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Attorneys for Defendants RAVEN INDUSTRIES, INC. and
VIAFLEX, INC. formerly known as RAVEN ENGINEERED FILMS, INC.

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

RENE RAYGOZA, on behalf of himself and
others similarly situated,

Plaintiff,

vs.

RAVEN INDUSTRIES, INC.; RAVEN
ENGINEERED FILMS, INC.; and DOES 1 to
100, inclusive,

Defendants.

Case No.: CIVSB2211390

[Assigned for all purposes to the Honorable
Joseph Ortiz, Department S-17]

**JOINT STIPULATION OF
SETTLEMENT AND RELEASE**

1 This Joint Stipulation of Settlement and Release (the “Joint Stipulation of Settlement”) is
2 made and entered into by and among: (a) Plaintiff RENE RAYGOZA (“Plaintiff”), on behalf of
3 himself and each member of the “Settlement Class” (as defined below); and (b) Defendants RAVEN
4 INDUSTRIES, INC. and VIAFLEX, INC., formerly known as RAVEN ENGINEERED FILMS,
5 INC. erroneously named as RAVEN ENGINEERED FILMS, INC. (“Defendants”).

6 The parties to this Joint Stipulation of Settlement (“Parties”) agree that the above-captioned
7 action and the PAGA Action (as defined below) shall be, and hereby are, ended, settled, resolved,
8 and concluded by agreement of Defendants to pay the settlement amount of Five Hundred Eighty
9 Five Thousand Dollars (\$585,000.00) as provided in Article IV below (defined below as the “Gross
10 Settlement Amount”) pursuant to the terms and conditions of this Joint Stipulation of Settlement
11 and for the consideration set forth herein, including but not limited to, a release of all claims as set
12 forth in this Joint Stipulation of Settlement.

13 It is stipulated and agreed by and among the undersigned Parties, subject to the approval of
14 the Court pursuant to the California Rules of Court, that the Settlement of the Actions described in
15 this Joint Stipulation of Settlement shall be effectuated upon and subject to the following terms and
16 conditions and that capitalized terms used herein shall have the meanings set forth in Article II or
17 as defined elsewhere in this Joint Stipulation of Settlement.

18 Therefore, in consideration of the mutual promises and obligations contained in this Joint
19 Stipulation of Settlement, and intending to be legally bound, the Parties agree as follows:

20 **I. RECITALS**

21 On June 6, 2022, Plaintiff filed a class action complaint against Defendants for alleged
22 violations of the California Labor Code in the San Bernardino County Superior Court Case No.
23 CIVSB2211390 (the “Action”).

24 On October 27, 2022, Plaintiff filed a representative action for civil penalties pursuant to the
25 Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* against
26 Defendants in the San Bernardino County Superior Court, Case No. CIVSB2224819 (“PAGA
27 Action”).
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1 On March 21, 2023, Plaintiff and Defendants participated in a full-day mediation session
2 with well-respected wage and hour mediator Lynn S. Frank, Esq. during which the parties reached
3 a settlement of all claims alleged in the Action, PAGA Action, and PAGA Letter as defined below.
4 The mediation before Lynn Frank led to a Memorandum of Understanding Regarding Class and
5 PAGA Settlement (“MOU”). A copy of the MOU is attached as **Exhibit A** and incorporated in this
6 Joint Stipulation of Settlement as though set forth in full at this point.

7 The Parties engaged in a substantial exchange of documents and information during informal
8 discovery prior to and during settlement discussions and mediation. The Parties reached this Joint
9 Stipulation of Settlement only after extensive informal discovery and investigation were performed.

10 As part of the settlement, Plaintiff will seek leave to file a First Amended Complaint in the
11 Action to add a claim under PAGA (“Operative Complaint”). The PAGA Action and all claims in
12 the Operative Complaint were analyzed, investigated, mediated, and settled on March 21, 2023,
13 along with the claims alleged in the PAGA Letter and Action. Accordingly, Plaintiff agrees he will
14 dismiss the entire PAGA Action with prejudice contemporaneously with filing the Operative
15 Complaint with the above-captioned Superior Court (“Court”).

16 In the Action and Operative Complaint, Plaintiff alleges, among other things, claims on
17 behalf of himself and other California-based non-exempt employees who worked for Defendants.
18 More particularly, Plaintiff alleges, among other things, that Defendants: failed to pay employees
19 for all hours worked at the minimum wage and/or applicable overtime rates of pay; failed to provide
20 legally complaint meal periods and/or pay meal period premium wages; failed to provide legally
21 complaint rest periods and/or pay rest period premium wages; failed to indemnify employees for
22 employment-related losses/expenditures; statutory penalties for failure to provide accurate wage
23 statements; waiting time penalties for failure to timely pay employee all earned and unpaid wages
24 due upon separation of employment and during employment; and engaged in unfair business
25 practices. In the Action, Plaintiff seeks on behalf of the class declaratory relief, monetary relief
26 (including damages, restitution, and penalties), and other relief.

27 In the PAGA Letter (as defined below), PAGA Action, and Operative Complaint, Plaintiff
28 alleges claims similar to those alleged in the Action and seeks on a representative basis, civil

1 penalties, reasonable attorneys' fees pursuant to Labor Code section 2699(g)(1), and costs on behalf
2 of Plaintiff, the State of California, and other similarly aggrieved employees.

3 Defendants on behalf of themselves and each of the "Released Parties" as defined below,
4 deny the allegations in the Action, PAGA Letter, PAGA Action, and Operative Complaint; deny
5 any failure to comply with the laws identified in the Action, PAGA Letter, PAGA Action, and
6 Operative Complaint; and deny any and all liability for the claims and causes of action alleged in
7 the Action, PAGA Letter, PAGA Action, and Operative Complaint.

8 This Joint Stipulation of Settlement, among other things, resolves and settles all claims
9 asserted in the Action, PAGA Letter, PAGA Action, and Operative Complaint. Defendants deny,
10 on behalf of themselves and each of the Released Parties as defined below, all claims, causes of
11 action, and facts alleged or that could have been alleged in the Action, PAGA Letter, PAGA Action,
12 and Operative Complaint. Defendants, on behalf of themselves and each of the Released Parties:
13 also deny that any Released Party is liable in any way to Plaintiff or any member or putative member
14 of any class or any represented group; denies that Plaintiff or any member or putative member of
15 any class or any represented group is entitled to any monetary compensation or payment of any kind
16 (or any other form of relief) under California, federal, or any other law; and denies that Plaintiff or
17 any member or putative member of any class or any represented group are, were, or could have been
18 harmed by any conduct, acts, or omissions by Defendants or any Released Party. Defendants also
19 deny that any of the settled claims could ever properly be certified as a class in any contested
20 certification proceedings or could proceed as a representative action. However, Defendants have
21 concluded that further litigation would be uncertain, protracted, and expensive, and therefore desire
22 to settle all the claims being released in order to limit further cost, inconvenience, and uncertainty.

23 **II. DEFINITIONS**

24 As used in this Joint Stipulation of Settlement, the following terms have the meanings
25 specified below. Terms or phrases defined elsewhere in this Joint Stipulation of Settlement are
26 incorporated into this Definitions section by reference:

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1 1. “Class Counsel” refers to Joseph Lavi, Vincent C. Granberry, Cassandra A. Castro
2 and Antonia McKee of Lavi & Ebrahimian, LLP, 8889 W. Olympic Boulevard, Suite 200, Beverly
3 Hills, California 90211.

4 2. “Class Notice” means the Court Approved Notice Of Proposed Class Action
5 Settlement And Hearing Date For Final Approval to be mailed to Class Members in English and
6 Spanish in the form, without material variation, attached as **Exhibit B** and incorporated by reference
7 into this Joint Stipulation of Settlement.

8 3. “Class Period” means the time between June 6, 2018, through May 21, 2023.

9 4. “Defendants” means RAVEN INDUSTRIES, INC. and VIAFLEX, INC., formerly
10 known as RAVEN ENGINEERED FILMS, INC. erroneously named as RAVEN ENGINEERED
11 FILMS, INC.

12 5. “Defense Counsel” means counsel for Defendants Chad T. Wishchuk and Marlene
13 C. Nowlin of: Finch, Thornton & Baird, LLP, 4747 Executive Drive, Suite 700, San Diego,
14 California 92121.

15 6. “Effective Date” means the later of the following: (1) the date the Final Order is
16 signed if no objections are filed to this Joint Stipulation Settlement; (2) if objections are filed and
17 overruled, and no appeal is taken of the Final Order, sixty-five (65) days after the Final Order; or
18 (3) if an appeal or other judicial review is taken from the Court’s overruling of objections to the
19 settlement, ten (10) days after the appeal is withdrawn or after an appellate decision affirming the
20 Final Order becomes final.

21 7. “Final Order Approving Settlement of Class Action” or “Final Order” means the final
22 formal court order signed by the Court following the Final Fairness and Approval Hearing in
23 accordance with the terms herein, approving the Settlement and this Joint Stipulation of Settlement
24 and retaining jurisdiction to ensure compliance with the Final Order.

25 8. “Gross Settlement Amount” means the maximum amount to be paid under this
26 Settlement in the sum of Five Hundred Eighty-Five Thousand Dollars and Zero Cents (\$585,000.00)
27 which includes settlement payments to Participating Class Members, Attorneys’ Fees and Costs to
28 Class Counsel, Enhancement Award to Plaintiff, PAGA Settlement Amount, LWDA Payment, and

1 Settlement Administration Costs including all costs associated with the Class Notice. The Gross
2 Settlement Amount does not include Defendants' share of employer taxes which Defendants have
3 agreed to pay separately and in addition to Gross Settlement Amount. The Gross Settlement
4 Amount shall be allocated as 20% wages and 80% interest, penalties, and reimbursement.

5 9. "Individual Settlement Payment" means the amount to be allocated under this Joint
6 Stipulation of Settlement to individual Settlement Class Members as calculated below. The
7 Individual Settlement Payments to individual Settlement Class Members shall be allocated as 20%
8 wages and 80% interest, penalties, and reimbursement.

9 10. "LWDA Payment" means the amount to be allocated under this Joint Stipulation of
10 Settlement to the State of California Labor and Workforce Development Agency ("LWDA") as
11 calculated below.

12 11. "Motion for Final Approval" means Plaintiff's submission of a written motion,
13 including any evidence as may be required for the Court to conduct an inquiry into the fairness of
14 the Settlement as set forth in this Joint Stipulation of Settlement, to conduct a Final Fairness and
15 Approval Hearing, and to enter a Final Order in this Action.

16 12. "Motion for Preliminary Approval" means Plaintiff's submission of a written
17 motion, including any evidence as may be required for the Court to grant preliminary approval of
18 the Settlement as required by Rule 3.769 of the California Rules of Court.

19 13. "Net Settlement Amount" means the Gross Settlement Amount less the following
20 amounts: (1) Attorneys' Fees and Costs to Class Counsel; (2) Enhancement Award to Plaintiff; (3)
21 Settlement Administration Costs to the Settlement Administrator, including all costs related to the
22 Class Notice; (4) PAGA Settlement Amount; and (5) LWDA Payment.

23 14. "Opt Out(s)" means any Settlement Class Member who submits a complete and
24 timely request to be excluded from this Settlement, by submitting a Request for Exclusion under the
25 procedures set forth below.

26 15. "PAGA" means the California Private Attorneys General Act of 2004, which is
27 codified in California Labor Code §§ 2698 et seq.

28 16. "PAGA Period" means June 6, 2021, through May 21, 2023.

1 17. “PAGA Letter” means Plaintiff’s letter to the State of California Labor and
2 Workforce Development Agency (“LWDA”) dated June 6, 2022, providing notice pursuant to Labor
3 Code section 2699.3, subd.(a).

