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6

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11 Attorneys for Defendant
12 VENTURA FOODS, LLC.
13

14 SUPERIOR COURT OF THE STATE OF CALIFORNIA

15 FOR THE COUNTY OF SAN BERNARDINO

16 JERAMIE ABBOTT, on behalf of himself
and all others similarly situated

17 Plaintiff,

18 v.
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20 VENTURA FOODS, LLC., a Delaware
limited liability company; and DOES 1
through 100, Inclusive

21 Defendants.
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Case No. CIVDS1602283

CLASS ACTION

**JOINT STIPULATION OF CLASS
ACTION SETTLEMENT AND RELEASE**

ASSIGNED FOR ALL PURPOSES TO JUDGE
GILBERT G. OCHOA, DEPT S33

Trial: None Set
Date Action Filed: 2/17/2016

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2 **JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE**

3 In accordance with the terms of the Memorandum of Understanding executed by the parties
4 and subject to preliminary and final approval by the Court, Plaintiff Jeramie Abbott ("Plaintiff") by
5 and through his attorneys of record, Kokozyan Law Firm, APC and Defendant Ventura Foods, LLC
6 ("Defendant" or "Ventura Foods"), by and through its attorneys of record, Littler Mendelson, P.C.,
7 respectively, (collectively, the "Parties") agree to the following binding terms (the "Agreement") for
8 the settlement of the class action titled *Abbott v Ventura Foods, LLC*, San Bernardino County
9 Superior Court Case CIVDS1602283 ("Action"):

10 **I. RECITALS**

11 1. **WHEREAS**, Plaintiff's Counsel sent a letter to the California Labor and Workforce
12 Development Agency pursuant to Labor Code §2699.3(a)/(c) seeking to properly exhaust Plaintiff's
13 administrative remedies under the Labor Code Private Attorneys General Act of 2004 ("PAGA"),
14 Cal. Lab. Code §§ 2698, et seq., and specifically identifying the following issues: (1) failure to pay
15 overtime wages; (2) failure to pay minimum wages for all time worked; (3) failure to properly
16 provide meal periods; (4) failure to provide accurate wage statements; (5) failure to pay all wages
17 due upon termination.

18 2. **WHEREAS**, on February 16, 2016, Plaintiff commenced this action, alleging seven
19 causes of action: (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to
20 provide meal periods; (4) failure to timely furnish accurate itemized wages statements; (5) failure to
21 pay wages upon termination in violation of Labor Code §203; (6) unfair business practices pursuant
22 to Business & Professions Code §17200 et seq.; and (7) penalties pursuant to Private Attorneys'
23 General Act, Labor Code §2699.

24 3. **WHEREAS**, in accordance with the Parties intention to resolve all pending issues
25 between them, Plaintiff's Counsel filed a First Amended Complaint, asserting an additional claim for
26 failure to provide all rest periods.

27 4. **WHEREAS**, Plaintiff contends that he and the class he seeks to represent are entitled
28 to unpaid wages, damages, statutory and civil penalties, and other remedies as a result of
Defendant's alleged conduct;

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2 5. **WHEREAS**, Defendant denies that it has engaged in any alleged unlawful conduct,
3 denies that it has violated any statute, principle of common law or equity, rule or regulation, and
4 maintains that it has complied at all times with California law by, including, but not limited to,
5 compensating employees for all wages earned, providing employees with meal and rest periods,
6 providing employees with accurate wage statements, making wage payments in a timely manner,
7 and paying all amounts owed in a timely manner after termination of employment;

8 6. **WHEREAS**, extensive arm's-length settlement negotiations have taken place
9 between the Parties, including mediation, before noted wage and hour class action mediator, Mark
10 Rudy, Esq., on June 6, 2017, which resulted in this proposed settlement;

11 7. **WHEREAS**, after substantial discovery and investigation of the facts (described
12 below) and after carefully considering the applicable law, Plaintiff and his counsel have concluded
13 that: (i) it is in the best interests of the Class (defined below) to enter into the settlement described
14 herein in order to avoid the uncertainties of litigation and to assure benefits to the Class Members
15 (defined below); and (ii) the terms and conditions of this Agreement, and the settlement
16 contemplated hereby, are fair, reasonable and adequate and in the best interests of all of the Class
17 Members;

18 8. **WHEREAS**, Defendant has also conducted an investigation into the allegations
19 raised by Plaintiff in the Action and evaluated the information elicited through discovery and has
20 concluded that, despite its good faith belief that it is not liable for any of the claims asserted in the
21 Action and that it has good defenses to those claims, it will enter into this Agreement to obtain the
22 conclusive and complete dismissal of the Action and avoid: (i) the further expense, inconvenience
23 and burden of this litigation; (ii) the distraction and diversion of their personnel and resources; and
24 (iii) the risk and uncertainty of the outcome inherent in any litigation;

25 9. **WHEREAS**, the Parties hereto agree that this Agreement shall not be deemed or
26 construed to be an admission or evidence of any violation of any statute, rule, regulation, or principle
27 of common law or equity, or of any liability or wrongdoing whatsoever by Defendant, or the truth of
28 any of the claims asserted in the Action;

 10. **NOW THEREFORE**, in consideration of the mutual covenants, promises and

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2 warranties set forth herein, Plaintiff, the Class (defined below) and Defendant agree, subject to Court
3 approval, that this Action, and any claims, damages, or causes of action arising out of the facts and
4 allegations set forth in the Action, including those set forth in the Plaintiff's Complaint and First
5 Amended Complaint, including, all alleged failure to properly pay all wages due for time worked,
6 including proper payment of minimum wages and overtime wages due to rounding of time; any
7 alleged failure to provide or compensate for missed, short or late meal periods; any alleged failure to
8 provide or compensate for missed, short or late rest breaks; any alleged failure to provide accurate
9 wage statements; any alleged failure to make wage payments in a timely manner; any alleged failure
10 to pay all amounts due in a timely manner after termination; any alleged failure to act in accordance
11 with Business and Professions Code sections 17200 *et seq.*, including those claims related to the
12 underlying claims in this Action under California Labor Code sections 201, 202, 203, 204, 226.7,
13 510, 512, 1194, 1197, 1197.1, 1198, and all applicable wage orders and any applicable penalties
14 arising from the foregoing; as well as any claim brought pursuant to Labor Code section 2698, *et*
15 *seq.*, be submitted for Preliminary Approval on the terms set forth herein. The purpose of this
16 Agreement is to memorialize the Parties' agreement reached following the June 6, 2017, mediation
17 as set forth in the executed Memorandum of Understanding, and to settle and compromise all claims
18 by Plaintiff and the Class Members against Defendant, any of its past, present and future members,
19 affiliates, subsidiaries, parents, owners, successors-in-interest, and assigns, auditors, accounts,
20 experts, contractors, partners, insurers, reinsurers, and other parties acting on their behalf, officers,
21 directors, shareholders, employees, agents, attorneys, and representatives.

22 II. REPRESENTATION OF THE PARTIES

23 1. Counsel for the Settlement Class (referred to herein as "Class Counsel") is Bruce
24 Kokozyan, Esq. of the Kokozyan Law Firm, APC, 9440 South Santa Monica Boulevard, Suite 510,
25 Beverly Hills, CA 90210. Counsel for Defendant are Robert Blumberg and Michelle Rapoport,
26 Littler Mendelson, P.C., 633 W. Fifth Street, 63rd Floor, Los Angeles, California, 90071.

