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 ZIPRECRUITER, INC.

SUPERIOR COURT OF THE STATE OF CALIFORNIA
 COUNTY OF LOS ANGELES

PAUL E. LOEB, on behalf of himself, all
 other similarly situated, and the general public

Plaintiffs,

v.

ZIPRECRUITER, INC., a Delaware
 corporation; and DOES 10 through 50,
 inclusive,

Defendants.

Case No. 19STCV11091 (Class Action)
 Case No. 20STCV00221 (PAGA Action)

**STIPULATION REGARDING CLASS
 ACTION AND PAGA SETTLEMENT**

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1 This Stipulation Regarding Class Action and PAGA Settlement and Release (hereinafter
2 the “Settlement” or “Stipulation of Settlement”) is made and entered into by and between Plaintiff
3 Paul Loeb (“Plaintiff”), on behalf of himself, the Labor and Workforce Development Agency,
4 aggrieved employees, and all others similarly situated, and Defendant ZipRecruiter, Inc.
5 (“Defendant”).

6 THE PARTIES STIPULATE AND AGREE as follows:

7 1. Plaintiff and Defendant are collectively referred to herein as “the Parties.”

8 2. On April 3, 2019, Plaintiff filed a class action complaint in the Los Angeles
9 Superior Court against Defendant, Case No. 19STCV11091 (the “Class Action”), alleging claims
10 for willful failure to comply with the Fair Credit Reporting Act (the “FCRA Claim”), failure to
11 pay vacation wages under California Labor Code § 227.3 (the “Vacation Wage Claim”), failure to
12 provide accurate written wage statements under California Labor Code § 226(a) (the “Wage
13 Statement Claim”), and failure to timely pay all final wages under California Labor Code § 201,
14 202 and 203 (the “Waiting Time Penalty Claim”). On January 6, 2020, Defendant filed an answer
15 to the Class Action Complaint denying all material allegations and asserting affirmative defenses.
16 On October 2, 2020, Defendant filed a Motion for Summary Judgment and/or Adjudication, and
17 the Court summarily adjudicated Plaintiff’s second cause of action for violation of the Fair Credit
18 Reporting Act, 15 U.S.C. § 1681g(c) (failure to provide summary of rights), and Plaintiff’s
19 Waiting Time Penalty Claim in favor of Defendant on January 29, 2021. The Class Action is
20 currently pending before the Honorable Amy Hogue.

21 3. On January 3, 2020, Plaintiff filed a separate complaint against Defendant
22 seeking penalties pursuant to the Private Attorney Generals Act, California Labor Code § 2698, *et*
23 *seq.*, Los Angeles Superior Court Case No. 20STCV00221 (the “PAGA Action”). The PAGA
24 Action involves the same alleged violations of the California Labor Code as alleged in the Class
25 Action Complaint – namely, that Defendant allegedly failed to pay the aggrieved employee group
26 vacation wages upon separation of employment (Labor Code § 227.3), failed to provide accurate
27 wage statements (Labor Code § 226), and failed to timely pay all wages owed at separation
28 (Labor Code §§ 201 – 203). The PAGA Action is currently pending before the Honorable Kristin

1 Escalante; however, the Parties have stipulated that the PAGA Action should be transferred to
2 Judge Hogue so that she may review and rule on the Parties' forthcoming requests for approval of
3 their settlement in both the PAGA Action and the Class Action (hereinafter, collectively referred
4 to as the "Action").

5 4. The Action has been actively litigated, and there has been an extensive amount
6 of discovery exchanged. Plaintiff has not filed a motion for class certification in the Class
7 Action, and there is no current deadline by which Plaintiff is to do so, but as provided in
8 paragraph 7 below, Defendant now stipulates to certification of the Settlement Class for purposes
9 of this Settlement only.

10 5. For purposes of this Settlement, "FCRA Class Members" shall be defined as
11 and shall include all of Defendant's current and former job applicants and employees in the
12 United States who completed background check authorizations at any time from April 3, 2017 to
13 March 24, 2018. "Vacation Wage Class Members" shall be defined as and shall include all of
14 Defendant's former full-time employees who separated from employment at any time from April
15 3, 2016 up to the date of a signed order preliminarily approving the class settlement is filed.
16 "Wage Statement Class Members" shall be defined as and shall include all of Defendant's
17 former full-time employees who separated from employment at any time from April 3, 2018 up
18 to the date of a signed order preliminarily approving the class settlement is filed. Together, the
19 FCRA Class Members, the Vacation Wage Class Members, and the Wage Statement Class
20 Members are hereinafter referred to as the "Settlement Class" or "Class Members."

21 6. For purposes of this Settlement, "PAGA Aggrieved Employees" shall be
22 defined as and shall include all former full-time employees who worked for Defendant and who
23 separated from employment between October 30, 2018 up to the date a signed order
24 preliminarily approving the settlement is filed.

25 7. Solely for purpose of settling the Class Action, the Parties stipulate and agree
26 that the requisites for establishing class certification with respect to the Settlement Class have
27 been met and are met. More specifically, the Parties stipulate and agree that:
28

1 a. The Settlement Class is ascertainable and so numerous as to make it
2 impracticable to join all Class Members.

3 b. There are common questions of law and fact including, but not limited to,
4 the following:

5 i. Whether Defendant complied with applicable laws affecting
6 Plaintiff and the Settlement Class under the Fair Credit Reporting Act;

7 ii. Whether Defendant subjected vacation time and/or floating
8 holidays offered to Vacation Wage Class Members to forfeiture in violation of California Labor
9 Code § 227.3;

10 iii. Whether Defendant failed to provide Wage Statement Class
11 Members with accurate written wage statements in violation of California Labor Code § 226(a).

12 c. Plaintiff believes his claims are typical of the claims of the members of the
13 Settlement Class.

14 d. Plaintiff believes he will fairly and adequately protect the interests of the
15 Settlement Class, and that Shaun Setareh of Setareh Law Group should be appointed “Class
16 Counsel,” and will fairly and adequately protect the interests of the Settlement Class.

17 e. The prosecution of separate actions by individual members of the
18 Settlement Class would create the risk of inconsistent or varying adjudications, which would
19 establish incompatible standards of conduct.

20 f. With respect to the Settlement Class, Plaintiff believes that questions of
21 law and fact common to the members of the Settlement Class predominate over any questions
22 affecting any individual member, and a class action is superior to other available means for the
23 fair and efficient adjudication of the controversy.

24 8. Defendant denies any liability or wrongdoing of any kind whatsoever associated
25 with the claims alleged in the Action, and further denies that, for any purpose other than settling
26 this Action, this Action is appropriate for class or representative treatment.

27 9. It is the desire of the Parties to fully, finally and forever settle, compromise and
28 discharge all disputes and claims related to and arising from the allegations and causes of action

1 stated in the Action. To achieve a full and complete release of Defendant, each Class Member
2 and the PAGA Aggrieved Employees acknowledge that this Stipulation of Settlement is intended
3 to include in its effect all claims alleged in the Class Action and PAGA Action, respectively, and
4 that reasonably could have been alleged in the Action based on the factual allegations contained
5 in the Class Action and PAGA Action and any amendments thereto.

6 10. It is the intention of the Parties that this Stipulation of Settlement shall constitute a
7 full and complete settlement and release of all claims arising from and related to the allegations
8 in the Action against (i) Defendant; (ii) its future and/or current subsidiaries, affiliates, affiliated
9 companies, officers, directors, owners, employees, assigns, successors, attorneys, executors,
10 trustees, agents, personal and legal representatives, and vendors; and (iii) any individual or entity
11 which could be jointly liable with any of the foregoing (collectively referred to as the "Released
12 Parties").

13 11. Counsel for the Settlement Class have conducted a thorough investigation into the
14 facts of the Action and have diligently pursued an investigation of Class Members' and PAGA
15 Aggrieved Employees' claims against Defendant. Based on their own independent investigation
16 and evaluation, Class Counsel are of the opinion that the Settlement with Defendant for the
17 consideration and on the terms set forth in this Stipulation of Settlement is fair, reasonable and
18 adequate and is in the best interest of the Settlement Class and PAGA Aggrieved Employees in
19 light of all known facts and circumstances, including the risk of significant delay, the risk the
20 Settlement Class will not be certified by the Court, the risk the PAGA Action will be found to be
21 unmanageable, defenses asserted by Defendant, and numerous potential appellate issues.
22 Defendant and Defendant's counsel also agree that the Settlement is fair and in the best interest
23 of the Parties.

24 12. The Parties agree to cooperate and take all steps necessary and appropriate to
25 consummate this Settlement and for entry of judgment in accordance with this Stipulation of
26 Settlement.

27 13. The total payment under the Settlement is \$1,200,000.00 (One Million Two
28 Hundred Thousand Dollars and Zero Cents), including all Class Settlement Awards (defined

below), all PAGA Settlement Awards (defined below), the attorneys' fees and litigation costs to Class Counsel, the Enhancement Award to the Class Representative (defined below), the settlement administration costs, and all other amounts requested in the operative Class Action and PAGA Action complaints and provided for by the Settlement. It is understood and agreed that Defendant's total liability under the Settlement shall not exceed the sum of \$1,200,000.00, exclusive of any employer payroll taxes necessitated by apportionment of the total settlement amount and except for invocation of escalator clauses as expressly provided for below (the "Maximum Settlement Amount"). Absent invocation of this escalator clause and exclusive of said employer payroll taxes, it is understood and agreed that Defendant shall have no obligation to pay any person, entity or organization greater than the Maximum Settlement Amount.

TERMS OF SETTLEMENT

14. NOW THEREFORE, in consideration of the mutual covenants, promises and agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

a. It is agreed by and among Plaintiff and Defendant that the Action and any claims, damages or causes of action arising out of the Class Action and PAGA Action which are the subject of the Action, be settled and compromised as between Plaintiff, the Labor & Development Workforce Agency ("LWDA"), the Settlement Class and PAGA Aggrieved Employees, on the one hand, and Defendant, on the other hand, subject to the terms and conditions set forth in this Stipulation of Settlement and the approval of the Court.

b. Effective Date: The Settlement embodied in this Stipulation of Settlement shall become effective only after either (a) the 60th calendar day after the Parties receive filed and signed orders finally approving the Stipulation of Settlement from the Court and provided no motions to vacate the judgment, appeal, writ or other appellate proceeding having been filed; or (b) the seventh (7th) calendar day after any motion to vacate the judgment, appeal, writ, or other appellate proceeding opposing the Stipulation of Settlement has been finally dismissed with no material change to the terms of this Stipulation of Settlement and there is no right to pursue further remedies or relief, whichever is later (the "Effective Date"). In this regard, it is the intention of the Parties that the Settlement shall not become effective until the Court's order

1 approving the Settlement is completely final, and there is no further recourse by an appellant or
2 objector, including but not limited to the State of California or individual members of the
3 Settlement Class or any PAGA Aggrieved Employee, who seeks to contest the Settlement. It is
4 further agreed by the Parties that this Settlement will not become effective if Defendant is
5 required to pay more than the total amount of its maximum total liability under the Settlement
6 under any circumstances, except as provided for herein. It is further agreed by and between the
7 Parties that this Settlement shall not become effective, and Defendant shall not have any
8 obligation (monetary or otherwise) under the terms of this Settlement, unless and until any
9 objections, writs and/or appeals, and any rights of appeal with respect to any objections or the
10 judgment, have been finally exhausted and resolved upholding the terms of this Settlement.