4 18. “Participating Class Member” means any Settlement Class Member who does not
5 submit a timely Request for Exclusion under the procedures set forth below.

6 19. “Parties” means Defendants, Plaintiff, and the Settlement Class.

7 20. “Plaintiff” means Plaintiff Rene Raygoza.

8 21. “Released Parties” means: Raven Industries, Inc., Raven Engineered Films, Inc.,
9 Viaflex, Inc., Colorado Lining International, Inc., formerly known as Raven CLI Construction, Inc.,
10 and each of their parents, predecessors, successors, affiliates, subsidiaries, related entities, officers,
11 directors, members, agents, employees, principals, attorneys, insurers, sureties, owners, and
12 stockholders.

13 22. “Request for Exclusion” means a Settlement Class Member’s request, in writing, for
14 exclusion from the Settlement.

15 23. “Response Deadline” means the last date for Settlement Class Members to postmark,
16 for return to the Settlement Administrator, Requests for Exclusion or Objections. The Response
17 Deadline shall be forty-five (45) days after the Settlement Administrator has postmarked the Class
18 Notice for mailing to Settlement Class Members, subject to adjustment in the case of re-mailings,
19 as specified in Section XVI below.

20 24. “Settlement” means the settlement reflected in and to be effectuated through this
21 Joint Stipulation of Settlement.

22 25. “Settlement Class” or “Settlement Class Members” means all current and former
23 hourly-paid or non-exempt employees employed by Defendants, their predecessors, and/or Viaflex,
24 Inc., within the state of California at any time during the Class Period.

25 26. “Settlement Administrator” refers to CPT Group, an independent third party
26 mutually agreed to by the Parties and paid out of the Gross Settlement Amount, as described below,
27 to perform the notice, settlement administration, and distribution functions further described in this
28 Joint Stipulation of Settlement.

1 **III. THE SETTLEMENT CLASS**

2 For purposes of this Joint Stipulation of Settlement only, the Parties agree to seek, under
3 the procedures described below, the Court's approval of certification of the following "Settlement
4 Class": all current and former hourly-paid or non-exempt employees employed by Defendants,
5 their predecessors, and/or Viaflex, Inc., within the state of California at any time during the Class
6 Period.

7 **IV. MAXIMUM SETTLEMENT AMOUNT AND ESCALATOR CLAUSE**

8 In exchange for the Released Claims and the Dismissals set forth in this Joint Stipulation
9 of Settlement, Defendants agree to pay the Gross Settlement Amount in the maximum sum of Five
10 Hundred Eighty-Five Thousand Dollars and No Cents (\$585,000.00). If the number of workweeks
11 as of March 21, 2023, exceeds 2,400, Defendants will have the option to increase the Gross
12 Settlement Amount pro rata per additional workweek beyond 2,400 by \$270.83 per workweek.
13 Alternatively, Defendants may elect to cap the Class Period so that the workweeks do not exceed
14 2,400. The Gross Settlement Amount shall be used to pay all of settlement payments to
15 Participating Class Members, Attorneys' Fees and Costs to Class Counsel, Enhancement Award to
16 Plaintiff, PAGA Settlement Amount, LWDA Payment, and Settlement Administration Costs
17 including all costs associated with the Class Notice, and the employees' share of all "Wage
18 Withholdings" (as defined below) on such payments. No Released Party shall be required to pay
19 anything above or beyond the Gross Settlement Amount, under any circumstance, as a result of
20 this Settlement, except Defendants' obligation to pay the employer's share of taxes with respect to
21 Participating Class Members' Individual Settlement Payments.

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V. PAYMENT TO PLAINTIFF OF ENHANCEMENT AWARD

1. Plaintiff will apply to the Court for approval of an Enhancement Award in the amount of no more than Five Thousand Dollars and No Cents (\$5,000.00) ("Enhancement Award"). Defendants will not oppose Class Counsel's request of an Enhancement Award up to this specific amount, and the Settlement Administrator will pay Plaintiff (from the Gross Settlement Amount) the Enhancement Award awarded by the Court. Plaintiff understands and agrees that the Court may in its discretion award a lesser amount as enhancement fees, and Plaintiff agrees that he will accept whatever amount, if any, the Court may in its discretion award as an Enhancement Award. If Plaintiff receives an Enhancement Award in less than the specified amount, any such reduction shall constitute part of the amount to be distributed pursuant to Section IX as described below.

2. Plaintiff agrees that the Enhancement Award awarded to Plaintiff is not a wage payment. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiff for their Enhancement Award. Plaintiff assumes full responsibility and liability and shall be solely and legally responsible for all applicable taxes on his Enhancement Award and agrees to indemnify and hold Defendants and Released Parties harmless from any dispute, controversy, or tax obligation arising from the Enhancement Award. The Enhancement Award is in addition to the Individual Settlement Payment to be paid to Plaintiff. The Enhancement Award represents payment for the time incurred and services rendered by Plaintiff on behalf of the Settlement Class in obtaining this Settlement.

VI. ATTORNEYS' FEES AND COSTS

1. Class Counsel will apply to the Court for approval of reasonable attorneys' fees incurred for representing Plaintiff and the Settlement Class in the Action in an amount not to exceed one-third (or 33.3333%) of the Gross Settlement Amount, or a maximum total of One Hundred Ninety-Five Thousand Dollars and Zero Cents (\$195,000.00) ("Attorneys' Fees"). Class Counsel will also apply to the Court for an award of actual costs in an amount of not more than Twenty-Two Thousand Dollars and Zero Cents (\$22,000.00) (together, "Attorneys' Fees and Costs"). Defendants will not oppose Class Counsel's request for an award of Attorneys' Fees and

1 Costs up to the specified amounts, and the Settlement Administrator will pay Class Counsel (from
2 the Gross Settlement Amount) the fees and costs awarded by the Court up to the specified
3 amounts. In the event that the escalator clause described in section IV herein is triggered and the
4 Gross Settlement Amount is increased, Class Counsel may, at their discretion, increase their
5 Attorneys' Fees in order to remain one-third of the Gross Settlement Amount.

6 2. Class Counsel and Plaintiff understand and agree that the Court may in its
7 discretion award lesser amounts in Attorneys' Fees and Costs than requested by Class Counsel. If
8 Class Counsel receives Attorneys' Fees or Costs less than the specified amounts, any such
9 reduction shall not revert to Defendants but shall instead constitute part of the amount to be
10 distributed pursuant to Section IX below.

11 3. The amounts so awarded shall be for and in complete satisfaction of all attorneys'
12 fees and costs incurred to date by Plaintiff and/or Class Counsel on behalf of Plaintiff and the
13 Settlement Class, and of all such future fees and costs including, but not limited to, fees and costs
14 incurred in documenting this Settlement, securing Court approval of this Settlement, monitoring
15 this Settlement, reviewing and participating in the settlement administration process including all
16 fees and costs associated with the Class Notice, and all fees and costs associated with obtaining
17 the Final Order.

18 4. The Settlement Administrator will give Class Counsel an IRS Form 1099 for the
19 Attorneys' Fees and Costs awarded. Class Counsel understand and agree that they assume full
20 responsibility and liability for taxes owed on the attorneys' fees and costs awarded to Class
21 Counsel and paid by the administrator and hold Defendants and Releasees harmless and
22 indemnifies Defendants and Releasees from any dispute or controversy regarding tax issues and
23 any division or sharing of any of these payments. Not later than the Effective Date, Class Counsel
24 shall provide a fully and properly executed IRS Form W-9 for purposes of the payments which the
25 Settlement Administrator will electronically wire to Class Counsel.

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VII. SETTLEMENT ADMINISTRATION AND EXPENSES

1. The Parties have agreed to use CPT Group to administer the settlement and have allocated up to Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) for reimbursement of the administrator's costs including all costs associated with the Class Notice which will be paid from the Gross Settlement Amount ("Settlement Administration Costs"). The Settlement Administrator shall send the Class Notice to Settlement Class Members and prepare and issue the checks to Participating Class Members for their Individual Settlement Payments and to PAGA Employees for their Individual PAGA Payment, to Class Counsel for Attorneys' Fees and Costs, to Plaintiff for his Enhancement Award, and to the California Labor Workforce Development Agency ("LWDA") for the LWDA Payment (all as specified above or below). Funds from uncashed or returned checks will be paid to the State Controller's Office Unclaimed Wages Fund. All Settlement Administration Costs, including the cost of paying uncashed and returned checks to the State Controller's Office shall be paid from the Gross Settlement Amount. Defendants shall not be required to pay additional funds toward Settlement Administration Costs. If the allocated Settlement Administration Costs exceed the actual costs sought by the Settlement Administrator, the excess will remain part of the Net Settlement Amount and revert to Participating Class Members. The Settlement Administrator shall establish a Qualified Settlement Fund, pursuant to Treasury Regulations section 1.468B for the purpose of distributing these amounts. The Settlement Administrator shall file all required tax returns for the Qualified Settlement Fund, and shall calculate, and then remit to appropriate taxing and other governmental authorities, all amounts to be deducted or paid on account of the Individual Settlement Payments, including employee's share of "Wage Withholdings," as more specifically described and defined below. The Settlement Administrator shall provide appropriate indemnities against mistakes or inaccuracies in such tasks and against any misuse or breach of confidentiality for Settlement Class Members' social security numbers, telephone numbers, addresses, or other private information. The Settlement Administrator shall perform all other tasks necessary to administer the Settlement. All disputes relating to the Settlement Administrator's performance of its duties shall be referred to the Court for a final and binding determination, not subject to further review or appeal of any kind.

1 **VIII. PAYMENTS TO THE LABOR AND WORKFORCE DEVELOPMENT AGENCY**

2 1. The Parties have agreed to pay a certain sum to the LWDA in connection with
3 PAGA. The Parties have agreed that a total of Fifty Thousand Dollars and Zero Cents
4 (\$50,000.00) of the Gross Settlement Amount will be allocated to the resolution of Class
5 Members' claims arising under PAGA for the PAGA Period ("PAGA Settlement Amount").
6 Pursuant to PAGA, Seventy-Five Percent (75%), or Thirty-Seven Thousand Five Hundred Dollars
7 and Zero Cents (\$37,500.00), of the PAGA Settlement Amount will be paid to the LWDA
8 ("LWDA Payment"), and Twenty-Five Percent (25%), or Twelve Thousand Five Hundred Dollars
9 and Zero Cents (\$12,500.00), of the PAGA Settlement Amount shall be distributed to Settlement
10 Class Members who were employed during the PAGA Period ("PAGA Employees") as specified
11 below. This \$12,500.00 shall be referred to as the "PAGA Employees Portion."

12 2. The Settlement Administrator will pay to the LWDA, in accordance with California
13 Labor Code section 2699(i), the amount of Thirty-Seven Thousand Five Hundred Dollars and
14 Zero Cents (\$37,500.00). The Settlement Administrator will advise Class Counsel when this
15 payment is made.

16 **IX. PAYMENTS TO PARTICIPATING CLASS MEMBERS**

17 1. After the Enhancement Award, Attorneys' Fees and Costs, Settlement
18 Administration Costs, and PAGA Settlement Amount (as specified above) have been satisfied
19 from the Gross Settlement Amount, the remainder (i.e., Net Settlement Amount) shall be available
20 to satisfy the employee's share of Wage Withholdings and to pay Settlement Class Members who
21 did not Opt Out (i.e., Participating Class Members) for their share of the Net Settlement Amount
22 (i.e., their Individual Settlement Payments). The PAGA Settlement Amount will be distributed (as
23 described above) 75% to the LWDA (i.e., LWDA Payment) and the remaining 25% shall be
24 distributed to PAGA Employees on a *pro rata* basis.

