission and research, review and discussions re class complaint and allegations, court
9 appearance, attention to arbitration agreement, communications with JAMS, selection and
10 case management participation at the JAMS proceeding, communications with Judge Kirk
11 Nakamura and defense counsel on arbitrable causes of action, review and analysis of the pre-
12 mediation production, communications re follow up production, settlement negotiations,
13 preparation and participation at mediation, review of the settlement and preparation of motion
14 papers, calls and memoranda to file, etc.

15 28. My incurred costs in this matter totals **\$10,100.37**, and may be itemized as follows:

16 \$1,435.00 – Complaint filing fee

17 \$1,320.00 – Paid to Berger Consulting for analysis of the PAGA records before
18 Mediation

19 \$400.00 – Paid to JAMS for commencement of Arbitration

20 \$6,000.00 – Paid to Lou Marlin, Esq., Mediator (representing 50% of the mediation
21 fee)

22 \$4.33 – Certified Mail/LC 226 Letter/Return Receipt Requested

23 \$4.33 – Certified Mail/LC 226 Letter/Return Receipt Requested

24 \$4.33 – Certified Mail/LC 226 Letter/Return Receipt Requested

25 \$4.33 – Certified Mail/LC 226 Letter/Return Receipt Requested

26 \$928.05 – Case Anywhere Cost to date

27 29. Many courts utilize the Laffey Matrix as a reference for the determination of
28 appropriate hourly rates for counsel. Mr. Hacopian (11-19 year attorney) and myself (20+

1 year attorney), in relation to our experience, have hourly rates that are less than Laffey rates.
2 My rate would be \$1,057 and Mr. Hacopian's would be \$878 per the present Laffey rates.
3 Attached hereto as **Exhibit "4"** is a true and correct copy of the most recent Laffey Matrix
4 ledger.

5 30. I have reviewed the lodestars submitted by myself and Mr. Hacopian for this
6 matter and calculate the total present lodestar amount at \$63,905.00. This results in the
7 requested \$91,666.67 fee award after the application of a modest 1.43 multiplier. To the
8 extent Laffey Matrix rates are applied, the lodestar calculates to \$111,230.90, which exceeds
9 the requested fee award. I will note that the submitted lodestars do not include work
10 performed by office staff.

11 31. While it's generally true that the greater the attorney fees, the less funds there
12 will be for distribution as damages, nevertheless, a balance must be achieved. In the instant
13 matter, the LWDA and Aggrieved Employees got a very balanced and fair settlement. Given
14 the strengths and weaknesses of the case, they will be receiving a fair sum of money. The
15 results and the case law support that the settlement was fair, reasonable and adequate. In light
16 of the favorable settlement, giving more money to the LWDA and Aggrieved Employees
17 after an excellent settlement had been achieved punishes the attorneys without whom such a
18 settlement would not have been attained but for the efforts of good lawyering. Punishing
19 lawyers when they do well is potentially sending the wrong message and serves as a
20 disincentive and unjustly enriches the LWDA and Aggrieved Employees who will be
21 receiving a fair and adequate amount of benefits.

22 32. My Office has secured a not to exceed bid from CPT Group, Inc., the Parties'
23 selected administrator, in the amount of \$13,000 in relation to dissemination of payments to
24 the various parties as contemplated by the settlement including to Aggrieved Employees.
25 CPT will also translate the notice to Aggrieved Employees into Spanish and will be
26 responsible for the escheatment of uncashed checks. A true and correct copy of the not to
27 exceed quote secured from CPT is attached hereto as **Exhibit "5"**.
28

EXHIBIT “1”
Plaintiff’s PAGA Notice

MOORADIAN LAW, APC
24007 Ventura Boulevard, Suite 210
Calabasas, California 91302
Mooradianlaw.com
Telephone 1-818-487-1998
Facsimile 1-888-783-1030

HAIK HACOPIAN

E-mail: haik@mooradianlaw.com

JUNE 21, 2021

VIA USPS CERTIFIED MAIL

Windsor Fashions, LLC
9603 John Street
Santa Fe Springs, CA 90670
7019 0160 0002 9187 4915

1505 Corporation 112
Agent for Service of Process for Windsor
Fashions, LLC
C T Corporation System
330 N. Brand Blvd., Suite 700
Glendale, CA 91203
7019 0160 0000 9187 4908

Gotworx Staffing, Inc
800 West Main Street, Suite 204
Freehold, NJ 07728
7019 0160 0000 9187 4892

1505 Corporation 1231
Agent for Service of Process for Gotworx
Staffing, Inc
Registered Agent Solutions, Inc.
720 14th Street
Sacramento, CA 95814
7019 0160 0000 9187 4885

VIA ONLINE SUBMISSION

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, CA 95814
www.dir.ca.gov

Re: *California Wage & Hour Violations*
Windsor Fashions, LLC & Gotworx Staffing, Inc

To Whom It May Concern:

This office represents Dolores Chavez with respect to Private Attorneys General Act ("PAGA") claims that he intends to pursue against Windsor Fashions, LLC ("Windsor") and Gotworx Staffing, Inc ("Gotworx") (jointly referred to herein as "Employers") based upon their

illegal wage and hour practices in the State of California as to their non-exempt employees. This letter constitutes the notice required by Labor Code Section 2699.3.

Facts

Gotworx is a staffing agency which provides employees to Windsor, which is engaged in the business of clothing design and retail. Mr. Chavez worked as a non-exempt hourly employee of Employers at the facility located at 9603 John Street in Santa Fe Springs, California. Employers employ numerous non-exempt, hourly paid employees such as Mr. Chavez in California. Unfortunately, Employers have engaged in the following practices:

Failure to Pay Wages

Employers implemented the policy and practice of failing to pay employees for all hours worked. Employers engaged in the practice of requiring off-the-clock work by employees. Employees also did not receive off-duty meal breaks. Notably, in Mr. Chavez's experience, Employers expressly refused to provide Mr. Chavez her final paycheck upon her separation and those wages remain owed. The foregoing practices resulted in underpayment of wages, including underpayment of overtime and double-time to the extent applicable.

Meal Breaks

Employers engage in the practice of not allowing mandated meal breaks and not compensating employees for any missed, late, or short meal breaks. Employees did not receive premium pay for any missed, late, or short meal period. Notably, any meal breaks taken were not off-duty as employees were prevented by Employers from leaving the work premises during meal breaks.

Rest Breaks

Employers engage in the practice of not allowing mandated rest breaks and not compensating employees for any missed, late, or short rest breaks. Employees did not receive premium pay for these missed rest breaks.

Waiting Time

At the time of an employee's separation (whether it be by termination or resignation) Employers have failed to provide the employee with all monies owed, including meal break premiums, rest break premiums, and unpaid wages for work performed, including overtime and double-time wages to the extent applicable. In Mr. Chavez's experience, Employers expressly refused to provide his final paycheck.

Noncompliant Wage Statements

Employers have adopted a custom and practice of failing to provide wage statements which reflect all hours worked during any pay period, whether or not employees received all wages entitled to, including meal and rest break premiums. Notably, the wage statements issued to employees did not include the name and address of the employer as required nor did they specify the pay day.

Failure to Fully Reimburse Employee Expenses

Employers required that employees purchase equipment for work use but provided no reimbursement to employees for these expenses.

Additional Penalties

Mr. Chavez and all other similarly aggrieved California employees intend to seek all available civil penalties for the violations described above.

Code Provisions Violated and Legal Theories

The specific provisions of the California Labor Code which Employers have violated, and applicable legal theories which establish the violations, are as follows:

Labor Code Section 201: Employers violated, and continue to violate, Labor Code Section 201 by failing to pay the employees they have discharged the complete and correct amount of all wages owing at the time of termination. The wages earned but not paid at termination include uncompensated work time, including overtime and double-time as applicable, and premium wages for missed meal and rest breaks.

Labor Code Section 202: Employers violated, and continue to violate, Labor Code Section 202 by failing to pay employees who quit the correct amount of all wages, within 72 hours of the termination. As already stated, the wages earned but not paid at termination include the above.

Labor Code Section 203: Employers violated, and continue to violate, Labor Code Section 203 by failing to pay 30 days of continuing wages to employees owed wages (explained above) whose employment ended.