11 c. Maximum Settlement Amount and Net Settlement Amount: As
12 consideration for this Settlement, Defendants agree to pay the Maximum Settlement Amount,
13 which includes all Class Settlement Awards (defined below), all PAGA Settlement Awards
14 (defined below), the Enhancement Award to the Class Representative (defined below), attorneys'
15 fees and costs, and settlement administration expenses. At no time shall Defendant have the
16 obligation to segregate the funds comprising the Maximum Settlement Amount, and Defendant
17 shall retain exclusive authority over and responsibility for those funds subject to the
18 disbursement of funds necessary for the payment of claims, approved attorneys' fees, approved
19 costs, approved Enhancement Award to the Class Representative, the settlement administration
20 fees and expenses, and any other payments provided by this Settlement. The Class Settlement
21 Awards paid to Class Members, the PAGA Settlement Awards paid to PAGA Aggrieved
22 Employees, the attorneys' fees and litigation costs to Class Counsel, the Enhancement Award to
23 the Class Representative, the fees and expenses of the Settlement Administrator, and any other
24 payments provided by this Settlement, shall be paid out of the Maximum Settlement Amount.
25 The "Net Settlement Amount" is the amount available for potential distribution to Class
26 Members and PAGA Aggrieved Employees, and shall be calculated by subtracting the following
27 from the Maximum Settlement Amount: (i) any amounts for approved attorneys' fees and costs,
28 (ii) any Enhancement Award to the Class Representative, and (iii) fees and expenses for the

1 Settlement Administrator. Class Settlement Awards to the Class Members and PAGA
2 Settlement Awards to the PAGA Aggrieved Employees (together, the “Settlement Awards”) will
3 be calculated by the Settlement Administrator and paid out of the Net Settlement Amount as set
4 forth below.

5 i. PAGA Settlement Award: The “PAGA Settlement Award” shall
6 amount to \$50,000.00 (Fifty Thousand Dollars and Zero Cents) of the Net Settlement Amount
7 and will be allocated to resolving the PAGA Action. Seventy-five percent (75%) of the PAGA
8 Settlement Award will be paid to the LWDA and twenty-five percent (25%) will be paid to
9 PAGA Aggrieved Employees. The pro rata amount due to each PAGA Aggrieved Employee
10 will be determined by dividing his or her total weeks worked from October 30, 2018 up to the
11 date a signed order preliminarily approving the settlement is filed (“PAGA Claim Period”) by the
12 total weeks worked by all PAGA Aggrieved Employees within the PAGA Claim Period. That
13 fraction will then be multiplied by the 25% portion of the PAGA Settlement Amount to arrive at
14 the PAGA Aggrieved Employee’s individual settlement shares. These payments to PAGA
15 Aggrieved Employees shall be allocated as 100% penalties. PAGA Aggrieved Employees will
16 be responsible for paying any personal income taxes owed on the amounts they receive. PAGA
17 Aggrieved Employees shall have no right to opt out of or not participate in the PAGA
18 Settlement.

19 ii. Class Settlement Awards: The “Class Settlement Awards” shall
20 amount to the balance of the Net Settlement Amount after subtracting the PAGA Settlement
21 Award and shall be allocated to Class Members as defined below. The Class Settlement Awards
22 to be paid to Class Members will be calculated by the Settlement Administrator based upon
23 information provided by Defendant. Any person who opts out of the Settlement is not a Class
24 Member and is ineligible to object to the Settlement or to participate in the Settlement.

25 a. FCRA Payment to FCRA Class Members: 50% (One-Half)
26 of the Class Settlement Awards shall be distributed to FCRA Class Members who do not opt out
27 of the Settlement. Each participating FCRA Class Member’s individual share of the FCRA
28 Class Payment shall be the same and shall be calculated by dividing the total FCRA Class

1 Payment by the number of participating FCRA Class Members. These payments to FCRA Class
2 Members shall be made without withholding and apportioned as 100% statutory penalties and
3 reported by IRS Form 1099.

4 b. Vacation Payment to Vacation Wage Class Members and
5 Wage Statement Class Members: 50% (One-Half) of the Class Settlement Awards shall be paid
6 to the Vacation Wage Class Members and Wage Statement Class Members who do not opt out of
7 the Settlement and shall be hereinafter defined as the "Vacation Payment." Each participating
8 Vacation Wage and Wage Statement Class Member's share of the Vacation Payment will be
9 determined by dividing their total weeks worked within the class period, based on their hire and
10 separation dates, by the total weeks worked by all participating Vacation Wage Class Members
11 and Wage Statement Class Members within the class periods. That fraction will then be
12 multiplied by the apportioned Vacation Payment to arrive at each Vacation Wage and Wage
13 Statement Class Member's individual share. The individual payments made to Vacation Wage
14 and Wage Statement Class Members shall be allocated as follows: 20% (Twenty Percent) shall
15 be allocated as wages and 80% (Eighty Percent) shall be allocated as penalties and interest

16 iii. Settlement Awards Do Not Trigger Additional Benefits: All
17 Settlement Awards shall be deemed to be income to such Class Members and PAGA Aggrieved
18 Employees solely in the year in which such awards are actually received by them. It is expressly
19 understood and agreed that the receipt of such Settlement Awards will not entitle any Class
20 Member or PAGA Aggrieved Employee to additional compensation or benefits under any
21 company bonus, contest or other compensation or benefit plan or agreement in place during the
22 period covered by the Settlement, nor will it entitle any Class Member or PAGA Aggrieved
23 Employee to any increased retirement, 401(k) benefits or matching benefits, or deferred
24 compensation benefits. It is the intent of this Settlement that the Settlement Awards provided for
25 in this Agreement are the sole payments to be made by Defendant to the Class Members and
26 PAGA Aggrieved Employees in connection with this Settlement, and that the Class Members
27 and PAGA Aggrieved Employees are not entitled to any new or additional compensation or
28 benefits as a result of having received the Settlement Awards (notwithstanding any contrary

1 language or agreement in any benefit or compensation plan document that might have been in
2 effect during the period covered by this Settlement).

3 iv. Attorneys' Fees and Litigation Costs: Subject to Court approval or
4 modification, Defendant further agrees to pay, from the Maximum Settlement Amount, Class
5 Counsel's attorneys' fees and litigation costs as set forth in Paragraph 16 below.

6 v. Class Representative: For purposes of this Settlement, the Parties
7 agree to the designation of Plaintiff Paul Loeb as "Class Representative." Subject to Court
8 approval, Defendant agrees to pay Plaintiff, from the Maximum Settlement Amount, an
9 Enhancement Award at no additional cost to Defendant or the Released Parties, and subject to
10 Plaintiff's execution of a general release of all claims under California Civil Code Section 1542.
11 The Enhancement Award shall not exceed \$20,000.00 (Twenty Thousand Dollars and Zero
12 Cents), subject to Court approval, and is in addition to any claimed individual Settlement Award
13 to which Plaintiff is entitled under this Stipulation of Settlement. The Enhancement Award is to
14 be part of, and to be deducted from, the Maximum Settlement Amount. The Settlement
15 Administrator will issue an IRS Form 1099-MISC for the Enhancement Award to the Plaintiff
16 for Plaintiff's service as a Class Representative, and Plaintiff will be responsible for correctly
17 characterizing this compensation for tax purposes and for paying any taxes on the amounts
18 received. Should the Court approve an Enhancement Award to the Class Representative in an
19 amount less than that set forth above, the difference between the lesser amount approved by the
20 Court and the Enhancement Award set forth above shall be added to the Net Settlement Amount.
21 Defendant will not object to Class Counsel's application for an enhancement award up to this
22 amount.

23 vi. Settlement Administrator: The Settlement Administrator will be
24 Simpluris, Inc. as mutually agreed upon by the Parties, after review and approval by the Parties
25 of a not-to-exceed quote for settlement administration expense which Plaintiff's counsel agrees
26 to request and circulate to Defendant's counsel. All settlement administration expenses shall be
27 paid out of the Maximum Settlement Amount. The expenses associated with settlement
28 administration are not to exceed \$12,500.00. If for any reason the Settlement is not approved or

1 does not go forward, the Parties agree that they will be equally responsible for payment of the
2 Settlement Administrator's costs incurred up to that date in connection with this Stipulation of
3 Settlement, except for as provided below and herein.

4 vii. Mailing of Settlement Awards: The Settlement Administrator will
5 cause the Settlement Awards to be mailed to (i) all PAGA Aggrieved Employees and (ii) all
6 Class Members who have not opted out of the Settlement pursuant to the notice provisions set
7 forth below.

8 viii. Notices of Settlement Awards: For each FCRA Class Member,
9 upon preliminary court approval of the Settlement, the Claims Administrator will mail a Notice
10 of Proposed Class Action Settlement, and Hearing Data for Final Approval of Settlement
11 ("Notice of FCRA Settlement") that is substantially in the form identified as Exhibit 1. For each
12 Vacation Wage Class Member and Wage Statement Class Member, there will be a separate
13 mailed Notice of Proposed Class Action and PAGA Settlement, and Hearing Data for Final
14 Approval of Settlement ("Notice of Vacation Wage Settlement") that is substantially in the form
15 identified as Exhibit 2. Separate notices shall not be mailed out to PAGA Aggrieved Employees.
16 The Notice of FCRA Settlement and Notice of Vacation Wage Settlement shall hereinafter be
17 referred to as the "Notices of Settlement."

18 d. Enhancement Award to Plaintiff for Service as Class Representative: The
19 Settlement Administrator will pay the Enhancement Award approved by the Court to Plaintiff no
20 later than 30 calendar days after the Effective Date.

21 e. Right to Rescission: If more than ten percent (10%) of the Settlement
22 Class opts out of the Settlement by submitting valid and timely Requests for Exclusion as set
23 forth in the Notices of Settlement, Defendant shall have the right (but need not) in its sole
24 discretion to rescind and to void the Settlement, before final approval by the Court, by providing
25 written notice to Class Counsel no later than ten (10) calendar days before the final approval
26 hearing date. If Defendant exercises this option, Defendant shall pay any costs of Settlement
27 Administration incurred up to that date, but not to include Class Counsel's fees and costs.