25 2. Under this Joint Stipulation of Settlement, each Settlement Class Member shall be
26 allocated an Individual Settlement Payment based on the number of workweeks each Settlement
27 Class Member worked for Defendants during the Class Period ("Workweeks"). The Individual
28 Settlement Payment for each Settlement Class Member who does not Opt Out and is deemed a

1 Participating Class Member shall be calculated as follows: (a) the number of Workweeks each
2 Participating Class Member worked; divided by (b) the aggregate number of Workweeks for all
3 Participating Class Members as calculated under subparagraph (a); and then multiplied by (c) the
4 Net Settlement Amount. The Workweeks worked shall be calculated using Defendants' payroll
5 and timekeeping records. Because PAGA Employees cannot opt out of the PAGA claims, each
6 PAGA Employee, whether or not a Participating Class Member, shall also receive his or her share
7 of the PAGA Employees Portion ("Individual PAGA Payment") calculated as follows: (a) the
8 number of pay periods each PAGA Employee worked for Defendants during the PAGA Period;
9 divided by (b) the aggregate number of pay periods worked by all PAGA Employees during the
10 PAGA Period; and then multiplied by (c) the PAGA Employees Portion.

11 3. The Parties agree that the Individual Settlement Payments shall constitute 20%
12 wages ("wage portion") and 80% penalties, interest, and reimbursement ("non-wage portion").
13 Each Individual PAGA Payment shall be treated as 100% penalties. The Settlement Administrator
14 shall calculate and deduct from the wage portion of each Participating Class Member's Individual
15 Settlement Payment the employee's share of required state, federal, and local tax, and other wage
16 obligations or withholdings. These shall include, without limitation, all federal, state, and local
17 employment taxes (such as Social Security Taxes, Federal Unemployment Taxes, and California
18 Unemployment and Training Taxes) and all state and federal income taxes (collectively, the
19 "Wage Withholdings"). The Settlement Administrator shall remit these amounts to the appropriate
20 authorities.

21 4. The Settlement Administrator shall pay to each Participating Class Member his or
22 her share (after any Wage Withholdings) of the Individual Settlement Payment, in the manner and
23 on the schedule set forth below, and shall make remittances of Wage Withholdings to the required
24 authorities as and when required.

25 5. The Settlement Administrator shall issue to each Participating Class Member an
26 IRS Form W-2 to report the wage portion of his or her Individual Settlement Payment. The
27 Settlement Administrator shall issue to each Participating Class Member and PAGA Employee an
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1 IRS Form 1099 for the non-wage portion of his or her Individual Settlement Payment and/or
2 Individual PAGA Payment (if applicable).

3 6. Defendants, Defense counsel, and Class Counsel make no representation as to the
4 tax treatment or legal effect of any payments to Plaintiff, Settlement Class Members, and
5 Participating Class Members called for under this Joint Stipulation of Settlement, and Plaintiff,
6 Settlement Class Members, and Participating Class Members are not relying on any statement,
7 representation, or calculation by Defendants, Defense counsel, Class Counsel, or the Settlement
8 Administrator in this regard. Plaintiff, Settlement Class Members, and Participating Class
9 Members understand and agree that they assume full responsibility and liability and shall be solely
10 and legally responsible for any applicable taxes and penalties assessed on any payments to them
11 described in this Joint Stipulation of Settlement. Each Settlement Class Member, Participating
12 Class Member, and PAGA Employee agrees to indemnify and hold the Released Parties harmless
13 for any tax obligations arising out of any payments under this Joint Stipulation of Settlement
14 including any portion of any Individual Settlement Payment or Individual PAGA Payment.

15 7. Plaintiff, Settlement Class Members, and Participating Class Members shall not, on
16 account of receiving any Individual Settlement Payment or Individual PAGA Payment, be entitled
17 to any other or additional compensation, benefits, contributions, or matching employer funding of
18 any kind under any agreement or plan governing benefits or compensation (such as but not limited
19 to any agreements or plans for incentives, stock options, retirement, deferred compensation)
20 regardless of any contrary language or provisions in any such agreement or plan. The Individual
21 Settlement Payment and/or Individual PAGA Payment shall be the sole compensation and benefit
22 to Plaintiff, Settlement Class Members, Participating Class Members, and PAGA Employees
23 under this Joint Stipulation of Settlement.

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1 **X. TIMING OF PAYMENT OBLIGATIONS**

2 1. Defendants shall fund the Gross Settlement Amount and an amount sufficient to
3 pay the employer's share of taxes on the wage portion of the Individual Settlement Payments to
4 the Settlement Administrator no later than twenty-one (21) calendar days after the Effective Date.
5 Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to
6 this deadline.

7 2. The Settlement Administrator shall distribute Individual Settlement Payments to
8 Participating Class Members, Individual PAGA Payments to PAGA Employees, the Court-
9 approved Attorneys' Fees and Costs to Class Counsel, the Court-approved Enhancement Award to
10 Plaintiff, the LWDA Payment to the LWDA, employer and employee tax withholdings applicable
11 to the Net Settlement Amount allocated to wages, and the Court-approved Settlement
12 Administration Costs to itself within ten (10) court days of receipt of Defendants' final payment,
13 funding the Gross Settlement Amount in full. Prior to this distribution, the Settlement
14 Administrator will perform a search based on the National Change of Address Database to update
15 and correct for any known or identifiable address changes.

16 3. Participating Class Members and PAGA Employees will have one hundred eighty
17 (180) calendar days from the date of issuance of the check to cash or otherwise deposit their
18 check. For any check not cashed after one hundred eighty (180) calendar days, the Settlement
19 Administrator shall cancel the check and remit the funds to the California State Controller's
20 Office, Unclaimed Property Division in the name of the Participating Class Member who failed to
21 cash their check. The Settlement Administrator shall inform the Parties regarding the status of any
22 uncashed checks at the conclusion of the 180-calendar-day check cashing period, including the
23 amount at issue.

24 4. The Settlement Administrator shall place the funds in an interest-bearing account,
25 and any interest earned shall be paid to the Individual Settlement Payments for Participating Class
26 Members.

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1 **XI. NO OTHER PAYMENTS**

2 1. Except for the payments and obligations provided above, all of which shall be
3 satisfied from the Gross Settlement Amount, no Released Party shall have any obligation to make
4 any payment to any Plaintiff, to the Settlement Class, or to any other person or entity as a result of
5 the Action, LWDA Letter, PAGA Action, Operative Complaint, or this Joint Stipulation of
6 Settlement. Except as set forth above, the Parties shall bear their own costs and attorneys' fees in
7 connection with this Joint Stipulation of Settlement and the Action, LWDA Letter, PAGA Action,
8 Operative Complaint, and this Joint Stipulation of Settlement.

9 **XII. RELEASES BY PLAINTIFF, PARTICIPATING CLASS MEMBERS, AND PAGA**
10 **EMPLOYEES**

11 1. As of the Effective Date, and full funding of the Gross Settlement Amount by
12 Defendants to the Settlement Administrator, and to the fullest extent permitted by law, Plaintiff,
13 Participating Class Members, and each of their respective former and present spouses,
14 representatives, agents, attorneys, heirs, administrators, successors, and assigns shall be deemed to
15 have generally, fully, finally, and forever waived, released, relinquished, and discharged
16 Defendants and each and all of the Released Parties from any and all claims, transactions,
17 occurrences, demands, rights, liabilities, attorneys' fees and costs, and causes of action alleged or
18 which could have been alleged in the Action, LWDA Letter, PAGA Action, and Operative
19 Complaint that arose during the Class Period, including but not limited to all claims or causes of
20 action: (a) For failure to provide minimum wages, overtime wages, meal periods, and/or rest
21 breaks; (b) For failure to provide accurate itemized wage statements, pay all wages due upon
22 separation of employment, and pay for unreimbursed business expenses, and (c) Relating to or that
23 could have been brought under any Industrial Welfare Commission Wage Order or Labor Code
24 section; (d) For violation of California Business and Professions Code §§17200, *et seq.*; and (e)
25 For attorneys' fees and costs relating to any of the foregoing claims, transactions, occurrences,
26 demands, rights, liabilities, costs, and causes of action. The foregoing released claims will be
27 collectively referred to as the "Released Class Claims."
28

1 2. As of the Effective Date and full funding of the Gross Settlement Amount by
2 Defendants to the Settlement Administrator, and to the fullest extent permitted by law, Plaintiff,
3 the State of California, each PAGA Employee and each of their respective former and present
4 spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns, shall be
5 deemed to have generally, fully, finally, and forever waived, released, relinquished, and
6 discharged Defendants and each and all of the Released Parties from any and all claims,
7 transactions, occurrences, demands, rights, liabilities, and causes of action relating to PAGA
8 penalties that were alleged or could have been alleged in the Action, LWDA Letter, PAGA
9 Action, and Operative Complaint, including without limitation, all claims and causes of action: (a)
10 Relating to California Labor Code sections 201, 202, 203, 204, 210, 221, 226(a), 226.7, 510, 512,
11 558, 1194, 1197, 1198, 2800, 2802, and 2698; (b) Relating to any Industrial Welfare Commission
12 Wage Order or other California Labor Code section; and (c) For attorneys' fees and costs relating
13 to any of the foregoing claims, transactions, occurrences, demands, rights, liabilities, costs, and
14 causes of action. The foregoing released claims will be collectively referred to as the "Released
15 PAGA Claims."

16 3. Together the Released Class Claims and Released PAGA Claims are the "Released
17 Claims."

18 4. It is further acknowledged and agreed that Plaintiff, Participating Class Members,
19 PAGA Employees, and Class Counsel may discover facts or law different from, or in addition to,
20 the facts or law now known or believed to be true but, nonetheless, these Releases and Released
21 claims shall be and remain effective in all respects, notwithstanding such different or additional
22 facts or discovery of them.

23 5. Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if
24 any, of section 1542 of the California Civil Code, which reads:

25
26 A general release does not extend to claims that the creditor or releasing party does
27 not know or suspect to exist in his or her favor at the time of executing the release,
28 and that if known by him or her would have materially affected his or her settlement with
the debtor or Released Party.

1 **XIII. COVENANT NOT TO SUE OR SEEK RECOVERY**

2 Plaintiff and Class Counsel hereby warrant and represent that they have not filed,
3 submitted, or commenced any complaint, lawsuit, grievance, demand for arbitration, charge,
4 and/or other claim against any of the Released Parties, with any court, governmental or
5 administrative agency or entity asserting any claim or claims based on any of the Released Claims,
6 other than the Action, PAGA Letter, PAGA Action, and Operative Complaint.

7 **XIV. PROCEDURE FOR OBTAINING PRELIMINARY APPROVAL OF JOINT**
8 **STIPULATION OF SETTLEMENT**

9 1. **Motion for Preliminary Approval**

10 Plaintiff will bring a motion before the Court for an order conditionally certifying the Class
11 for settlement purposes only to include all claims pled in the Action, PAGA Action, and Operative
12 Complaint, and the “Released Claims,” based on the preliminary approval of this Joint Stipulation
13 of Settlement. The date that the Court grants preliminary approval of this Joint Stipulation of
14 Settlement will be the “Preliminary Approval Date.” Class Counsel is responsible for
15 expeditiously finalizing and filing the Motion for Preliminary Approval not later than sixteen (16)
16 court days before the calendared hearing and for appearing in Court to advocate in favor of the
17 Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court’s
18 Preliminary Approval to the Administrator.