Labor Code Sections 204 and 210: Employers violated, and continue to violate, Labor Code Sections 204 and 210 by failing to pay wages to employees for all hours worked as explained above and within seven (7) calendar days following the close of payroll periods.

Labor Code Section 226: Employers violated, and continue to violate, Labor Code Section 226(a) by failing to provide employees with accurate and compliant itemized wage statements.

Labor Code Section 226.7: Employers violated, and continue to violate, Labor Code Section 226.7 by failing to provide meal periods and/or rest periods that are in accordance and in compliance with the IWC's applicable wage order.

Labor Code Section 510: Employers violated, and continue to violate, Labor Code Section 510 by failing to pay minimum wage or overtime compensation required by law.

Labor Code Section 512: Employers violated, and continue to violate, Labor Code Section 512 by not providing aggrieved employees with legally compliant meal periods.

Labor Code Section 1194: Employers violated, and continue to violate, Labor Code Section 1194 by failing to pay employees minimum wage and overtime compensation required by law.

Labor Code Section 2802: Employers violated and continue to violate, Labor Code Section 2802 by failing to indemnify employees for all necessary expenditures or losses incurred by employees in direct consequence of the discharge of their duties.

Conclusion

Please inform us if you intend to investigate this matter. We look forward to prompt administrative action so that the identified unlawful practices can be rectified. In the absence of such action, we may file an appropriate action, pursuant to Labor Code Section 2698 *et seq.* Mr. Chavez and all other similarly aggrieved California employees intend to seek all penalties for the violations described above. Should you require any additional information, do not hesitate to contact the undersigned.

Very truly yours,
MOORADIAN LAW, APC

/s/ Haik Hacopian
HAIK HACOPIAN

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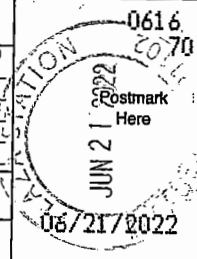
330 N. BRAND BLVD., SUITE 706

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GOTWORK STAFFING, INC

Street and Apt. No., or PO Box No.

800 WEST MAIN STREET SUITE 204

City, State, ZIP+4®

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Postage \$0.58

Total Postage and Fees \$4.33

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AGENT FOR SERVICE OF PROCESS FOR GOTWORK STAFFING, INC.

Street and Apt. No., or PO Box No.

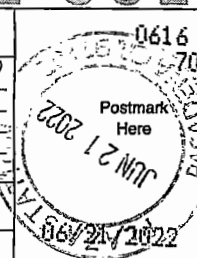
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SACRAMENTO, CA 95814

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Haik Hacopian <haik.hacopian@gmail.com>

Thank you for submission of your PAGA Case.

LWDA DO NOT REPLY <lwdadonotreply@dir.ca.gov>
To: "haik.hacopian@gmail.com" <haik.hacopian@gmail.com>

Tue, Jun 21, 2022 at 5:52 PM

6/21/2022

LWDA Case No. LWDA-CM-890611-22

Law Firm : Mooradian Law, APC

Plaintiff Name : Dolores Chavez

Employer: Windsor Fashions, LLC

Filing Fee : \$75.00

IFP Claimed : No

Item submitted: Initial PAGA Notice

Thank you for your submission to the Labor and Workforce Development Agency. Please make a note of the LWDA Case No. above as you may need this number for future reference when filing any subsequent documents for this Case.

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT “2”
PAGA Settlement Agreement

PAGA SETTLEMENT AGREEMENT AND RELEASE

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Dolores Chavez (“Plaintiff”) and Defendants Windsor Fashions, LLC (“Windsor”) and GotWorx Staffing, Inc. (“GotWorx”) (Windsor and GotWorx together, “Defendants”) (collectively, the “Parties,” or individually as “Party”).

1. DEFINITIONS

1.1 “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendants captioned *Dolores Chavez v. Windsor Fashions, LLC, GotWorx Staffing, Inc.*, Case No. 22STCV20119, initiated on June 20, 2022 and pending in the Superior Court of the State of California, County of Los Angeles, as well as the individual arbitration entitled *Dolores Chavez v. GotWorx Staffing, Inc., Windsor Fashions, LLC*, JAMS Case Reference No. 5220004136, stipulated to by the Parties and initiated by Plaintiff on September 12, 2023 and pending before JAMS.

1.2 “Administrator” means the CPT Group, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount (as defined below) to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.

1.4 “Aggrieved Employee” means any non-exempt, hourly temporary GotWorx employee assigned to work at a Windsor location in California during the PAGA Period.

1.5 “Aggrieved Employee Data” means Aggrieved Employee identifying information in GotWorx’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number and number of PAGA pay periods.

1.6 “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces and direct contact by the Administrator with Aggrieved Employees.

1.7 “Court” means the Superior Court of California, County of Los Angeles.

1.8 “Defense Counsel” means Arturo E. Matthews, Jr. of Matthews Law Firm, Inc. as counsel for GotWorx and Michael D. Thomas and Lauren B. Shelby of Jackson Lewis P.C. as counsel for Windsor.

1.9 “Effective Date” means the date on which both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement and (b) the Judgment is final. The Judgment is final as of the day the Court enters Judgment.

1.10 “Gross Settlement Amount” means \$275,000.00, which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be apportioned as follows: 50% of the Gross Settlement Amount (\$137,500.00) will be paid by Windsor and 50% of the Gross Settlement Amount (\$137,500.00) will be paid by GotWorx. 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, Plaintiff Service Payment, and the Administration Expenses Payment, as those terms are defined herein.

1.11 “Individual PAGA Payment(s)” 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, relative to the total number of pay periods for all Aggrieved Employees.

1.12 “Judgment” means the judgment entered by the Court based upon the Final Approval.

1.13 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subdivision (i), to receive payment of PAGA Penalties as that term is defined below.

1.14 “LWDA PAGA Payment” means 75% of the PAGA Penalties to be paid to the LWDA under Labor Code section 2699, subdivision (i).

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

1.16 “PAGA Counsel” means Zorik Mooradian and Haik Hacopian of Mooradian Law, APC, the attorneys representing the Plaintiff in the Action.

1.17 “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.

1.18 “PAGA Pay Period” means any pay period during which an Aggrieved Employee worked for Defendants at a Windsor location in California for at least one day during the PAGA Period.

1.19 “PAGA Period” means the period from June 20, 2021 to the earlier of the Effective Date or October 25, 2024.

1.20 “PAGA” means the Private Attorneys General Act (Lab. Code, § 2698. et seq.).

1.21 “PAGA Notice” means Plaintiff’s June 21, 2022 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subdivision (a).

1.22 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% of the Net Settlement Amount to the Aggrieved Employees (estimated to be at least \$ 36,833.33) and 75% of the Net Settlement Amount to the LWDA (estimated to be at least \$110,500) in settlement of all PAGA claims asserted in the Action.

1.23 “Plaintiff” means Dolores Chavez, the named plaintiff in the Action.

1.24 “Approval Order” means the proposed Court Order Granting Approval of PAGA Settlement.

1.25 “Released PAGA Claims” means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.

1.26 “Released Parties” means Windsor and/or GotWorx, and each of their former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

1.27 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.28 “Plaintiff Service Payment” means the amount allocated to Plaintiff for initiating the Action and providing services in support of the Action.

2. RECITALS

2.1 On June 21, 2022, Plaintiff commenced this Action by filing a class action Complaint alleging causes of action against Defendants for (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to provide meal periods, (4) failure to permit rest breaks, (5) failure to provide accurate itemized wage statements, (6) failure to reimburse employees for all business related expenses, (7) failure to pay all wages upon separation of employment, and (8) violation of *Business & Professions Code* section 17200. On November 16, 2022, Plaintiff filed a First Amended Complaint adding an additional cause of action against Defendants for violation of the Private Attorneys General Act (“PAGA”). On January 17, 2023, Plaintiff dismissed the class action claims and agreed to arbitration, leaving only his representative PAGA claims pending in the Los Angeles Superior Court (the “Operative Complaint”). On September 12, 2023, Plaintiff filed a demand to arbitrate his individual labor code claims, including his individual PAGA claim (the “Demand”). Plaintiff’s representative PAGA claim in the Operative Complaint was ordered stayed pending arbitration. Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint and deny any and all liability for the claims alleged therein.

