

BRADLEY GROMBACHER, LLP

Marcus J. Bradley, Esq. (SBN 174156)
Kiley L. Grombacher, Esq. (SBN 245960)
Taylor L. Emerson, Esq. (SBN 225303)
2815 Townsgate Road, Suite 130
Westlake Village, California 91361
Telephone: (805) 212-5124
E-Mail: mbradley@bradleygrombacher.com
kgrombacher@bradleygrombacher.com

LAW OFFICE OF DAVID POURATI, APC

David Pourati (SBN 259245)
12400 Wilshire Boulevard, Suite 920
Los Angeles, California 90025
Telephone: (310) 494-7900
Facsimile: (310) 494-7901
david@pourati.com

Attorneys for Plaintiffs and the putative class
(Additional Plaintiffs' counsel on the next page)

SUPERIOR COURT OF CALIFORNIA

COUNTY OF SANTA BARBARA

JOHN HILL, an individual; MARK GRAY, an
individual, on behalf of themselves and all others
similarly situated,

Plaintiffs,

v.

PACIFIC PETROLEUM CALIFORNIA, INC.,
and DOES 1-100, inclusive,

Defendants.

CASE NO. 15CV03056

[Complaint filed September 16, 2015]

CLASS ACTION

**DECLARATION OF MARCUS J.
BRADLEY IN SUPPORT OF MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

*(Filed Concurrently with Notice of Motion
and Motion; Memorandum of Points and
Authorities; Declarations of Christine Adams,
David Pourati, John Hill and Mark Gray)*

DATE: April 4, 2017

TIME: 8:30 a.m.

DEPT: SM 2

LAW OFFICES OF LOUIS BENOWITZ

Louis Benowitz (SBN 262300)
9454 Wilshire Boulevard, Penthouse
Beverly Hills, California 90212
Telephone: (310) 844-5141
Facsimile: (310) 492-4056
louis@benowitzlaw.com

ADAMS LAW

Christine M. Adams, Esq. (SBN 200395)
510 State Street, Suite 265
Santa Barbara, California 93101
Telephone: (805) 845-9630
Facsimile: (805) 845-9634
christine@adamsemploymentlaw.com

Attorneys for Plaintiffs

1 I, MARCUS J. BRADLEY, declare as follows:

2 1. I am an attorney at law duly licensed to practice law before all of the courts of the State
3 of California, and most of the district courts within the Ninth Circuit. I am a partner in the law firm
4 of BRADLEY GROMBACHER, LLP, counsel for Plaintiffs John Hill and Mark Bradley now filing
5 this Motion for Preliminary Approval of Settlement. In my capacity as counsel, I have been actively
6 involved with all aspects of this litigation. Accordingly, I have personal knowledge of all the matters
7 set forth herein, and if called, I could and would competently testify to the following:

8 2. This Declaration is submitted in support of the Motion for Preliminary Approval of
9 Class Action Settlement, and the orders sought therein. Specifically, this Declaration is offered in
10 support of the order finding that BRADLEY GROMBACHER LLP is adequate counsel to represent
11 the proposed class action plaintiffs.

12 3. I, along with Christine M. Adams, Esq., David Pourati, Esq. and Louis Benowitz, Esq.,
13 have been actively engaged in this litigation when BRADLEY GROMBACHER LLP filed the
14 Complaint on behalf of the Plaintiffs, to the present. During that time, I have supervised the activities
15 of the attorneys, paralegals and support staff.

16 4. Plaintiffs retained the law firms of BRADLEY GROMBACHER LLP Christine M.
17 Adams, Esq., David Pourati, Esq. and Louis Benowitz, Esq., to investigate their claims. On September
18 11, 2015, Plaintiffs sent a Letter of Intent to File to the LWDA and the Defendant, enclosing a copy of
19 the Complaint.

20 5. Attached hereto as **Exhibit 1** is a true and correct copy of the Joint Stipulation of Class
21 Settlement and Release.

22 6. The allegations in the complaint are amply described in the motion filed
23 contemporaneously herewith, and will not be re-stated herein.

24 7. Additionally, the litigation history is described more fully in the motion and will not
25 be restated.

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27 ///

1 8. Overall, the breadth of discovery available to the Parties permitted a thorough and
2 detailed analysis of the merits of Plaintiffs' claims and Defendant's defenses as well as Defendant's
3 exposure for damages.

4 **Pre-Settlement Discovery**

5 9. In an effort to obtain the necessary information to evaluate whether it would be possible
6 to resolve this action on behalf of the putative class, without further protracted litigation, the Parties
7 conducted extensive discovery. Indeed, the Parties each took their obligations in discovery extremely
8 seriously and worked diligently to provide one another with sufficient information and documentation
9 so as to be adequately informed prior to engaging in settlement discussions. During the course of
10 litigation, the parties engaged in substantial written discovery and additional investigations, including
11 but not limited to six (6) separate sets of written discovery, production of approximately 6,000
12 documents plus access to paper time records constituting approximately forty-five bankers' boxes of
13 records, interviews, and declarations for more than seventy putative class members. Plaintiffs' counsel
14 expended significant time and resources reviewing such documents which included documents
15 relating to Defendant's compensation policies and procedures, time data, employee handbooks, and
16 other corporate policies and procedures relevant to the issues. Plaintiff retained an expert who culled
17 through and analyzed such data which permitted Plaintiffs to fully evaluate the claims in the litigation.

18 10. Additionally, Defendant took the depositions of both Plaintiffs, and Plaintiffs took the
19 Person Most Qualified deposition.

20 **Adequacy Issues**

21 11. The proposed Class Representatives and their counsel have and will continue to "fairly
22 and adequately protect the interests of the class." In this case, there is no reason to doubt the adequacy
23 of Plaintiffs' counsel, BRADLEY GROMBACHER LLP.

24 12. The proposed Settlement also does not place the attorneys' interests ahead of class
25 members' interests. Settlement provisions relating to attorneys' fees and litigation expenses in the
26 action were not negotiated until after an agreement was reached in principal with respect to the direct
27 class settlement benefits and the gross settlement fund amount.

28 ///

1 13. Here, there is no evidence of antagonism between Plaintiffs' interests and those of the
2 Settlement Class. Plaintiffs have litigated this case in good faith and the interests of Plaintiffs are
3 aligned with those of the Settlement Class as they both share a common interest in challenging the
4 legality of Defendant's policies and procedures. Moreover, there is no evidence of any collusion
5 between the parties. Plaintiffs' counsel convinced Defendant to pay \$250,000 in a non-reversion
6 settlement.

7 14. For these same reasons—that Named Plaintiffs will fairly and adequately protect the
8 class's interests, that they have no antagonistic interests to the class, and that they have litigated this
9 case in good faith—they should be appointed as Class Representatives. Moreover, at the Final
10 Approval Hearing, Class Counsel will request Service Enhancement Payments to compensate Named
11 Plaintiffs for their efforts in prosecuting this matter, and for the risks and stigma they face, and will
12 continue to face, for doing so.