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15. The Parties have agreed to the appointment of Simpluris, Inc. to perform the customary duties of Settlement Administrator; provided, however, the Parties shall have the right to select or substitute a different Settlement Administrator by mutual agreement and approval by the Court. The Settlement Administrator will mail the Notices of Settlement to all Class Members. The Settlement Administrator will calculate the amounts due to the Class Members and PAGA Aggrieved Employees based on the data provided by Defendant and will confirm with the Parties when the data is received. Upon receipt of funds from Defendant, the Settlement Administrator will issue and mail Settlement Award checks to all participating Class Members and PAGA Aggrieved Employees. Defendant shall be able to review proposed distributions to ensure correct and accurate distributions and representations to the Class Members through the Notices of Settlement. Defendant shall also be able to review proposed distributions to PAGA Aggrieved Employees to ensure correct and accurate distributions. Tax treatment of the Settlement Awards will be as set forth herein, and in accordance with state and federal tax laws. All disputes relating to the Settlement Administrator's performance of its duties shall be referred to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions of this Stipulation of Settlement until all payments and obligations contemplated by this Stipulation of Settlement have been fully carried out.

16. In consideration for settling this Action, in exchange for the release of claims by the Settlement Class and PAGA Aggrieved Employees, and subject to final approval or modification by the Court, Defendant agrees to pay, from the Maximum Settlement Amount, Class Counsel attorneys' fees not to exceed one-third of the Maximum Settlement Amount and attorneys' costs not to exceed \$30,000 (Thirty Thousand Dollars and Zero Cents) from the Maximum Settlement Amount. Defendant will not object to Class Counsel's application for attorneys' fees and litigation costs up to these amounts. The amounts set forth above will cover all work performed and all fees and costs incurred to date, and all work to be performed and all fees and costs to be incurred in connection with the approval by the Court of this Stipulation of

1 Settlement, the administration of the Settlement, and obtaining the final judgment. Should Class
2 Counsel request lesser amounts, or should the Court approve lesser amounts for attorneys' fees
3 and litigation costs, the difference between the lesser amounts and the maximum amounts set
4 forth above shall be added to the Net Settlement Amount.

5 17. The attorneys' fees and litigation costs approved by the Court shall be paid by the
6 Settlement Administrator directly to Class Counsel no later than 30 calendar days after the
7 Effective Date.

8 NOTICES TO THE PLAINTIFF CLASS

9 18. The Notices of Settlement shall be jointly drafted by the Parties, and as approved
10 by the Court, shall be sent by the Settlement Administrator to the Class Members by first class
11 mail. The Notices of Settlement shall also identify the procedures for opting out of or objecting
12 to the Settlement.

13 a. Within 30 calendar days of preliminary approval of this Settlement by the
14 Court, Defendant shall provide to the Settlement Administrator the FCRA Class Members'
15 names, last-known addresses (to the extent available), and last-known telephone numbers (to the
16 extent available) during the FCRA Class Period. For the Vacation Wage Class Members, Wage
17 Statement Class Members, and PAGA Aggrieved Employees, within 30 calendar days of
18 preliminary approval of this Settlement by the Court, Defendant shall provide to the Settlement
19 Administrator the Vacation Wage and Wage Statement Class Members' and PAGA Aggrieved
20 Employees' names, last known-addresses, last-known telephone numbers, social security
21 numbers, and hire and separation dates. The Parties agree that all names, last-known addresses,
22 last-known telephone numbers, social security numbers, and dates of employment will be used
23 only by the Settlement Administrator for the sole purpose of effectuating the Settlement and will
24 not be provided to Class Counsel at any time or in any form. Notwithstanding anything herein to
25 the contrary, Class Counsel will not be entitled to receive the confidential contact information,
26 social security numbers, and/or dates of employment. To the extent Class Counsel possesses or
27 comes to possess confidential contact information, social security numbers, and/or dates of
28 employment from the Settlement Administrator, Class Counsel shall return all such information

(including copies and data or information derived therefrom) within 5 calendar days from the date the Court finally approves the Settlement, shall not retain copies of such information, and shall not maintain or use such information for any purpose. The spreadsheets provided for above, shall be based on Defendant's business records and in a format acceptable to the Settlement Administrator. The Settlement Administrator will run a check of the Class Members' and PAGA Aggrieved Employees' addresses against those on file with the U.S. Postal Service's National Change of Address List. Within 30 days of receiving the class information from Defendant, the Settlement Administrator will mail the Notice of FCRA Settlement to FCRA Class Members and the Notice of Vacation Wage Settlement to all Vacation Wage Class Members, Wage Statement Class Members, and PAGA Aggrieved Employees.

b. Notices returned to the Settlement Administrator as non-delivered during the 60-calendar day period for the submission of exclusions or objections shall be resent to the forwarding address, if any, on the returned envelope. If there is no forwarding address, the Settlement Administrator will do an NCOA check and will skip-trace return mail and re-mail within five (5) days of receipt using the Class Member's Social Security Number; this search will be performed only once per Class Member by the Settlement Administrator. Class Members who receive re-mailed notices will receive an extension of time to submit an exclusion or objection accordingly. Upon completion of these steps by the Settlement Administrator, Defendant and the Settlement Administrator shall be deemed to have satisfied their obligations to provide the Notices of Settlement to the affected member(s) of the Settlement Class. The affected member(s) of the Settlement Class shall remain a member/members of the Settlement Class and shall be bound by all the terms of the Stipulation of Settlement and the Court's Order and Final Judgment. PAGA Aggrieved Employees will not have the option of opting out of the Settlement.

c. Class Counsel shall provide to the Court, at least sixteen (16) Court days before the final fairness hearing, an initial declaration by the Settlement Administrator of due diligence and proof of mailing with regard to the mailing of the Notices of Settlement.

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ADMINISTRATION PROCESS

19. Class Members shall have sixty (60) calendar days from the date of mailing (or re-mailing) to respond to the Notices of Settlement.

20. For any Notices of Settlement submitted or returned by Class Members, they shall be sent directly by Class Members to the Settlement Administrator at the address indicated on the Notices of Settlement.

21. Settlement Awards to Class Members and PAGA Aggrieved Employees will be mailed by the Settlement Administrator within forty-five (45) calendar days after the Effective Date. Settlement Award checks shall remain valid and negotiable for one hundred twenty (120) calendar days from the date of their issuance; upon the deadline to cash the Settlement Award checks, the checks will automatically be cancelled by the Settlement Administrator if not cashed by the Class Member or PAGA Aggrieved Employee within that time, at which point the Class Member's claim will be deemed void and of no further force or effect, and the Class Member's claims will remain released by the Settlement.

22. The checks provided to Class Members and PAGA Aggrieved Employees shall prominently state the expiration date or a statement that the checks will expire in one hundred twenty (120) days, or alternatively, such a statement may be made in a letter accompanying the check.

23. Expired Settlement Award checks will not be reissued, except for good cause and as mutually agreed by the Parties in writing. Any residual amounts from uncashed Settlement Award checks after the expiration date will be paid within fourteen (14) calendar days after the one hundred twenty (120) day check cashing period expires, pursuant to Code of Civil Procedure section 384(b), to the California State Bar's Justice Gap Fund, subject to Court approval.

24. Upon completion of its calculation of payments, the Settlement Administrator shall provide Defendant with a report listing the amount of all payments to be made to each Class Member and PAGA Aggrieved Employee.

1 25. Defendant, on behalf of the Released Parties, will pay to the Settlement
2 Administrator the Maximum Settlement Amount within twenty-one (21) calendar days after
3 Effective Date.

4 26. The Settlement Administrator will be solely responsible for paying to Class
5 Counsel any Court-approved attorneys' fees and litigation costs, paying to the Class
6 Representative any Court-approved Enhancement Award, meeting tax reporting obligations,
7 determining and requesting any payroll taxes from Defendant, and for issuing the individual
8 Settlement Awards to Class Members. Proof of compliance with the Court's final approval order
9 will be provided to counsel for the Parties by the Settlement Administrator within twenty-one
10 (21) calendar days after all payment obligations, the check cashing deadline for Class Members,
11 and payment to the *cy pres* beneficiary have passed.

12 27. Class Counsel will be responsible for ensuring that the Settlement Administrator
13 complies with any and all filing and delivery requirements required by the LWDA to effectuate
14 the terms of the settlement of the PAGA Claim, including but not limited to filing the Settlement
15 with the LWDA and mailing funds to the LWDA once the Settlement is approved by the Court.

16 OPTING OUT OF / OBJECTING TO THE SETTLEMENT

17 28. Opting Out of the Settlement. For those Class Members who do not wish to
18 participate in the Settlement, such Class Members may exclude themselves by submitting a
19 timely written request to the Settlement Administrator. The written request ("Request for
20 Exclusion") should state that he/she has received the Notice of Settlement, decided not to
21 participate in the Settlement, and words to the effect that he/she desires to be excluded from the
22 Settlement. The Request for Exclusion must also state the individual's full name, address, date
23 of birth, and the dates he/she worked as an employee for Defendant. The Request for Exclusion
24 must also state that it is in reference to the case of *Loeb v. ZipRecruiter*, Case No.
25 19STCV11091. The Request for Exclusion must be signed, dated and mailed by First Class U.S.
26 Mail, or the equivalent, to the Settlement Administrator. All Requests for Exclusion must be
27 postmarked and mailed to the Settlement Administrator no later than sixty (60) calendar days
28 after the Settlement Administrator mails (or re-mails) the Notices of Settlement. Any Class

1 Member who submits a Request for Exclusion will not be allowed to object to the terms of the
2 Settlement, except with the express permission of the Court. Non-participating Class Members
3 will receive no Settlement Award, but their election not to participate in the Settlement will
4 reduce neither the Maximum Settlement Amount nor the Net Settlement Amount. Their
5 respective Settlement Award will remain a part of the Net Settlement Amount for distribution to
6 Class Members on a *pro rata* basis relative to their Settlement Award. PAGA Aggrieved
7 Employees shall have no right to opt out of or not participate in the PAGA Settlement.

8 29. Objecting to the Settlement. Any Class Member who does not exclude
9 himself/herself from the Settlement can object to the terms of the Settlement. To object, the
10 individual may file a written objection and/or a notice of intention to appear at the Final
11 Approval hearing with the Settlement Administrator. Any written objection should state each
12 specific reason in support of the objection and any legal support for each objection. The
13 individual should state his/her full name, address, date of birth, and, if applicable, the dates
14 he/she worked as an employee for Defendant. Any written objections to approval of the
15 Settlement may be delivered to the Settlement Administrator, Class Counsel and/or counsel for
16 Defendant no later than sixty (60) calendar days after the Settlement Administrator mails the
17 Notices of Settlement to the Class Members. Objections may also be made at the Final Approval
18 hearing without a written objection being submitted, but only with the Court's express
19 permission. If the Court rejects the objection, the individual will be bound by the terms of the
20 Settlement. PAGA Aggrieved Employees shall have no right to object to the PAGA Settlement.