19 **XV. PROCEDURES FOR NOTICE, SUBMITTING REQUESTS FOR EXCLUSION,**
20 **OBJECTIONS, AND FINAL FAIRNESS AND APPROVAL HEARING**

21 1. **Class Notices and Requests for Exclusion**

22 a. Within fifteen (15) business days after the Preliminary Approval Date,
23 Defendants shall provide the Settlement Administrator the name, last known address, and Social
24 Security number of each Settlement Class Member, along their dates of employment and any other
25 information needed to calculate Individual Settlement Payments and Individual PAGA Payments
26 (“Class Payment Data”). The Settlement Administrator will keep this information confidential and
27 use it only for the purposes described herein.
28

1 b. Within fifteen (15) calendar days of receipt of the Class Payment Data from
2 Defendants, the Settlement Administrator shall mail the Class Notice to all Settlement Class
3 Members via first-class U.S. mail. Prior to mailing the Class Notice, the Settlement Administrator
4 shall run a check of the addresses in the Class Data against the United States Postal Service
5 National Change of Address Database (“NCOA”) to update for any reported address changes. If
6 any Class Notice is returned as undeliverable without a forwarding address, the Settlement
7 Administrator shall take appropriate steps to identify a current proper address for that Settlement
8 Class Member, including conducting a “standard search,” also known as a “skip trace” or “credit
9 header” search. The Settlement Administrator shall then re-mail the Class Notice to the updated
10 address within three (3) business days of receipt. If a Class Notice is returned to the Settlement
11 Administrator as undeliverable with a forwarding address, the Settlement Administrator will
12 promptly forward the Class Notice to the address within three (3) business days of receipt.

13 c. The Class Notice shall provide that any Settlement Class Member may
14 dispute the number of workweeks credited to them in their Class Notice. If any Settlement Class
15 Member disputes their workweeks information used to calculate the Individual Settlement
16 Payment or Individual PAGA Payment, the Settlement Class Member may state the basis of his or
17 her disagreement and submit documentation supporting the Settlement Class Member’s position,
18 by not later than the Response Deadline. The Settlement Administrator shall notify Class Counsel
19 and Defendants’ counsel of any dispute so raised. The Settlement Administrator will review
20 Defendants’ records and consult Defendants’ counsel and Class Counsel in order to determine if
21 there is a discrepancy. The Settlement Administrator will decide the dispute using Defendants’
22 records and the decision of the Settlement Administrator shall be final.

23 d. Along with the Class Notice, each Settlement Class Member shall also
24 receive instructions on what needs to be stated in the Request for Exclusion if the Settlement Class
25 Member wants to be excluded from this Settlement. If a Settlement Class Member wishes to Opt-
26 Out from this Settlement, and from the release of claims pursuant to this Settlement, he or she
27 shall submit an “Opt-Out Letter” or “Request for Exclusion” directly to the Settlement
28 Administrator that must be mailed or faxed and postmarked or fax-stamped on or before the

1 Response Deadline, or within fifteen (15) calendar days after the postmark of a Class Notice re-
2 mailed to a corrected address for that Settlement Class Member, whichever is later. The written
3 Request for Exclusion shall: (1) make a statement clearly indicating that the Settlement Class
4 Member wishes to be excluded; (2) contain the name, address, and the last four digits of the Social
5 Security number of the person requesting exclusion; (3) be signed by the Settlement Class
6 Member; and (4) be postmarked or fax stamped by the Response Deadline and returned to the
7 Settlement Administrator at the specified address or fax telephone number stated in the Class
8 Notice. However, the Request for Exclusion will be valid unless it is not timely submitted, is not
9 signed by the Settlement Class Member, or does not contain the name and address of the
10 Settlement Class Member. The date of the postmark on the return mailing envelope or fax stamp
11 on the Request for Exclusion shall be the exclusive means used to determine whether the Request
12 for Exclusion was timely submitted. Any Settlement Class Member who requests to be excluded
13 from the Settlement Class will not be entitled to any recovery under the Settlement, will not be
14 bound by the terms of the Settlement, and will not have any right to object, appeal, or comment
15 thereon, except he or she shall receive his or her PAGA share of the settlement if he or she is a
16 PAGA Employee (since he or she cannot opt out of the PAGA settlement). Settlement Class
17 Members who fail to submit a valid and timely written Request for Exclusion on or before the
18 Response Deadline shall be bound by all the terms of the Settlement and Final Order.

19 e. The Settlement Administrator shall maintain a list of persons who have
20 excluded themselves and shall include the names of the Settlement Class Members who opt out in
21 his/her declaration in support of final approval. The Settlement Administrator shall retain the
22 originals of all Requests for Exclusion letters (including the envelopes with the postmarks)
23 received, and shall make copies or the originals available to Defendants' counsel or Class Counsel
24 upon request.

25 2. **Procedure for Objections**

26 a. The Class Notice shall provide that any Participating Class Member who
27 wishes to object to this Joint Stipulation of Settlement must mail to the Settlement Administrator
28 by first class mail a written statement objecting to this Joint Stipulation of Settlement setting forth

1 the legal and factual grounds for any objections (“Objection”), or if no written objection is
2 submitted, the Participating Class Member may still appear at the final settlement hearing to
3 object. Such written objections should be mailed and postmarked or fax-stamped on or before the
4 Response Deadline, or within fifteen (15) calendar days after the postmark of a Class Notice re-
5 mailed to a corrected address for that Settlement Class Member, whichever is later. The written
6 Objection shall: (1) contain the name, address, and the last four digits of the Social Security
7 number of the person objecting; (2) be signed by the Participating Class Member; (3) state the
8 grounds on which the Participating Class Member is objecting as well as any documents or
9 evidence supporting his or her objection(s); and (4) be postmarked or fax stamped by the
10 Response Deadline and returned to the Settlement Administrator at the specified address or fax
11 telephone number stated in the Class Notice. Upon receipt of any Objections, the Settlement
12 Administrator will forward copies of said Objections to Class Counsel and Defense counsel. No
13 later than twenty (20) court days prior to the Final Fairness and Approval Hearing, the Settlement
14 Administrator shall provide Defense Counsel and Class Counsel with a declaration attesting to
15 completion of the notice process, including any attempts to obtain valid mailing addresses for and
16 re-sending of any returned Class Notices, as well as the number of valid requests for exclusion and
17 objections that the Settlement Administrator received. To the extent that the Participating Class
18 Member is represented by counsel, his/her attorney shall file with the Superior Court a notice of
19 appearance providing the attorney’s contact information. In the event the date of the Final
20 Approval Hearing is changed or continued for any reason, the Settlement Administrator will
21 advise any Settlement Class Member who has objected.

22 3. **Final Fairness and Approval Hearing**

23 a. On the date set forth in the Order for Preliminary Approval and Class
24 Notice, a Final Fairness and Approval Hearing shall be held before the Court to: (1) review this
25 Joint Stipulation of Settlement and determine whether the Court should give it final approval, and
26 (2) consider any objections made and all responses by the Parties to such objections. Not later
27 than sixteen (16) court days before the calendared Final Fairness and Approval Hearing, Plaintiff
28 will file the Motion for Final Approval of the Settlement which shall include a request for

1 approval of the PAGA settlement under Labor Code section 2699, subd. (l), and a Proposed Final
2 Order Approving Settlement of Class Action. Plaintiff shall provide drafts of these documents to
3 Defense Counsel not later than seven (7) days prior to filing the Motion for Final Approval and
4 Proposed Final Order Approving Settlement of Class Action. Class Counsel and Defense Counsel
5 will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any
6 disagreements concerning the Motion for Final Approval and/or the Proposed Final Order
7 Approving Settlement of Class Action. At the Final Fairness and Approval Hearing, the Parties
8 shall ask the Court to grant final approval of this Joint Stipulation of Settlement by signing the
9 Final Order Approving Settlement of Class Action.

10 b. Within ten (10) calendar days after the Response Deadline, the Settlement
11 Administrator shall provide the Parties with a declaration regarding the administration of the
12 Settlement, of all Opt Outs, and of any written objections described above. Class Counsel shall
13 prepare a memorandum of points and authorities in support of this Joint Stipulation of Settlement,
14 and shall file these documents with the Superior Court, for purposes of the final settlement
15 hearing.

16 c. After entry of the Final Order, the Court shall have continuing jurisdiction
17 over the Action solely for purposes of addressing: (i) settlement administration matters; and (ii)
18 such post-Judgment matters as may be appropriate.

19 **XVI. TERMINATION OF SETTLEMENT**

20 This Joint Stipulation of Settlement requires preliminary and final approval by the Court.
21 Accordingly, the Parties enter into this Joint Stipulation of Settlement on a conditional basis. This
22 Joint Stipulation of Settlement is contingent upon all events required for the Effective Date and
23 each of the following: (a) Entry of orders granting Preliminary and Final Approval of this Joint
24 Stipulation of Settlement; (b) Discharge of Defendants and Released Parties from liability for the
25 PAGA Claims released by this Joint Stipulation of Settlement; (c) Release of the PAGA Claims
26 against the Released Parties by Plaintiff, the State of California and all PAGA Employees; (d)
27 Submission of the Final Order by Plaintiff's Counsel to the LWDA within ten (10) business days
28 of entry of the order pursuant to California Labor Code section 2699(1)(3); (e) dismissal of the

1 Action, PAGA Action, and Operative Complaint with prejudice in their entirety (“Dismissals”);
2 and (f) release of Defendants and all Released Parties as set forth in this Joint Stipulation of
3 Settlement. If any of these events do not occur, the fact that the Parties were willing to stipulate for
4 the purposes of this Joint Stipulation of Settlement to a Class shall have no bearing on, nor be
5 admissible in connection with, the issue of certification of the Class with respect to any cause of
6 action alleged in the Actions. Defendant does not consent to certification of the Class for any
7 purpose other than to effectuate settlement of the Actions. If the Effective Date or any of the above
8 events do not occur, Defendants, Plaintiff, and the Class will be returned to their positions with
9 respect to the Action and PAGA Action as if the Joint Stipulation of Settlement had not been
10 entered into. In the event that the Effective Date or any of the above events do not occur: (a) any
11 Court orders preliminarily or finally approving any class contemplated by this Joint Stipulation of
12 Settlement shall be null and void *ab initio*, and vacated, and shall not be used or cited thereafter by
13 any person or entity; and (b) the fact of the settlement reflected in this Joint Stipulation of
14 Settlement, the fact that Defendants did not oppose the certification of a Class under this Joint
15 Stipulation of Settlement, or that the Court preliminarily approved the certification of the Class for
16 settlement purposes, shall not be used or cited thereafter by any person or entity, including in any
17 manner whatsoever, including without limitation any contested proceeding relating to any class. If
18 the Effective Date or any of the above events do not occur, this Joint Stipulation of Settlement
19 shall be deemed null and void *ab initio*, shall be of no force or effect whatsoever, and shall not be
20 referred to or used for any purpose whatsoever. Defendants expressly reserve the right to
21 challenge class certification in the Action for any purpose and to challenge the PAGA Action if
22 the Effective Date or any of the above events do not occur.

23 The Parties and their respective counsel shall take all steps that may be requested by the
24 Court relating to the approval and implementation of this Joint Stipulation of Settlement and shall
25 otherwise use their respective best efforts to obtain Court approval and implement this Joint
26 Stipulation of Settlement. If the Court does not grant the Motion for Preliminary Approval and/or
27 the Motion for Final Approval, the Parties agree to meet and confer to address the Court’s
28

1 concerns. If the Parties are unable to agree upon a resolution, the Parties agree to seek the
2 assistance of mediators Lynn Frank and Marc Feder to resolve the dispute.