27 2. Class Counsel conducted an extensive investigation of the facts surrounding the
28 claims asserted in this Action prior to filing suit, including interviewing current and former
employees of Defendant and reviewing various documents obtained from those employees.

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2 Defendant's counsel likewise conducted a thorough internal investigation surrounding Plaintiff's
3 claims including analysis of time records and related information.

4 3. Pursuant to written discovery and the agreement of Counsel pending mediation.
5 Defendant produced, and Class Counsel reviewed and analyzed representative documents, including
6 time records and written policies. Prior to the mediation, Defendant produced an array of electronic
7 data comprising the time records for a significant portion of the proposed class and reflecting the
8 wage payment and meal period compliance for employees in the putative class.

9 4. The Parties participated in full-day mediation before Mark Rudy, Esq. in San
10 Francisco, California on June 6, 2017. Mr. Rudy is among the most experienced class action
11 mediators in California. The mediation included the Parties, and resulted in Memorandum of
12 Understanding between the parties.

13 III. TERMS OF SETTLEMENT

14 A. Class

15 1. **Settlement Class Period:** The members of the class include individuals
16 employed by Defendant as non-exempt hourly paid employees at any time from February 17, 2012,
17 through the date up upon which the Court grants Preliminary Approval of this proposed class action
18 settlement ("Settlement Class Period").

19 2. **"Class and Class Member(s)" Definition:** All of Defendant's current and
20 former non-exempt employees who worked for Defendant at the Ventura Foods' facilities in
21 California, at any time during the Settlement Class Period.

22 3. **"Plaintiff" or "Class Representative" Definition:** Plaintiff Jeramie Abbott.

23 4. **"Released Party" Definition:** Defendant Ventura Foods, LLC, including its
24 past, present and future members, affiliates, subsidiaries, parents, owners, successors-in-interest, and
25 assigns, auditors, accountants, experts, contractors, partners, insurers, reinsurers, and other parties
26 acting on their behalf, officers, directors, shareholders, employees, agents, attorneys, and
27 representatives.

28 B. Settlement Amount

1. **Class Settlement Amount:** The Class Settlement Amount that Defendant will
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2 be obligated to pay in connection with the Settlement shall be One Million Five Hundred Thousand
3 dollars and no cents (\$1,500,000.00), to be paid by Defendant in full satisfaction of all claims arising
4 from the Action, which includes, attorneys' fees, costs, and expenses directly related to the Action,
5 which includes all such fees, costs and expenses incurred to date, as well as all such fees, costs and
6 expenses incurred in documenting the Settlement, securing the Court approval of the Settlement,
7 administering the Settlement (including the Claims Administrator's fees and expenses), the PAGA
8 payment to the California Labor & Workforce Development Agency and the enhancement payment
9 to the Class Representative. This settlement is non-reversionary, no portion of the monies shall
10 revert back to Defendant. Class members shall not be required to submit a claim form to receive an
11 Individual Settlement Payment.

12 2. **Payment by Defendant:** Defendant shall make a transfer through respective
13 payments of all moneys owed under the Agreement to a Qualified Settlement Fund ("QSF")
14 established by the Claims Administrator at the time prescribed herein, and the Claim Administrator
15 will distribute all settlement proceeds payable after the Effective Date in accordance with the terms
16 set forth in this Agreement.

17 3. **Responsibility for Employer Taxes:** To the extent that any portion of Class
18 Members' settlement proceeds constitute wages, Defendant will be separately responsible for the
19 employer-paid portion of any taxes, including the employer-paid portion of FICA, Medicare, FUTA,
20 and SDI contribution, which shall not be paid from the Class Settlement Amount. These funds,
21 however, will be sent to, and distributed from, the QSF.

22 4. **Class Representative Enhancement Payment:** Defendant will not oppose
23 Plaintiff's application to the Court for a Class Representative Enhancement Payment in the amount
24 of Ten Thousand Dollars and Zero Cents (\$10,000.00) to Jeramie Abbott to be paid out of the Class
25 Settlement Amount, in addition to Plaintiff's Individual Settlement Payment, in recognition of his
26 efforts and work in prosecuting the Action on behalf of the Class Members, and for his general
27 release of claims. The enhancement shall be independent of any other benefits to which Plaintiff may
28 be entitled as a Class Member pursuant to this Agreement. Claims Administrator will issue an IRS
Form 1099 for the Class Representative Enhancement Payment and Jeramie Abbott will be

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2 responsible for correctly characterizing this payment for tax purposes and to pay any taxes owing on
3 said amount. A reduction by the Court of this Enhancement is not grounds to void this Agreement.

4 **5. Attorneys' Fees and Costs:** Class Counsel will apply to the Court for
5 attorneys' fees in the amount of thirty-three and one third percent (33 1/3%) of the Class Settlement
6 Amount, equal to Five Hundred Thousand Dollars and Zero Cents (\$500,000), not including costs
7 subject to court approval. Defendant has agreed not to oppose Class Counsel's request for fees and
8 reimbursement of costs and expenses as set forth herein. Claims Administrator shall issue an IRS
9 Form 1099 to Class Counsel reflecting the awarded attorneys' fees, costs and expenses. Should
10 Plaintiff and/or Class Counsel request a lesser amount for attorneys' fees and/or the Court approve a
11 lesser amount, the difference between the lesser amount and the maximum attorneys' fees permitted
12 to be sought by the terms of this Paragraph will be added to the Net Settlement Proceeds. In
13 consideration of their awarded attorneys' fees and expenses, Class Counsel waives all claims to any
14 further attorneys' fees, costs and expenses in connection with the Action. Class Counsel, however,
15 reserves the right to appeal an Order reducing the fees requested by Class Counsel, though they
16 waive any right to seek fees in connection with that appeal, and Defendant waives any right to
17 oppose said appeal. A reduction by the Court of Class Counsel attorneys' Fees is not grounds to void
18 this Agreement

19 **6. Claims Administration Expenses:** The Parties agree to pay a Claims
20 Administrator, which is agreed to as Rust Consulting, Inc., an independent third party, which was
21 mutually chosen by Class Counsel and Defendant, for its fees and expenses related to services
22 rendered on this case in an amount up to Twenty Thousand Dollars and Zero Cents (\$20,000.00)
23 payable from the Class Settlement Amount. However, the Parties hereby acknowledge that the
24 Claims Administration Expenses may increase above the current estimate of Twenty Thousand
25 Dollars and Zero Cents (\$20,000.00) and that any such additional Claims Administration Expenses
26 that are approved by counsel for the Parties, and the Court, shall be taken out of the Class Settlement
27 Amount. The Parties each represent that they do not have any financial interest in the Claims
28 Administrator or otherwise have a relationship with the Claims Administrator that could create a
conflict of interest.

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2 **7. PAGA Settlement Amount:** This shall be the amount that the Parties have
3 agreed to pay the Labor Workforce Development Agency ("LWDA") in connection with the PAGA
4 claim. Subject to Court approval, the Parties agree that the amount of Forty-Five Thousand Dollars
5 and Zero Cents (\$45,000.00) from the Class Settlement Amount will be designated for satisfaction of
6 Plaintiff's and Class Members' PAGA claims ("PAGA Settlement Amount"). Pursuant to PAGA,
7 seventy five percent (75%), or Thirty-Three Thousand Seven Hundred Fifty Dollars and Zero Cents
8 (\$33,750.00), of the PAGA Settlement Amount will be paid to the LWDA, and twenty five percent
9 (25%), or Eleven Thousand Two Hundred and Fifty Dollars and Zero Cents (\$11,250.00) of the
10 PAGA Settlement Amount, will become part of the Net Settlement Proceeds. Pursuant to the July 1,
11 2016 amendments to PAGA, this settlement will be forwarded to the LWDA by Class Counsel and
12 any reallocation of settlement proceeds to increase the PAGA payment will not constitute grounds
13 by either party to void this Agreement, so long as the Class Settlement Amount remains the same.