21 30. Disputed Information on Notice Packets. Vacation Wage and Wage Statement
22 Class Members will have an opportunity to dispute the information provided in the Notice of
23 Settlement. To the extent Vacation Wage or Wage Statement Class Members dispute the
24 number of weeks they worked during the Class Period, or the amount of their individual
25 Settlement payments, they may produce evidence to the Settlement Administrator showing that
26 such information is inaccurate. Absent evidence rebutting Defendant's records, Defendant's
27 records will be presumed determinative. However, if a Vacation Wage or Wage Statement Class
28 Member produces evidence to the contrary, the Settlement Administrator will evaluate the

1 evidence submitted by the Class Member in consultation with counsel for the Parties and will
2 make the final decision as to the individual Settlement to which the Class Member may be
3 entitled, subject to judicial review.

4 RELEASE BY THE CLASS AND PAGA AGGRIEVED EMPLOYEES

5 31. Effective upon the date of final approval by the Court of this Stipulation of
6 Settlement, and upon funding of the Maximum Settlement Amount in full by Defendant, each
7 Class Member who has not submitted a valid Request for Exclusion, fully releases and
8 discharges (i) Defendant; (ii) its future and/or current subsidiaries, affiliates, affiliated
9 companies, officers, directors, owners, employees, assigns, successors, attorneys, executors,
10 trustees, agents, personal and legal representatives, and vendors; and (iii) any individual or entity
11 which could be jointly liable with any of the foregoing (collectively referred to as the “Released
12 Parties”) as to the following claims:

13 a. FCRA Class Members: All claims and derivative claims relating to facts that
14 were or could have been alleged in the operative class action complaint
15 concerning Defendant’s pre-employment background screening process,
16 including but not necessarily limited to, the Fair Credit Reporting Act 15
17 U.S.C. § 1681 *et seq.*, the California Investigative Consumer Reporting
18 Agencies Act, Cal Civ. Code. § 1786 *et seq.*, (collectively, the “FCRA
19 Claims”), and any other state and local equivalent claims, inclusive of all
20 punitive damages, civil and statutory penalties, actual damages, attorneys’
21 fees, costs and any form of equitable relief.

22 b. Vacation Wage Class Members and Wage Statement Class Members: All
23 claims and derivative claims relating to facts that were or could have been
24 alleged in the operative class action complaint concerning Defendant’s alleged
25 failure to pay allegedly accrued, unused vacation or other forms of paid time
26 off, including but not necessarily limited to claims under Labor Code §§ 226
27 and 227.3 and claims under the Fair Labor Standards Act (“FLSA”), inclusive
28

1 of statutory and civil penalties, attorneys' fees, interest, liquidated damages,
2 injunctive relief and costs.

3 32. Vacation Wage and Wage Statement Class Members will be deemed to have
4 acknowledged and agreed that their claims for wages and/or penalties in the Action are disputed,
5 and that their individual Settlement payments constitute payment of all sums allegedly due to
6 them. Vacation Wage and Wage Statement Settlement Class Members will be deemed to have
7 acknowledged and agreed that the California Labor Code section 206.5 is not applicable to the
8 individual Settlement amounts paid to them. That section provides in pertinent part:

9 **"An employer shall not require the execution of a release of a claim or right**
10 **on account of wages due, or to become due, or made as an advance of wages**
11 **to be earned, unless payment of those wages has been made."**

12 33. Unless a Class Member affirmatively opts out of the Settlement, the Class
13 Member will be deemed to have released the Released Claims against the Released Parties,
14 irrespective of whether they cash their individual Settlement payment checks except that
15 Vacation Wage and Wage Statement Class Members that do not cash their individual Settlement
16 payment checks shall not be deemed to have released any claims they may have under the FLSA.

17 Vacation Wage and Wage Statement Class Members shall be required to
18 affirmatively opt-in for purposes of the FLSA and waive all Released Claims falling under the
19 FLSA by endorsing their individual Settlement payment checks, which shall contain thereon the
20 following or substantially similar language:

21 **"By endorsing and cashing this check, I agree to the waiver of the wage and**
22 **hour claims set forth in the class notice in *Paul Loeb v. ZipRecruiter, Inc.*,**
23 **including all claims under the FLSA and hereby affirmatively opt in to the**
24 **FLSA claim and FLSA waiver for purposes of 29 U.S.C. § 216(b), (c)."**

25 This FLSA release shall not apply to the PAGA Award and this language shall not appear on the
26 checks provided to PAGA Aggrieved Employees for their share of the PAGA Settlement Award.

27 34. Effective upon the date of final approval by the Court of this Stipulation of
28 Settlement, and upon funding of the Maximum Settlement Amount in full by Defendant, each
PAGA Aggrieved Employee fully releases and discharges the Released Parties from all Private
Attorneys General Act claims for any and all civil penalties under the Labor Code arising from

1 Defendant's alleged failure to pay unused vacation or other forms of paid time off, including but
2 not necessarily limited penalties for violations of Labor Code §§ 201-202, 226(a), 226.7, 510,
3 512, 1194, 1198, and Labor Code §2699(a) for Violations of Labor Code §§ 227.3 and 226,
4 together with claims for attorneys' fees, interest, liquidated damages, injunctive relief and costs.

5 35. In addition to the released claims identified in Paragraphs 30 to 34, Plaintiff
6 Paul Loeb, as an individual only, agrees to release any and all claims, whether known or
7 unknown, under all federal, state and local statutes, and federal and state common law
8 (including, but not limited to, those for contract, tort, and equity), including, without limitation,
9 the California Unfair Competition Act (California Business and Professions Code section 17200
10 et seq.), the California Labor Code, including Labor Code section 132a, and the Private
11 Attorneys General Act (California Labor Code section 2699.3, *et seq.*), against the Released
12 Parties. Plaintiff Paul Loeb acknowledges the language of Section 1542 of the California Civil
13 Code, which provides:

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

17 Thus, notwithstanding the provisions of Section 1542 of the California Civil Code, and to
18 implement a full and complete release and discharge of the Released Parties, Plaintiff expressly
19 acknowledges this Settlement is intended to include in its effect, without limitation, all claims
20 Plaintiff does not know or suspect to exist in Plaintiff's favor at the time of signing this
21 Settlement, and that this Settlement contemplates the extinguishment of any such claims.
22 Plaintiff warrants that he has read this Settlement, including this waiver of California Civil Code
23 section 1542, and that Plaintiff has consulted with or had the opportunity to consult with counsel
24 of Plaintiff's choosing about this Settlement and specifically about the waiver of California Civil
25 Code section 1542, and that Plaintiff understands this Agreement and the California Civil Code
26 section 1542 waiver, and so Plaintiff freely and knowingly enters into this Settlement. Plaintiff
27 further acknowledges that Plaintiff later may discover facts different from or in addition to those
28 Plaintiff now knows or believes to be true regarding the matters released or described in this

1 Settlement, and even so Plaintiff agrees that the releases and agreements contained in this
2 Settlement shall remain effective in all respects notwithstanding any later discovery of any
3 different or additional facts. Plaintiff expressly assumes any and all risk of any mistake in
4 connection with the true facts involved in the matters, disputes, or controversies released or
5 described in this Settlement or with regard to any facts now unknown to Plaintiff relating thereto.

6 36. Plaintiff agrees to sign this Settlement, and by signing this Settlement, is hereby
7 bound by the terms herein. For good and valuable consideration, Plaintiff further agrees that he
8 will not request to be excluded from the Settlement, nor object to any terms herein. Any such
9 request for exclusion or objection by Plaintiff will be void and of no force or effect. Any efforts
10 by Plaintiff to circumvent the terms of this paragraph will be void and of no force or effect.

11 DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL

12 37. Plaintiff shall promptly submit this Stipulation of Settlement to the Los Angeles
13 Superior Court in support of Plaintiff's Motion for Preliminary Approval of Class Action
14 Settlement and Approval of PAGA Settlement (the "Motion for Preliminary Approval") and
15 determination by the Court as to its fairness, adequacy, and reasonableness. Plaintiff agrees to
16 provide Defendant the opportunity to review, and to approve before filing, Plaintiff's Motion for
17 Preliminary Approval. At the hearing on the Motion for Preliminary Approval, the Parties will
18 appear and support the granting of the motion. Should the Court decline to preliminarily approve
19 material aspects of the Settlement (including but not limited to the scope of release to be granted
20 by Class Members or by PAGA Aggrieved Employees or the binding effect of the Settlement on
21 Class Members or PAGA Aggrieved Employees), the Parties shall work together in good faith to
22 address any concerns raised by the Court and propose a revised Settlement for the Court's
23 approval. Promptly upon execution of this Stipulation of Settlement, Plaintiff shall apply to the
24 Court for the entry of an order preliminarily approving the Settlement in a form that is mutually
25 agreeable between the Parties and also provides for the following:

26 a. Scheduling a fairness hearing on the question of whether the proposed
27 Settlement, including payment of attorneys' fees and litigation costs, costs of administration and
28

1 the Class Representative's Enhancement Award should be finally approved as fair, reasonable
2 and adequate as to the members of the Settlement Class and PAGA Aggrieved Employees;

3 b. Certifying a Settlement Class, Plaintiff Paul Loeb as Class Representative,
4 and Shaun Setareh of Setareh Law Group as Class Counsel;

5 c. Approving as to form and content the proposed Notices of Settlement;

6 d. Approving the manner and method for Class Members to request
7 exclusion from the Settlement as contained herein and within the Notices of Settlement;

8 e. Directing the mailing of the Notices of Settlement by first class mail to the
9 Class Members; and

10 f. Preliminarily approving the Settlement subject only to the objections of
11 Class Members and final review by the Court and approval of the settlement of PAGA Claim;
12 and

13 g. Enjoining Plaintiff and all Class Members from filing or prosecuting any
14 other cases, claims, suits regarding the Released Class Claims unless and until such Class
15 Members have filed valid Requests for Exclusion with the Settlement Administrator.