3 **XVII. DEFENDANTS' OPTION TO TERMINATE JOINT STIPULATION OF**
4 **SETTLEMENT**

5 If ten percent (10%) or more of Settlement Class Members submit complete, valid, and
6 timely Requests for Exclusion, Defendants shall have, in their sole and absolute discretion, the
7 option to terminate this Joint Stipulation of Settlement. Defendants shall be entitled to exercise
8 these termination rights by providing written notice to Class Counsel at any time within thirty (30)
9 calendar days of learning of the condition triggering termination. In the event Defendants exercise
10 this option, the Parties will have no further obligations under this Joint Stipulation of Settlement,
11 including any obligation by Defendants to pay the Gross Settlement Amount, or any amounts that
12 otherwise would have been owed under this Joint Stipulation of Settlement except that the parties
13 shall evenly split the costs of administration incurred at the time of Defendants' exercise of the
14 option to terminate the settlement. .

15 In the case of a termination under this Section, this Joint Stipulation of Settlement shall be
16 null and void as if it had never been executed, the Parties shall be returned to their respective
17 statuses as of the date and time immediately prior to the execution of this Joint Stipulation of
18 Settlement, and Plaintiff and Defendants shall proceed with the Action in all respects as if this
19 Joint Stipulation of Settlement had not been executed.

20 **XVIII. LIMITATIONS ON USE OF THIS JOINT STIPULATION OF SETTLEMENT**

21 1. **No Admission**

22 This Agreement represents a compromise and settlement of highly disputed claims.
23 Nothing in this Joint Stipulation of Settlement is intended or should be construed as an admission
24 by Defendants that any of the allegations in the Action, PAGA Letter, PAGA Action, and
25 Operative Complaint or discussed during mediation have merit or that Defendants or Released
26 Parties have any liability for any claims asserted. The Parties agree that class certification and
27 representative treatment is for purposes of this Settlement only. If, for any reason the Court does
28 not grant Preliminary Approval or Final Approval, Defendants reserve the right to contest

1 certification of any class for any reason and assert all available defenses to the claims in the
2 Action, PAGA Letter, PAGA Action, and Operative Complaint. The Settlement, this Joint
3 Stipulation of Settlement, and the Parties' willingness to settle the Action, PAGA Letter, PAGA
4 Action, and Operative Complaint and all claims asserted in the PAGA Letter will have no bearing
5 on, and will not be admissible in connection with, any litigation (except for proceedings to enforce
6 or effectuate the Settlement and this Joint Stipulation of Settlement).

7 2. **Non-Evidentiary Use**

8 Whether or not the Effective Date occurs, neither this Joint Stipulation of Settlement, nor
9 any of its terms, nor the Settlement itself, will be: (a) construed as, offered, or admitted in
10 evidence as, received as, or deemed to be evidence for any purpose adverse to Defendants or any
11 Released Parties, including but not limited to, evidence of a presumption, concession, indication,
12 or admission by any Released Party of any liability, fault, wrongdoing, omission, concession, or
13 damage, or (b) disclosed, referred to, or offered in evidence against any of the Released Parties in
14 any further proceeding, except for the purposes of effectuating the Settlement pursuant to this
15 Joint Stipulation of Settlement or for Defendants to establish that a Class Member has resolved
16 any of his or her claims released through this Joint Stipulation of Settlement.

17 3. **Nullification**

18 The Parties have agreed to the certification of the Class encompassing all claims alleged in
19 the Action, PAGA Letter, PAGA Action, and Operative Complaint for the sole purpose of
20 effectuating this Agreement. If (a) the Court should for any reason fail to certify this Class for
21 settlement, or (b) the Court should for any reason fail to approve this Settlement, or (c) the Court
22 should for any reason fail to enter the Final Order, or (d) the Final Order is reversed, or declared or
23 rendered void, or (e) the Court should for any reason fail to dispose of the Action, PAGA Letter,
24 PAGA Action, and Operative Complaint in their entirety, then (i) this Agreement shall be
25 considered null and void; (ii) neither this Agreement nor any of the related negotiations or
26 proceedings shall be of any force or effect; (iii) all Parties to this Agreement shall stand in the
27 same position, without prejudice, as if the Agreement had been neither entered into nor filed with
28 the Court; and (iv) the fact that the Parties were willing to stipulate to class certification of all

1 causes of action pled or alleged in the Action, PAGA Letter, PAGA Action, and Operative
2 Complaint as part of the Settlement will have no bearing on, and will not be admissible in
3 connection with, the issue of whether the Class should be certified by the Court in a non-
4 settlement context in the Action, PAGA Letter, PAGA Action, and Operative Complaint or any
5 other action, and in any of those events, Defendants expressly reserve the right to oppose
6 certification of the Class. In the event of a timely appeal from the Final Order, the Final Order
7 shall be stayed and the Gross Settlement Amount shall not be distributed pending the completion
8 of the appeal.

9 **XIX. MISCELLANEOUS**

10 1. **Assignment**

11 None of the rights, commitments, or obligations recognized under this Joint Stipulation of
12 Settlement may be assigned by any Party, Class Member, Class Counsel, or Defense Counsel
13 without the express written consent of each other Party and their respective counsel. The
14 representations, warranties, covenants, and agreements contained in this Joint Stipulation of
15 Settlement are for the sole benefit of the Parties under this Agreement and shall not be construed
16 to confer any right or to avail any remedy to any other person.

17 2. **Headings**

18 The descriptive headings of any paragraphs or sections of this Joint Stipulation of
19 Settlement are inserted for convenience of reference only and do not constitute a part of this Joint
20 Stipulation of Settlement.

21 3. **Notice**

22 Except as otherwise expressly provided in the Agreement, all notices, demands, and other
23 communications under this Joint Stipulation of Settlement must be in writing and addressed as
24 follows:

25 *To Plaintiff and the Class:* Joseph Lavi, Vincent C. Granberry, Cassandra A. Castro and
26 Antonia McKee of Lavi & Ebrahimian, LLP, 8889 W. Olympic Boulevard, Suite 200, Beverly
27 Hills, California 90211; Telephone (310) 432-0000.

28 *To Defendant:* Chad T. Wishchuk and Marlene C. Nowlin of Finch, Thornton & Baird,

1 LLP, 4747 Executive Drive, Suite 700, San Diego, California 92121; Telephone (858) 737-3100.

2 4. **Abeyance of Proceedings**

3 The Parties agree to hold in abeyance all proceedings in the Action and PAGA Action,
4 except such proceedings necessary to implement and complete this Settlement, pending final
5 approval of this Joint Stipulation of Settlement. In the event an appeal is filed from the Final
6 Order, or any other appellate review is sought prior to the Effective Date, administration of this
7 Joint Stipulation of Settlement shall be stayed pending final resolution of the appeal or other
8 appellate review.

9 5. **Modification and Waiver**

10 No waiver of any term or provision of this Joint Stipulation of Settlement shall be binding
11 unless in writing and signed by the Party waiving the breach. This Joint Stipulation of Settlement
12 may be amended or modified only by a written instrument signed by counsel for all Parties or their
13 successors-in-interest.

14 6. **Entire Agreement**

15 This Joint Stipulation of Settlement constitutes the entire agreement among the Parties
16 with respect to the subject matter hereof, and fully supersede all prior agreements and
17 understandings between the Parties with respect thereto. No oral representations, warranties, or
18 inducements have been made to any Party concerning this Joint Stipulation of Settlement other
19 than the representations, warranties, and covenants contained and memorialized in such
20 documents. In case of any conflict between this Joint Stipulation of Settlement and text contained
21 in Exhibits to this Joint Stipulation of Settlement, this Joint Stipulation of Settlement shall be
22 controlling, unless the Exhibits are changed by or in response to a Court order. There are no
23 restrictions, promises, representations, warranties, covenants, or undertakings governing the
24 subject matter of this Joint Stipulation of Settlement other than those expressly set forth or referred
25 to herein. This Joint Stipulation of Settlement supersedes all prior agreements and understandings
26 among the Parties with respect to the settlement of the Action, PAGA Action, PAGA Letter, and
27
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1 Operative Complaint, including correspondence between Class Counsel and Defense Counsel and
2 drafts of prior agreements or proposals.

3 7. **Agreement Binding on Successors**

4 In addition to the Parties, this Joint Stipulation of Settlement shall be binding upon, and
5 shall inure to the benefit of, the Parties' respective heirs, representatives, executors,
6 administrators, successors, and assigns.

7 8. **Governing Law**

8 This Joint Stipulation of Settlement is made and entered into in the State of California and
9 shall in all respects be interpreted, enforced, and governed under the laws of said state as applied
10 to transactions or events with contacts exclusively within California, and without applying
11 California's conflict of laws rules.

12 9. **Enforcement of Settlement and Continuing Court Jurisdiction**

13 To the extent consistent with class action procedure, this Joint Stipulation of Settlement
14 shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6 and
15 California Rule of Court 3.769(h). The Final Order entered by the Court will not adjudicate the
16 merits of the Action, PAGA Letter, PAGA Action, and Operative Complaint or the liability of the
17 Parties resulting from the allegations in the Action, PAGA Letter, PAGA Action, and Operative
18 Complaint. The sole purpose of the Final Order is to adopt the terms of the Settlement and to
19 retain jurisdiction over its enforcement. To that end, the Court shall retain continuing jurisdiction
20 over the Action, PAGA Letter, PAGA Action, and Operative Complaint and over all Parties and
21 Class Members, to the fullest extent to enforce and effectuate the terms and intent of this Joint
22 Stipulation of Settlement. In the event one or more of the Parties institutes any legal action or
23 other proceeding against any other Party or Parties to enforce the provisions of this Action, PAGA
24 Letter, PAGA Action, and Operative Complaint, the successful Party or Parties will be entitled to
25
26
27
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1 recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including
2 expert witness fees incurred in connection with any enforcement actions.

3 10. **Authorization to Act**

4 Class Counsel warrants and represents that they are authorized by Plaintiff, and Defense
5 Counsel warrants that they are authorized by Defendants, to take all appropriate actions required
6 to effectuate the terms of this Joint Stipulation of Settlement, except for signing documents,
7 including but not limited to this Joint Stipulation of Settlement, that are required to be signed by
8 the Parties themselves. Defendants represent and warrant that the individual executing this Joint
9 Stipulation of Settlement on its behalf has the full right, power, and authority to enter into this
10 Joint Stipulation of Settlement and to carry out the transactions contemplated herein.

11 11. **Solicitation of Class Members**

12 The Parties agree that neither they nor their counsel will solicit or otherwise directly or
13 indirectly encourage Settlement Class Members to request exclusion from the Settlement Class, to
14 object to this Joint Stipulation of Settlement, or to appeal from the Final Order.

15 12. **Mutual Full Cooperation**

16 The Parties have cooperated in the drafting and preparation of this Joint Stipulation of
17 Settlement. This Joint Stipulation of Settlement shall not be construed against any Party on the
18 basis that such Party was the drafter. The Parties and their counsel further agree fully to cooperate
19 with each other to accomplish the terms of this Agreement, including but not limited to the
20 execution of such documents, and the taking of such other action, as may reasonably be necessary
21 to implement the terms of this Joint Stipulation of Settlement. The Parties and their counsel shall
22 use their best efforts, to effectuate and implement this Joint Stipulation of Settlement and its terms.
23 In the event the Parties are unable to reach agreement on the form or content of any document
24 needed to implement the Settlement, or on any supplemental provisions that may become
25 necessary to effectuate the terms of the Settlement, the Parties and their counsel agree to first seek
26 the assistance of mediators Lynn Frank or Marc Feder, and, if subsequently necessary, the Court.