14 **8. Net Settlement Proceeds:** After deducting the Class Representative
15 Enhancement Payment, Class Counsel's awarded attorneys' fees and costs, the PAGA Settlement
16 Amount apportioned to the LWDA, and the Claims Administration Expenses, the balance of the
17 Class Settlement Amount will constitute the "Net Settlement Proceeds."

18 **9. Class Member Distribution Formula:** The Net Settlement Proceeds shall be
19 distributed as follows:

20 a. For each Class Member, Defendant will provide the Claims
21 Administrator with the name, most recent address, telephone number,
22 social security number, dates of employment during class period,
23 whether they are current employees as of the date of Preliminary
24 Approval, and any other relevant information needed to calculate
25 settlement payments (collectively "Class List and Data") within
26 twenty-one (21) calendar days following the Preliminary Approval of
27 the Settlement;

28 b. The Claims Administrator will calculate each Class Member's
estimated settlement amount ("Estimated Individual Settlement

Payment”) based upon each Class Member’s number of Workweeks (“Workweek Points”), as follows:

(1) Each Class Member will be assigned one (1) Workweek Point for each Workweek employed during the Settlement Class Period;

(2) The Workweek Points of all Class Members for the Settlement Class Period will be totaled (“Total Workweek Points”);

(4) The Net Settlement Proceeds will be divided by the Total Workweek Points, and the resulting number will be the “Workweek Point Value;”

(5) Each Class Member’s Workweek Points will be multiplied by the Workweek Point Value, and the resulting number will equal each Class Member’s Estimated Individual Settlement Payment.

c. The Claims Administrator shall be responsible for applying the formula set forth here to determine the Estimated Individual Settlement Payment of each Class Member, subject to Defendant providing the Claims Administrator with the necessary data and the Estimated Individual Settlement Payment will be stated on the Notice sent to each Class Member.

10. **Actual Individual Settlement Payments:** Once all requests for exclusion have been submitted, the Claims Administrator will allocate the Net Settlement Proceeds to the Settlement Class (Class Members who have not submitted timely and valid requests for exclusion or requests for exclusion otherwise accepted by the Claims Administrator are referred to as “Settlement Class”), proportionate to each Settlement Class Member’s Workweek Points.

11. **Classification of Settlement Payments:** Thirty three and one-third percent (33 1/3 %) of settlement payments made to Class Members pursuant to this Agreement are

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2 considered compensation for statutory penalties and are not subject to withholdings. Thirty-three and
3 one-third percent (33 1/3%) of the settlement payments made to Class Members are considered
4 interest and are not subject to withholdings. The remaining Thirty-three and one-third Percent (33
5 1/3%) of the settlement payments made to each Class Member are wages and will be subject to all
6 applicable withholdings, including FICA, FUTA, SDI and Medicare. Counsel do not purport this
7 communication to constitute legal advice. To the extent that this Agreement, or any of its
8 attachments, is interpreted to contain or constitute advice regarding any U.S. Federal tax issue, such
9 advice is not intended or written to be used, and cannot be used, by any person for the purpose of
10 avoiding penalties under the Internal Revenue Code.

11 **12. Circular 230 Disclaimer:** EACH PARTY TO THIS AGREEMENT (FOR
12 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO
13 THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”)
14 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND
15 NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES
16 OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR
17 WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE
18 CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF
19 UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS
20 AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON
21 HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE
22 (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT
23 ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY
24 OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS
25 NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY
26 ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT
27 MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR
28 ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS
THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES

(REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

13. **No Effect On Benefits:** The Individual Settlement Payments paid to Settlement Class Members and the Class Representative Enhancement Payment paid to Plaintiff shall be deemed not to be “pensionable” earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (*e.g.* vacation, sabbatical, holiday pay, retirement plans, etc.) of Settlement Class Members or Plaintiff. The Parties agree that any Individual Settlement Payments or the Class Representative Enhancement Payment paid to Settlement Class Members or Plaintiff under the terms of this Agreement do not represent any modification of Settlement Class Members’ or Plaintiff’s previously credited hours of service or other eligibility criteria under any employee pension benefit plan, employee welfare benefit plan, or any other plan or program, including but not limited to sabbatical, sponsored by Defendant. Further, any Individual Settlement Payments or the Class Representative Enhancement Payment paid hereunder shall not be considered “compensation” in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan, employee welfare benefit plan, or any other plan or program sponsored by Defendant.

C. **Process for Approval of Settlement:**

1. **Preliminary Approval:** Class Counsel will move the Court for preliminary approval of the Settlement as soon as practicable as permitted by the Court. Defendant will not oppose said motion brought in accordance with the terms of the Joint Stipulation. Class Counsel shall apply for a Preliminary Approval Order that contains the following provisions:

- a. Conditionally certifying the Class for settlement purposes only;
- b. Preliminarily approving the Agreement under the legal standards relating to the preliminary approval of class action settlements;
- c. Approving the form of the Notice Packet (as defined below in Paragraph C.3), and finding that the proposed method of disseminating

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2 the Class Notice is the best notice practicable under the circumstances;

- 3 d. Approving Rust Consulting, Inc. as the Claims Administrator;
- 4 e. Establishing the procedures and the deadline by which Class Members
- 5 may assert objections to the Settlement;
- 6 f. Setting a date for the Final Approval Hearing;
- 7 g. Setting a date that is approximately seven (7) days before the date of
- 8 the Final Approval Hearing by which the Parties must file their
- 9 respective responses to any objections to the Settlement that were filed
- 10 by Class Members on or before the Objection Deadline; and
- 11 h. Providing that, pending the Court's final determination of whether the
- 12 proposed Agreement will be approved, and in aid of the Court's
- 13 jurisdiction and to prevent a multiplicity of lawsuits, Plaintiff and all
- 14 Class Members, and anyone acting on their behalf (including, but not
- 15 limited to, attorneys, representatives, and agents of any Class
- 16 Member), except those Class Members who timely submit a valid
- 17 Exclusion Form are barred and enjoined from instituting, commencing
- 18 or continuing to prosecute, directly or indirectly, as an individual or
- 19 collectively, representatively, derivatively, or on behalf of himself or
- 20 herself, or in any other capacity of any kind whatsoever, any action in
- 21 this Court, any other court, or any arbitration or mediation proceeding
- 22 or any other similar proceeding, any claims that are Released Claims
- 23 that would be released and discharged upon final approval of the
- 24 Agreement against any Released Party, except as the Court may
- 25 further order upon application of a Class Member and notice to all
- 26 parties.

27 2. **Claims Administrator:** The Parties agree that the Claims Administrator shall

28 have the authority to mail the Class Notice, create and administer the Class Settlement Amount,

process requests for exclusion form, and disburse sums from the Class Settlement Amount. The

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2 Claims Administrator must have adequate security to protect the privacy rights of the employees
3 about whom they are receiving information, and to protect the QSF, and must memorialize this in a
4 contract that meets with the approval of the Parties.