16 DUTIES OF THE PARTIES FOR FINAL COURT APPROVAL

17 38. Class Counsel agree to return or destroy all confidential documents, lists and
18 data in all forms and formats (originals and copies) within five (5) calendar days from final Court
19 approval of the Settlement. Plaintiff agrees to provide Defendant the opportunity to review, and
20 to approve before filing, Plaintiff's Motion for Final Approval of Class Action Settlement. At
21 the hearing on the Final Approval, the Parties will appear and support the granting of the motion.
22 Should the Court decline to finally approve material aspects of the Settlement (including but not
23 limited to the scope of release to be granted by Class Members or by PAGA Aggrieved
24 Employees or the binding effect of the Settlement on Class Members or PAGA Aggrieved
25 Employees), the Parties shall work together in good faith to address any concerns raised by the
26 Court and propose a revised Settlement for the Court's approval. However, an award by the
27 Court of a lesser amount than that sought by Plaintiff and Class Counsel for the Enhancement
28 Award and the Class Counsel's Court-approved attorneys' fees and litigation costs will not

1 constitute a material modification to the Settlement within the meaning of this paragraph. Class
2 Counsel agrees to submit a proposed final order and judgment, in a form that is mutually
3 agreeable between the parties and also provides for the following:

4 a. Approving the Settlement as to the Class Action and the PAGA Action,
5 adjudging the terms of the Settlement as to the Class Action to be fair, reasonable and adequate,
6 and directing consummation of the Settlement's terms and provisions;

7 b. Approving Class Counsel's application for an award of attorneys' fees and
8 litigation costs;

9 c. Approving the Enhancement Award to the Class Representative;

10 d. Approving payment of Settlement administration costs to the Settlement
11 Administrator; and

12 e. Entering judgment in accordance with California Rules of Court, Rule
13 3.769(h), and permanently barring and enjoining all members of the Settlement Class and the
14 PAGA Aggrieved Employees from prosecuting against Defendant and the Released Parties any
15 claims (including the filing of claims with the California Division of Labor Standards
16 Enforcement, the LWDA or DOL) released by this Stipulation of Settlement.

17 PARTIES' AUTHORITY

18 39. The signatories hereto hereby represent that they are fully authorized to enter
19 into this Stipulation of Settlement and bind the Parties hereto to the terms and conditions thereof.

20 MUTUAL FULL COOPERATION

21 40. The Parties agree to fully cooperate with each other to accomplish the terms of
22 this Stipulation of Settlement, including, but not limited to, execution of such documents and
23 taking such other action as reasonably may be necessary to implement the terms of this
24 Stipulation of Settlement. The Parties shall use their best efforts, including all efforts
25 contemplated by this Stipulation of Settlement and any other efforts that may become necessary
26 by order of the Court, or otherwise, to effectuate this Stipulation of Settlement and the terms set
27 forth herein. As soon as practicable after execution of this Stipulation of Settlement, Class
28

1 Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all
2 necessary steps to secure the Court's final approval of this Stipulation of Settlement.

3 41. The Parties and their respective counsel agree that they will not attempt to
4 encourage or discourage Class Members from filing Requests for Exclusion.

5 NO PRIOR ASSIGNMENTS

6 42. The Parties and their counsel represent, covenant and warrant that they have not
7 directly or indirectly, assigned, transferred, encumbered or purported to assign, transfer or
8 encumber to any person or entity any portion of any liability, claim, demand, action, cause of
9 action or right herein released and discharged except as set forth herein.

10 NO ADMISSION

11 43. Nothing contained herein, nor the consummation of this Stipulation of
12 Settlement, is to be construed or deemed an admission of liability, culpability, negligence or
13 wrongdoing on the part of Defendant. Each of the Parties hereto has entered into this Stipulation
14 of Settlement solely with the intention to avoid further disputes and litigation with the attendant
15 inconvenience and expenses.

16 44. Should the Court decline to grant preliminary or final approval of the settlement
17 of the Class Action or approve the settlement of the PAGA Action, this Settlement shall be null
18 and void and have no force or effect. In other words, the Court must approve of the settlement of
19 the Class Action *and* the settlement of the PAGA Action for this Stipulation of Settlement to
20 become effective and binding.

21 ENFORCEMENT ACTIONS

22 45. The Parties agree that the Los Angeles County Superior Court shall retain
23 jurisdiction to enforce the terms of this Settlement pursuant to California Code of Civil
24 Procedure Section 664.6. In the event one or more of the Parties to this Stipulation of Settlement
25 institutes any legal action or other proceeding against any other Party or Parties to enforce the
26 provisions of this Stipulation of Settlement or to declare rights or obligations under this
27 Stipulation of Settlement, the successful party or Parties shall be entitled to recover from the
28

1 unsuccessful Party or Parties' reasonable attorneys' fees and litigation costs, including expert
2 witness fees incurred in connection with any enforcement actions.

3 NOTICES

4 46. Unless otherwise specifically provided herein, all notices, demands or other
5 communications given hereunder shall be in writing and shall be deemed to have been duly
6 given as of the third business day after mailing by United States registered or certified mail,
7 return receipt requested, addressed as set forth below. Courtesy copies of all said notices,
8 demands, or other communications shall also be sent via email at the email addresses set forth
9 below:

10 **To Plaintiff and the Settlement Class:**

11 Shaun Setareh
12 William M. Pao
13 Nolan Dilts
14 shaun@setarehlaw.com
15 william@setarehlaw.com
16 nolan@setarehlaw.com
17 SETAREH LAW GROUP
18 9665 Wilshire Boulevard, Suite 430
19 Beverly Hills, California 90212

20 **To Defendant:**

21 Joel P. Kelly (SBN 100716)
22 Andrea F. Oxman (SBN 186601)
23 Joel.Kelly@jacksonlewis.com
24 Andrea.Oxman@jacksonlewis.com
25 JACKSON LEWIS P.C.
26 725 South Figueroa Street, Ste. 2500
27 Los Angeles, CA

28 NO PUBLIC COMMENT AND CONFIDENTIALITY

47. The Class Representative and Class Counsel will not make any public
disclosure of the fact of settlement (including but not limited to the fact, amount, and terms of
the confidential Memorandum of Understanding, or the Stipulation of Settlement, except through
Court filings to approve the Settlement. Class Counsel will take all steps necessary to ensure
that the Class Representative is aware of, and will ensure that Class Representative adheres to,
the restriction against any public disclosure of the fact of settlement, the Stipulation of
Settlement, or the confidential Memorandum of Understanding. Before and after the Court

1 approves this Stipulation of Settlement, the Class Representative and Class Counsel will not
2 initiate any communications (directly or indirectly) with the media regarding the Action,
3 including (a) any press or other media release, (b) initiate contact with the press, other media
4 (including social media), or any third party, (c) respond to any inquiry from the press, or media
5 or (d) have any communication with the press or other media about the Action. Class Counsel
6 will take all steps reasonably necessary to ensure the Class Representative is aware of, and will
7 ensure that he will adhere to, the restriction against any media comment on the Settlement and its
8 terms.

9 OTHER LAWSUITS

10 48. To the fullest extent permissible under applicable law, and solely for purposes
11 of this Settlement and not for any other purposes, counsel for Plaintiff represent and warrant on
12 behalf of themselves and all others acting on their behalf, that they: (i) have not been retained by
13 any other individuals with claims against Defendant; and (ii) are not aware of, and have not been
14 informed of, any other plaintiff, class member, or attorney who intends to bring a claim against
15 Defendant including, but not limited to, any claims based on the subject matter of the Action.

16 CONSTRUCTION

17 49. The Parties hereto agree that the terms and conditions of this Stipulation of
18 Settlement are the result of lengthy, intensive arms-length negotiations between the Parties and
19 this Stipulation of Settlement shall not be construed in favor of or against any party by reason of
20 the extent to which any party or his, her or its counsel participated in the drafting of this
21 Stipulation of Settlement.

22 CAPTIONS AND INTERPRETATIONS

23 50. Paragraph titles or captions contained herein are inserted as a matter of
24 convenience and for reference, and in no way define, limit, extend or describe the scope of this
25 Stipulation of Settlement or any provision of it. Each term of this Stipulation of Settlement is
26 contractual and not merely a recital.

1 MODIFICATION

2 51. This Stipulation of Settlement may not be changed, altered or modified, except
3 in a writing that explicitly references this Stipulation of Settlement, is signed by the Parties
4 hereto, and is approved by the Court, except as provided for in this Stipulation of Settlement.
5 This Stipulation of Settlement may not be discharged except by performance in accordance with
6 its terms or by a writing signed by the Parties hereto.

7 INTEGRATION CLAUSE

8 52. This Stipulation of Settlement contains the entire agreement between the Parties
9 relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous
10 agreements, understandings, representations and statements, whether oral or written and whether
11 by a party or such party's legal counsel, are merged herein. No rights hereunder may be waived
12 except in writing.

13 BINDING ON ASSIGNS

14 53. This Stipulation of Settlement shall be binding upon and inure to the benefit of
15 the Parties and the Released Parties hereto, and their respective heirs, trustees, executors,
16 administrators, successors, and assigns.

17 CLASS MEMBER SIGNATORIES

18 54. It is agreed that because the members of the Class are so numerous, it is
19 impossible or impractical to have each member of the Class execute this Stipulation of
20 Settlement. The Notices of Settlement will advise all Class Members of the binding nature of the
21 release, and the release shall have the same force and effect as if this Stipulation of Settlement
22 were executed by each member of the Class.

23 COUNTERPARTS

24 55. This Stipulation of Settlement may be executed in counterparts and by facsimile
25 signatures, and when each party has signed and delivered at least one such counterpart, each
26 counterpart, including e-mail and PDF versions, shall be deemed an original and, when taken
27 together with other signed counterparts, shall constitute one Stipulation of Settlement binding
28 upon and effective as to all Parties.

1 POTENTIAL CLASS SIZE MODIFICATION

2 56. For mediation, Defendant represented that the size of the FCRA Class, Vacation
3 Wage Class, and Wage Statement Class was 492 (FCRA), 407 (Vacation), and 319 (Wage
4 Statement), respectively. If the number of FCRA Class Members and/or Vacation Wage and
5 Wage Statement Class Members exceeds those disclosed to Class counsel at mediation by more
6 than ten percent (10%), Defendant shall increase the settlement amount as to members of that
7 particular class on a pro-rata basis. In other words, if the number of FCRA Class Members
8 during the Class Period is 11% greater, then the Maximum Settlement Amount allocated to
9 FCRA Class Members will be increased by 1%, if 12% greater, then by 2%.

10 57. Plaintiff agrees that he will file his Motion for Preliminary Approval no later
11 than July 5, 2022. If Plaintiff does not do so, the Parties agree that whether Defendant has to
12 increase the settlement amount on a pro-rata basis pursuant to Paragraph 56 of this Stipulation
13 shall be determined based on the size of the FCRA Class, Vacation Wage Class, and Wage
14 Statement Class as of July 5, 2022. Notwithstanding the foregoing, the Vacation Wage Class
15 and Wage Statement Class shall continue to be defined pursuant to Paragraph 5 of the Stipulation
16 and cover the following time periods, respectively: April 3, 2016 through the date of the
17 preliminary approval order (Vacation Wage Class) and April 3, 2018 through the date of the
18 preliminary approval order (Wage Statement Class).

19 DEFENDANT'S RIGHT TO VOID THE SETTLEMENT

20 58. In the event ten percent (10%) or more of the Class Members opt-out of the
21 Settlement, Defendant may, at its sole option, void the Settlement. If Defendant chooses to
22 exercise this opt-out option, Defendant will pay the costs that the Claims Administrator incurred
23 in administering the settlement up to the date this opt-out threshold is triggered, and the Parties
24 will thereafter revert to their respective positions in the Action that they were in prior to
25 mediation.