1 13. **Confidentiality**

2 This Joint Stipulation of Settlement shall remain confidential in every respect until it is
3 filed with the Court. Plaintiff and Class Counsel agree to not (a) issue any press or other media
4 release, (b) initiate any contact with the press, other media (including social media), or any third
5 party, (c) respond to any inquiry from the press, or media, or (d) have any communication with the
6 press or other media about the Action, PAGA Letter, PAGA Action, and Operative Complaint,
7 including, but not limited to the fact, amount, and terms of this Joint Stipulation of Settlement,
8 either before or after the Court approves this Joint Stipulation of Settlement. After the filing of
9 this Joint Stipulation of Settlement, Plaintiff and Class Counsel agree to keep the existence of this
10 Joint Stipulation of Settlement as well as the Gross Settlement Amount, strictly confidential.
11 Accordingly, they shall not disclose any of the terms of this Joint Stipulation of Settlement to any
12 third party, except for their attorneys, tax advisors, and spouse, and except as compelled by law. If
13 inquiries arise regarding Plaintiff's dispute with Defendants or this Joint Stipulation of Settlement
14 by anyone other than those listed above, Plaintiff and Class Counsel will simply state "the matter
15 has been resolved" and will make no further comment. This Section does not apply to any efforts
16 taken to obtain approval of this Joint Stipulation of Settlement from the Court and its submission
17 to the LWDA. This Joint Stipulation of Settlement may also be used for purposes of resolving
18 related or overlapping lawsuits or claims by showing the scope of releases and the res judicata and
19 collateral estoppel bar. Defendants may disclose information concerning this Joint Stipulation of
20 Settlement as required under their legal obligations. This provision is not intended to interfere or
21 restrict: (1) the Settlement Administrator from distributing the Class Notice and otherwise
22 complying with its obligation to provide information to affected Class Members and/or PAGA
23 Employees; (2) the Settlement Administrator from posting the Final Order on its website if and as
24 ordered by the court; and (3) Class Counsel from disclosing to the Court the names of the parties
25 in this action and the venue/case number of this action for purposes of providing adequacy if and
26 as required by law.

1 14. **Counterparts and Fax/PDF Signatures**

2 This Joint Stipulation of Settlement may be executed in counterparts, and when each Party
3 has signed and delivered at least one such counterpart, each counterpart shall be deemed an
4 original, and, when taken together with other signed counterparts, shall constitute one Joint
5 Stipulation of Settlement, which shall be binding upon and effective as to all Parties. This Joint
6 Stipulation of Settlement may be signed through electronically exchanged documents (such as
7 PDFs) which shall be treated as original paper copy signatures.

8 15. **No Reliance on Representations**

9 The Parties believe that this is a fair, reasonable, and adequate Settlement and have arrived
10 at this Settlement through arms-length negotiations, taking into account all relevant factors,
11 present and potential. The Parties have made such investigation of the facts and the law pertaining
12 to the matters described herein and to this Joint Stipulation of Settlement as they deem necessary,
13 and have not relied, and do not rely, on any statement, promise, or representation of fact or law,
14 made by any of the other parties, or any of their agents, employees, attorneys, or representatives,
15 with regard to any of their rights or asserted rights, or with regard to the advisability of entering
16 into and executing this Joint Stipulation of Settlement, or with respect to any other matters. No
17 representations, warranties, or inducements, except as expressly set forth herein, have been made
18 to any party concerning this Joint Stipulation of Settlement.

19 16. **Recitals Are Contractual**

20 The recitals, terms, and conditions contained in this Joint Stipulation of Settlement are
21 contractual and not mere recitals.

22 17. **Use and Return of Class Data**

23 Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies
24 and summaries of any information or documents provided to Class Counsel by Defendants or
25 Defense Counsel in connection with the Action, PAGA Letter, PAGA Action, Operative
26 Complaint, mediation other settlement negotiations, the MOU, or in connection with the
27 Settlement (collectively "Class Data"), may be used only with respect to the Settlement, and no
28 other purpose, and may not be used in any way that violates any existing contractual agreement,

1 statute, or rule of court. Not later than 90 days after the date when the Court discharges the
2 Settlement Administrator's obligation to provide a declaration confirming the final pay out of all
3 Settlement funds, Plaintiff and Defense Counsel shall destroy, all paper and electronic versions of
4 copies and summaries of the information or documents provided to Class Counsel by Defendants
5 or Defense Counsel unless, prior to the Court's discharge of the Settlement Administrator's
6 obligations, Defendants or Defense Counsel makes a written request to Class Counsel for the
7 return, rather than the destruction, of Class Data. Nothing in this section is intended to infringe on
8 any duty of Class Counsel to Plaintiff to preserve and retain data relating to Plaintiff individually
9 for a given time period following the termination of representation.

10 18. **Survival of Confidentiality**

11 To the extent permitted by law, all agreements made, and orders entered in connection with
12 the Action, PAGA Letter, PAGA Action, Operative Complaint, and in this Joint Stipulation of
13 Settlement relating to the confidentiality of information shall survive the execution of this Joint
14 Stipulation of Settlement and Dismissal.

15 19. **Waiver of Right to Appeal**

16 Provided the Final Order is consistent with the terms and conditions of this Joint
17 Stipulation of Settlement, all Participating Class Members and PAGA Employees who did not
18 object to the Settlement as provided in this Joint Stipulation of Settlement, waive all rights to
19 appeal from the Final Order, including all rights to post-judgment and appellate proceedings, the
20 right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals.
21 The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or
22 appeals. If an objector appeals the Final Order or any judgment, the Parties' obligations to perform
23 under this Agreement will be suspended until such time as the appeal is finally resolved and any
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1 judgment becomes final, except as to matters that do not affect the amount of the Net Settlement
2 Amount.

3 20. **Amendments or Modification**

4 This Joint Stipulation of Settlement may not be amended, changed, altered, or modified,
5 except in a writing signed by the Parties (or their successors in interest) and their counsel, and
6 approved by the Court.

7 21. **Entire Agreement**

8 This Joint Stipulation of Settlement and the Exhibit hereto contain the entire agreement
9 between the Parties relating to the resolution of the Litigation. No rights under this Settlement
10 may be waived except in writing and signed by the Party against whom such waiver is to be
11 enforced.

12 22. **Binding Upon Successors**

13 This Joint Stipulation of Settlement shall be binding upon, and inure to the benefit of, the
14 Parties and their respective heirs, trustees, executors, administrators, successors, and assigns.

15 23. **No Adverse Use**

16 Whether or not the Effective Date occurs, neither this Joint Stipulation of settlement, nor
17 any of its terms, nor the Settlement itself, will be: (a) construed as, offered, or admitted in
18 evidence as, received as, or deemed to be evidence for any purpose adverse to Defendants or any
19 other of the Released Parties, including but not limited to, evidence of a presumption, concession,
20 indication, or admission by any of the Defendants or Released Parties of any liability, fault,
21 wrongdoing, omission, concession, or damage, or (b) disclosed, referred to, or offered in evidence
22 against any of the Defendants or Released Parties in any further proceeding in the Actions, PAGA
23 Actions, or Operative Complaint except for the purposes of effectuating this Joint Stipulation of
24 Settlement or for Defendants to establish that Plaintiff or any Class Member has resolved any of
25 his or her claims released through this Joint Stipulation of Settlement.

26 24. **No Tax Advice**

27 Neither Plaintiff, Class Counsel, Defendants, nor Defense Counsel are providing any
28 advice regarding taxes or taxability, nor shall anything in this Joint Stipulation of Settlement be

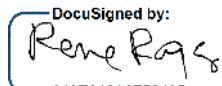
1 relied upon as such within the meaning of United States Treasury Department Circular 230 (31
2 CFR Part 10, as amended) or otherwise.

3 25. **Tax Indemnity**

4 Plaintiff, Class Counsel, Participating Class Members, and PAGA Employees will be
5 responsible for paying all applicable state, local and federal income taxes on their respective
6 amounts received pursuant to this Joint Stipulation of Settlement, and they shall not seek any
7 indemnification from Defendants or the Released Parties in this regard. Plaintiff and Class
8 Counsel shall cooperate with Defendants and provide documentation to the extent possible and as
9 reasonably requested to demonstrate any payment of taxes made by Class Counsel, Participating
10 Class Members, and PAGA Employees should any taxing authority challenge the allocation of any
11 payments under this Joint Stipulation of Settlement. In the event any taxing authority asserts that
12 the characterization of payments under this Joint Stipulation of Settlement are inappropriate and/or
13 any tax liability resulting from the payments made under this Joint Stipulation of Settlement is not
14 paid, and Defendants are made to pay any taxes, settlements, interest, penalties, and/or other sums
15 (hereinafter collectively referred to as "Tax Payments") to a taxing authority as a result of the
16 payments made under this Agreement, Plaintiff, Class Counsel, Participating Class Members, and
17 PAGA Employees shall fully indemnify and reimburse Defendants for any and all Tax Payments
18 limited to the amount directly received by them under this Joint Stipulation of Settlement upon
19 demand and reasonable verification of Tax Payments paid.

20
21 RENE RAYGOZA

22 Dated: October ¹² ___, 2023

23 DocuSigned by:
24 
25 648E242A2752465...
26 Named Plaintiff

27 RAVEN INDUSTRIES, INC.

28 Dated: October ___, 2023

By: _____
[NAME]
Title: _____

1 relied upon as such within the meaning of United States Treasury Department Circular 230 (31
2 CFR Part 10, as amended) or otherwise.

3 25. **Tax Indemnity**

4 Plaintiff, Class Counsel, Participating Class Members, and PAGA Employees will be
5 responsible for paying all applicable state, local and federal income taxes on their respective
6 amounts received pursuant to this Joint Stipulation of Settlement, and they shall not seek any
7 indemnification from Defendants or the Released Parties in this regard. Plaintiff and Class
8 Counsel shall cooperate with Defendants and provide documentation to the extent possible and as
9 reasonably requested to demonstrate any payment of taxes made by Class Counsel, Participating
10 Class Members, and PAGA Employees should any taxing authority challenge the allocation of any
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14 paid, and Defendants are made to pay any taxes, settlements, interest, penalties, and/or other sums
15 (hereinafter collectively referred to as "Tax Payments") to a taxing authority as a result of the
16 payments made under this Agreement, Plaintiff, Class Counsel, Participating Class Members, and
17 PAGA Employees shall fully indemnify and reimburse Defendants for any and all Tax Payments
18 limited to the amount directly received by them under this Joint Stipulation of Settlement upon
19 demand and reasonable verification of Tax Payments paid.

20
21 RENE RAYGOZA

22 Dated: October __, 2023

23 _____
 Named Plaintiff

24
25 RAVEN INDUSTRIES, INC.

26 November
27 Dated: October 22, 2023

28 By: 
 [NAME] Jacob Worth
 Title: Treasurer + Controller

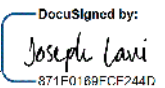
VIAFLEX INC. FORMERLY KNOWN AS RAVEN
ENGINEERED FILMS, INC.

Dated: October __, 2023

By: _____
[NAME]
Title: _____

APPROVED AS TO FORM:

LAVI & EBRAHIMIAN, LLP

By:  _____
871F0189FCF244D
Joseph Lavi

Dated: October 13, 2023

*Counsel for Plaintiff, on behalf of himself and all
others similarly situated*

FINCH, THORNTON & BAIRD, LLP

Dated: October __, 2023

By: _____
Chad T. Wishchuk
*Counsel for Defendants Raven Industries, Inc., and
Viaflex Inc. formerly known as Raven Engineered
Films, Inc.*

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VIAFLEX INC. FORMERLY KNOWN AS RAVEN
ENGINEERED FILMS, INC.