5 3. **Notice Packet:** The Parties will jointly draft a Notice of Class Action
6 Settlement ("Notice") and submit it to the Court for approval. The Notice will include, non-
7 exclusively, information regarding the nature of the Action, a summary of the substance of the
8 Settlement, the Class definition, the claims procedure and time period for objecting or seeking
9 exclusion, the date for the final approval hearing, and the formula used for the Individual Settlement
10 Payments. The Notice shall include the time period during which the Class Members worked during
11 the applicable Settlement Class Period and the Class Member's Estimated Individual Settlement
12 Payment. If the employment dates listed on the form is disputed, the Class Member disputing the
13 information may produce evidence to the Claims Administrator showing such employment dates he
14 or she contends should be shown on the Notice, through the dispute process described in Paragraph
15 E, below.

16 4. **Provision of Class Member Names to Claims Administrator:** Subject to
17 the Claims Administrator entering into a contract which provides adequate assurances with respect
18 to confidentiality and data security, which restricts the Claims Administrator's use of personal
19 information provided by Defendant to actions necessary to implement this Settlement, and which
20 indemnifies Defendant against any data security breaches resulting from the intentional or negligent
21 acts of the Claims Administrator and its employees and agents, within twenty-one (21) calendar days
22 after Preliminary Approval of the Settlement, Defendant shall provide the Claims Administrator with
23 Class List and Data. Defendant's sole responsibility with regard to administration is to provide Class
24 List and Data in an electronic form that is useable and agreed upon by the Claims Administrator.

25 5. **Mailing of Notice:** Within ten (10) days of receipt of the Class List and Data,
26 the Claims Administrator shall mail the Notice Packet to the Class Members via first-class regular
27 U.S. Mail. Class Members will have forty-five (45) days from the mailing of the Notice Packet to
28 submit objections or requests for exclusion.

 6. **Class List and Data Confirmation Checks:** Prior to mailing, the Claims

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2 Administrator will perform a search based on the National Change of Address Database information
3 to update and correct for any known or identifiable address changes. If a new address is obtained by
4 way of a returned Notice Packet, then the Claims Administrator shall promptly forward the original
5 Notice Packet to the updated address via first-class regular U.S. Mail indicating on the original
6 Notice Packet the date of such re-mailing. Where a Notice Packet is returned as undeliverable,
7 without a forwarding address, the Claims Administrator will perform a computer/SSN and "skip
8 trace" search via U.S. Postal Service records to obtain an updated address and will perform a single
9 re-mailing. The Parties agree to cooperate with the Claims Administrator to locate a more recent
10 address for Class Members, where necessary.

11 7. **Requests for Exclusions:** The Notice Packet shall state that Class Members
12 who wish to exclude themselves from the Class must timely submit an Exclusion Form. Any such
13 request for exclusion must be made in accordance with the terms set forth in the Notice and will be
14 deemed timely only if postmarked on or before forty-five (45) days following the initial date of
15 mailing of the Notice Packet by the Claims Administrator ("Exclusion Deadline"). Such Exclusion
16 Forms must contain the full name, all other names used during employment with Defendant(s), the
17 last four digits of their social security number, and telephone number of the person requesting
18 exclusion and must be returned by mail to the Claims Administrator at the specified address, and
19 must be postmarked on or before the Exclusion Deadline. The date of the postmark on the return
20 mailing envelope shall be the exclusive means used to determine whether a Request for Exclusion
21 Form has been timely submitted. Any Class Member who opts out of the Class by submitting a
22 timely and valid Exclusion Form will not be entitled to any recovery under the Agreement and will
23 not be bound by the Agreement or have any right to object or file and appeal. Class Members who
24 do not submit a valid and timely Exclusion Form shall be bound by all the terms of the Agreement
25 and any final judgment or order in this Class Action. Upon request, the Claims Administrator shall
26 provide counsel for Defendant with a complete list of all Class Members who have timely submitted
27 an Exclusion Form, along with the names and Estimated Individual Settlement Payments of
28 individuals who did not exclude themselves from the Settlement. The Parties agree that they will not
encourage any Class Member to seek exclusion.

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2 **8. Objections:** To object to the Settlement, a Class Member must file an
3 objection with the Court, and mail a copy to the Claims Administrator not later than forty-five (45)
4 calendar days after the notice of the Settlement is first mailed as part of the Notice Packet. If a Class
5 Member excludes himself from the Class, he will have no standing to objection to the Settlement. To
6 be timely, all objections must be postmarked no later than forty-five (45) days after the Notice Date
7 (“Objection Deadline”). A written objection must contain the objecting persons’ full name, current
8 address, and include all objections and the reasons therefore, and include any and all supporting
9 papers if an objector choses to file such (including, without limitations, all briefs, written evidence,
10 and declarations). A Class Member who desires to object but who fails to comply with the objection
11 procedure set forth herein may have their objection rejected by the Court. The Claims Administrator
12 shall send all objections by pdf to Defendant’s Counsel and Class Counsel. If a Class Member
13 wishes to appear at the Final Approval Hearing and present his or her objection to the Court orally,
14 the objector’s written statement must include the objector’s statement of intent to appear at the Final
15 Approval Hearing. If a Class Members does not specify in their objections that they intend to present
16 objections orally at the Final Approval Hearing they may not have the right to present objections
17 orally at the Final Approval Hearing. Any Class Member who files an objection remains eligible to
18 participate as a Class Member and receive monetary compensation from the Settlement. Defendant
19 shall not be responsible for fees, costs or expenses incurred by the Class related to Class Members
20 who submit objections to the Agreement or any appeals arising from the Action for attorneys’ fees,
21 costs or expenses of any kind. The Parties agree that they will not encourage any Class Member to
22 object to the terms of the Joint Stipulation.

23 **9. Certification Reports:** The Claims Administrator will provide Defendant’s
24 counsel and Class Counsel a weekly report which certifies: (a) the number of members of the
25 Settlement Class who have submitted valid Requests for Exclusion; (b) whether any class members
26 have objected and (c) whether any Class Member has submitted a challenge to the employment dates
27 contained in their Notice Packet. Additionally, the Claims Administrator will provide to counsel for
28 both Parties any updated reports regarding the administration of the Agreement as needed or
requested.

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2 **10. Declaration from Claims Administrator:** Fourteen (14) days before the
3 Final Approval Hearing, the Claims Administrator shall provide to all Parties a declaration under
4 penalty of perjury concerning the following:

- 5 a. Confirmation that the Notice Packet were mailed and, if applicable, re-
6 mailed pursuant to the terms of this Agreement; and
7 b. The number of all Class Members who properly and timely submitted
8 an Exclusion Form;
9 c. Any additional information requested by the Court.

10 The Claims Administrator will provide an updated declaration containing the same
11 information five (5) days before the Final Approval Hearing.

12 **11.** If five percent (5%) or more of the Class Members, submit timely and proper
13 Exclusion Forms Defendant may, at its election, rescind the Settlement and all actions taken in
14 furtherance of it will be thereby null and void. Defendant must exercise this right of rescission, in
15 writing, to Class Counsel, within fourteen (14) calendar days after the Claims Administrator notifies
16 the Parties of the total number of opt-outs. If Defendant chooses to rescind the Settlement under this
17 paragraph, it shall be responsible for any costs incurred by the Claims Administrator up to that point.