26 PLAINTIFF'S MOTION FOR FEES AND COSTS

27 59. Unless otherwise ordered by the Court, Class Counsel shall file their application
28 for the Court-approved attorneys' fees and litigation costs no later than the date the motion for

1 final approval is to be filed, and the application will be scheduled to be heard by the Court at the
2 Final Approval hearing. The Notices of Settlement will provide that Class Members who wish to
3 object to the Class Counsel's Court-approved attorneys' fees and litigation costs may submit to
4 the Settlement Administrator, with copies to Parties' Counsel, not later than 45 days after the
5 Settlement Administrator mails the Notices of Settlements, written objection to the fees and costs
6 setting forth the grounds for the objection. A Class Member who does not submit a written
7 statement of objection in the manner and by the deadline specified above, or who fails to attend
8 the hearing on the application for attorneys' fees and litigation costs and object in person, will be
9 deemed to have waived any objections and will be foreclosed from making any objections
10 (whether by appeal or otherwise) to the award of attorneys' fees and costs to Class Counsel,
11 except when permitted by the Court. Non-participating Class Members who submit a valid
12 Request for Exclusion shall have no ability to object to the Court-approved attorneys' fees and
13 litigation costs.

14 ATTORNEY AUTHORIZATION

15 60. Class Counsel and Defendant's Counsel warrant and represent that they are
16 authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or
17 permitted to be taken by such Parties pursuant to this Stipulation of Settlement to effectuate its
18 terms, and to execute any other documents required to effectuate the terms of this Stipulation of
19 Settlement including any amendments to this Stipulation of Settlement. The Parties and their
20 counsel will cooperate with each other and use their best efforts to affect the implementation of
21 the Stipulation of Settlement. In the event the Parties are unable to reach agreement on the form
22 or content of any document needed to implement the Stipulation of Settlement, or on any
23 supplemental provisions that may become necessary to effectuate the terms of this Stipulation of
24 Settlement, the Parties will seek the assistance of the Mediator Michael Dickstein for resolution.

25 SEVERABILITY

26 61. The Parties to this Stipulation of Settlement agree, covenant, and represent that
27 each and every provision of this Stipulation of Settlement shall be deemed to be contractual, and
28 that they shall not be treated as mere recitals at any time or for any purpose. Therefore, the

1 Parties further agree, covenant, and represent that each and every provision of this Stipulation of
2 Settlement shall be considered severable. If a court of competent jurisdiction finds any provision
3 to be invalid or unenforceable for any reason, that provision, or part thereof, shall remain in full
4 force and effect to the extent allowed by law, and all of the remaining provisions of this
5 Stipulation of Settlement shall remain in full force and effect.

6
7 EXTENSION OF TIME

8 62. If either Party cannot reasonably comply with an obligation under this
9 Stipulation of Settlement by the deadline set forth herein applicable to that obligation, that Party
10 may apply to the Court for a reasonable extension of time to fulfill that obligation. Consent to
11 such a request for an extension will not be unreasonably withheld by the other Party.

12 NO WAIVER

13 63. No waiver of any condition or covenant contained in this Stipulation of
14 Settlement or failure to exercise a right or remedy by any of the Parties hereto shall be
15 considered to imply or constitute a further waiver by such party of the same or any other
16 condition, covenant, right or remedy.

17 APPLICABLE LAW

18 64. All terms and conditions of this Stipulation of Settlement and its exhibits will be
19 governed by and interpreted according to the laws of the State of California.

20 FAIR SETTLEMENT

21 65. The Parties and their respective counsel believe and warrant that this Stipulation
22 of Settlement reflects a fair, reasonable, and adequate settlement of the Action and have arrived
23 at this Stipulation of Settlement through arms-length negotiations, taking into account all
24 relevant factors, current and potential.

25
26 ///

27 ///

28 ///

NO TAX ADVICE

66. Neither Class Counsel nor Defendant's Counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Stipulation of Settlement between Plaintiff and Defendant as of the date(s) set forth below:

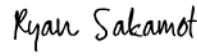
Plaintiff and Class Representative

Dated: 05/17/2022


PAUL LOEB

Defendant

Dated: 5/28/2022


ZIPRECRUITER, INC.

By: Chief Legal Officer and General Counsel

APPROVED AS TO FORM:

Dated: 05/20/2022

SETARAH LAW GROUP

By: 
Shaun Setarah
William Pao
Nolan Dilts
Attorneys for Plaintiff

Dated: 5/25/2022

JACKSON LEWIS P.C.

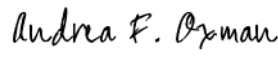
By: 
Joel P. Kelley
Andrea F. Oxman
Attorneys for Defendant

EXHIBIT 1

CALIFORNIA SUPERIOR COURT
FOR THE COUNTY OF LOS ANGELES

PAUL E. LOEB, on behalf of himself, all other
similarly situated

Plaintiffs,

v.

ZIPRECRUITER, INC., a Delaware corporation;
and DOES 10 through 50, inclusive,

Defendants.

Case No. 19STCV11091

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

ATTENTION: All current and former job applicants and employees of ZipRecruiter, Inc. within the United States who completed background check authorizations at any time from April 3, 2017 to March 24, 2018 (the “Class Members”).

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF CLASS ACTION LITIGATION AND POTENTIAL DISBURSEMENT OF SETTLEMENT FUNDS TO YOU. IF YOU ARE A CLASS MEMBER, IT CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHT TO PARTICIPATE OR TO OPT OUT OF THE SETTLEMENT ACCORDING TO THE PROCEDURES DESCRIBED BELOW.

Pursuant to an order from the Los Angeles Superior Court (“Court”) granting preliminary approval of this class action settlement (the “Settlement”), entered on XXXX, you are receiving notice of a proposed class action settlement between Plaintiff Paul Loeb (“Plaintiff” or “Class Representative”) and Defendant ZipRecruiter, Inc. (“Defendant”) (together, the “Parties”) on behalf of Class Members as defined above. You are receiving this notice because Defendant’s records indicate you fall within the definition of “Class Member” and completed a background check authorization as a job applicant or employee of ZipRecruiter between April 3, 2017 and March 24, 2018 (the “Class Period”).

The terms of the Parties’ Settlement and a description of the case are included in this notice. Pursuant to the Court’s order, **YOU ARE HEREBY NOTIFIED AS FOLLOWS:**

I. BACKGROUND OF THE ACTION

On April 3, 2019, Plaintiff, a former employee of Defendant, filed a class action complaint in the Los Angeles Superior Court against Defendant, Case No. 19STCV11091 (the “Class Action”). In the Class Action, Plaintiff alleges claims for willful failure to comply with the Fair Credit Reporting Act (the “FCRA Claim”), failure to pay vacation wages under California Labor Code § 227.3 (the “Vacation Wage Claim”), failure to provide accurate written wage statements in violation of California Labor Code § 226(a) (the “Wage Statement Claim”), and failure to timely pay all final wages in violation of California Labor Code § 201, 202 and 203 (the “Waiting Time Penalty Claim”). On January 29, 2021, the Court dismissed the Waiting Time Penalty Claim.

As it relates to the FCRA Claim, Plaintiff alleged that Defendant provided Class Members with background check disclosure forms that did not comply with the form and content required under the Fair Credit Reporting Act, 15 U.S.C. § 1681b(b)(2)(A).

The Class Action has been actively litigated. The Parties exchanged extensive documentation and information and investigated the issues. Further, the Parties participated in a full day mediation facilitated by a neutral third party. Following these negotiations, and after considering all known facts and circumstances, including the various risks and uncertainties related to legal actions, the Parties reached a class-wide settlement of the Class Action. By settling, the Parties will avoid the risks associated with a lengthy litigation process. Despite agreeing to and supporting the Settlement, Defendant continue to deny all allegations and claims. Defendant has entered into a settlement to fully, finally, and forever resolve this Class Action, based on the terms set forth in the Parties’ Stipulation of Settlement and Release Between Plaintiff and Defendant (“Agreement”), in order to avoid the burden and expense associated with ongoing litigation.

The Parties’ Agreement has been preliminarily approved by the Court. If you are determined to be a class member under

Vacation Wage Claim and Wage Statement Claim, you will be receiving a separate notice regarding your rights. The Agreement applies to all Class Members. "Class Member" does not include persons who submit a valid request to opt out (as explained below). If you are a Class Member, you have the opportunity to participate in the Settlement, or to exclude yourself ("opt out") from the Settlement.

II. SUMMARY OF THE PROPOSED SETTLEMENT

A. The Amount of the Settlement

Under the terms of the Agreement, Defendant agrees to pay a total sum of One Million Two Hundred Thousand Dollars and No Cents (\$1,200,00.00) ("Gross Settlement Amount"). Deducted from this Gross Settlement Amount will be sums approved by the Court for attorneys' fees not to exceed one-third of the Gross Settlement Amount, attorneys' costs not to exceed \$30,000, Claims Administrator Costs estimated not to exceed \$12,500, a Class Representative's Enhancement Payment of \$20,000, and \$50,000 to resolve a separate action that Plaintiff filed under the Private Attorneys General Act, California Labor Code § 2698, *et seq.* (the "PAGA Payment"), which will result in a "Net Settlement Amount" for distribution to all class members in the Class Action. Fifty percent (50%) of this Net Settlement Amount will be distributed to Class Members under the FCRA Claim who do not opt-out of the Settlement ("FCRA Class Payment" or "FCRA Claim Amounts").

B. Claim Amounts and Allocation Between Class Members and Aggrieved Employees

Defendant will pay FCRA Claim Amounts through the Claims Administrator, as described below, to each Class Member who does not opt out of the Settlement. All Claim Amounts will be subject to appropriate taxation. The Parties have agreed, based on the allegations in the Class Action that all FCRA Claim Amounts shall be apportioned as 100% statutory penalties and reported on IRS Forms 1099-MISC.

The FCRA Claim Amounts paid to Class Members who do not opt out will not require the submission of a claim form. Each Class Member's share shall be the same and shall be calculated by dividing the total FCRA Class Payment by the number of participating Class Members. Receipt of the FCRA Claim Amounts will not entitle any Class Member to additional compensation or benefits under any company bonus, contest or other compensation or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle any Class Member to any increased retirement, 401(k) benefits or matching benefits, or deferred compensation benefits.

D. Release of Claims

For those Class Members who do not opt out, the Agreement contains the following release:

Class Members who do not opt out will be deemed to have released the Released Parties (defined below) from all claims and derivative claims relating to facts that were or could have been alleged in the operative class action complaint concerning Defendant's pre-employment background screening process, including but not necessarily limited to, the Fair Credit Reporting Act 15 U.S.C. § 1681 *et seq.*, the California Investigative Consumer Reporting Agencies Act, Cal Civ. Code. § 1786 *et seq.*, (collectively, the "FCRA Claims"), and any other state and local equivalent claims, inclusive of all punitive damages, civil and statutory penalties, actual damages, attorneys' fees, costs and any form of equitable relief.