2.2 Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice on June 21, 2022.

2.3 On June 27, 2024, the Parties, PAGA Counsel and Defense Counsel participated in a private all-day mediation presided over by Louis Marlin, which led to this Agreement to settle the Action.

2.4 Prior to mediation, the Parties conducted a thorough investigation into the facts of the Action. This included, among other things, informal discovery and the exchange of extensive information and key documents relating to the underlying alleged violations.

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

2.6 The Parties understand, acknowledge, and agree this Agreement constitutes a compromise of claims alleged by Plaintiff on behalf of the State of California and the LWDA, and it is the desire and intention of the Parties to affect a final and complete resolution of the representative PAGA claims Plaintiff has alleged against Defendants. The Parties further acknowledge that this Agreement is a compromise of disputed claims and that nothing in this Agreement shall be construed as an admission of liability by Defendants. Plaintiff has separately resolved his individual claims against Defendants through a separate confidential settlement agreement.

2.7 The Parties understand, acknowledge, and agree that each Defendant's contribution is severable and each Defendant is released in full upon its apportioned payment of the Gross Settlement Amount as stated in paragraph 3.1 regardless of whether the other Defendant does not fund its apportioned payment of the Gross Settlement Amount. Should one Defendant not make its apportioned payment of the Gross Settlement Amount, Plaintiff cannot seek additional contribution from the other Defendant.

2.8. The Parties further understand that Plaintiff may not use the failure of one Defendant to pay their portion of the settlement as grounds to set aside any judgment because, as stated in section 2.7, Defendants obligations are severable and subject to being separately released.

3. MONETARY TERMS

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendants promise to pay \$275,000 and no more as the Gross Settlement Amount, to be apportioned as follows: 50% of the Gross Settlement Amount (\$137,500.00) will be paid by Windsor and 50% of the Gross Settlement Amount (\$137,500.00) will be paid by GotWorx. Defendants have no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

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

3.2.1 To Plaintiff: A Plaintiff Service Payment to Plaintiff of not more than \$3,000.00. Defendants will not oppose a request for Court approval of this payment provided that it does not exceed this amount. Plaintiff and/or PAGA Counsel will file an application or motion for this Plaintiff Service Payment. If the Court approves a Plaintiff Service Payment less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the Plaintiff Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed, if any, on the Plaintiff Service Payment.

3.2.2 To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33% of the Gross Settlement Amount, which is currently estimated to be \$91,666.67, and PAGA Counsel Litigation Expenses Payment of not more than \$20,000.00. Defendants will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these payments.

3.2.3 To the Administrator: An Administration Expenses Payment not to exceed \$13,000.00 except on a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$13,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4 To the LWDA and Aggrieved Employees: PAGA Penalties in the minimum estimated amount of \$147,333.33 to be paid from the Net Settlement Amount, with 75% (minimum estimated amount of \$110,500) allocated to the LWDA PAGA Payment and 25% (minimum estimated amount of \$36,833.33) allocated to the Individual PAGA Payments.

3.2.4.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$36,833.33) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume

full responsibility and liability for any taxes owed on their Individual PAGA Payment(s).

3.2.4.2 The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

3.2.4.3 Within 7 days of the Court's entry of the Approval Order, Plaintiff will dismiss his Demand entitled Dolores Chavez v. GotWorx Staffing, Inc., Windsor Fashions, LLC, JAMS Case Reference No. 5220004136, pending with JAMS as against GotWorX in its entirety, with prejudice Within 7 days of Windsor's full compliance with its obligations under the Chavez and Windsor Individual Confidential Settlement Agreement and Release, Plaintiff will dismiss his Demand against Windsor in its entirety, with prejudice.

4. SETTLEMENT FUNDING AND PAYMENTS

4.1 Aggrieved Employee Pay Periods. Based on a review of the records to date, Defendants estimate there are 1,874 Aggrieved Employees who will have worked a total of 13,750 PAGA Pay Periods during the PAGA Period.

4.2 Aggrieved Employee Data. Within 15 days of the Effective Date, Defendant GotWorx will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. At all times prior to entry of the Approval Order by the Court, Defendants have a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3 Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 30 days after the Effective Date.

4.4 Payments from the Gross Settlement Amount. Within 14 days after Defendants fund the Gross Settlement Amount, the Administrator will distribute payments for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Litigation Expenses Payment, and the Plaintiff's Service Payment. Disbursement of the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

4.4.1 The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail,

postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database. The Individual PAGA Payments will be accompanied by a transmittal letter, in both English and Spanish, advising Aggrieved Employees about the case, this settlement, the applicable release, and calculation of their Individual PAGA Payments including their allocated pay periods. A true and correct copy of the transmittal letter is attached hereto as "Exhibit A".

4.4.2 The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without a USPS forwarding address. Within 7 days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose remailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, if requested by the Aggrieved Employee prior to the void date.

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

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

5. **RELEASES OF CLAIMS**

Effective on the date when each Defendant fully funds their apportioned part of the entire Gross Settlement Amount, Plaintiff, the Aggrieved Employees, and PAGA Counsel will release claims against that Defendant and each of the Released Parties associated with that Defendant as follows:

5.1 **Plaintiff's Release.** Plaintiff and his, her or their respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors and assigns generally, release and discharge the Released Parties from all claims, transactions or occurrences that occurred during the PAGA Period, including, but not limited to: all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, and/or

workers' compensation benefits that arose at any time or based on occurrences outside the PAGA Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.2 Release by Aggrieved Employees:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims under the California Labor Code for PAGA penalties that were alleged, or reasonably could have been alleged, based on the any facts or circumstances occurring during the PAGA Period that were alleged, or could have been alleged, in the Operative Complaint, and the PAGA Notice.

5.3 Release by PAGA Counsel:

PAGA Counsel release, on behalf of their present and former attorneys, employees, agents, successors and assigns, the Released Parties from all claims for PAGA Fees and PAGA Counsel Litigation Expenses incurred in connection with the Operative Complaint and/or the facts and circumstances occurring during the PAGA Period that were alleged, or could have been alleged, in the Operative Complaint and the PAGA Notice.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT

The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code section 2699, subdivision (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel attesting to its timely transmission to the LWDA of all necessary PAGA documents (including initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Lab. Code, §2699, subd. (l)(1)), this Agreement (Lab. Code, § 2699, subd. (l)(2)); (iv) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court, if applicable; and (v) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 45 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION

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

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

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

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

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE

Based on its records, Defendants estimate that, as of the date of this Settlement Agreement, there are approximately 1,874 Aggrieved Employees who will have worked 13,750 Pay Periods during the PAGA Period. If the total number of PAGA Pay Periods during the PAGA Period exceeds 10% of this representation (i.e, if the PAGA Pay Periods exceed 15,125 Pay Periods), the Gross Settlement Amount will increase pro rata based on the number in excess of 10% (the "Escalator Clause") or elect to shorten the PAGA release period to a date where the PAGA Pay Periods do not exceed 15,125.

9. CONTINUING JURISDICTION OF THE COURT

The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, the Action and the Settlement under California Code of Civil Procedure § 664.6 and as otherwise allowed by law solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters and (iii) addressing such post-Judgment matters as are permitted by law.

9.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties and their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, and the right to file motions to vacate judgment, motions for new trial, and extraordinary writs and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10. ADDITIONAL PROVISIONS

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

10.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement, together with its attached exhibits, shall constitute the entire agreement between the Parties relating to the PAGA Settlement, superseding any and all oral representations, warranties, covenants or inducements made to or by any Party. Plaintiff and Defendant Windsor have entered into a separate confidential settlement agreement related to the resolution of Plaintiff's individual, non-PAGA claims, which is conditioned on the Court's approval of this Settlement Agreement, but otherwise shall not be affected in any way by this Settlement Agreement. The settlement of Plaintiff's individual claims in the separate confidential settlement agreement is conditioned upon the occurrence of the Effective Date of this Agreement.