18 **D. Final Approval:**

19 1. If Defendant does not exercise the right to rescind the Settlement solely as
20 provided for herein, a motion for final approval of the Settlement will be filed by Class Counsel,
21 which will include a request for an award of the Class Representative Enhancement Payment and
22 Class Counsel's attorneys' fees, costs and expenses, as provided herein. Plaintiff's Motion, filed in
23 accordance with the terms set forth herein, which Defendant shall not oppose, shall request that the
24 Court enter a Final Approval Order and Judgment as follows:

- 25 a. Finding that the dissemination of the Notice Packet in the form and
26 manner ordered by the Court was accomplished as directed, met the
27 requirements of due process, was the best notice practicable under the
28 circumstances, and constituted due and sufficient notice to all parties
entitled thereto;

- b. Finding that Plaintiff and Class Counsel herein have fairly and adequately represented and protected the interests of the Class at all times in the Action;
- c. Finally approving the Agreement and the Settlement terms as fair, reasonable and adequate and directing consummation of the Agreement in accordance with its terms and provisions;
- d. Entering judgment directing the Parties to implement the terms of the Agreement, including, without limitation, the provisions regarding the payment of the Individual Settlement Payments to each Class Member as set forth in this Agreement;
- e. Entering judgment defining the Class;
- f. Upon payment of settlement funds as set forth in Paragraph F below, Notice of Satisfaction of Judgment shall be entered;
- g. Awarding reasonable attorneys' fees, costs and expenses to Class Counsel as provided in paragraph III.B.5, and subject to the limitations set forth therein or reserving jurisdiction with respect thereto;
- h. Awarding the Class Representative Enhancement Payment to Plaintiff as provided herein, and subject to the limitations set forth therein, or reserving jurisdiction with respect thereto; and
- i. Reserving continuing and exclusive jurisdiction over all matters related to the administration and consummation of the terms of this Agreement, over the enforcement, construction and interpretation of the Judgment, including, but not limited to, the provisions therein enjoining any further litigation of Released Claims as provided below, and over Plaintiff and all Class Members (and their attorneys) in connection therewith.

2. If the Court does not grant final approval of the Settlement, or if the Court's final approval of the Settlement is reversed or materially modified on appeal, then the Settlement

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2 will become null and void and of no further force and effect, and all negotiations, proceedings and
3 statements relating thereto shall be without prejudice as to the rights of any and all Parties, and their
4 respective predecessors and successors shall be deemed to have reverted to their respective positions
5 in this Action as of the date and time immediately prior to the execution of this Agreement, and
6 except as otherwise expressly provided, the effect shall be the same as if the Agreement was
7 terminated pursuant to paragraph 5 below.

8 3. The Parties, including Counsel, will use their best efforts to obtain preliminary
9 and final approval as quickly as possible, and will not encourage any Class Member to opt-out or
10 object to the terms of this Agreement or preliminary and final approval.

11 4. In the event that any provision of the Settlement is rejected by the Court, the
12 Parties will work in good faith to negotiate alteration of the rejected term. The Parties agree to use
13 the services of a mediator if informal efforts to negotiate alteration have been exhausted.

14 5. If, following the Parties' good faith efforts and mediation, the Parties cannot
15 agree on alterations, or if ultimately: (a) the Court declines to enter the Preliminary Approval Order
16 or to enter the Judgment or any part thereof as provided for therein, or the Parties hereto after good
17 faith efforts and mediation fail to consent to the entry of alternative forms of Judgment, in lieu
18 thereof, or after such consent the Court declines to enter such alternate form of Judgment; or (b) any
19 conditions to the Agreement are not satisfied; or (c) the Court disapproves this Agreement, or any
20 term contained in this Agreement, and such disapproval becomes final by reason of its affirmance on
21 appeal or lapse of time or otherwise; or (d) the Court approves this Agreement, including any
22 amendments hereto, but any such judgment and approval is finally reversed on appeal, then in any
23 such event, this Agreement shall be void and the Preliminary Approval Order and the Final Approval
24 Order and Judgment shall be vacated upon application to the Court. In such event, (a) this
25 Agreement and the Settlement (with the exception of this Paragraph III.D.5) shall be terminated and
26 become void and of no effect; (b) any actions taken or to be taken in connection with this Agreement
27 and the settlement terms shall become null and void and of no effect; (c) this Agreement and the
28 settlement terms and any hearings or proceedings thereunder shall not be referred to or used as
evidence for or against any party or Class Member in this or any other action or proceedings, and (d)

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2 all proceedings, including discovery, shall resume thirty (30) days thereafter as if this Agreement
3 had not been proposed for approval of the Court.

4 **E. Class Member Workweek Disputes:**

5 1. Disputes as to Calculation: If a Class Member disputes the employment dates
6 listed on the Notice, the Class Member may produce evidence to the Claims Administrator
7 indicating the dates contended to have been worked during the applicable Settlement Class Period.
8 Any such workweek disputes will be deemed timely only if postmarked on or before forty-five (45)
9 days following the initial date of mailing of the Notice Packet by the Claims Administrator. An
10 individual can only dispute their employment dates if he/she does not exclude himself/herself from
11 the Settlement. Defendant's records will be presumed determinative absent evidence to rebut
12 Defendant's records. Class Counsel and Defense counsel shall meet and confer in an attempt to
13 reach an agreement regarding whether an adjustment is warranted based on the documentary
14 evidence submitted by the Class Member to challenge the dates worked during the Settlement Class
15 Period. If they cannot agree, the the Claims Administrator shall make the final determination if an
16 adjustment is warranted as to which dates should be applied based on the evidence submitted by the
17 Class Member. All such disputes are to be resolved not later than seven (7) calendar days after the
18 Response Deadline.

19 2. **Expiration of Settlement Checks:** Any checks issued by the Claims
20 Administrator to Class Members shall be negotiable for not less than one hundred eighty (180) days
21 from issuance. Those funds represented by Settlement Checks remaining un-cashed for more than
22 180 days after issuance (collectively, "Voided Settlement Checks") will be remitted as follows:

- 23 a. Twenty-Five percent to the State Treasury for deposit in the Trial Court
24 Improvement and Monetization Fund;
25 b. Twenty-Five percent to the State Treasury for deposit into the Equal Access
26 Fund of the Judicial Branch; and
27 c. Fifty percent to the State Bar Justice Gap Fund.

28 **F. Distribution to Class Members, Plaintiff and Class Counsel**

1. **Effective Date:** "Effective Date" means: (a) if no objections are made to the
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2 settlement, fourteen (14) days after the day the Final Approval Order and Judgment is entered; (b) if
3 any objections are made to settlement, but no appeals are filed, sixty (60) days after the Court enters
4 an order granting final approval of the Joint Stipulation of Class Action Settlement and Release; (c)
5 if any objections are made to the settlement and if any timely appeals are filed, thirty (30) days after
6 the resolution (or withdrawal) of any such appeal in a way that does not alter the terms of the
7 Settlement.