Released Parties are defined as and shall include (i) Defendant; (ii) its future and/or current subsidiaries, affiliates, affiliated companies, officers, directors, owners, employees, assigns, successors, attorneys, executors, trustees, agents, personal and legal representatives, and vendors; and (iii) any individual or entity which could be jointly liable with any of the foregoing.

Class Members can talk to one of the lawyers appointed as Class Counsel (listed below) for free or talk to their own lawyer if Class Members have questions about the released claims and what they mean.

E. Attorneys' Fees and Costs

Defendant has agreed to pay Class Counsel's attorneys' fees and costs to be approved by the Court, up to a maximum of one-third of the Gross Settlement Amount which equals \$400,000, and attorneys' costs not to exceed \$30,000. Class Counsel's attorneys' fees and costs will be paid and deducted from the Gross Settlement Amount.

F. Reasonableness of Settlement

All attorneys for the Parties to the Class Action believe the amounts payable to Class Members and amounts for attorneys' fees and costs requested are fair and reasonable. The Class Representative and Class Counsel support this Settlement. Among the reasons for support are the defenses available to Defendant, the inherent risk of trial on the merits, the risk of denial of class certification, and the delays associated with litigation.

III. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER

A. Participating in the Settlement

If you wish to participate in the Settlement, **you do not need to take any further action**. Payment will be automatically made to you consistent with the terms of the Agreement and the Court's Order(s).

B. Excluding Yourself from the Settlement

If you do not wish to participate in the Settlement as it relates to the Class Action, you may be excluded (*i.e.*, "opt out") by submitting a timely written request to the Claims Administrator. The request to opt-out must (a) state your full name, address, and date of birth; (b) a statement that you do not want to be a Class Member, do not want to participate in the Settlement, and/or want to be excluded from this Settlement; (c) the date of your background check authorization and/or the date of your employment with Defendant; and (d) identify the case name and number (*i.e.* *Loeb v. ZipRecruiter*, 19STCV11091); (e) be signed; and (f) be post-marked no later than **XXXX**. The request to opt out must be signed, dated and mailed by First Class U.S. Mail or the equivalent, to:

[admin info]

The request to opt out must be postmarked no later than **XXXX**. If you submit a request to opt out which is not postmarked by **XXXX**, your request to opt out will be rejected, and you will be bound by the release and all other terms of the Agreement. If the request to opt out is sent from within the United States it must be sent through the United States Postal Service by First Class Mail, or the equivalent. Do not use a postage meter as that may not result in a postmark appearing on the envelope containing your request to opt out. Any Class Member who submits a complete and timely request to opt out shall, upon receipt by the Claims Administrator, no longer be a Class Member and not received their share of the FCRA Class Payment.

C. Objection to Settlement

If you do not opt out of the Settlement as it relates to the Class Action, you can object to the terms of the Agreement. However, if the Court rejects your objection, you will still be bound by the terms of the Agreement. If the Court denies approval, no Settlement payments will be sent out and the lawsuit will continue. If you want to object to the settlement, you may file a written objection and/or a notice of intention to appear at the Final Approval hearing with the Claims Administrator, Class Counsel, and Defendant's counsel at the addresses below. The objection should include your (a) full name; (b) address; (c) date of birth; (d) if applicable, the dates you worked as an employee for Defendant; and (e) each specific reason in support of your objection and any legal support for each objection. You may submit any written objections to approval of the Settlement with the Settlement Administrator, and delivered to Class Counsel and/or Defendant's counsel no later than **XXXX**.

Whether or not you have submitted a written objection as outlined above, you may also appear at the Final Approval Hearing, either in person or through your own attorney, to state your objection. However, you must file a notice of intent to appear with the Court and serve the notice on counsel for Plaintiff and Defendant. If you appear through your own attorney, you are responsible for paying that attorney.

IV. EFFECT OF THE SETTLEMENT: RELEASED RIGHTS AND CLAIMS

After final approval of the Settlement has been granted by the Court, each and every Class Member who does not opt out of the Settlement, will release Defendant and the Released Parties from the released claims described above. In addition, you will be barred from ever suing Defendant and the Released Parties with respect to the claims covered by this Settlement. If the Settlement is not approved by the Court or does not become final for some other reason, the litigation will continue.

V. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a hearing in Department ____, [address] on [] at [] to determine whether the Agreement should be finally approved as fair, reasonable and adequate. The Court also will be asked to approve Class Counsel's request for attorneys' fees and costs. The hearing may be continued without further notice to Class Members. It is not necessary for you to appear at this hearing, unless you wish to object to the Settlement.

VI. ADDITIONAL INFORMATION

If you want additional information about this lawsuit and its proceedings, you can contact Class Counsel or Defendant' Counsel as follows:

Shaun Setareh, Esq.
William M Pao, Esq.
Nolan Dilts, Esq.
SETAREH LAW GROUP
9665 Wilshire Blvd., Suite 430
Beverly Hills, CA 90212
Telephone: (310) 888-7771
Facsimile: (310) 888-0109
On behalf of Plaintiff

Joel P. Kelly
Andrea F. Oxman
JACKSON LEWIS P.C.
725 S. Figueroa Street, Suite 2500
Los Angeles, California 90017-5408
Telephone: (213) 689-0404
Facsimile: (213) 689-0430
On behalf of Defendant

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS. IF YOU HAVE ANY QUESTIONS, CALL [number]

BY ORDER OF THE COURT

EXHIBIT 2

CALIFORNIA SUPERIOR COURT
FOR THE COUNTY OF LOS ANGELES

PAUL E. LOEB, on behalf of himself, all other
similarly situated, and the general public

Plaintiffs,

v.

ZIPRECRUITER, INC., a Delaware corporation;
and DOES 10 through 50, inclusive,

Defendants.

Case No. 19STCV11091
Case No. 20STCV00221

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

ATTENTION: all former full-time employees who worked for ZipRecruiter, Inc. and separated from employment at any time from April 3, 2016 to _____ (the “Class Members”).

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF CLASS ACTION LITIGATION AND POTENTIAL DISBURSEMENT OF SETTLEMENT FUNDS TO YOU. IF YOU ARE A CLASS MEMBER, IT CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHT TO PARTICIPATE OR TO OPT OUT OF THE SETTLEMENT ACCORDING TO THE PROCEDURES DESCRIBED BELOW.

Pursuant to an order from the Los Angeles Superior Court (“Court”) granting preliminary approval of this class action settlement (the “Settlement”), entered on XXXX, you are receiving notice of a proposed class action settlement between Plaintiff Paul Loeb (“Plaintiff” or “Class Representative”) and Defendant ZipRecruiter, Inc. (“Defendant”) (together, the “Parties”) on behalf of Class Members as defined above. You are receiving this notice because Defendant's records indicate you fall within the definition of “Class Member” who worked for ZipRecruiter at some point between April 3, 2016 to XXXX (the “Class Period”).

Defendant's records also indicate that you worked XXXX workweeks during the Class Period, which means your share of the Settlement proceeds is estimated to be XXXX. Your actual share of the Settlement proceeds will vary depending on the total number of Class Members that choose to participate and the resolution of any workweek disputes as described in this notice.

The terms of the Parties’ Settlement and a description of the case are included in this notice. Pursuant to the Court’s order, **YOU ARE HEREBY NOTIFIED AS FOLLOWS:**

I. BACKGROUND OF THE ACTION

On April 3, 2019, Plaintiff, a former employee of Defendant, filed a class action complaint in the Los Angeles Superior Court against Defendant, Case No. 19STCV11091 (the “Class Action”). Plaintiff alleges claims for willful failure to comply with the Fair Credit Reporting Act (the “FCRA Claim”), failure to pay vacation wages under California Labor Code § 227.3 (the “Vacation Wage Claim”), failure to provide accurate written wage statements in violation of California Labor Code § 226(a) (the “Wage Statement Claim”), and failure to timely pay all final wages in violation of California Labor Code § 201, 202 and 203 (the “Waiting Time Penalty Claim”). The relevant class period for the Vacation Wage Claim is April 3, 2016 to XXXX, and the relevant class period for the Wage Statement Claim is April 3, 2018 to XXXX.

On January 3, 2020, Plaintiff filed a separate complaint against Defendant seeking penalties pursuant to the Private Attorney Generals Act under California Labor Code § 2698, *et seq.* in the Los Angeles Superior Court, Case No. 20STCV00221 (the “PAGA Action”). The PAGA Action involves the same alleged violations as alleged in the Class Action but involves Defendant’s former full-time employees who separated from employment at any time from October 30, 2018 to XXXX (“Aggrieved Employees”). The PAGA Action and Class Action are hereinafter referred to as the “Action.”

In the Action, Plaintiff alleged that Defendant violated California law by failing to pay Class Members vacation wages upon separation of employment as required under Labor Code § 227.3, a failure to provide accurate wage statements as required under Labor Code § 226, and a failure to timely pay all wages owed at the time of separation as required under Labor Code § 201-203. Defendant

has denied all of Plaintiff's allegations and specifically denied that Plaintiff or Class Members or Aggrieved Employees are entitled to any relief whatsoever. On January 29, 2021, the Court dismissed Plaintiff's Waiting Time Penalty Claim from the Action.

The Action has been actively litigated. The Parties exchanged extensive documentation and information and investigated the issues. Further, the Parties participated in a full day mediation facilitated by a neutral third party. Following these negotiations, and after considering all known facts and circumstances, including the various risks and uncertainties related to legal actions, the Parties reached a class-wide settlement of the Action. By settling, the Parties will avoid the risks associated with a lengthy litigation process. Despite agreeing to and supporting the Settlement, Defendant continue to deny all allegations and claims. Defendant has entered into a settlement to fully, finally, and forever resolve this Action, based on the terms set forth in the Stipulation of Settlement and Release Between Plaintiff and Defendant ("Agreement"), in order to avoid the burden and expense associated with ongoing litigation.

The Parties' Agreement has been preliminarily approved by the Court. The Agreement includes a settlement of the FCRA Claim, too. If you are determined to be a class member under the FCRA Claim, you will be receiving a separate notice regarding your rights. The Agreement applies to all Class Members and Aggrieved Employees as defined above. "Class Member" does not include persons who submit a valid request to opt out (as explained below). If you are a Class Member, you have the opportunity to participate in the Settlement, or to exclude yourself ("opt out") from the Settlement of the claims brought in the Class Action. However, Aggrieved Employees cannot opt out of this Agreement and will receive their share of the PAGA Payment regardless of whether they opt out of being a Class Member.