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

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

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

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

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

10.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

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

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

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

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

10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and for no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or California Rule of Court. Not later than 90 days after the

Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendants unless, prior to the Administrator's payment of all Settlement Funds, Defendants make a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.

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

10.14 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

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

To Plaintiff:
Zorik Mooradian
Haik Hacopian
Mooradian Law, APC
24007 Ventura Blvd., Suite 210
Calabasas, California 91302
Email: zorik@mooradianlaw.com

To Defendant GotWorx:
Arturo E. Matthews, Jr., Esq.
Matthews Law Firm, Inc.
2522 Chambers Road, Suite 100
Tustin, CA 92780
Email: aem@matthewsfirm.net

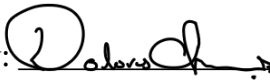
To Defendant Windsor:
Michael D. Thomas, Esq.
Jackson Lewis P.C.
200 Spectrum Center Dr. Suite 500
Irvine, California 92618
Email: michael.thomas@jacksonlewis.com

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

ACCEPTED AND AGREED:

PLAINTIFF DOLORES CHAVEZ

Dated: 07/31/, 2024

By: 

DEFENDANT GOTWORX STAFFING, INC.

Dated: _____, 2024

By: _____
[NAME]

Title: _____

DEFENDANT WINDSOR FASHIONS, LLC

Dated: _____, 2024

By: _____
[NAME]

Title: _____

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

ACCEPTED AND AGREED:

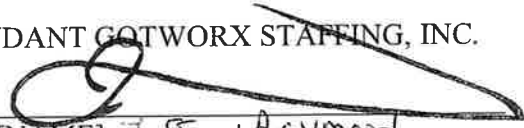
PLAINTIFF DOLORES CHAVEZ

Dated: _____, 2024

By: _____

DEFENDANT GOTWORX STAFFING, INC.

Dated: 8/2, 2024

By: 
[NAME] Jeffrey Raymond
Title: CEO

DEFENDANT WINDSOR FASHIONS, LLC

Dated: _____, 2024

By: _____
[NAME]

Title: _____

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

ACCEPTED AND AGREED:

PLAINTIFF DOLORES CHAVEZ

Dated: _____, 2024 By: _____

DEFENDANT GOTWORX STAFFING, INC.

Dated: _____, 2024 By: _____
[NAME]
Title: _____

DEFENDANT WINDSOR FASHIONS, LLC

Dated: July 31, 2024 By: Metta Schneider
[NAME]
Title: CHRO

EXHIBIT “3”

Notice of Settlement of PAGA

Representative Action

NOTICE OF SETTLEMENT OF PAGA REPRESENTATIVE ACTION

Chavez v. GotWorx Staffing, Inc. and Windsor Fashions LLC

Superior Court of the State of California, County of Los Angeles Case No. 22STCV20119

Eligible Employee

Address

Address

You are receiving this notice in connection with a Court-approved settlement (the “Settlement”) in the lawsuit entitled *Chavez v. GotWorx Staffing, Inc. (“GotWorx”) and Windsor Fashions LLC (“Windsor”)*, filed in the Superior Court of the State of California for the County of Los Angeles, Case No. 22STCV20119 (the “Action”), brought on a representative basis under the Private Attorneys’ General Act of 2004 codified at California Labor Code section 2698, *et seq.* (“PAGA”). The Plaintiff in the lawsuit is Dolores Chavez (“Plaintiff”) and the Defendants are GotWorx Staffing, Inc. and Windsor Fashions LLC (“Defendants”). The Settlement provides for recovery of civil penalties for alleged violations of the California Labor Code on behalf of all “Aggrieved Employees,” defined as any non-exempt, hourly, temporary GotWorx employee assigned to work at a Windsor Fashions, LLC location in California at any time from June 20, 2021 through the date the Court grants Approval of the Settlement (“PAGA Period”). The PAGA statute provides that 75% of any recovery pursuant to the Settlement be paid to the State of California and 25% of any recovery be paid to the Aggrieved Employees based upon the number of pay periods worked where there is an alleged California Labor Code violation during the PAGA Period.

Defendants deny that they are a joint employer and further deny all claims and allegations in the Action. Furthermore, Defendants deny they owe any penalties and assert that they have fully complied with all applicable Labor Code provisions. Nevertheless, to avoid further costs and time in defending the Action, Defendants have settled the Action. By settling the lawsuit, Defendants are not admitting that they are a joint employer or have done anything wrong.

Upon the date the Court entered an order approving the Settlement as set forth below and the Total Settlement Amount is fully funded, and except as to the rights and obligations created by this Settlement, Plaintiff and Aggrieved Employees, individually and on behalf of their heirs, executors, administrators, representatives, attorneys, successors and assigns, and the State of California with respect to the Aggrieved Employees, will be deemed to have knowingly and voluntarily released and forever discharged Defendants and the Released Parties to the full extent permitted by law, of and from the Action and from any and all claims, arising during the PAGA Period, for civil penalties under California Labor Code section 2698, *et seq.* as well as any interest, fees, and costs available under PAGA, that were, or reasonably could have been, alleged based on the facts contained in the Operative Complaint and the PAGA Notice filed in the Action, including but not limited to, claims based on alleged violations of Labor Code section 2699, and claims for (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to provide meal periods, (4) failure to permit provide rest breaks, (5) failure to pay wages, (6) failure to timely pay wages at termination/separation; (7) failure to provide accurate compliant itemized wage statements, (8) failure to reimburse employees for all business related expenses, (9) failure to pay all wages upon separation of employment, and (10) violations of the Unfair Business Practices Act Business & Professions Code section 17200. (“PAGA Released Claims”).

“Released Parties” refers to Defendants Windsor LLC and GotWorx, Staffing Inc. and each of their former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

By an Order dated Approval Date, the Superior Court of California approved the Settlement of the Released Claims. By approving the Settlement, the Court did not decide in favor of either Plaintiff or Defendants.

According to Defendant GotWorx' records, you are an Aggrieved Employee and are therefore entitled to a share of the Settlement based upon the Court-approved allocation. Enclosed with this Notice is your settlement check for your share. Your share is determined by the number of pay periods you worked during the PAGA Period relative to the total of pay periods worked by all Aggrieved Employees. Based on the total number of pay periods, the value of a pay period calculates to [VALUE], which multiplied by your [NUMBER] pay periods, equals your share.

The settlement check shall remain valid for one hundred eighty (180) days. Thereafter, the settlement check shall be canceled, and funds associated with your check shall be transmitted to the California Controller's Unclaimed Property Fund to be held in your name (sco.ca.gov).

Please Note: One hundred percent (100%) of the payment you are receiving in connection with the Settlement will be considered penalties reported on IRS Form 1099, and may be subject to local, state or federal tax withholdings and will be reported to the IRS and state tax authorities. You should rely on your own tax advisors as to the tax consequences of your settlement payment. Neither Plaintiff nor Defendants have made any representations or warranties regarding the taxation of your settlement payment. Nothing in this Notice or any other communication shall constitute or be construed or relied upon as tax advice.