13 15. Here, Named Plaintiffs were not simply bystanders in the prosecution of this action.
14 From the time that they brought this matter to the attention of counsel, they were actively involved in
15 providing information and evidence. Named Plaintiffs were always available to, and regularly did,
16 consult with counsel both in person and via telephone. In addition, Named Plaintiffs reviewed
17 documents and gave testimony during lengthy depositions. Named Plaintiffs were also actively
18 involved discussions regarding the resolution of this matter and approved the settlement terms on
19 behalf of themselves and the class.

20 16. The total of the incentive awards that will be sought at the time of the final approval
21 hearing is \$15,000 representing approximately 0.6 percent of the settlement amount.

22 17. I have practiced law since 1994. In 2000, I joined Mazursky, Schwartz & Angelo as
23 an associate and became a partner in January 2005 at which time the firm was renamed Schwartz,
24 Daniels & Bradley. I remained as a partner until the dissolution of the firm effective December 31,
25 2008. From January 1, 2009 until August 31, 2016, I was a partner with the law firm of Marlin &
26 Saltzman. In September, 2016, I opened Bradley Grombacher LLP where I am currently partner.

27 18. I have been responsible for all facets of class action employment and other complex
28 litigation, from pre-filing investigation through trial and appeal. Since approximately May 2000, I

1 have spent most of my time representing workers in wage and hour matters. I have litigated these
2 issues in class actions to favorable statewide settlements that have recouped over \$700,000,000.00 in
3 unpaid wages, including the following:

4 *Gutierrez v. State Farm Mutual*, Los Angeles Superior Court (BC236552). Class action mis-
5 classification case seeking overtime compensation for approximately 2,600 insurance claims adjusters
6 employed by State Farm. The Class was certified and summary adjudication was granted as to liability
7 in favor of the Class. The case settled for \$135 million just prior to trial, with Final Approval granted
8 and no objections filed. A fee of 33.3% of the fund was awarded by the Honorable Anthony Mohr.

9 a. *Bednar v. Allstate Insurance Company*, Los Angeles Superior Court (BC240813).
10 Class action mis-classification case seeking overtime compensation for approximately 1,200
11 insurance claims adjusters employed by Allstate. The Class was certified and summary
12 adjudication was granted as to liability in favor of the Class. The case settled for \$120 million just
13 prior to trial, with Final Approval granted and no objections filed. A fee of 33.3% of the fund was
14 awarded.

15 b. *Roberts v. Coast National Insurance*, Orange County Superior Court (01CC08478).
16 Class action mis-classification case seeking overtime compensation for insurance claims adjusters
17 employed by Coast National Insurance. Certification granted, and then the matter was tried to a
18 binding arbitrator. Case settled during the arbitration for in excess of \$18 million. A fee of 33.3%
19 of the fund was awarded by the Hon. Steven Sunvold (Ret.).

20 c. *CNA Class Action Litigation*, Los Angeles Superior Court Class (JCCP 4230). Class
21 action mis-classification case seeking overtime compensation for insurance claims adjusters
22 employed by Defendant. Case settled for \$33 million, with Final Approval granted and no
23 objections filed. A fee of 33.3% of the fund was awarded by the Hon. Victoria Cheney.

24 d. *Dotson v. Royal SunAlliance*, Orange County Superior Court (02CC01787). Class
25 action mis-classification case seeking overtime compensation for insurance claims adjusters
26 employed by Royal SunAlliance. Case settled for \$12.3 million, with Final Approval granted and
27 no objections filed. A fee of 33.3% of the fund was awarded.
28

1 e. *Parris v. Lowe's Home Improvement*, venued in the Los Angeles Superior Court. Class
2 action seeking payment of "off the clock" hours worked by all hourly⁸ employees of Lowe's in the
3 State of California. Class was certified by the Court of Appeal and remanded for further
4 proceedings. A \$29.5 million settlement was approved without objection, with a fee of 33.3% of
5 the fund awarded by the Honor Aurelio N. Munoz (Ret.).

6 f. *Pardo v. Toyota Motor Sales, et al.* Los Angeles Superior Court (BC372781). Class
7 action mis-classification of workers with claims for overtime and missed meal and rest breaks.
8 The case only covered a period of 1.5 years, as the defendants had re-classified back in 2005. The
9 case settled for \$7.75 million with a fee of 28% awarded.

10 g. *Smith/Ballard v. Wal-Mart Stores, Inc.* United States District Court for the Northern
11 District of California. Wage and hour class action seeking unpaid vacation and personal time,
12 unpaid wages, and related penalties on behalf of over 245,000 employees. The action was certified
13 and settled for \$86 million, while defendant's appeal of the certification was pending in the Ninth
14 Circuit Court of Appeals.

15 h. *Hoyng v. AON*, venued in the Los Angeles Superior Court (BC377184). Wage and
16 hour litigation seeking overtime and related compensation for mis-classification on behalf of
17 Relationship and Account Specialists. The case settled for \$10.5 million with a 33.3% fee awarded
18 by the Hon. Carolyn Kuhl.

19 i. *In RE Bank of America Wage and Hour Employment Practices Litigation*, MDL 2138,
20 United States District Court for the District of Kansas. California state and FLSA wage and hour
21 litigation for various violations including unpaid overtime and "off-the-clock" work. Settled for
22 \$73 million with a 28% fee awarded.

23 j. *H & R Block Litigation*, United States District Court for the Northern District of
24 California. Class certified, and settlement reached prior to trial Total settlement of \$35 million.

25 19. I have tried numerous jury and bench trials to judgment in Superior courts throughout
26 the State of California, including actions in Los Angeles County and Orange County. The other
27 members of the firm have also tried many cases to verdict. Our firm concentrates its efforts on areas
28 of litigation, with a great emphasis on class action litigation, and complex litigation.

1 20. Given my experience as a class action employment litigator, I believe the Settlement
2 Agreement is a fair and adequate compromise of the monetary relief claims that Plaintiffs and the
3 Class Members have raised in this case. Based on the discovery conducted in the case, our analysis of
4 the data produced by Defendant, and the application of appropriate litigation and appeal risks and
5 delay discounts, we determined that the settlement was fair, reasonable and adequately reflects the
6 settlement value of the case. The settlement is advantageous to the Class who would otherwise face
7 the uncertainty of litigation, including whether they would obtain class certification, and/or a loss at
8 trial. Indeed, if the matter were to proceed to trial, Class Counsel knows from experience that the
9 apparent strength of a case is no guarantee against a defense verdict.

10 21. Based on my participation in the settlement negotiations, which were hard-fought and
11 conducted in good faith and at arm's length between attorneys with substantial experience litigating
12 class actions and wage and hour cases, and supervised by an experienced and well-regarded mediator,
13 Steven Rottman, I attest that the Settlement Agreement was the product of a non-collusive settlement
14 process.

15 22. Given the foregoing information, the settling parties evaluated and considered all
16 alternatives in reaching their settlement decisions and now urge this Court to grant preliminary
17 approval.

18 23. Based on all of the foregoing, I believe that the firm of Marlin & Saltzman, and those
19 attorneys in the firm who are actively handling this matter, are more than qualified to be appointed as
20 class counsel, to represent the interests of the proposed class members. Further information about the
21 firm can be obtained at our website, located at www.marlinsaltzman.com.