II. SUMMARY OF THE PROPOSED SETTLEMENT

A. The Amount of the Settlement

Under the terms of the Agreement, Defendant agrees to pay a total sum of One Million Two Hundred Thousand Dollars and No Cents (\$1,200,00.00) ("Gross Settlement Amount"). Deducted from this Gross Settlement Amount will be sums approved by the Court for attorneys' fees not to exceed one-third of the Gross Settlement Amount, attorneys' costs not to exceed \$30,000, Claims Administrator Costs estimated not to exceed \$12,500, Class Representative's Enhancement Payment of \$20,000, and \$50,000 to resolve the PAGA Action (the "PAGA Payment"), which will result in a "Net Settlement Amount" for distribution to all Class Members. Any employer-side taxes attributable to payments allocated as wages will be paid by Defendant in addition to the Gross Settlement Amount. As explained further below, the amount of each Class Member's share of the Net Settlement Amount will depend on the number of weeks worked by participating Class Members during the Class Period. Of the \$50,000 allocated to resolving the PAGA Action, 75% of the PAGA Payment will be paid to the State of California Labor and Workforce Development Agency and 25% of the PAGA Payment will be divided among Aggrieved Employees.

The number of weeks you worked during the Class Period and your total estimated share of the Net Settlement Amount and PAGA Payment ("Claim Amount") is stated on the first page of this notice. The actual amount received may be more or less than the amount stated depending on the actual number of weeks worked by participating Class Members, the resolution of any disputes regarding workweeks, and on the distributions finally approved and allocated by the Court. However, whether Class Members opt out will have no effect on Aggrieved Employees' allocations for the PAGA claims.

B. Claim Amounts and Allocation Between Class Members and Aggrieved Employees

Defendant will pay Claim Amounts through the Claims Administrator, as described below, to each Class Member who does not opt out of the Settlement and to Aggrieved Employees. All Claim Amounts will be subject to appropriate taxation. The Parties have agreed, based on the allegations in the Action that all Claim Amounts allocated to settlement of the Vacation Wage Claim and Wage Statement Claim and payable to eligible Class Members will be allocated as follows: 20% shall be allocated as wages and 80% shall be allocated as statutory penalties and interest to be reported on IRS Forms 1099-MISC. 100% of the PAGA Payment to Aggrieved Employees will be allocated as civil penalties.

The payments to Class Members who do not opt out and to Aggrieved Employees will not require the submission of a claim form. Each Class Member's share will be determined by dividing their total weeks worked within the Class Period by the total weeks worked by all Class Members within the Class Period. That fraction will then be multiplied by the Net Settlement Amount to arrive at the Class Member's individual share of the Net Settlement Amount. 75% of the PAGA Payment will be paid to the State of California and the remaining 25% will be distributed to Aggrieved Employees. Each Aggrieved Employee's share of the PAGA Payment will be determined by dividing their total weeks worked between October 30, 2018 to XXXX (the "PAGA Claim Period") by the total weeks worked by all Aggrieved Employees within the PAGA Claim Period. That fraction will then be multiplied by 25% to arrive at the

Aggrieved Employee's individual share. Receipt of the Claim Amounts will not entitle any Class Member or Aggrieved Employee to additional compensation or benefits under any company bonus, contest or other compensation or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle any Class Member or Aggrieved Employee to any increased retirement, 401(k) benefits or matching benefits, or deferred compensation benefits.

C. Calculations to Be Based on Defendant' Records and Resolution of Workweek Disputes

For each Class Member, the amount payable will be calculated by the Claims Administrator from Defendant' records. Defendant' records will be presumed correct unless evidence to the contrary is provided to the Claims Administrator. Defendant' records and any additional evidence will be reviewed by the Claims Administrator in the event of a dispute about the number of workweeks worked by an individual Class Member. If a Class Member disputes the number of weeks they worked during the Class Period or the amount of their individual Settlement payment, all supporting documents evidencing additional workweeks must be submitted by the Class Member. The dispute must (a) identify the nature of the dispute; (b) provide any information or documentation supporting the dispute; (c) be signed; and (d) be post-marked no later than **XXXX**. The dispute will be resolved by the Claims Administrator based on consultation with Plaintiff and Defendant's counsel. The Claims Administrator's decision on all disputes will be deemed final, subject to judicial review.

D. Release of Claims

For those Class Members who do not opt out, and for all Aggrieved Employees, the Agreement contains the following releases:

Class Members who do not opt out will be deemed to have released the Released Parties (defined below) from all claims and derivative claims relating to facts that were or could have been alleged in the operative class action complaint concerning Defendant's alleged failure to pay allegedly accrued, unused vacation or other forms of paid time off, including but not necessarily limited to claims under Labor Code §§ 226 and 227.3 and claims under the Fair Labor Standards Act ("FLSA"), inclusive of statutory and civil penalties, attorneys' fees, interest, liquidated damages, injunctive relief and costs.

Aggrieved Employees will be deemed to have released and discharged the Released Parties (defined below) from all Private Attorneys General Act claims for any and all civil penalties under the Labor Code arising from Defendant's alleged failure to pay unused vacation or other forms of paid time off, including but not necessarily limited penalties for violations of Labor Code §§ 201-202, 226(a), 226.7, 510, 512, 1194, 1198, and Labor Code §2699(a) for Violations of Labor Code §§ 227.3 and 226, together with claims for attorneys' fees, interest, liquidated damages, injunctive relief and costs.

Released Parties are defined as and shall include (i) Defendant; (ii) its future and/or current subsidiaries, affiliates, affiliated companies, officers, directors, owners, employees, assigns, successors, attorneys, executors, trustees, agents, personal and legal representatives, and vendors; and (iii) any individual or entity which could be jointly liable with any of the foregoing.

Class Members can talk to one of the lawyers appointed as Class Counsel (listed below) for free or talk to their own lawyer if Class Members have questions about the released claims and what they mean.

E. Attorneys' Fees and Costs

Defendant has agreed to pay Class Counsel's attorneys' fees and costs to be approved by the Court, up to a maximum of one-third of the Gross Settlement Amount which equals \$400,000, and attorneys' costs not to exceed \$30,000. Class Counsel's attorneys' fees and costs will be paid and deducted from the Gross Settlement Amount.

F. Reasonableness of Settlement

All attorneys for the Parties to the Action believe the amounts payable to Class Members, Aggrieved Employees, and amounts for attorneys' fees and costs requested are fair and reasonable. The Class Representative and Class Counsel support this Settlement. Among the reasons for support are the defenses available to Defendant, the inherent risk of trial on the merits, the risk of denial of class certification, and the delays associated with litigation.

III. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER

A. Participating in the Settlement

If you wish to participate in the Settlement and believe your workweek information is accurate, **you do not need to take any further action**. Payment will be automatically made to you consistent with the terms of the Agreement and the Court's Order(s). If you wish to dispute the workweek calculation, you may follow the procedures outlined in Section II.C above.

B. Excluding Yourself from the Settlement

If you do not wish to participate in the Settlement as it relates to the Class Action only, you may be excluded (*i.e.*, "opt out") by submitting a timely written request to the Claims Administrator. The request to opt-out must (a) state your full name, address, and date of birth; (b) a statement that you do not want to be a Class Member, do not want to participate in the Settlement, and/or wants to be excluded from this Settlement; (c) the dates of your employment; and (d) identify the case name and number (*i.e.* *Loeb v. ZipRecruiter*, 19STCV11091); (e) be signed; and (f) be post-marked no later than **XXXX**. The request to opt out must be signed, dated and mailed by First Class U.S. Mail or the equivalent, to:

[admin info]

The request to opt out must be postmarked no later than **XXXX**. If you submit a request to opt out which is not postmarked by **XXXX**, your request to opt out will be rejected, and you will be bound by the release and all other terms of the Agreement. If the request to opt out is sent from within the United States it must be sent through the United States Postal Service by First Class Mail, or the equivalent. Do not use a postage meter as that may not result in a postmark appearing on the envelope containing your request to opt out. Any Class Member who submits a complete and timely request to opt out shall, upon receipt by the Claims Administrator, no longer be a Class Member and not received their share of the class settlement payment. Aggrieved Employees cannot opt out of this Agreement and will receive their share of the PAGA Payment regardless of whether they opt out of being a Class Member.

C. Objection to Settlement

If you do not opt out of the Settlement as it relates to the Class Action, you can object to the terms of the Agreement. However, if the Court rejects your objection, you will still be bound by the terms of the Agreement. If the Court denies approval, no Settlement payments will be sent out and the lawsuit will continue. If you want to object to the settlement, you may file a written objection and/or a notice of intention to appear at the Final Approval hearing with the Claims Administrator, Class Counsel, and Defendant's counsel at the addresses below. The objection should include (a) full name; (b) address; (c) date of birth; (d) if applicable; the dates you worked as an employee for Defendant; and (e) each specific reason in support of your objection and any legal support for each objection. You may submit any written objections to approval of the Settlement with the Settlement Administrator, and delivered to Class Counsel and/or Defendant's counsel no later than **XXXX**.

Whether or not you have submitted a written objection as outlined above, you may also appear at the Final Approval Hearing, either in person or through your own attorney, to state your objection. If you appear through your own attorney, you are responsible for paying that attorney.

IV. EFFECT OF THE SETTLEMENT: RELEASED RIGHTS AND CLAIMS

After final approval of the Settlement has been granted by the Court, each and every Class Member who does not opt out of the Settlement and the Aggrieved Employees, will release Defendant and the Released Parties from the released claims described above. In addition, you will be barred from ever suing Defendant and the Released Parties with respect to the claims covered by this Settlement. If the Settlement is not approved by the Court or does not become final for some other reason, the litigation will continue.

V. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a hearing in Department ____, **[address]** on **[]** at **[]** to determine whether the Agreement should be finally approved as fair, reasonable and adequate. The Court also will be asked to approve Class Counsel's request for attorneys' fees and costs. The hearing may be continued without further notice to Class Members. It is not necessary for you to appear at this hearing, unless you wish to object to the Settlement.

VI. ADDITIONAL INFORMATION

If you want additional information about this lawsuit and its proceedings, you can contact Class Counsel or Defendant's Counsel as follows:

Shaun Setareh, Esq.
William M Pao, Esq.
Nolan Dilts, Esq.
SETAREH LAW GROUP
9665 Wilshire Blvd., Suite 430
Beverly Hills, CA 90212
Telephone: (310) 888-7771
Facsimile: (310) 888-0109
On behalf of Plaintiff

Joel P. Kelly
Andrea F. Oxman
JACKSON LEWIS P.C.
725 S. Figueroa Street, Suite 2500
Los Angeles, California 90017-5408
Telephone: (213) 689-0404
Facsimile: (213) 689-0430
On behalf of Defendant

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS. IF YOU HAVE ANY QUESTIONS, CALL [number]

BY ORDER OF THE COURT