PLEASE DO NOT CALL OR WRITE THE COURT OR OFFICE OF THE CLERK TO ASK QUESTIONS ABOUT THE SETTLEMENT. IF YOU HAVE ANY QUESTIONS, YOU MAY CALL OR WRITE TO THE SETTLEMENT ADMINISTRATOR AT:

ADMINISTRATOR NAME

WEBSITE

Phone:

EXHIBIT “4”
Laffey Matrix

LAFFEY MATRIX

History

Case Law

See the Matrix

Contact us

Home

			Years Out of Law School *				
Year	Adjustmt Factor**	Paralegal/ Law Clerk	1-3	4-7	8-10	11-19	20 +
6/01/23- 5/31/24	1.059295	\$239	\$437	\$538	\$777	\$878	\$1057
6/01/22- 5/31/23	1.085091	\$225	\$413	\$508	\$733	\$829	\$997
6/01/21- 5/31/22	1.006053	\$208	\$381	\$468	\$676	\$764	\$919
6/01/20- 5/31/21	1.015894	\$206	\$378	\$465	\$672	\$759	\$914
6/01/19- 5/31/20	1.0049	\$203	\$372	\$458	\$661	\$747	\$899
6/01/18- 5/31/19	1.0350	\$202	\$371	\$455	\$658	\$742	\$894
6/01/17- 5/31/18	1.0463	\$196	\$359	\$440	\$636	\$717	\$864
6/01/16- 5/31/17	1.0369	\$187	\$343	\$421	\$608	\$685	\$826
6/01/15- 5/31/16	1.0089	\$180	\$331	\$406	\$586	\$661	\$796
6/01/14- 5/31/15	1.0235	\$179	\$328	\$402	\$581	\$655	\$789
6/01/13- 5/31/14	1.0244	\$175	\$320	\$393	\$567	\$640	\$771
6/01/12- 5/31/13	1.0258	\$170	\$312	\$383	\$554	\$625	\$753
6/01/11- 5/31/12	1.0352	\$166	\$305	\$374	\$540	\$609	\$734
6/01/10- 5/31/11	1.0337	\$161	\$294	\$361	\$522	\$589	\$709
6/01/09- 5/31/10	1.0220	\$155	\$285	\$349	\$505	\$569	\$686
6/01/08- 5/31/09	1.0399	\$152	\$279	\$342	\$494	\$557	\$671
6/01/07-5/31/08	1.0516	\$146	\$268	\$329	\$475	\$536	\$645
6/01/06-5/31/07	1.0256	\$139	\$255	\$313	\$452	\$509	\$614
6/1/05-5/31/06	1.0427	\$136	\$249	\$305	\$441	\$497	\$598
6/1/04-5/31/05	1.0455	\$130	\$239	\$293	\$423	\$476	\$574
6/1/03-6/1/04	1.0507	\$124	\$228	\$280	\$405	\$456	\$549
6/1/02-5/31/03	1.0727	\$118	\$217	\$267	\$385	\$434	\$522
6/1/01-5/31/02	1.0407	\$110	\$203	\$249	\$359	\$404	\$487
6/1/00-5/31/01	1.0529	\$106	\$195	\$239	\$345	\$388	\$468
6/1/99-5/31/00	1.0491	\$101	\$185	\$227	\$328	\$369	\$444
6/1/98-5/31/99	1.0439	\$96	\$176	\$216	\$312	\$352	\$424
6/1/97-5/31/98	1.0419	\$92	\$169	\$207	\$299	\$337	\$406
6/1/96-5/31/97	1.0396	\$88	\$162	\$198	\$287	\$323	\$389
6/1/95-5/31/96	1.032	\$85	\$155	\$191	\$276	\$311	\$375

6/1/94-5/31/95	1.0237	\$82	\$151	\$185	\$267	\$301	\$363
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The methodology of calculation and benchmarking for this Updated Laffey Matrix has been approved in a number of cases. See, e.g., *DL v. District of Columbia*, 267 F.Supp.3d 55, 69 (D.D.C. 2017)

* $\frac{1}{2}$ Years Out of Law School $\frac{1}{2}$ is calculated from June 1 of each year, when most law students graduate. $\frac{1}{2}$ 1-3" includes an attorney in his 1st, 2nd and 3rd years of practice, measured from date of graduation (June 1). $\frac{1}{2}$ 4-7" applies to attorneys in their 4th, 5th, 6th and 7th years of practice. An attorney who graduated in May 1996 would be in tier $\frac{1}{2}$ 1-3" from June 1, 1996 until May 31, 1999, would move into tier $\frac{1}{2}$ 4-7" on June 1, 1999, and tier $\frac{1}{2}$ 8-10" on June 1, 2003.

** The Adjustment Factor refers to the nation-wide Legal Services Component of the Consumer Price Index produced by the Bureau of Labor Statistics of the United States Department of Labor.

EXHIBIT “5”
Administration Quote

CASE NAME: CHAVEZ v GOTWORX

Requesting Attorney: Haik Hacopian
Plaintiff or Defense: Plaintiff
Firm Name: Mooradian Law
Telephone: (818) 487-1998
Email: haik.hacopian@gmail.com

Date: July 16, 2024
Prepared By: Tim Phillips
 50 Corporate Park, Irvine CA92606
 Tim@CPTGroup.com
Direct Number: (818) 415-2703
Main Number: (800) 542-0900

PROJECT ASSUMPTIONS & ADMINISTRATIVE COSTS

Number of Aggrieved Employees: 1,874
Language Translation Services: Yes
Settlement Website: No
Payment Option: Check
Undeliverable Check Rate: 6%

Check Reminder Postcard: No
Unclaimed Funds: SCO
Postage Total: \$1,423.87
Grand Total: \$18,893.98

CPT'S DISCOUNTED FEE: \$13,000.00

The services and numbers reflected herein are estimates based on the information provided by counsel at the time of this Bid. If the actual services and numbers are different, our cost estimate will change accordingly. Client expressly acknowledges and agrees that estimated fees and costs may fluctuate and agrees to pay for any such increases to such estimates as if set forth herein.

The attached Terms and Conditions are included as part of and incorporated by reference to our cost proposal. By accepting our cost proposal for this matter, you are thereby agreeing to the Terms and Conditions.

CASE SETUP

After receiving the data, CPT will scrub all records to eliminate duplicates and anomalies; this process is designed to achieve a higher success percentage in delivering the distribution proceeds. Each aggrieved employee will receive a unique mailing ID that will be utilized for all administrative purposes. CPT will perform an address update via NCOA and, if necessary, conduct an additional skip trace in order to ensure that mail is delivered to the most current address possible. If necessary, CPT will translate the court approved Notice documents into Spanish.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Manager: Case Intake & Review	\$95.00	7	\$665.00
Project Manager: Format Documents	\$95.00	1	\$95.00
Programming: Data Base Setup	\$150.00	7	\$1,050.00
National Change of Address Search (NCOA)	\$135.00	1	\$135.00
XML Lex ID Skip Trace	\$0.85	187	\$158.95
Spanish Translation	\$250.00	1	\$250.00
Sub Total:			\$2,353.95

AGGRIEVED EMPLOYEE SUPPORT

CPT will establish a toll-free telephone number equipped with interactive voice response (IVR) capabilities and live customer support representatives. Live support will be available during regular business hours, Monday to Friday, 9:00 AM to 5:30 PM Pacific Time (PT). The dedicated case phone number shall be operational for a maximum of 120 days following the disbursement.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Toll-Free Number Establish/Setup	\$150.00	2	\$300.00
Live Call Center Support Reps.	\$3.00	375	\$1,125.00
Sub Total:			\$1,425.00

SSN VERIFICATION

Authenticate Social Security Number for validity using IRS verification processes and/or IRS backup withholdings processes.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: SSN Selection	\$150.00	1	\$150.00
Department Manager: Analysis & Reporting	\$95.00	3	\$285.00
IRS SSN Verification	\$0.10	1,874	\$187.40
Sub Total:			\$622.40

DISTRIBUTION SERVICES

CPT will establish a 26 CFR § 1.468B-1 compliant Qualified Settlement Fund (QSF). Upon approval, CPT will perform the required payment calculations, and once approved by the parties, CPT will print a one-page notice and issue a (MICR) check to all eligible employees. CPT will also issue an IRS Form 1099 when applicable. CPT utilizes the bank's Payee Positive Pay to prevent check fraud and performs monthly account reconciliations for the QSF bank account. Undeliverable checks are skip-traced to obtain a current address and are remailed accordingly. Requests for check reissues will be processed throughout the check cashing period. CPT's administration of the QSF will continue for a maximum duration of one year following the initial distribution of funds.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: Calculation Totals	\$150.00	3	\$450.00
Project Supervisor: Review of Distribution	\$150.00	6	\$900.00
Project Manager: Correspondence w/Parties	\$95.00	3	\$285.00
Programming: Setup & Printing of Checks	\$150.00	4	\$600.00
Obtain EIN, Setup QSF/Bank Account	\$150.00	3	\$450.00
Print & Mail Notice, Checks & 1099	\$2.50	1,874	\$4,685.00
First-Class Postage (up to 1 oz.)*	\$0.69	1,874	\$1,293.06
Project Supervisor: Account Reconciliation	\$150.00	6	\$900.00
Update Undeliverable Checks Database	\$0.50	112	\$56.22
Clerical Staff	\$60.00	1	\$60.00
Skip Trace for Best Address	\$1.00	112	\$112.44
Remail Undeliverable Checks	\$3.00	102	\$306.00
First-Class Postage (up to 1 oz.)	\$0.69	102	\$70.38
Re-Issue Checks as Required	\$5.00	75	\$375.00
First-Class Postage (up to 1 oz.)	\$0.69	75	\$51.75
Sub Total:			\$10,594.85

*Postage costs are subject to change at anytime. The final rate will be determined at the time of mailing.