November
Dated: October 21, 2023

By: *Shari Roto*
[NAME] *Shari Roto*
Title: *Chief Legal Counsel*

APPROVED AS TO FORM:

LAVI & EBRAHIMIAN, LLP

By: _____
Joseph Lavi
Dated: October __, 2023
*Counsel for Plaintiff, on behalf of himself and all
others similarly situated*

FINCH, THORNTON & BAIRD, LLP

Dated: October __, 2023
By: *Chad T. Wishchuk* By: Marlene C. Nowlin
Chad T. Wishchuk
*Counsel for Defendants Raven Industries, Inc., and
Viaflex Inc. formerly known as Raven Engineered
Films, Inc.*

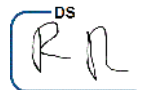
“EXHIBIT A”

**MEMORANDUM OF UNDERSTANDING RE
CLASS ACTION AND PAGA SETTLEMENT**

*Raygoza v. Raven Industries, Inc. and Raven Engineered Films, Inc.
San Bernardino Superior Court Case No. CIVSB2211390*

*Raygoza v. Raven Industries, Inc. and Raven Engineered Films, Inc.
San Bernardino Superior Court Case No. CIVSB2224819*

1. Gross Settlement Amount (GSA): Five Hundred Eighty Five Thousand Dollars (\$585,000). If no objection to the settlement is made, Defendant will pay the GSA to the settlement administrator upon entry of the order granting final approval. If an objection is made but no appeal filed, Defendant will pay the GSA no later than 21 days after the running of the appeal period. If an appeal is filed, Defendant will pay the GSA no later than 21 days after the final judgment becomes final and is no longer subject to appeal.
2. Net Settlement Amount (NSA): Attorneys' fees, costs, class representative enhancement award, LWDA payment, and settlement administration costs, including all costs related to the class notice, will be deducted from the GSA to calculate the Net Settlement Amount (NSA) to be distributed to the class.
3. No Reversion, No Claims Made: There will be no reversion to Defendant and no claims process for Class Members to receive payment.
4. Release: All Class Members who do not opt out of the Settlement will be bound by a release of all claims alleged or could have been alleged in the operative complaints based on the facts alleged in the complaints and PAGA letter, which arose during the Class Period. "Released Parties" include Raven Industries, Inc., Raven Engineered Films, Inc., Viaflex, Inc., Colorado Lining International, Inc., formerly known as Raven CLI Construction, Inc., and each of their parents, predecessors, successors, affiliates, subsidiaries, related entities, officers, directors, members, agents, employees, principals, attorneys, insurers, sureties, owners, and stockholders. Plaintiff's unpaid travel time claim shall be excluded from this release and released in a separate settlement agreement in which Plaintiff will sign a Civil Code section 1542 general release in exchange for an individual settlement payment of Fifteen Thousand Dollars (\$15,000.00). Plaintiff's counsel shall prepare this separate settlement agreement.
5. Settlement Class: The settlement class will consist of all current and former hourly-paid or non-exempt employees employed by Defendants, their predecessors, and/or Viaflex, Inc., within the state of California at any time between June 6, 2018, through May 21, 2023 ("Class Period").
6. Aggrieved Employees: The Aggrieved Employees will consist of all current and former hourly-paid or non-exempt employees employed by Defendants or Viaflex, Inc. within the state of California at any time between June 6, 2021, through May 21, 2023 ("PAGA Period").
7. Enhancement Award: Non-opposition to request for Five Thousand Dollars (\$5,000.00) for Plaintiff. Any portion of the Enhancement Award allocation not approved by the court will revert to participating class members.



8. Employer's Share of Payroll Taxes: Defendants' share of payroll taxes will be paid by Defendants separate from and in addition to the GSA. The settlement shall be allocated as 20% as wages and 80% as interest, penalties, and reimbursement.

9. Uncashed or Returned Checks: Funds from uncashed or returned checks will be paid to the State Controller's Office – Unclaimed Wages Fund

10. Settlement Administration Costs: Non-opposition to request for reimbursement for the claims administrator's costs of up to Twenty-Five Thousand Dollars (\$25,000), which will be paid from the GSA. Any unused funds of this cost allocation will revert to participating class members. Claims administrator to be selected by mutual agreement of the parties. All settlement administration costs, including the cost of paying uncashed or returned checks to the State Controller's Office shall be paid from the GSA. Defendants shall not be required to pay additional funds toward settlement administration costs.

11. Attorney's Fees: Non-opposition to request for attorney's fees of up to one third of the GSA or One Hundred Ninety-Five Thousand Dollars (\$195,000.00). Any portion of the fee allocation not approved by the court will revert to participating class members.

12. Costs: Non-opposition to request for reimbursement for Plaintiff's litigation costs as approved by the Court, which will be paid from the GSA. Any unused funds of this cost allocation will revert to participating class members.

13. Payment to LWDA: The parties allocate \$50,000 to settlement of PAGA claims, 75% of which shall be paid to the California Labor & Workforce Development Agency ("LWDA") and 25% of which shall be part of the NSA to be distributed to the Class.

14. Settlement Distribution to Class Members: Class member settlement shares will be calculated pro rata based on the total workweeks per class member during the Class Period.

15. Pro Rata Increase: If the number of workweeks as of March 21, 2023, exceeds 2400, the Defendants will have the option to increase the GSA pro rata per additional workweek beyond 2400 by \$270.83 per workweek. Alternatively, Defendants may elect to cap the Class Period so that the workweeks do not exceed 2400.

16. Enforceability: The Parties intend to enter into a more formal "long form" agreement not inconsistent with the terms of this MOU within 30 days of the date of execution of this MOU, but if they fail to execute a more formal agreement, the court retains jurisdiction to enforce the settlement pursuant to California Code of Civil Procedure section 664.6.

17. Drafting of Long-Form Settlement Agreement and Preliminary Approval Papers: Plaintiff's counsel will draft the long-form settlement agreement. Plaintiffs' counsel will draft the motion for preliminary approval and motion for final approval.

18. Other Settlement Terms:
a. Stay of all litigation activity in both actions other than to give notice to the LWDA.
b. Non-admission by Defendants as to certification, liability and damages.

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c. Opt out blow provision – 10% of the class members at Defendant’s option.

d. PR/Media

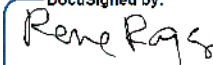
i. Defendant may disclose as required under their legal obligations.

ii. Plaintiff makes no public statement or release and will instruct its counsel of the same. This provision shall not apply to the filing of any documents with the Court or the LWDA which are necessary to effectuate the Settlement, nor is it intended to interfere with or restrict: (1) the Settlement Administrator from distributing the Notice Packets and otherwise complying with its obligation to

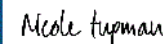
provide information to affected Class Members and/or PAGA Employees; (2) the Settlement Administrator from posting any judgment on its website if and as ordered by the court; and (3) Class Counsel from disclosing to the court the names of the parties in this action and the venue/case number of this action for purposes of proving adequacy if and as required by law.

The settlement is contingent on issuance by the court of a final order approving the settlement, dismissing both lawsuits with prejudice in their entirety, and releasing the defendants as agreed, as well as dismissal of the PAGA LWDA case with prejudice.

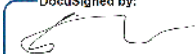
Dated: March 21, 2023

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 RENE RAYGOZA

Dated: March 21, 2023

DocuSigned by:

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 RAVEN INDUSTRIES, INC.

Dated: March 21, 2023

DocuSigned by:

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 VIAFLEX INC., FORMERLY KNOWN AS
 RAVEN ENGINEERED FILMS, INC.

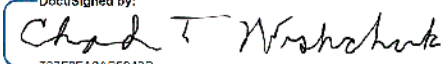
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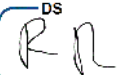
Date: March 21, 2023

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 871E0169FCF244D...
 Attorneys for plaintiff

Date: March 21, 2023

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 737F8FA2A55043D...
 Attorneys for defendants

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“EXHIBIT B”

NOTICE OF SETTLEMENT OF CLASS AND PAGA ACTION

**(Rene Raygoza v. Raven Industries, Inc., et al., Superior Court of the State of California,
County of San Bernardino, Case No. CIVSB2211390)**

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Individual Settlement Payment is: \$<< __ >>. See the explanation in Section 5 below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. In exchange for the settlement payment, you will release claims against the Defendants as detailed in Section 4 below. If your address has changed, you must notify the Settlement Administrator as explained in Section 6 below.
Exclude Yourself	To exclude yourself, you must send a written Request for Exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement and you will not be bound by the Settlement. You will still receive an Individual PAGA Payment and release the Released PAGA Claims if you are an PAGA Employee (described below). Instructions are set forth in Section 7 below.
Object	If you do not exclude yourself from the settlement, you may write to the Court about why you do not agree with the settlement or appear at the Final Approval Hearing to make an oral objection. Directions are provided in Section 8 below.

1. Why did I get this Notice?

A proposed class action settlement (“Settlement”) of the above-captioned action pending in the Superior Court of the State of California, in and for the County of San Bernardino (“Court”) has been reached between Plaintiff Rene Raygoza (“Plaintiff”) and Defendants Raven Industries, Inc. and Viaflex, Inc., formerly known as Raven Engineered Films, Inc. (“Defendants”) and has been granted preliminary approval by the Court. You may be entitled to receive money from this Settlement.

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

[A]ny and all current and former hourly non-exempt employees of Defendant in California during the Class Period. The Class Period is the time from and including June 6, 2018 through May 21, 2023.

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

2. What is this class action lawsuit about?

On June 6, 2022, Plaintiff filed suit in the Superior Court of the State of California, County of San Bernardino Case No. CIVSB2211390, against Defendants on behalf of a class of all hourly non-exempt employees (the “Action”).

On October 27, 2022, Plaintiff filed a separate representative action for civil penalties pursuant to the California Private Attorneys General Act of 2004 California Labor Code section 2698, *et seq.* (“PAGA”) against Defendants in the San Bernardino County Superior Court, Case No. CIVSB2224819 (the “PAGA Action”).

Thereafter, the Parties attended a full-day private mediation on March 21, 2023, with Lynn S. Frank, Esq. where the Parties reached the Settlement described herein. As part of the settlement reached, on [DATE], Plaintiff filed a First Amended Complaint adding all violations of the Labor Code which were analyzed, investigated, mediated, and settled, and including both class and PAGA claims arising out of all those Labor Code violations.

Defendant denies and disputes all of the claims asserted against them. Specifically, Defendant contends that they complied with California wage statement requirements; that Defendant is not liable for any of the penalties claimed or that could be claimed in the Action; and that the Action cannot be maintained as a class action.

The Court granted preliminary approval of the Settlement on [PRELIMINARY APPROVAL DATE]. At that time, the Court also preliminarily approved the Plaintiffs to serve as the Class Representatives, and for Joseph Lavi, Vincent Granberry, Cassandra A. Castro, and Antonia McKee of Lavi & Ebrahimian, LLP to serve as Class Counsel.

3. What are the terms of the Settlement?

Maximum Settlement Amount. Defendant has agreed to pay Five Hundred Eighty-Five Thousand Dollars and No Cents (\$585,000.00) (the “Maximum Settlement Amount”) with no reversion to Defendants. The Maximum Settlement Amount includes all payments to Participating Class Members, Attorneys’ Fees and Costs, Enhancement Payment, allocation to penalties pursuant to PAGA, and Settlement Administration Costs. The Maximum Settlement Amount does not include the employers share of taxes which Defendants have agreed to pay separately and in addition to Maximum Settlement Amount.

Within twenty-one (21) calendar days after the Effective Date, Defendant will fund the Maximum Settlement Amount by depositing the money with the Settlement Administrator. “Effective Date” means the date the Judgment is “Final” which means the date the Court grants final approval or the date the Settlement is no longer subject to appeal. Within ten (10) court days after the settlement is funded, the Settlement Administrator will mail checks for the Individual Settlement Payments to Participating Class Members and Individual PAGA Payments to PAGA Employees.