22 **Claims Administration**

23 24. The parties have agreed to retain CPT Group, a company with substantial class action
24 administration experience, as the Claims Administrator in the case.

25 **Settlement Documents**

26 25. Attached hereto as **Exhibit "1"** is a true and correct copy of the Settlement Agreement
27 and Release. Attached hereto is: **Exhibit "2"** is the Notice of Proposed Class Action Settlement;
28 **Exhibit "3"** is the Claim Form; and **Exhibit "4"** is Exclusion Form.

26. The proposed Notice apprises the class members of their rights under the settlement and provide adequate information as to the value of the overall settlement, terms of the settlement, the amount of attorneys' fees and costs that will be requested, the amount of the enhancement that will be requested for the Plaintiff, as well as their right to object or opt-out of the settlement and/or dispute the allocation of their share of the settlement.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my personal knowledge. This declaration is executed this 27 day of February, 2017, at Westlake Village, California.

Marcus J. Bradley

EXHIBIT “1”

JASON H. BORCHERS, Bar No. 199120
IRENE V. FITZGERALD, Bar No. 266949
NATALIE M. JANSEN, Bar No. 286401
LITTLER MENDELSON, P.C.
5200 North Palm Avenue, Suite 302
Fresno, California 93704.2225
Telephone: 559.244.7500
Facsimile.: 559.244.7525

Attorneys for Defendant
PACIFIC PETROLEUM CALIFORNIA, INC.

SUPERIOR COURT OF CALIFORNIA
COUNTY OF SANTA BARBARA
COOK DIVISION

JOHN HILL, an individual; MARK
GRAY, an individual, on behalf of
themselves and all others similarly situated,

Plaintiffs,

v.

PACIFIC PETROLEUM CALIFORNIA,
INC., and DOES 1-100, inclusive,

Defendants.

Case No. 15CV03056

**STIPULATION FOR CLASS ACTION
SETTLEMENT**

ASSIGNED FOR ALL PURPOSES TO JUDGE
HON. JAMES F. RIGALI

Trial Date: TBD
Complaint Filed: September 16, 2015

CLASS ACTION SETTLEMENT AGREEMENT

This Stipulation for Class Action Settlement is entered into by and between Plaintiffs John Hill and Mark Gray ("Plaintiffs") on behalf of themselves and as the representative of the Class described herein and other aggrieved employees as described herein, and Defendant Pacific Petroleum California, Inc. ("Defendant"). This Stipulation is made for the sole purpose of attempting to consummate settlement of this action on a class-wide basis. As detailed below, in the event that the Court does not grant Final Approval or the other conditions precedent are not met for any reason, this Stipulation shall be deemed null and void for all purposes and shall be of no force or effect whatsoever.

1 **I. DEFINITIONS**

2 As used in this Stipulation, the following terms shall have the meanings specified below:

3 1.1 “Alleged Claims” means the claims that were or could have been alleged in the
4 Complaint filed on September 15, 2015 and subsequent First Amended Complaint filed on or about
5 April 20, 2016.

6 1.2 “Approval Order” means an Order Granting Final Approval of Settlement of the
7 Lawsuit under the terms set forth in this Stipulation.

8 1.3 “Attorneys’ Fees” shall have the meaning set forth in Section 7 of this Stipulation.

9 1.4 “Claims Administrator” means the third-party claims administration firm jointly
10 agreed upon by the parties prior to the Preliminary Approval hearing.

11 1.5 “Claims Administration Costs” means costs and fees charged by the Claims
12 Administrator in the course of discharging its duties under this Stipulation and any related duties.

13 1.6 “Class Definition” and “Class Members” mean as follows: “All employees who were
14 or are employed by Defendant as non-exempt employees from September 16, 2011 through and
15 including the date that a Court Order preliminarily approving Settlement is entered.”

16 1.7 “Class Period” means the period from September 16, 2011 through and including the
17 date that a Court Order preliminarily approving this Settlement is entered.

18 1.8 “Class Representatives” or “Plaintiffs” means Plaintiff Mark Gray and his heirs and
19 assigns and anyone acting on his behalf, and Plaintiff John Hill and his heir and assigns and anyone
20 acting on his behalf.

21 1.9 “Court” means the Superior Court for the State of California, County of Santa
22 Barbara, Cook Division.

23 1.10 “Date of Preliminary Approval” means the date the Court enters an order granting
24 preliminary approval of the Settlement.

25 1.11 “Day” or “Days” means calendar days, unless expressly stated otherwise.

26 1.12 “Defendant” means “Pacific Petroleum California, Inc.” and its parents, subsidiaries,
27 affiliates, predecessors, successors and assigns and anyone acting on their behalf.

28 1.13 “Effective Date” means the date on which the Court’s order granting final approval of

1 the Settlement ("Approval Order") becomes final. For purposes of this paragraph, the Court's
2 Approval Order "becomes final" upon the last to occur of the following: (a) Final Judgment has been
3 entered by the Court; and (b) the time to appeal the Final Judgment has expired or, if appealed, the
4 Final Judgment has been upheld on appeal. In the event no Final Judgment is entered or the Final
5 Judgment is not upheld on appeal, the Effective Date shall not occur and the Settlement shall
6 terminate pursuant to the terms set forth in Section 4.

7 1.14 "Final Judgment" means the final approval of the Settlement and entry of final
8 judgment by the Court dismissing the Lawsuit with prejudice.

9 1.15 "Last Known Address" means the last known mailing address for a Class Member as
10 contained in the personnel records maintained by Defendant.

11 1.16 "Lawsuit" and "Complaint" means the action entitled and operative complaint on file
12 in *John Hill, an individual, and Mark Gray, an individual v. Pacific Petroleum California, Inc.*, Case
13 No. 15CV03056, pending in the Superior Court for the State of California, County of Santa Barbara,
14 Cook Division.

15 1.17 "Litigation Expenses" means all those expenses and costs of litigation incurred by
16 Class Counsel and approved for reimbursement by the Court, excluding costs or fees of the Claims
17 Administrator.

18 1.18 "Net Settlement Fund" means the balance of the Settlement Amount minus the sum
19 of: (1) Class Counsel's fees; (2) Class Counsel's costs, (3) the service payment to Plaintiffs, a (4)
20 any PAGA penalties paid to the Labor Workforce Development Agency ("LWDA") and (5) the cost
21 of administration of the Settlement.

22 1.19 "Notice of Pendency of Class Action Settlement and Claim Form" or "Notice" shall
23 have the meaning set forth in Section 9.1 of this Stipulation.

24 1.20 "Notice Period" shall have the meaning set forth in Section 9.4 of this Stipulation.

25 1.21 "Opt-Out Request" shall mean a written request by a Class Member to be excluded
26 from the Settlement Class and that contains the Class Member's name, address, telephone number
27 and the last four digits of his/her Social Security number.

28 1.22 "Parties" mean the Class Representatives and Defendants.