TAX REPORTING & SETTLEMENT CONCLUSION

CPT prepares annual tax reporting on behalf of the QSF and Federal and State taxes in accordance with current state and federal regulations. All parties will be furnished with weekly and final reports. A declaration attesting to due process will be provided to all parties.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Supervisor: Reconcile Uncashed Chk	\$150.00	1	\$150.00
Programming: Weekly & Final Reports	\$150.00	2	\$300.00
Project Supervisor: Final Declaration	\$150.00	2	\$300.00
Project Manager: Account Files Sent to Atty	\$95.00	2	\$190.00
CA Tax Preparation*	\$600.00	1	\$600.00
Annual Tax Reporting to IRS*	\$1,000.00	1	\$1,000.00
QSF Annual Tax Reporting	\$500.00	1	\$500.00
Sub Total:			\$3,040.00

*CPT will file Federal and California taxes in accordance with current state and federal regulations. Additional charges will apply if the Settlement/Order/parties require(s) multiple state tax filings.

SCO ESCHEATMENT PROCESSING

Escheatment Processing to the State Controller Unclaimed Property Division / Uncashed Check Rate 21%			
ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
UP Enterprise Reporting Services	\$0.15	394	\$59.10
Project Manager: Reporting & Remittance	\$95.00	2	\$190.00
Project Supervisor: Review of Report	\$150.00	1	\$150.00
Certified Mail Report to SCO	\$8.68	1	\$8.68
Add'l Account Recons	\$150.00	3	\$450.00
Sub Total:			\$857.78

Total Administration Costs: \$18,893.98

Courtesy Discount: -\$5,893.98

CPT'S DISCOUNTED FLAT FEE: \$13,000.00

TERMS AND CONDITIONS

These Terms and Conditions (“**Terms and Conditions**”) are made a part of, and incorporated by reference into, any Bid presented by CPT Group, Inc. (“**CPT**”) to Client. Each of Client and CPT is a “**Party**” to this Agreement, and collectively, the “**Parties**”.

1. Definitions.

- a) “**Affiliate**” means a party that partially (at least 50%) or fully controls, is partially or fully controlled by, or is under partial (at least 50%) or full common control with another party.
 - b) “**Agreement**” means these Terms and Conditions and the Bid.
 - c) “**Applicable Laws**” means all applicable local, state and federal laws, ordinances, rules and regulations.
 - d) “**Approved Bank**” means any financial institution that is insured by the Federal Deposit Insurance Corporation.
 - e) “**Bid**” means a proposal, statement of work, order form, and/or schedule for Services (including any and all addendums, exhibits, or amendments thereto) provided by CPT to Client.
 - f) “**Case**” means the case referred to in the attached Bid and/or the particular judicial matter identified by the name of plaintiff(s) and defendant(s) on the caption of the applicable Court Order.
 - g) “**Class**” means Members and putative Members collectively.
 - h) “**Client**” means the party or parties engaging CPT for Services as set forth in the Bid, namely Plaintiff Counsel and/or Defense Counsel.
 - i) “**Confidential Information**” means any non-public information of CPT or Client disclosed by either Party to the other Party, either directly or indirectly, in writing, orally or by inspection of tangible objects, or to which the other Party may have access, which a reasonable person would consider confidential and/or which is marked “confidential” or “proprietary” or some similar designation by the disclosing Party. Confidential Information shall also include the terms of this Agreement, except where this Agreement specifically provides for disclosure of certain items. Confidential Information shall not, however, include the existence of the Agreement or any information which the recipient can establish: (i) was or has become generally known or available or is part of the public domain without direct or indirect fault, action, or omission of the recipient; (ii) was known by the recipient prior to the time of disclosure, according to the recipient’s prior written documentation; (iii) was received by the recipient from a source other than the discloser, rightfully having possession of and the right to disclose such information; or (iv) was independently developed by the recipient, where such independent development has been documented by the recipient.
 - j) “**Court Order**” means a legal command or direction issued by a court, judicial office, or applicable administrative body requiring one or more Parties To The Case to carry out a legal obligation pursuant to the Case.
 - k) “**Defendant**” means the named Party and/or Parties in the Case against whom action is brought.
 - l) “**Defense Counsel**” means the attorney(s) of record for the Defendant(s) in the Case.
 - m) “**Intellectual Property Right**” means any patent, copyright, trade or service mark, trade dress, trade name, database right, goodwill, logo, trade secret right, or any other intellectual property right or proprietary information right, in each case whether registered or unregistered, and whether arising in any jurisdiction, including without limitation all rights of registrations, applications, and renewals thereof and causes of action for infringement or misappropriation related to any of the foregoing.
 - n) “**Member**” means an individual who is eligible under the Case or Class to receive a communication about their pending legal rights under the matter and/or designated amount of the Settlement, including the named Plaintiff(s) in the Case and all other putative persons or other parties in the representative action so designated or addressed therein.
 - o) “**Member Content**” means all Member written document communications relating to the Case, including claim forms, opt-out forms, and/or objections, which may contain Member Data.
 - p) “**Member Data**” means proprietary or personal data regarding Members under this Agreement.
 - q) “**Parties To The Case**” shall mean collectively Defendant(s) and Plaintiff(s) as defined in the Settlement Agreement or Court Order.
 - r) “**Plaintiff**” means the named party and/or parties in the Case who are bringing the action.
 - s) “**Plaintiff Counsel**” means the attorney(s) of record for Plaintiff(s) in the Case, and/or upon certification by the Court the attorney(s) of record designated to represent the Class.
 - t) “**Products**” means any and all CPT Services and work product resulting from Services.
 - u) “**Qualified Settlement Fund**” or “**QSF**” means a bank account established pursuant to U.S. Department of Treasury Regulations §1468B-1.
 - v) “**Service**” means any service rendered by CPT specifically to Client, including, but not limited to: (i) notifications to Members; (ii) setting up a QSF with an Approved Bank; (iii) management of disbursement of funds from the QSF to applicable parties pursuant to the Settlement Agreement; (iv) provision of customer support relating to the Case; (v) management of Case claim forms and correspondence; and/or (vi) any administrative or consulting service.
 - w) “**Settlement Agreement**” means the contract between Parties To The Case to resolve the same, which specifies amounts to be disbursed from the Qualified Settlement Fund to attorneys, CPT, and individual Members.
 - x) “**Settlement Amount**” means the total dollar amount agreed to between Parties To The Case to resolve the Case to mutual satisfaction.
 - y) “**Software**” means any and all of CPT’s software applications, including, without limitation, all updates, revisions, bug-fixes, upgrades, and enhancements thereto.
 - z) “**Transmission Methods**” means the secure authorized manner to send Member Data and/or Wire Information as specified on a schedule or exhibit hereto.
 - aa) “**Term**” means the period commencing on the date set forth on the Bid and continuing until the date of final judgment (if a settlement) or upon completion of all Services as set forth in the Bid.
 - bb) “**Wire Information**” means instructions for (i) Defense Counsel to transfer funds from Defendant to the Qualified Settlement Fund or (ii) CPT to transfer funds from the Qualified Settlement Fund to applicable parties pursuant to the Settlement Agreement.
2. Client Obligations. Client will ensure that it has obtained all necessary consents and approvals for CPT to access and use Member Data for the purposes permitted under this Agreement and shall only transmit Member Data and/or Wire Information to CPT via the Transmission Methods. Client shall use and maintain appropriate administrative, technical, and physical safeguards designed to protect Member Data provided under this Agreement. Client further warrants that any Member Data, Wire Information, or other content, data, materials or information it transmits shall be free of viruses, worms, Trojan horses, or other harmful or disabling codes which could adversely affect Member Data and/or CPT. If Client is in breach of this section, CPT may suspend Services, in addition to any other rights and remedies CPT may have at law or in equity.
3. CPT Obligations. CPT will (i) maintain appropriate safeguards designed to protect Member Data, including regular back-ups, security and incident response protocols, and (ii) not access or disclose Member Data except (A) as compelled by law, (B) to prevent or address service or technical issues, (C) in accordance with this Agreement or the provisions of the Settlement Agreement, or (D) if otherwise permitted by Parties To The Case, Members, Plaintiff Counsel or Defense Counsel as applicable.
4. Security. Client and CPT shall each use reasonable administrative, technical, and physical safeguards that are reasonably designed to: (a) protect the security and confidentiality of any Member Data in its possession or control under this Agreement; (b) protect against any anticipated threats or hazards to the security or integrity of such Member Data; (c) protect against unauthorized access to or use of such Member Data that could result in substantial harm or inconvenience to any individual; and (d) protect against unauthorized access to or use of such Member Data in connection with its disposal.
- a) Incident Notification. In the event a Party discovers that Member Data relating to the Case is the subject of (i) any unauthorized acquisition, loss, access or use and/or (ii) an actual or suspected breach concerning such Party’s systems (items (i) and/or (ii) a “**Security Incident**”), or a Party has a reasonable belief that a Security Incident has occurred or is at risk of occurring, such Party will promptly but no later than forty-eight (48) hours of its discovery of such circumstances, inform the other Parties in the event of such Security Incident, and shall utilize best efforts to assist the other Parties to mitigate the effects of such Security Incident.
 - b) Response Procedures. In the event of a Security Incident, the breached party shall (i) cooperate with any reasonable investigation concerning the Security Incident by the other Parties, regulators and/or law enforcement; and (ii) cooperate with the other Parties to comply with Applicable Laws concerning such Security Incident, including any notification to affected individuals. The Parties acknowledge that the breached party in any Security Incident shall be the Party responsible for