Amounts to be Paid From the Maximum Settlement Amount. The Settlement provides for certain payments to be made from the Maximum Settlement Amount as follows, which will be subject to final Court approval, and which will be deducted from the Maximum Settlement Amount before Individual Settlement Payments are paid to Settlement Class Members who do not request exclusion (“Participating Class Members”):

- Settlement Administration Costs. Payment to the Settlement Administrator, not to exceed \$25,000, for expenses, including without limitation expenses of notifying the Settlement Class Members of the Settlement, processing opt outs, and distributing Individual Settlement Payments and Individual PAGA Payments and tax forms, and handling inquiries and uncashed checks.
- Attorneys’ Fees and Costs to Class Counsel. Payment to Class Counsel of reasonable attorneys’ fees not to exceed one-third (1/3) of the Maximum Settlement Amount, which is presently \$195,000.00 and an additional amount to reimburse actual litigation costs incurred by the Plaintiff not to exceed \$22,000. Class Counsel have been prosecuting the Action on behalf of Plaintiffs and the Settlement Class on a contingency fee basis (that is, without being paid any money) and has been paying all litigation costs and expenses.
- Enhancement Payment. Plaintiff is requesting an Enhancement Payment in an amount not to exceed Five Thousand Dollars (\$5,000.00), or such lesser amount as may be approved by the Court, to compensate him for services on behalf of the Settlement Class in initiating and prosecuting the Action, and for the risks he undertook.
- PAGA Payment. A PAGA Settlement Amount of \$50,000 out of the Maximum Settlement Amount, which shall be allocated 75% (\$37,500) to the LWDA as the LWDA’s share of the settlement of civil penalties paid under this Agreement pursuant to the PAGA and 25% (\$12,500) (“PAGA Employees Portion”) will be distributed to the PAGA Employees on a pro rata basis based on their pay periods during the PAGA Period.

Calculation of Payments to Participating Class Members. After all of the payments of the court-approved Enhancement Payment, the Attorneys’ Fees and Costs, the PAGA Settlement Amount, and the Settlement Administration Costs are deducted from the Maximum Settlement Amount, the remaining portion, called the “Net Settlement Amount”, shall be distributed as Individual Settlement Payments to the Participating Class Members. The Net Settlement Amount is estimated to be approximately \$288,000.00, based upon the above proposed deductions. The Settlement Administrator will pay an Individual Settlement Payment from the Net Settlement Amount to each Participating Class Member based on the number of pay periods each Participating Class Member worked for Defendant as an hourly non-exempt employee in California during the Settlement Period (“Pay Periods”). The Individual Settlement Payment for each Participating Class Member will be calculated as follows: (a) the number of Pay Periods each Participating Class Member worked Settlement Period; divided by (b) the aggregate number of Pay Periods for all Participating Class Members; and then multiplied by (c) the Net Settlement Amount.

Calculation of Payments to PAGA Employees. The PAGA Employees Portion will be distributed to Settlement Class Members who were employed during the PAGA Period (i.e., PAGA Employees). The PAGA Period is from June 6, 2021 through May 21, 2023. PAGA Employees will receive an Individual PAGA Payment based on the number of pay periods he or she worked during the PAGA Period. PAGA Employees will receive an Individual PAGA Payment regardless

of whether they exclude themselves from the Settlement. Individual PAGA Payments will be calculated as follows: (a) the number of pay periods each PAGA Employee worked as an hourly non-exempt employee for Defendants in California during the PAGA Period; divided by (b) the aggregate number of pay periods worked by all PAGA Employees during the PAGA Period; and then multiplied by (c) the PAGA Employees Portion.

If the Settlement is approved by the Court and you do not exclude yourself, you will automatically be mailed a check for your Individual Settlement Payment to the same address as this Class Notice. You do not have to do anything to receive a payment. If you are a PAGA Employee you will receive an Individual PAGA Payment regardless of if you request exclusion from the Settlement. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to ensure you receive your payment.

Tax Matters. The Parties agree that the Individual Settlement Payments shall constitute 20% wages (“Wage Portion”) and 80% penalties, interest, and reimbursement (“Non-Wage Portion”). Each Individual PAGA Payment shall be treated as 100% penalties. The Settlement Administrator shall calculate and deduct from the Wage Portion of each Participating Class Member’s Individual Settlement Payment the employee’s share of required state, federal, and local tax, and other wage obligations or withholdings. These shall include, without limitation, all federal, state, and local employment taxes (such as Social Security Taxes, Federal Unemployment Taxes, and California Unemployment and Training Taxes) and all state and federal income taxes (collectively, the “Wage Withholdings”). The Settlement Administrator shall remit these amounts to the appropriate authorities. The Settlement Administrator shall issue to each Participating Class Member an IRS Form W-2 to report the wage portion of his or her Individual Settlement Payment. The Settlement Administrator shall issue to each Participating Class Member and PAGA Employee an IRS Form 1099 for the non-wage portion of his or her Individual Settlement Payment and/or Individual PAGA Payment (if applicable). Neither Class Counsel nor Defendant’s Counsel intends anything contained in this Class Notice to constitute advice regarding taxes or taxability. The tax issues for each individual are unique to him/her, and each individual may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

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

4. What Do I Release Under the Settlement?

Released Claims. As of the Effective Date, and full funding of the Gross Settlement Amount by Defendants to the Settlement Administrator, and to the fullest extent permitted by law, Plaintiff, Participating Class Members, and each of their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns shall be deemed to have generally, fully, finally, and forever waived, released, relinquished, and discharged Defendants and each and all of the Released Parties from any and all claims, transactions, occurrences, demands, rights, liabilities, attorneys’ fees and costs, and causes of action alleged or which could have been alleged in the Action, LWDA Letter, PAGA Action, and Operative Complaint that arose during the Class Period, including but not limited to all claims or causes of action: (a) For failure to provide minimum wages, overtime wages, meal periods, and/or rest breaks; (b) For failure to provide accurate itemized wage statements, pay all wages due upon separation of employment, and pay for unreimbursed business expenses, and (c) Relating to or that could have been brought under any Industrial Welfare Commission Wage Order or Labor Code

section; (d) For violation of California Business and Professions Code §§17200, et seq.; and (e) For attorneys' fees and costs relating to any of the foregoing claims, transactions, occurrences, demands, rights, liabilities, costs, and causes of action. The foregoing released claims will be collectively referred to as the "Released Class Claims."

As of the Effective Date and full funding of the Gross Settlement Amount by Defendants to the Settlement Administrator, and to the fullest extent permitted by law, Plaintiff, the State of California, each PAGA Employee and each of their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns, shall be deemed to have generally, fully, finally, and forever waived, released, relinquished, and discharged Defendants and each and all of the Released Parties from any and all claims, transactions, occurrences, demands, rights, liabilities, and causes of action relating to PAGA penalties that were alleged or could have been alleged in the Action, LWDA Letter, PAGA Action, and Operative Complaint, including without limitation, all claims and causes of action: (a) Relating to California Labor Code sections 201, 202, 203, 204, 210, 221, 226(a), 226.7, 510, 512, 558, 1194, 1197, 1198, 2800, 2802, and 2698; (b) Relating to any Industrial Welfare Commission Wage Order or other California Labor Code section; and (c) For attorneys' fees and costs relating to any of the foregoing claims, transactions, occurrences, demands, rights, liabilities, costs, and causes of action. The foregoing released claims will be collectively referred to as the "Released PAGA Claims." (together the Released Class Claims and Released PAGA Claims are the "Released Claims").

The "Released Parties" are Raven Industries, Inc., Raven Engineered Films, Inc., Viaflex, Inc., Colorado Lining International, Inc., formerly known as Raven CLI Construction, Inc., and each of their parents, predecessors, successors, affiliates, subsidiaries, related entities, officers, directors, members, agents, employees, principals, attorneys, insurers, sureties, owners, and stockholders.

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

5. How much will my payment be?

Defendant's records reflect that you worked << >> Pay Periods for Defendant as an hourly non-exempt employee in California during the Settlement Period.

Based on this information, your estimated Individual Settlement Payment is << >>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than **[Response Deadline]**.

Defendant's records reflect that you [are/are not] a PAGA Employee. Based on this information your estimated Individual PAGA Payment is << >>.

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your Individual Settlement Payment, and if applicable Individual PAGA Payment, will be mailed automatically to

the same address as this Class Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: [REDACTED] (800) [REDACTED].

The Court will hold a Final Approval Hearing on [REDACTED], at [REDACTED] to decide whether to approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed approximately four months after this hearing. If there are objections or appeals, resolving them can take time, usually more than a year. Please be patient.

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

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will not receive an Individual Settlement Payment from the Settlement, and you will not be bound by the Settlement which means you will retain the right to sue Defendants for Released Class Claims.**

To opt out, you must mail to the Settlement Administrator, by First Class Mail, a written, signed and dated request to opt-out postmarked no later than [Response Deadline]. The request to opt-out must be received by the Settlement Administrator and must: (1) make the following statement or a similar statement: "I wish to exclude myself from the settlement reached in the matter of *Raygoza v. Raven Industries, Inc.*. I understand that, by excluding myself, I will not receive any money (other than the PAGA Settlement Amount) from the settlement reached in this matter"; (2) contain the name, address, and the last four digits of the Social Security number of the person requesting exclusion; (3) be signed by the Settlement Class Member; and (4) be postmarked or fax stamped by [Response Deadline] and returned to the Settlement Administrator at the specified address or fax telephone number stated in the Class Notice.

The address for the Settlement Administrator is _____. Written requests for exclusion that are postmarked after [Response Deadline], or are incomplete or unsigned will be rejected, and those Settlement Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I don't agree with the Settlement?

Any Settlement Class Member who has not opted out (i.e., Participating Class Member) and believes that the Settlement should not be finally approved by the Court for any reason may object to the proposed Settlement, the attorneys' fees, the costs and/or the enhancement award, either in writing or in person. Objections that are in writing should: (1) contain the name, address, and the last four digits of the Social Security number of the person objecting; (2) be signed by the Participating Class Member; (3) state the grounds on which the Participating Class Member is objecting as well as any documents or evidence supporting his or her objection(s); and (4) be postmarked or fax stamped by the Response Deadline and returned to the Settlement Administrator at the specified address or fax telephone number stated in the Class Notice. A Participating Class Member may also appear at the Final Approval hearing, either in person or through his or her own attorney, if he or she wishes to object to the Settlement.

All written objections must be mailed to the Settlement Administrator at _____, no later than [Response Deadline].

To object to the Settlement, you must not opt out, and if the Court approves the Settlement despite your objection, you will be bound by the terms of the Settlement in the same way as Participating Class Members who do not object and you will still be mailed a check for your Individual Settlement Payment and Individual PAGA Payment.

The addresses for Parties' counsel are as follows:

Class Counsel:

Joseph Lavi, Esq. (SBN 209776)
Vincent Granberry, Esq. (SBN 276483)
Cassandra A. Castro, Esq. (SBN 333945)
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**Counsel for Defendants Raven Industries, Inc. and
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9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at [REDACTED] on [REDACTED], at the San Bernardino County Superior Court, located at 247 W. Third Street, San Bernardino, CA 92415, in Department S-26 before Judge David Cohn. At this hearing the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Settlement Class Member is welcome to attend the hearing if they wish.

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

You may call the Settlement Administrator at [REDACTED].

This Class and PAGA Notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may also get more details by examining the Court's file on the Internet via the Superior Court of San Bernardino County Public Portal page here: <https://cap.sb-court.org/search> and entering the case number CIVSB2211390 under the "Case Number Search" column on the far left.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.