1
2 1.23 "Pay Stub" and "Pay Stubs" means "itemized statement" as the term is used in
3 California Labor Code § 226(a).

4 1.24 "Released Claims" shall have the meaning set forth in Section 12 of this Stipulation.

5 1.25 "Released Parties" means Defendant and each and all of its past and present parents,
6 subsidiaries, predecessors, assigns, affiliated companies and corporations, and each and all of their
7 respective past and present directors, officers, managers, employees, general partners, limited
8 partners, principals, agents, insurers, reinsurers, shareholders, attorneys, advisors, representatives,
9 predecessors, successors, divisions, joint venturers, assigns, or related entities, and each and all of
10 their respective executors, successors, assigns and legal representatives.

11 1.26 "Service Payment" shall have the meaning set forth in Section 6.3 of this Stipulation.

12 1.27 "Settlement" means the terms and conditions set forth in this Stipulation.

13 1.28 "Settlement Class" and "Settlement Class Member" mean all individuals who have
14 not opted out of the Settlement after Notice and who are therefore in the class that is certified for
15 purposes of Settlement only, following the entry of an appropriate order by the Court.

16 1.29 "Settlement Amount" means Two Hundred and Fifty Thousand Dollars and Zero
17 Cents (\$250,000.00), and no more. The Settlement Amount is inclusive of all Settlement Payments,
18 Attorneys' Fees and Costs, Litigation Expenses, Claims Administration Costs, and any Service
19 Payment to the Class Representative. Defendant shall not pay any sum in addition to the Settlement
20 Amount in connection with any matter arising out of or relating to the Settlement of the Lawsuit.

21 1.30 "Settlement Payment" means the total, gross amount due to an individual Settlement
22 Class Member, which shall be calculated as described in Section 6.2 of this Stipulation.

23 1.31 "Stipulation" and "Agreement" mean this particular agreement entered into by the
24 Parties to effectuate the terms of the Settlement.

25 1.32 "Unclaimed Amount" shall have the meaning set forth in Section 10.6 of this
26 Stipulation.

27 1.33 "Updated Address" means a mailing address that was updated via Reasonable
28 Address Verification measures or via an updated mailing address provided by the United States

1 Postal Service or a Class Member.

2 **II. PROCEDURAL BACKGROUND**

3 2.1 This action was filed on September 16, 2015. During the course of litigation, the
4 parties engaged in substantial discovery and additional investigations, which included, but was not
5 limited to, six separate sets of written discovery, production of approximately 6,000 documents plus
6 access to paper time records constituting approximately forty-five bankers' boxes of records,
7 interviews and declarations for more than seventy putative class members, and three days of
8 depositions of the named plaintiffs.

9 2.2 The Parties have engaged in arms-length settlement negotiations since the conclusion
10 of the depositions of both Plaintiffs.

11 **III. ADDITIONAL RECITALS**

12 3.1 The Parties are sufficiently familiar with the facts of the Lawsuit and the applicable
13 law so as to warrant settlement at this time.

14 3.2 The Parties are represented by competent counsel and have had the opportunity to
15 consult with counsel prior to the submission of this Stipulation to the Court. Pursuant to California
16 Evidence Code §§1119, 1152 and 1154, this Stipulation and any related documents filed or created
17 in connection with it shall be inadmissible in evidence in any proceeding, except as necessary to
18 approve, interpret or enforce this Stipulation.

19 3.3 Defendant denies any liability or wrongdoing of any kind associated with the Alleged
20 Claims, and further denies that, for purposes other than the settling of this Lawsuit, any part of this
21 Lawsuit is appropriate for class treatment. Defendant has denied and continues to deny each and
22 every material factual allegation and alleged claim asserted in the Lawsuit. Nothing herein shall
23 constitute an admission by Defendant of wrongdoing or liability or of the truth of any factual
24 allegation in the Lawsuit. Nothing herein shall constitute an admission by Defendant that the
25 Lawsuit is properly brought on a class or representative basis other than for settlement purposes. To
26 this end, the Settlement of the Lawsuit, the negotiation and execution of this Agreement, and all acts
27 performed or documents executed pursuant to or in furtherance of the Settlement: (i) are not, shall
28 not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or

1 liability on the part of Defendant or of the truth of any of the factual allegations in the Lawsuit; (ii)
2 are not, shall not be deemed to be, and may not be used as, an admission or evidence of any fault or
3 omission on the part of Defendants in any civil, criminal or administrative proceeding in any court,
4 administrative agency or other tribunal; and (iii) are not, shall not be deemed to be, and may not be
5 used as, an admission or evidence of the appropriateness of these or similar claims for class
6 certification. Nonetheless, Defendant has concluded that further litigation would be protracted and
7 expensive, and would also divert management and employee time. Defendant has taken into account
8 the uncertainty and risks inherent in litigation. Defendant has therefore concluded that it is desirable
9 that the Lawsuit be fully and finally settled in the manner and upon the terms and conditions set forth
10 in this Stipulation.

11 3.4 The Class Representative and Class Counsel believe that the claims asserted in this
12 lawsuit have merit. Class Counsel, however, recognize and acknowledge the significant expense and
13 length of continued proceedings necessary to prosecute the litigation against Defendant through
14 trials and through appeals. Class Counsel are also mindful of the challenges of obtaining class
15 certification and the problems of proving liability and damages and possible defenses to the Alleged
16 Claims. Class Counsel have performed a thorough study of the law and facts relating to the Alleged
17 Claims and has concluded, based upon their investigation and pre-mediation discovery, and taking
18 into account the sharply contested issues, the expense and time necessary to pursue the action
19 through trial, the risks and costs of further prosecution of the Lawsuit, the uncertainties of complex
20 litigation, and the substantial benefits to the members of the Settlement Class and the State of
21 California, that a settlement with Defendant on the terms set forth herein is fair, reasonable, adequate
22 and in the best interests of the Settlement Class and the State of California. Class Counsel and the
23 Class Representative believe that the Settlement set forth in this Stipulation confers substantial
24 benefits upon the Settlement Class and each of the Class Members.

25 3.5 The Class Representative is entitled to a Service Payment for his risks and service on
26 behalf of the Settlement Class, which include: (1) reviewing documents and related discovery; (2)
27 attending strategy sessions and meetings with Class Counsel; and (3) accepting the potential risk of
28 being liable for the opposing parties' costs if Class Counsel was unsuccessful in this Lawsuit.

1 **IV. CONDITIONS PRECEDENT TO EFFECTIVENESS OF STIPULATION**

2 4.1 The Parties enter into this Stipulation and the Settlement on a conditional basis. This
3 Stipulation and Settlement will become final and effective only upon the occurrence of all of the
4 following events:

- 5 (A) The Court enters an order granting preliminary approval of the Settlement;
6 (B) Any challenge to the Settlement, whether by objection or appeal, is resolved
7 in favor of enforcement of the Settlement and the Court enters an order granting Final
8 Approval of the Settlement;
9 (C) Final Judgment is entered; and
10 (D) The Effective Date occurs.