8 2. **Funding of the Qualified Settlement Fund:**

9 a. Within seven (7) days of the Effective Date, the Claims Administrator
10 will notify Defendant to forward to the Claims Administrator the Class Settlement Amount of One
11 Million Five Hundred Thousand Dollars and no cents (\$1,500,000.00) to an escrow account set up
12 by the Claims Administrator. Defendant shall further provide their portion of any employer-paid
13 payroll tax obligations as calculated by the Claims Administrator that are to be paid by Defendant in
14 addition to the Class Settlement Amount, as set forth in Paragraph III.B.3 of this Agreement. Within
15 twenty one (21) days of receiving that notice, Defendant will wire the funds required to fully fund
16 the Class Settlement Amount plus Defendant's portion of any employer-paid payroll tax obligations
17 as calculated by the Claims Administrator into a QSF set up and controlled by the Claims
18 Administrator. Payments to the Settlement Class Members, the Class Representative Enhancement
19 Payment, attorney's fees and costs to Class Counsel, PAGA Payment to the LWDA, and the Claims
20 Administrator's Expenses shall be made from the QSF.

21 b. If the QSF is not funded in accordance with this provision and notice
22 is provided to Defendant's counsel of the breach, and payment is not made within seven (7) days of
23 notice of the breach, Class Counsel may seek reasonable attorney's fees incurred with any
24 enforcement action taken thereafter.

25 c. The QSF shall be an interest-bearing account at a federally-insured
26 bank that is mutually acceptable to the Parties and the Claims Administrator. The funds in the QSF
27 shall be invested either in short-term U.S. Treasury securities with maturity dates of less than 90
28 days at the time of deposit, or in an SEC-registered money market fund investing exclusively in U.S.
Treasury securities with average maturities of less than 90 days and rated AAA by Standard &

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2 Poor's. The Parties agree that the QSF is intended to be a "Qualified Settlement Fund" under Section
3 468B of the Internal Revenue Code and Treas. Reg. § 1.468B-1, 26 CFR § 1.468B-1, *et seq.*, and
4 will be administered by the Claims Administrator as such. With respect to the QSF, the Claims
5 Administrator shall: (1) open and administer the Settlement Account in such a manner as to qualify
6 and maintain the qualification of the QSF as a "Qualified Settlement Fund" under Section 468B of
7 the Internal Revenue Code and Treas. Reg. § 1.468B-1; (2) satisfy all federal, state and local and
8 income and other tax reporting, return, and filing requirements with respect to the QSF and any
9 interest or other income earned by the QSF, and (3) satisfy out of the QSF all: (i) taxes (including
10 any estimated taxes, interest, or penalties) with respect to the interest or other interest earned by the
11 QSF, and (ii) fees, expenses and costs incurred in connection with the opening and administration of
12 the QSF and the performance of its duties and functions as described in this Agreement. The
13 aforementioned taxes, fees, costs and expenses shall be treated as and included in the costs of
14 administering the QSF and as Claims Administration Expenses. The Parties and the Claims
15 Administrator shall treat the QSF as coming into existence as a Qualified Settlement Fund on the
16 earliest date permitted as set forth in 26 CFR § 1.468B-1(j)(2)(i), and such election statement shall
17 be attached to the appropriate returns as required by 26 CFR § 1.468B-1(j)(e)(ii). The Parties agree
18 to cooperate with the Claims Administrator and one another to the extent reasonably necessary to
19 carry out the provisions of this Section.

20 d. The Claims Administrator will be solely responsible, under Court
21 supervision, for distributing settlement proceeds including withholding for payroll taxes and income
22 taxes on W-2 wage payments made to Class Members for the amounts to be paid as W-2 wages;
23 complying with the reporting and payment obligations imposed by Treas. Reg. §1.468B-2(l)(2) on
24 the QSF (as well as reporting and payment obligations to state and local tax authorities with respect
25 to the Fund); and paying any tax imposed on the QSF pursuant to Treas. Reg. §1.468B-2(a) and
26 other applicable provisions of Federal, state or local law imposing tax on the Fund). All Claims
27 Administrator costs will be borne out of the Class Settlement Amount; Defendant has no separate
28 obligation to fund costs of administration. The Claims Administrator shall furnish to Defendant all
copies of all Forms W-2, 1099, or other tax reporting forms provided by the QSF to any payee of the

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2 Class Settlement Amount within thirty (30) days after each such form has been furnished to the
3 payee shown thereon.

4 3. **Distribution to Class Counsel:** The total amount of attorneys' fees and costs
5 due to Class Counsel shall be due and payable no later than fourteen (14) days after receipt by the
6 Claims Administrator of the QSF. In no event will the disposition of the attorneys' fees and costs
7 awarded to Class Counsel delay the administration or completion of the claims administration
8 process.

9 4. **Distribution of Class Representative Enhancement Payment:** Within
10 fourteen (14) days after receipt by the Claims Administrator of the QSF, the Claims Administrator
11 shall pay to Plaintiff the amount of the court-approved Class Representative Enhancement Payment
12 from the QSF. Plaintiff shall also be eligible to receive an Individual Settlement Payment as a
13 Settlement Class Member pursuant to the claims procedures set forth in this agreement, in addition
14 to the enhancement fees he or she receives as Class Representative. The Class Representative
15 Enhancement Payment shall not be taxed as wages. The Claims Administrator will issue a 1099 form
16 to the Plaintiff in connection with the Class Representative Enhancement Payment.

17 5. **Distribution to Settlement Class Members:** Within fourteen (14) calendar
18 days after receipt by the Claims Administrator of the QSF, the Claims Administrator will make
19 payments to Settlement Class Members out of the QSF as required by the final approval Order, less
20 any required payroll withholdings. The Claims Administrator will pay the withheld funds over to the
21 applicable governmental authorities, and the Claims Administrator will issue the appropriate 1099s
22 and W-2s. The Claims Administrator shall mail payments to Settlement Class Members by first-class
23 mail. The checks shall indicate on their face that they are void if not negotiated within one hundred
24 and eighty (180) days of issuance, and after such time the Settlement Class Member's claim will be
25 deemed void and of no further force and effect. Also, the Claims Administrator shall be required to
26 indemnify Defendant and Class Counsel for any failure to perform the foregoing duties.

27 G. **Release of Claims:**

28 1. The Parties agree that it is their intent to fully, finally, and forever settle,
compromise, discharge, and release any claim or further attempt, by lawsuit, administrative claim or

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2 action, arbitration, demand, or other action of any kind by each and all of the Class Members, except
3 those who timely submit a valid Exclusion Form, to obtain a recovery, based on unpaid wages,
4 interest, statutory or civil penalties, fees and costs that they may have had arising from the facts
5 alleged in Plaintiff's Complaint and First Amended Complaint during the Settlement Class Period.