any and all remedies and costs under Applicable Laws concerning such Security Incident, unless such breach occurred due to another Party's actions hereunder, in which instance such party shall be comparatively responsible for all remedies and costs. In no event will any Party serve notice or otherwise publicize a Security Incident without the prior written consent of the other Parties. The Parties shall reasonably cooperate and coordinate with each other to respond to the Security Incident, including with regard to the content of notification to affected individuals.

6. **Qualified Settlement Fund Account.** When the Case has a Settlement Amount CPT shall be authorized to establish one or more QSF bank accounts at an Approved Bank if and as applicable to the Services as set forth in the Bid. The amounts held at the Approved Bank under this Agreement are at the sole risk of Defendant. Without limiting the generality of the foregoing, CPT shall have no responsibility or liability for any diminution of the funds that may result from the deposit thereof at the Approved Bank, including deposit losses, credit losses, or other claims made against the Approved Bank. It is acknowledged and agreed that CPT has acted reasonably and prudently in depositing funds at an Approved Bank, and CPT is not required to conduct diligence or make any further inquiries regarding such Approved Bank.
7. **Fees and Payment.** Pricing for Services is as stated on the Bid, and Client agrees to pay CPT in the amounts set forth on the Bid. Client will be invoiced per the schedule set forth in the Bid, and payment of fees will be due within 30 days after the date of the invoice, except where the Bid or terms of the Settlement Agreement or Court Order expressly prescribes other payment dates. All fees set forth in a Bid are in U.S. dollars, must be paid in U.S. dollars, and are exclusive of taxes and applicable transaction processing fees. Late payments hereunder will incur a late charge of 1.5% per month (or the highest rate allowable by law, whichever is lower) on the outstanding balance from the date due until the date of actual payment, which such late charge(s) may be charged against the QSF account if incurred in connection with Services provided pursuant to administration of a settlement. In addition, Services are subject to suspension for failure to timely remit payment therefor. If travel is required to effect Services, Client shall reimburse CPT for pre-approved, reasonable expenses arising from and/or relating to such travel, including, but not limited to, airfare, lodging, meals, and ground transportation. . In connection with CPT's administration of a QSF, unless otherwise stated in the Settlement Agreement or Court Order concerning disbursement of unclaimed funds in the QSF account, CPT reserves the right, after one (1) year of issuance of disbursements to Members, to classify any remaining balance in such QSF account as additional administrative fees payable to CPT until such time as the QSF account balance becomes zero (\$0.00), and thereafter close such account.
8. **Term and Termination.**
 - a) **Term.** The Term is set forth in the Bid. The Agreement may be renewed by mutual written agreement of the parties.
 - b) **Termination for Cause.** Either Party may immediately terminate this Agreement if the other Party materially breaches its obligations hereunder, and, where capable of remedy, such breach has not been materially cured within forty-five (45) days of the breaching Party's receipt of written notice describing the breach in reasonable detail.
 - c) **Bankruptcy Events.** A Party may immediately terminate this Agreement if the other Party: (i) has a receiver appointed over it or over any part of its undertakings or assets; (ii) passes a resolution for winding up (other than for a bona fide scheme of solvent amalgamation or reconstruction), or a court of competent jurisdiction makes an order to that effect and such order is not discharged or stayed within ninety (90) days; or (iii) makes a general assignment for the benefit of its creditors.
 - d) **Effect of Termination.** Immediately following termination of this Agreement, upon written request, Member Data may be retrieved via the secure FTP site in the same format in which the Member Data was originally inputted into the Software, at no additional charge. Alternatively, Member Data can be returned in a mutually agreed format at a scope and price to be agreed upon. CPT will maintain a copy of Member Data and Member Content for no more than four (4) years following the date of the final check cashing deadline for Members under the Settlement Agreement, after which time any Member Data and Member Content not retrieved will be destroyed.
 - e) **Final Payment.** If Client terminates this Agreement due to Section "Termination", Client shall pay CPT all fees owed through the termination date. If CPT terminates the Agreement in accordance with Section "Termination," Client shall pay CPT all fees invoiced through the termination date, plus all fees remaining to be invoiced during the Term, less any costs CPT would have incurred had the Agreement not been terminated.
9. **Confidentiality.** Each Party agrees: (i) not to disclose any Confidential Information to any third parties except as mandated by law and except to those subcontractors of CPT providing Products hereunder who agree to be bound by confidentiality obligations no less stringent than those set forth in this Agreement; (ii) not to use any Confidential Information for any purposes except carrying out such Party's rights and responsibilities under this Agreement; and (iii)

to keep the Confidential Information confidential using the same degree of care such Party uses to protect its own confidential information; provided, however, that such Party shall use at least reasonable care. These obligations shall survive termination of this Agreement.