11 4.2 Unless the Court orders otherwise or it is agreed in writing otherwise by the Parties,
12 this Stipulation shall be deemed null and void *ab initio* upon the failure of any of these four (4)
13 conditions to occur, and this Stipulation and all matters leading up to or related to the settlement
14 memorialized herein shall be deemed confidential settlement communications and inadmissible
15 under California Evidence Code §§ 1119 et seq., 1152, 1154, and any other applicable law.

16 **V. CONDITIONAL CLASS CERTIFICATION**

17 The Parties conditionally stipulate to class certification of the Class for purposes of the
18 Settlement only. If the Court does not grant preliminary or final approval of this Settlement or, if
19 appealed, the Settlement is not affirmed, the Parties agree that class certification will automatically
20 be deemed revoked. The Parties will take any other steps necessary to decertify the class. In the
21 event that class certification for settlement purposes is deemed revoked, then that class certification
22 shall have no precedential value and it shall not be introduced into evidence or used for any other
23 purpose.

24 **VI. SETTLEMENT CONSIDERATION**

25 6.1 Payment of the Settlement Amount – After the final approval of the settlement is
26 granted by the Court and judgment is entered thereon (“Entry of Final Approval”), Defendant will
27 have thirty (30) days after the Effective Date (as defined herein) to deposit the amount due pursuant
28 to the terms of the settlement into an account created by the Claims Administrator. The Settlement

Amount will constitute adequate consideration for this Settlement and will be made in full and final settlement of:

- (A) The Released Claims during the Class Period;
- (B) Class Counsel's claim for Attorneys' Fees and Litigation Expenses;
- (C) Service Payment to the Class Representative, if any;
- (D) Claims Administration Costs; and
- (E) Any other obligation of the Parties under this Stipulation.

6.2 Payment to Settlement Class Members – The allocation of the Net Settlement Fund, as described in section 1.18, shall be made pursuant to a formula by which each putative class member receives a pro-rata portion of the Net Settlement Fund based upon the number of workweeks during the Class Period. Each class member's number of work weeks will be derived from the hire and termination dates and payroll data contained in the records kept by Defendant in the ordinary course of business during the Class Period.

6.3 Service Payments to the Class Representative – The Class Representatives shall request a Service Payment of no more than seventy-five hundred dollars each (\$7500.00). Any service payments will be paid out of the Settlement Amount. Defendants agree not to oppose such request.

6.4 Taxes – Each Settlement Class Member's gross settlement award will be apportioned as follows: 30% as wages, 35% for interest and 35% for penalties. Those amounts paid as wages shall be subject to all tax withholdings customarily made from employee's wages and all other authorized and required withholdings and shall be reported by W-2 forms. The portion of the settlement payment to a participating Class member designated as wages will be subject to withholdings and deductions for that member's portion of required tax withholdings, which will be reflected on such payee's Form W -2. Individual Settlement Payments will not count as earnings or compensation for purposes of any benefit plans or bonus program. The Parties further understand that the Class Representative and any Settlement Class Member who receives any Settlement Payment pursuant to this Stipulation shall be solely responsible for any and all tax obligations associated with such receipt. The Class Representative hereby acknowledges that they obtained no

1 tax advice from Defendant or Defendant's Counsel and that neither Defendant nor Defendant's
2 Counsel have made any representation concerning the tax consequences, if any, of the Service
3 Payment. The Class Representatives and Class Counsel further agree that, in the event that any
4 taxing authority looks to Defendant or any related entity for satisfaction of any tax liability or for
5 payment of any tax-related liability of any kind, including but not limited to penalties, fines, interest
6 or withholdings, associated with the monies paid to the Class Representatives or Class Counsel
7 under this Agreement, the Class Representative and Class Counsel shall indemnify and hold
8 Defendant harmless for all taxes, penalties, interest, withholdings, amounts paid in settlement to any
9 taxing authority, and expenses, including but not limited to defense expenses and attorneys' fees,
10 with regard to the payments to each respectively.

11 6.5 Court Retains Jurisdiction Over Settlement Fund – All funds held by the Claims
12 Administrator shall be deemed and considered to be in *custodia legis* of the Court, and shall remain
13 subject to the jurisdiction of the Court until such time as all such funds shall be distributed pursuant
14 to this Stipulation and/or further order(s) of the Court.

15 6.6 PAGA Penalties and Exhaustion of Remedies- the Parties allocate five thousand
16 dollars (\$5,000) to PAGA penalties, with 75% of this amount to be paid directly to the LWDA in the
17 amount of \$3,750 and 25% of this amount (\$1,250) to be included in the Net Settlement Fund.

18 **VII. ATTORNEYS' FEES AND LITIGATION EXPENSES OF CLASS COUNSEL**

19 7.1 Class Counsel will submit an application for an award of Attorneys' Fees in a total
20 amount not to exceed 33.3% of the Total Settlement Amount to be paid from the Settlement
21 Amount.

22 7.2 Class Counsel will submit an application to the Court for an award of its actual
23 litigation costs to be paid from the Settlement Amount and is not expected to exceed \$10,000.00.

24 7.3 The Court's award of Attorney's Fees and Litigation Expenses, if any, will constitute
25 complete consideration to Class Counsel for all work performed and expenses incurred to date and
26 for all worked to be performed and expenses to be incurred through the completion of the Lawsuit
27 and Settlement. Defendants will not oppose a motion for approval of Attorneys' Fees and Litigation
28 Expenses consistent with this Section. The Attorneys' Fees and Litigation Expenses awarded by the

1 Court shall be paid according to Section 10.4 of this Stipulation.

2 **VIII. COSTS OF CLAIMS ADMINISTRATION**

3 The Parties will obtain a not-to exceed quote from a mutually acceptable qualified settlement
4 administrator for Claims Administration Costs. The not-to-exceed amount will be the maximum
5 amount Defendant shall pay for administration of the Settlement. The Claims Administration Costs
6 will be paid from the Settlement Amount. "Claims Administration Costs" shall include all costs and
7 expenses due to the Claims Administrator in connection with its administration of the Settlement
8 including, but not limited to, providing Notice, processing Opt-Out Requests, reporting the
9 Settlement Payments to any government agency or taxing authority, and administering, distributing,
10 and redistributing Settlement Payments to the Settlement Class Members and the Class
11 Representatives, any Service Payment, Attorneys' Fees and Litigation Expenses to Class Counsel,
12 and the costs of distribution to a *cy pres* beneficiary, if any. To the extent the actual costs of
13 administration of this Settlement are less than the amount of the not-to exceed quote, the remainder
14 shall become part of the Net Settlement Fund.

15 **IX. NOTICE AND CLAIMS PROCEDURE**

16 **9.1 Notice to Class Members**

17 Within fifteen (15) days after preliminary approval of this Agreement, Defendant will
18 provide to the Claims Administrator all of the following information about each Class Member in
19 Excel format: (1) name; (2) last known address; and (3) Social Security number; and (4) The total
20 number of eligible workweeks for each Settlement Class Member during the Class Period. The
21 Claims Administrator shall send each mailing to the last known address of each Settlement Class
22 Member and comply with the procedures specified in this Stipulation. Not later than thirty (30)
23 Days following the Date of Preliminary Approval, the Claims Administrator shall send, via U.S.
24 Mail, to each of the Class Members a Notice of Pendency of Class Action Settlement and Claim
25 Form (hereafter, "Notice" which will total include the number of workweeks for each Settlement
26 Class Member during the class period of and the approximate amount his/her individual settlement.