6 2. In consideration of the monetary sum provided by Defendant and upon final
7 approval of this Agreement by the Court, each of the Class Members, except those who timely
8 submit a valid Exclusion Form, hereby cancel, terminate, abrogate, discharge, waive, fully release
9 and forever discharge the Released Parties from any and all claims, debts, liabilities, demands,
10 obligations, guarantees, costs, expenses, attorneys' fees, damages, action or causes of action of any
11 kind, whether known or unknown, which have been or could have been asserted against the Released
12 Parties arising out of this Action, and any claims, damages, or causes of action arising out of the
13 facts and allegations set forth in the Action, including those set forth in the Plaintiff's Complaint and
14 First Amended Complaint, including, all alleged failure to properly pay all wages due for time
15 worked, including proper payment of minimum wages and overtime wages due to rounding of time;
16 any alleged failure to provide or compensate for missed, short or late meal periods; any alleged
17 failure to provide or compensate for missed, short or late rest breaks; any alleged failure to provide
18 accurate wage statements; any alleged failure to make wage payments in a timely manner; any
19 alleged failure to pay all amounts due in a timely manner after termination; any alleged failure to act
20 in accordance with Business and Professions Code sections 17200 *et seq.*, including those claims
21 related only to the underlying claims in this Action under California Labor Code sections 201, 202,
22 203, 204, 226.7, 510, 512, 1194, 1197, 1197.1, 1198, and all applicable wage orders and any
23 applicable penalties arising from the foregoing; as well as any claim brought pursuant to Labor Code
24 section 2698, *et seq.*

25 3. **Identity of Releasing Parties.** The Class Members, other than those who file valid
26 and timely Exclusion Forms accepted by the Claims Administrator, shall be deemed to be within the
27 Class for all purposes under this Agreement, shall be bound by the terms and conditions of this
28 Agreement, including all orders issued pursuant thereto, and shall be deemed to have waived all
unstated objections and oppositions to the fairness, reasonableness, and adequacy of this Agreement,

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2 and any of its terms and will pursuant to the terms of this Agreement release and discharge the
3 Released Parties.

4 **4. Release of Additional Claims & Rights by Plaintiff Jeramie Abbott.** Upon the
5 Effective Date, and as a condition of receiving any portion of his Class Representative Enhancement
6 Payment, Plaintiff Jeramie Abbott agrees to the additional following General Release: In
7 consideration of Defendant's promises and agreements as set forth herein, Plaintiff Jeramie Abbott
8 hereby fully releases the Released Parties from any and all Released Claims and also generally
9 releases and discharges the Released Parties from any and all claims, demands, obligations, causes
10 of action, rights, or liabilities of any kind which have been or could have been asserted against the
11 Released Parties arising out of or relating to Plaintiff Jeramie Abbott's employment by Defendant or
12 termination thereof, including but not limited to claims for wages, restitution, penalties, retaliation,
13 defamation, discrimination, harassment or wrongful termination of employment. This release
14 specifically includes any and all claims, demands, obligations and/or causes of action for damages,
15 restitution, penalties, interest, and attorneys' fees and costs (except provided by this Agreement)
16 relating to or in any way connected with his employment with Released Parties and the matters
17 referred to herein, whether or not known or suspected to exist, and whether or not specifically or
18 particularly described herein. Specifically, Plaintiff Jeramie Abbott waives all rights and benefits
19 afforded by California Civil Code Section 1542, which provides:

20 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS
21 WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO
22 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING
23 THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST
24 HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT
25 WITH THE DEBTOR.

26 **5. No Admissions.** The Parties understand and agree that this Agreement is the
27 result of a good faith compromise settlement of disputed claims, and no part of this Agreement or
28 any conduct or written or oral statements made in connection with this Agreement, whether or not
the Agreement is finally approved and/or consummated, may be offered as or construed to be an
admission or concession of any kind by Defendant and the Released Parties. In particular, but
without limiting the generality of the foregoing, nothing about this Agreement shall be offered or

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2 construed as an admission that Defendant's non-exempt California employees were denied wages, or
3 were denied meal or rest periods. Likewise, nothing about this Agreement shall be offered or
4 construed as an admission that Defendant engaged in any wrongdoing, impropriety, breach of
5 responsibility, or fault. Similarly, nothing about this Agreement shall be construed as or deemed to
6 be evidence of, or an admission or concession that the Plaintiff or any Class Member has suffered
7 any damage. In addition, this Agreement shall not be offered to be admissible in evidence against
8 Defendant or any Released Party, except in an action or proceeding brought by or against Plaintiff,
9 the Class, Class Members, or Defendant to enforce the Agreement's terms, or by Defendant in
10 defense of any claims brought by Plaintiff, the Class, Class Members or any member of the general
11 public.

12 **H. Applicability of California Civil Procedure Code Section 384.**

13 1. Further Distribution of Non-negotiated Payments. This is a non-reversionary
14 settlement. All Individual Settlement Payments to Class Members that remain un-cashed within one
15 hundred eighty (180) days of the mailing of Settlement Payment Checks by the Claims
16 Administrator shall be remitted as follows:

- 17 a. Twenty-five percent to the State Treasury for deposit in the
18 Trial Court Improvement and Monetization Fund;
19 b. Twenty-five percent to the State Treasury for deposit into the
20 Equal Access Fund of the Judicial Branch; and
21 c. Fifty percent to the State Bar Justice Gap Fund.

22 2. **Confidentiality Preceding Preliminary Approval:** The Parties and their
23 counsel agree that they will not issue any press releases, initiate any contact with the press, respond
24 to any press inquiry or have any communication with the press about the fact, amount or terms of the
25 Settlement. In addition, the Parties and their counsel agree that they will not engage in any
26 advertising or distribute any marketing materials relating to the Settlement of this case prior to
27 preliminary approval, including, but not limited to, any postings on any websites maintained by
28 Class Counsel. Any communication about the Settlement to Class Members prior to the court-
approved mailing will be limited to a statement that a settlement has been reached and the details

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2 will be communicated in a forthcoming Court-approved notice. Notwithstanding anything to the
3 contrary in this paragraph or elsewhere in this Agreement, Defendant shall be permitted to make
4 such disclosures regarding this case and settlement as they deem necessary or appropriate for
5 purposes of complying with the U.S. Securities Laws and the rules of the New York Stock Exchange
6 or as otherwise required by law.

7 3. **Fair, Adequate and Reasonable Settlement:** The Parties agree that the
8 Settlement is fair and reasonable and will so represent to the Court.

9 4. **Class Certification for Settlement Purposes Only:** The Parties agree that
10 the motion for preliminary approval seeks, *inter alia*, certification of a Settlement Class for purposes
11 of the Settlement only. The Parties further agree that certification for purposes of the Settlement is in
12 no way an admission by Defendant that class certification remains proper under the standard applied
13 to contested certification motions and that this Settlement will not be admissible in this or any other
14 proceeding as evidence that: (i) a class should remain certified as Plaintiff proposed; or (ii)
15 Defendant is liable to Plaintiff or the Settlement Class.

16 5. **Extension of Time:** Without further order of the Court, the Parties hereto may
17 agree in writing to reasonable extension of time to carry out any of the provisions of the Agreement.

18 6. **Construction:** This Agreement was entered into after substantial good faith,
19 arms-length negotiations between the Parties' Counsel. This Agreement is entered into freely and
20 voluntarily only after each party had carefully read and reviewed it with counsel, and it reflects the
21 conclusion of each party that this Agreement and the Judgment and the releases, waivers, and
22 covenants contemplated hereby are in the best interest of said party. This Agreement has been
23 entered into without any coercion and under no duress. The Parties acknowledge and agree that all
24 parties had an equal hand in drafting this Agreement so that it shall not be deemed to have been
25 prepared or drafted by one party or another. All parties waive the provisions of California Civil Code
26 Section 1654, which provides, in pertinent part, that "the language of a contract should be interpreted
27 most strongly against the party who caused the uncertainty to exist." Except as expressly provided
28 herein, this Agreement is not intended to confer any rights or remedies upon any person other than
the Parties.

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2 7. **Due Authority of Attorneys:** Each of the attorneys executing this Agreement
3 on behalf of one or more parties hereto warrants and represents that he or she has been duly
4 authorized and empowered to execute this Agreement on behalf of each such respective party and to
5 bind them to the terms hereof.