- a) **Compelled Disclosure.** If receiving Party is compelled to disclose any Confidential Information by judicial or administrative process or by other requirements of law, such Party shall (i) promptly notify the other Party, (ii) reasonably cooperate with the other Party in such Party's efforts to prevent or limit such compelled disclosure and/or obtain confidential treatment of the items requested to be disclosed, and (iii) shall disclose only that portion of such information which each Party is advised by its counsel in writing is legally required to be disclosed.
 - b) **Remedies.** If either Party breaches any of its obligations with respect to confidentiality or the unauthorized use of Confidential Information hereunder, the other Party shall be entitled to seek equitable relief to protect its interest therein, including but not limited to, injunctive relief, as well as money damages.
10. **Intellectual Property.** CPT retains all right, title and interest (including, without limitation, all Intellectual Property Rights) in and to the Products. CPT does not claim any ownership rights to Member Data.
 11. **Indemnification.** Client agrees to indemnify, defend, and hold harmless CPT, its Affiliates, and the respective officer, directors, consultants, employees, and agents of each (collectively, "**Covered CPT Parties**") from and against any and all third party claims and causes of action, as well as related losses, liabilities, judgments, awards, settlements, damages, expenses and costs (including reasonable attorney's fees and related court costs and expenses) (collectively, "**Damages**") incurred or suffered by CPT which directly relate to or directly arise out of (i) Client's breach of this Agreement; (ii) CPT's performance of Services hereunder; (iii) the processing and/or handling of any payment by CPT; (iv) any content, instructions, information or Member Data provided by Client to CPT in connection with the Services provided by CPT hereunder. The foregoing provisions of this section shall not apply to the extent the Damages relate to or arise out of CPT's willful misconduct. To obtain indemnification, indemnitee shall: (i) give written notice of any claim promptly to indemnitor; (ii) give indemnitor, at indemnitor's option, sole control of the defense and settlement of such claim, provided that indemnitor may not, without the prior consent of indemnitee (not to be unreasonably withheld), settle any claim unless it unconditionally releases indemnitee of all liability; (iii) provide to indemnitor all available information and assistance; and (iv) not take any action that might compromise or settle such claim.
 12. **Warranties.** Each Party represents and warrants to the other Party that, as of the date hereof: (i) it has full power and authority to execute and deliver the Agreement; (ii) the Agreement has been duly authorized and executed by an appropriate employee of such Party; (iii) the Agreement is a legally valid and binding obligation of such Party; and (iv) its execution, delivery and/or performance of the Agreement does not conflict with any agreement, understanding or document to which it is a party. CPT WARRANTS THAT ANY AND ALL SERVICES PROVIDED BY IT HEREUNDER SHALL BE PERFORMED IN A PROFESSIONAL MANNER CONSISTENT WITH PREVAILING INDUSTRY STANDARDS. TO THE EXTENT PERMITTED BY APPLICABLE LAW, CPT DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE
 13. **Liability.**
 - a) **Liability Cap.** EXCEPT FOR A PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, EACH PARTY'S MAXIMUM AGGREGATE LIABILITY ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, WILL BE LIMITED TO THE TOTAL FEES PAID OR PAYABLE BY CLIENT AND/OR THE PARTIES TO THE CASE TO CPT HEREUNDER. THE EXISTENCE OF MORE THAN ONE CLAIM SHALL NOT EXPAND SUCH LIMIT. THE PARTIES ACKNOWLEDGE THAT THE FEES AGREED UPON BETWEEN CLIENT AND CPT ARE BASED IN PART ON THESE LIMITATIONS, AND THAT THESE LIMITATIONS WILL APPLY NOTWITHSTANDING ANY FAILURE OF ANY ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. THE FOREGOING LIMITATION SHALL NOT APPLY TO A PARTY'S PAYMENT OBLIGATIONS UNDER THE AGREEMENT.
 - b) **Exclusion of Consequential Damages.** NEITHER PARTY WILL BE LIABLE FOR LOST PROFITS, LOST REVENUE, LOST BUSINESS OPPORTUNITIES, LOSS OF DATA, INTERRUPTION OF BUSINESS, OR ANY OTHER INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
 14. **Communications.** CPT may list Client's name and logo alongside CPT's other clients on the CPT website and in marketing materials, unless and until Client revokes such permission. CPT may also list the Case name and/or number, and

certain Qualified Settlement Fund information, on the CPT website and in marketing materials, unless stated otherwise in the Settlement Agreement.

15. Miscellaneous Provisions.

- a) Governing Law; Jurisdiction. This Agreement will be governed by and construed in accordance with the laws of the State of California and the federal laws of the United States of America, without regard to conflict of law principles. CPT and Client agree that any suit, action or proceeding arising out of, or with respect to, this Agreement or any judgment entered by any court in respect thereof shall be brought exclusively in the state or federal courts of the State of California located in the County of Orange, and each of CPT and Client hereby irrevocably accepts the exclusive personal jurisdiction and venue of those courts for the purpose of any suit, action or proceeding.
- b) Force Majeure. Neither Party will be liable for any failure or delay in its performance under this Agreement due to any cause beyond its reasonable control, including without limitation acts of war, acts of God, earthquake, flood, weather conditions, embargo, riot, epidemic, acts of terrorism, acts or omissions of vendors or suppliers, equipment failures, sabotage, labor shortage or dispute, governmental act, failure of the Internet or other acts beyond such Party's reasonable control, provided that the delayed Party: (i) gives the other Party prompt notice of such cause; and (ii) uses reasonable commercial efforts to correct promptly such failure or delay in performance.
- c) Counterparts. This Agreement may be executed in any number of counterparts and electronically, each of which shall be an original but all of which together shall constitute one and the same instrument.
- d) Entire Agreement. This Agreement contains the entire understanding of the parties in respect of its subject matter and supersedes all prior agreements and understandings (oral or written) between the Parties with respect to such subject matter. The schedules and exhibits hereto constitute a part hereof as though set forth in full herein.
- e) Modifications. Any modification, amendment, or addendum to this Agreement must be in writing and signed by the Parties.
- f) Assignment. Neither Party may assign this Agreement or any of its rights, obligations, or benefits hereunder, by operation of law or otherwise, without the other Party's prior written consent; provided, however, either Party, without the consent of the other Party, may assign this Agreement to an Affiliate or to a successor (whether direct or indirect, by operation of law, and/or by way of purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of such Party, where the responsibilities or obligations of the other Party are not increased by such assignment and the rights and remedies available to the other Party are not adversely affected by such assignment. Subject to that restriction, this Agreement will be binding on, inure to the benefit of, and be enforceable against the parties and their respective successors and permitted assigns.
- g) No Third-Party Beneficiaries. The representations, warranties, and other terms contained herein are for the sole benefit of the Parties hereto and their respective successors and permitted assigns and shall not be construed as conferring any rights on any other persons.
- h) Statistical Data. Without limiting the confidentiality rights and Intellectual Property Rights protections set forth in this Agreement, CPT has the perpetual right to use aggregated, anonymized, and statistical data ("**Statistical Data**") derived from the operation of the Software. and nothing herein shall be construed as prohibiting CPT from utilizing the Statistical Data for business and/or operating purposes, provided that CPT does not share with any third-party Statistical Data which reveals the identity of Client, Client's Class Members, or Client's Confidential Information.
- i) Export Controls. Client understands that the use of CPT's Products is subject to U.S. export controls and trade and economic sanctions laws and agrees to comply with all such Applicable Laws, including the Export Administration Regulations maintained by the U.S. Department of Commerce and the trade and economic sanctions maintained by the Treasury Department's Office of Foreign Assets Control.
- j) Severability. If any provision of this Agreement is held by a court or arbitrator of competent jurisdiction to be contrary to law, such provision shall be changed by the court or by the arbitrator and interpreted so as to best accomplish the objectives of the original provision to the fullest extent allowed by law, and the remaining provisions of this Agreement shall remain in full force and effect.
- k) Notices. Any notice or communication required or permitted to be given hereunder may be delivered by hand, deposited with an overnight courier, sent by electronic delivery, or mailed by registered or certified mail, return receipt requested and postage prepaid to the address for the other Party as set forth on the Bid or at such other address as may hereafter be furnished in writing by either Party hereto to the other Party. Such notice will be deemed to have been given as of the date it is delivered, if by personal delivery; the next business day, if deposited with an overnight courier; upon receipt of confirmation of electronic delivery (if followed up by such registered or certified mail); and five days after being so mailed.
- l) Independent Contractors. Client and CPT are independent contractors, and nothing in this Agreement shall create any partnership, joint venture, agency, franchise, sales representative or employment relationship between Client and CPT. Each Party understands that it does not have authority to make or accept any offers or make any representations on behalf of the other. Neither Party may make any statement that would contradict anything in this section.
- m) Subcontractors. CPT may use subcontractors to perform Client-specific Services; provided however, that CPT shall be responsible for its subcontractors' performance of Services under this Agreement.
- n) Headings. The headings of the sections of this Agreement are for convenience only, do not form a part hereof, and in no way limit, define, describe, modify, interpret, or construe its meaning, scope or intent.
- o) Waiver. No failure or delay on the part of either Party in exercising any right, power or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise or the exercise of any other right, power, or remedy.
- p) Acceptance. If, when requested in writing by Client, CPT then provides any Service to Client, whether or not such Services were specified in the original Bid, these Terms and Conditions shall apply to the provision of such Services and be deemed accepted and approved by Client concerning such Services.
- q) Survival. Sections of the Agreement intended by their nature and content to survive termination of the Agreement shall so survive.