27 **9.2 Updating Last Known Addresses of Class Members**

28 Prior to mailing the Class Notice to each Class Member, the Claims Administrator shall

undertake a Reasonable Address Verification Measure to ascertain the current accuracy of the last known address for each Class Member. The Claims Administrator will:

(A) Receive the last known addresses and social security numbers of Class Members from Defendant;

(B) Run that list through the United States Postal Service's National Change of Address database; and

(C) If necessary, perform address searches using public and proprietary electronic resources that collect data from sources such as utility records, property tax records, motor vehicle records (where permitted), and credit bureaus.

9.3 Date of Mailing and Re-Mailing of Notice

Unless the Claims Administrator receives a Notice returned from the United States Postal Service, that Notice shall be deemed mailed on the date the Claims Administrator places the Notice with the United States Postal Service for mailing. In the event that, subsequent to the first mailing and at least seven (7) Days prior to the end of the Notice Period, the Notice is returned by the United States Postal Service to the Claims Administrator with a forwarding address for the recipient, the Claims Administrator shall re-mail the notice to that address no later than the last day of the Notice Period, and the forwarding address will be deemed the Updated Address for that Class Member. In the event that subsequent to the first mailing and at least seven (7) Days prior to the end of the Notice Period the Notice is returned by the United States Postal Service to the Claims Administrator without a forwarding address (i.e., the address is no longer valid and the envelope is marked "Return to Sender"), the Claims Administrator shall complete a standard skip trace in an effort to ascertain the current address of the particular Class Member in question and, if such address is ascertained, the Claims Administrator will re-send the Notice no later than the last day of the Notice Period; if no Updated Address is ascertained for that Class Member, the Claims Administrator will re-send the Notice to the last known address no later than the last day of the Notice Period.

9.4 Opt-Out and Claims Procedure

(A) Subject to Court approval, each Class Member shall have thirty (30) Days from the date that the Claims Administrator mails the Notice to the Class Member to properly

1 complete and return by mail to the Claims Administrator either their Claim Form or the Opt-Out
2 Request. The date of mailing of the Opt-Out Request is deemed to be the date the form is deposited
3 in the U.S. Mail, postage prepaid, as evidenced by the post-mark. The Notice Period shall be the last
4 day for Class Members to complete and return by mail to the Claims Administrator the Claim Form
5 or Opt-Out Request. If the last day of the Notice Period falls on a Sunday or legal holiday, the
6 Notice Period shall be deemed to extend through the next business day. Class Members who do not
7 properly and/or timely submit the Opt-Out Request will become Settlement Class Members and shall
8 be subject to the Settlement and Final Order from the Court.

9 (B) Defendant's records will be presumed determinative with respect to whether
10 each individual is a Class Member and the total number of workweeks during the Class Period for
11 each Class Member. If for any reason a Class Member disagrees with Defendant's records, he or she
12 shall be provided the opportunity to submit any objections along with any supporting documentation
13 to the Claims Administrator. The Claims Administrator shall have the authority, based on
14 Defendant's records and the information provided by the Class Member, to issue a final non-
15 appealable decision with regard to the total Settlement Payment due.

16 (C) Within seven (7) business days after the expiration of the Notice Period the
17 Claims Administrator shall notify Class Counsel and Defendant's counsel of the Class Members
18 who have submitted Claims and the Class Members who have opted out of the Class.

19 (D) If five percent (5%) or more of all Class Members timely request exclusion
20 (Opt-Out) from the Settlement Class by submitting Opt-Out Requests, then Defendant shall have the
21 absolute right in its sole discretion to revoke and terminate this Agreement in its entirety but will be
22 responsible for solely paying the reasonable costs of administration incurred by the Claims
23 Administrator to the date of revocation and termination. Neither Plaintiff, Class Counsel,
24 Defendant, nor Defendant's Counsel shall direct or in any way encourage or imply to any Class
25 Member that the Class Member should opt-out of the Settlement.

26 9.5 Objections

27 Any Class Member who wishes to object to the Settlement must file and deliver a written
28 objection with the Court, and serve copies of the written objection on Class Counsel and Defendants'

Counsel, no later than thirty (30) Days from the date that Notice is mailed to them. The date of delivery of the written objection is deemed to be the date the objection is deposited in the U.S. Mail, postage pre-paid, as evidenced by the postmark. The objection must set forth, in clear and concise terms, the legal and factual arguments supporting the objection. Unless otherwise ordered by the Court, Class Members shall not be entitled to speak at the final approval hearing unless they have submitted a timely written objection pursuant to this subsection. Class Members who have properly and timely submitted objections may appear at the final approval hearing, either in person or through a lawyer retained at their own expense.

X. PAYMENT OF CLAIMS

10.1 As a condition of receiving any Settlement Payment under this Stipulation, Class Members must not "opt-out" of the Class and must timely submit a Claim Form to the Claims Administrator. Each Claimant shall be entitled to a Settlement Payment. The amount of the Settlement Class Member's Settlement Payment shall be determined by the Claims Administrator in the manner described in Section 6.2 of this Stipulation.

10.2 The Claims Administrator shall be responsible for mailing Settlement Payments to the Settlement Class Members, as well as issuing payment of the Service Payment (if any), Class Counsel's Attorneys' Fees and Class Counsel's Litigation Expenses.

10.3 Not later than forty five (45) Days following the Effective Date, the Claims Administrator shall mail to each Settlement Class Member a check in the amount(s) calculated pursuant to Sections 6 and 10.1 of this Stipulation representing the Settlement Payment to be made to the Settlement Class Member pursuant to the agreement. Settlement Checks will remain valid for a period of 180 calendar days after they issue.

10.4 Not later than forty five (45) Days following the Effective Date, the Claims Administrator shall mail payment of the Service Payment and Attorneys' Fees and Litigation Expenses to Class Counsel.

10.5 Any checks issued to Settlement Class Members shall remain negotiable for a period of at least one hundred and eight (180) Days from the date of mailing. The funds associated with any checks which are not timely negotiated will be treated in accordance with Section 10.6 of this

1 Stipulation. Settlement Class Members who fail to negotiate their check(s) in a timely fashion shall
2 remain subject to the terms of the Settlement and Final Approval Order from the Court, including
3 without limitation the Release set forth in Section 12 of this Agreement.

4 **10.6 Uncashed Checks**

5 Uncashed checks will be sent to the Department of Industrial Relation's unclaimed property
6 fund.

7 **10.7 Final Accounting Hearing.** At the time of final approval, the parties agree to request
8 a date for a final accounting hearing to be held no sooner than 270 days after the Effective Date.
9 Within ten (10) days of the Court's approval of the final accounting, the Settlement Administrator
10 shall pay the sum of any uncashed checks to the unclaimed property fund for the State of California.
11 The Claims Administrator shall provide a declaration of payment to the unclaimed property fund,
12 which will be filed with the Court and served on Class Counsel and Defense Counsel with (30)
13 calendar days of payment of the residual to such beneficiary.