6 8. **Entire Agreement:** This Agreement sets forth the entire agreement of the
7 Parties with respect to its subject matter and supersedes any and all other prior agreements and all
8 negotiations leading up to the execution of this Agreement whether oral or written, regarding the
9 subjects covered herein. The Parties acknowledge that no representations, inducements, warranties,
10 promises or statements relating to the subjects covered herein, oral or otherwise, have been made by
11 any of the Parties or by anyone acting on behalf of the Parties which are not embodied or
12 incorporated by reference herein, and further agree that no other agreement, covenant,
13 representation, inducement, promise or statement relating to the subjects covered herein not set forth
14 in writing in this Agreement, shall be valid or binding.

15 9. **Exhibits Incorporated by Reference.** The terms of this Settlement include
16 the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully
17 set forth herein. Any Exhibits to this Settlement are an integral part of the Settlement

18 10. **Modification or Amendment:** This Agreement may be amended or modified
19 only by a written instrument signed by counsel for all Parties or their successors-in-interest.

20 11. **Deadlines Falling on Weekends or Holidays:** To the extent that any
21 deadline set forth in this Agreement falls on a Saturday, Sunday or legal holiday, that deadline shall
22 be continued until the following business day.

23 12. **Successors:** This Agreement shall be binding upon and inure to the benefit of
24 the Parties hereto (including members of the Class) and their respective heirs, executors,
25 administrators, successors and assigns, and upon any corporation, partnership or other entity into or
26 with which any Party hereto may merge, combine or consolidate. As used in the preceding sentence
27 and elsewhere throughout this Agreement, "including" shall mean including without limitation.

28 13. **Severability:** In the event that any one or more of the provisions contained in
this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such

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2 invalidity, illegality, or unenforceability shall in no way affect any other provision if Defendant and
3 Class Counsel, on behalf of the Parties and the Class, mutually elect in writing to proceed as if such
4 invalid, illegal or unenforceable provision had never been included in this Agreement.

5 14. **Counterparts:** This Agreement may be executed in counterparts, each of
6 which shall be deemed an original, and all of which together shall constitute one and the same
7 instrument. Facsimile or electronic transmission of the signatures of the Parties or their
8 representatives shall be binding on the Parties.

9 15. **Waivers:** The waiver by any party of any breach of this Agreement shall not
10 be deemed or construed as a waiver of any other breach, whether prior, subsequent or
11 contemporaneous of this Agreement.

12 16. **Waiver of Certain Appeals:** The Parties agree to waive appeals and to
13 stipulate to class certification for purposes of this Settlement only; except, however, that either party
14 may appeal any court order that materially alters the Agreement's terms.

15 17. **Governing Law:** This Agreement will in all respects be interpreted, enforced
16 and governed by and under the laws of the State of California, without regard to choice of law
17 principles, except to the extent that the law of the United States governs any matter set forth herein,
18 in which case such Federal law will govern.

19 18. **Continuing Jurisdiction:** The Court will have continuing jurisdiction over
20 the Action for the purposes of implementing the Agreement, the Final Approval of the Settlement,
21 entry of Judgment, and post-judgment issues, until all related matters are fully resolved. Except as
22 provided in Paragraph E, above, any dispute regarding the Parties' obligations pursuant to this
23 Agreement and/or interpretation of the terms of this Agreement will be presented by written motion
24 to, and resolved by, the Court.

25 19. **Regulation:** In the event that any provision in this Agreement shall be
26 affected by any rule, regulation, ordinance, order, directive or statute of any unit of government,
27 whether state, federal or local, such rule, regulation, ordinance, order, directive or statute shall
28 supersede and take precedence over any such provision of this Agreement to the contrary and in no
event shall Defendant be in violation of this Agreement nor shall this Agreement be in any way

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2 affected should Defendant take any action or change any of its business practices to comply with
3 such state, federal or local rules, regulations, ordinances or statutes currently in force or enacted in
4 the future.

5 20. **Headings:** The headings contained in this Agreement are for convenience and
6 reference purposes only, and shall not be given weight in its construction.

7 21. **Notices:** Any notices, requests, demands, or other communications required or
8 permitted to be given pursuant to this Agreement, other than notice to the Class or Class Members,
9 shall be in writing and, except as provided elsewhere in this Agreement or in any communication to
10 the Class, shall be delivered personally, via overnight delivery or via postage pre-paid first class
11 mail, as follows: (1) to Plaintiff, the Class, and Class Counsel to the attention of Bruce Kokozian,
12 Esq. of the Kokozian Law Firm, 9440 South Santa Monica Boulevard, Suite 510, Beverly Hills, CA
13 90210 and (2) to Defendant to the attention of Robert S. Blumberg and Michelle Rapoport, Littler
14 Mendelson, P.C., 633 W. Fifth Street, 63rd Floor, Los Angeles, California, 90071. By written notice
15 given in accordance herewith, each party may modify or change the addressee and/or address of any
16 person identified above or pursuant hereto as the person or persons to whom all future notices shall
17 be sent.

18 22. **Disputes:** All disputes arising out of or related to this Agreement, except
19 disputes as to Class Members Workweek disputes which are governed by the provisions of
20 Paragraph E, shall be resolved by the Court, subject to the provisions set forth in Paragraph 16,
21 above.

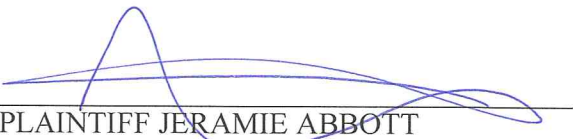
22 23. **Signatures of Plaintiff and Counsel for the Parties:** Plaintiff and counsel
23 for the Parties indicate by signing below their approval of the form of this Agreement, and, in the
24 case of counsel for Plaintiff and the Class, their representation and warranty of authority to bind the
25 Class as certified and the Class described herein (subject to the final approval of the Court) and their
26 acceptance of the provisions regarding attorneys' fees.

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24. **Binding Agreement:** The Parties intend that this Stipulation of Settlement shall be fully enforceable and binding up on all Parties, and that is shall be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding the mediation confidentiality provisions that otherwise might apply under federal or state law.

August 1
Dated: July __, 2017



PLAINTIFF JERAMIE ABBOTT

Dated: July __, 2017

BY: REBECCA WALSH
Executive Vice President, Chief Legal and
Compliance Officer
DEFENDANT VENTURA FOODS, LLC.

August 1
Dated: July __, 2017



BRUCE KOKOZIAN
KOKOZIAN LAW FIRM, APC
Attorneys for Plaintiff
JERAMIE ABBOTT

Dated: July __, 2017

ROBERT S. BLUMBERG
MICHELLE RAPOPORT
LITTLER MENDELSON, P.C.
Attorneys for Defendant
VENTURA FOODS, LLC

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Dated: July __, 2017

PLAINTIFF JERAMIE ABBOTT

Dated: August 7, 2017

BY: REBECCA WALSH
Executive Vice President, Chief Legal and
Compliance Officer
DEFENDANT VENTURA FOODS, LLC.

Dated: July __, 2017

BRUCE KOKOZIAN
KOKOZIAN LAW FIRM, APC
Attorneys for Plaintiff
JERAMIE ABBOTT

Dated: July __, 2017

ROBERT S. BLUMBERG
MICHELLE RAPOPORT
LITTLER MENDELSON, P.C.
Attorneys for Defendant
VENTURA FOODS, LLC

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