14 **XII. RELEASED CLAIMS**

15 Upon entry of the Approval Order, the Class Members, on behalf of themselves, and each of
16 their heirs, representatives, successors, assigns, and attorneys, hereby compromise, release, resolve,
17 relinquish, discharge and settle each and all of the Released Parties from each of the Released
18 Claims that exist in their favor through the Date of Final Approval. The Class Members further
19 agree that they will not institute any action or cause of action (in law, in equity or administratively),
20 suits, debts, liens, or claims, known or unknown, fixed or contingent, which they may have or claim
21 to have in state or federal court, or with any state, federal or local government agency, or with any
22 administrative or advisory body, arising from or reasonably attributable to the Released Claims,
23 unless the right to institute any such action or cause of action is not waivable by law, in which
24 instance Class Representatives waive the right to any recovery from any such action or cause of
25 action.

26 "Released Claims" means claims or causes of action that are raised in the Complaint, the
27 First Amended Complaint, or that could have been raised in any of the complaints based on the facts
28 alleged in this action, including but not limited to : (1) failure to pay wages; (2) failure to pay

1 overtime compensation; (3) failure to allow and pay for meal and rest periods; (4) failure to provide
2 proper wage statements; (5) failure to pay compensation at termination; (6) failure to reimburse
3 expenses; (7) incorporated or related claims asserted through California Business and Professions
4 Code 17200; (8) incorporated or related claims asserted through PAGA; and any and all other claims
5 for lost wages and/or wage and hour violations or penalties related to lost wages and/or wage and
6 hour violations; as well as interest, actual damages, liquidated damages, punitive damages, costs,
7 attorneys' fees, injunctive relief, or accounting (including penalties based upon the Industrial
8 Welfare Commission Wage Orders and/or under California Labor Code); The Settlement Class
9 Members acknowledge that all rights under California Civil Code section 1542 are hereby waived by
10 them with respect to the Released Claims that they may have against the Released Parties. Section
11 1542 provides:

12 **A general release does not extend to claims which the creditor does not know**
13 **or suspect to exist in his or her favor at the time of executing the release,**
14 **which if known by him or her must have materially affected his or her**
 settlement with the debtor.

15 As such, the Settlement Class Members understand and agree that they are providing the Released
16 Parties with a full and complete release for all known and unknown claims with respect to the
17 Released Claims.

18 **XIII. MOTION FOR COURT APPROVAL**

19 13.1 Motion for Preliminary Approval

20 Within forty five (45) Days of execution of this Stipulation, Class Counsel shall file: (i) this
21 Stipulation; (ii) a noticed motion seeking the Court's preliminary approval of this Settlement
22 ("Motion for Preliminary Approval"); (iii) a proposed order granting such preliminary approval and
23 setting hearing for final approval,; and (iv) and any other documents consistent with the Settlement
24 and reasonably necessary to obtain the Court's approval of the Settlement. The Parties will ask the
25 Court to maintain jurisdiction of this matter for the purpose of monitoring compliance with and
26 performance under this Stipulation and any and all orders and judgments, including the Judgment,
27 entered by the Court.

28 13.2 Motion for Attorneys' Fees, Litigation Expenses and Service Payment

The Motion for the Preliminary Approval will also seek Attorneys' Fees, Litigation Expenses, and the Service Payment to the Class Representative in accordance with this Stipulation. The determination by the Court of the amount of attorneys' fees, litigation costs and Service Payment shall be heard at the Final Approval Hearing.

13.3 Motion for Final Approval

The Parties shall request that the motion for final approval be set for hearing within thirty (30) Days after the last day of the Notice Period, or as soon thereafter as the Court's calendar shall allow. Prior to the final approval hearing, the Class Representative shall file a motion for final approval, memorandum of points and authorities in support of the settlement, and their motion(s) for Attorneys' Fees, Litigation Expenses, and Service Payment to the Class Representative, and any other documents consistent with the Settlement and reasonably necessary to obtain the Court's approval of the Settlement.

XIV. COOPERATION

14.1 The Parties shall cooperate fully with one another in seeking approval of the Court of this Stipulation and the Settlement and to use their respective best efforts to consummate the Settlement and cause the Judgment to be entered and to become final. The Parties therefore agree to cooperate in good faith to promptly prepare, execute and finalize all Settlement-related documents, seek all necessary Court approvals, and do all other things necessary to consummate the Settlement. All Settlement-related documents, including, but not limited to, this Stipulation, the Motion for Preliminary Approval (and any supporting papers), and the Motion for Final Approval (and any supporting papers) must be acceptable in both form and content to each of the Parties. In the event that the Parties are unable to reach agreement on the form or content of any documents needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of the Settlement, the Parties agree to seek the assistance of a mutually agreed upon mediator. The Parties further agree that all such documents, supplemental provisions, and assistance of the mediator shall be consistent with this Stipulation. The Parties also agree to mutually seek to stay any pending or subsequently-filed class action lawsuits that allege any of the Released Claims set forth in Section 12 of this Stipulation.

1 14.2 No Party to this Stipulation shall seek to evade his or its good faith obligations to seek
2 approval and implementation of this Settlement by virtue of any ruling, order, governmental report
3 or other development, whether in the Lawsuit, in any other litigation or otherwise that hereafter
4 might occur and might be deemed to alter the relative strengths of the Parties with respect to any
5 claims or defenses or their relative bargaining power with respect to negotiating. The Parties and
6 their respective counsel of record deem this Settlement to be fair and reasonable and have arrived at
7 this Settlement in arms-length negotiations taking into account all relevant factors, present or
8 potential.

9 **XV. MISCELLANEOUS PROVISIONS**

10 15.1 All of the Parties have been represented by counsel throughout all negotiations that
11 preceded the execution of this Stipulation, and this Stipulation is made with the consent and advice
12 of counsel. The terms of this Stipulation are judicially enforceable pursuant to California Code of
13 Civil Procedure § 664.6.

14 15.2 This Stipulation may not be modified or amended, except in a writing that is signed
15 by the respective counsel of record for the Parties and approved by the Court.

16 15.3 This Stipulation constitutes the entire agreement between the Parties concerning the
17 subject matter hereof, and supersedes and replaces all prior negotiations, understandings, term
18 sheets, memoranda of understanding and proposed agreements, written and oral, relating thereto. No
19 extrinsic oral or written representations or terms shall modify, vary or contradict the terms of the
20 Stipulation unless made in writing and signed by duly authorized representatives of each Party and
21 approved in writing by a final order of the Court. No waiver of any term, provision or condition of
22 this Agreement, whether by conduct or otherwise, in any one or more instance shall be deemed to be
23 or construed as a further or continuing waiver of any such term, provision or condition.

24 15.4 This Stipulation shall be subject to, governed by, construed, enforced, and
25 administered in accordance with the laws of the State of California, without giving effect to the
26 principles of conflict of laws, both in its procedural and substantive aspects, and shall be subject to
27 the continuing jurisdiction of the Court. This Stipulation shall be construed as a whole according to
28 its fair meaning and intent, and not strictly for or against any party, regardless of who drafted (or was

principally responsible for drafting) this Stipulation or any specific term or condition thereof.

15.5 This Stipulation may be executed in one or more counterparts, each of which shall be deemed an original and together shall constitute one and the same instrument. When each of the Parties has signed at least one such counterpart, this Stipulation shall become effective and binding as to all of the Parties as of the day and year last written. Fax and/or electronically scanned signatures shall be deemed as effective as originals.

15.6 The Settlement shall be binding upon and inure to the benefit of the Parties' respective successors, assigns, heirs, spouses, marital communities, executors, administrators and legal representatives. The Stipulation and Settlement are not designed to and do not create any third-party beneficiaries either express or implied.

15.7 Each individual signing this Stipulation warrants that he and/or she has the authority and is expressly authorized to enter into this Stipulation on behalf of the Party for which that individual signs.

15.8 The Parties and their counsel agree that they will not issue any press releases or initiate any contact with the media concerning this Stipulation or the resolution of the Lawsuit. If the Parties and/or their counsel are contacted by the media, they may inform the media that the Lawsuit has been amicably resolved, and refer them to the public filings in the Litigation. The Class Representative and Class Counsel agree that they will not disclose the terms of the Settlement on any websites or in any other materials not necessary for the facilitation of the Settlement.

15.9 In addition, the Parties agree that any communication about the Settlement to Class Members prior to the mailing of the Court-approved Notice will be limited to a statement that settlement has been reached and the details will be communicated in a forthcoming Court-approved Notice.

16.0 Confidentiality- Neither Plaintiffs nor their respective counsel shall disclose the terms of this Memorandum, or the terms of the formal class action settlement agreement, to any other entity or individual, except as required by law or as required by the Court. Plaintiffs and their counsel agree not to issue a press release or otherwise notify the media about the terms of the Settlement, or to post about the term of this Settlement on the internet, or any website (including the

1 website of any firm appointed as Class Counsel), blog, social media site (including twitter and
2 Facebook), or to any periodical or legal publication. Plaintiffs and their counsel further agree that if
3 contacted by the media regarding this case, they will state only that the lawsuit exists and has been
4 resolved. This provision does not prohibit Class Counsel from communicating with putative class
5 members.

6 IN WITNESS WHEREOF, each of the undersigned has agreed to and
7 accepted the foregoing terms and conditions by executing this Stipulation as of the date indicated
8 below.

9
10
11 Dated: Dec 4, 2016

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14 
15 JASON H. BORCHERS
16 IRENE V. FITZGERALD
17 NATALIE M. JANSEN
18 LITTLER MENDELSON, P.C.
19 Attorneys for Defendant
20 PACIFIC PETROLEUM CALIFORNIA, INC.

21 Dated: 11/30/16

22 
23 Marcus Bradley
24 Attorney for Plaintiffs
25 JOHN HILL and MARK GRAY

26 Dated: _____

27 _____
28 JOHN HILL

Dated: _____

MARK GRAY _____

1 website of any firm appointed as Class Counsel), blog, social media site (including twitter and
2 Facebook), or to any periodical or legal publication. Plaintiffs and their counsel further agree that if
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7 accepted the foregoing terms and conditions by executing this Stipulation as of the date indicated
8 below.

9
10
11 Dated: November ____, 2016
12

13
14 JASON H. BORCHERS
15 IRENE V. FITZGERALD
16 NATALIE M. JANSEN
17 LITTLER MENDELSON, P.C.
18 Attorneys for Defendant
19 PACIFIC PETROLEUM CALIFORNIA, INC.

20 Dated: 11/30/16

21
22 
23 Marcus Bradley
24 Attorney for Plaintiffs
25 JOHN HILL and MARK GRAY

26 Dated: _____

27
28 JOHN HILL

Dated: _____

MARK GRAY

1 Dated: November ____, 2016

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JASON H. BORCHERS
IRENE V. FITZGERALD
NATALIE M. JANSEN
LITTLER MENDELSON, P.C.
Attorneys for Defendant
PACIFIC PETROLEUM CALIFORNIA, INC.

Marcus Bradley
Attorney for Plaintiffs
JOHN HILL and MARK GRAY


JOHN HILL

MARK GRAY

PACIFIC PETROLEUM CALIFORNIA, INC.
BY: John Houchleutner, President

Firmwide: 143915326.2 071901.1002

LITTLER MENDELSON, P.C.
5700 North Palm Avenue
Suite 302
Fresno, CA 93704-2225
506.144.7500

1 website of any firm appointed as Class Counsel), blog, social media site (including twitter and
2 Facebook), or to any periodical or legal publication. Plaintiffs and their counsel further agree that if
3 contacted by the media regarding this case, they will state only that the lawsuit exists and has been
4 resolved. This provision does not prohibit Class Counsel from communicating with putative class
5 members.

6 IN WITNESS WHEREOF, each of the undersigned has agreed to and
7 accepted the foregoing terms and conditions by executing this Stipulation as of the date indicated
8 below.

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10
11 Dated: November ____, 2016
12

13
14 JASON H. BORCHERS
15 IRENE V. FITZGERALD
16 NATALIE M. JANSEN
17 LITTLER MENDELSON, P.C.
Attorneys for Defendant
PACIFIC PETROLEUM CALIFORNIA, INC.

18 Dated: _____
19

20 Marcus Bradley
21 Attorney for Plaintiffs
JOHN HILL and MARK GRAY

22 Dated: _____
23

24 JOHN HILL

25 Dated: 11-23-2016

26 
MARK GRAY

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Dated: 12-7-16


PACIFIC PETROLEUM CALIFORNIA, INC.
BY: John Houchleutner, President

Linwide 143915326 2 071901.1002

EXHIBIT “2”

JASON H. BORCHERS, Bar No. 199120
IRENE V. FITZGERALD, Bar No. 266949
NATALIE M. JANSEN, Bar No. 286401
LITTLER MENDELSON, P.C.
5200 North Palm Avenue, Suite 302
Fresno, California 93704.2225
Telephone: 559.244.7500
Facsimile.: 559.244.7525

Attorneys for Defendant
PACIFIC PETROLEUM CALIFORNIA, INC.

SUPERIOR COURT OF CALIFORNIA
COUNTY OF SANTA BARBARA
COOK DIVISION

JOHN HILL, an individual; MARK
GRAY, an individual, on behalf of
themselves and all others similarly situated,

Case No. 15CV03056

Plaintiffs,

v.

PACIFIC PETROLEUM CALIFORNIA,
INC., and DOES 1-100, inclusive,

Defendants.

IMPORTANT LEGAL NOTICE
PLEASE READ THIS NOTICE CAREFULLY

You may be entitled to money from this settlement. Based on payroll and other information obtained from Pacific Petroleum California Inc. ("PPC") under the terms of the proposed settlement, you may be eligible to receive an amount of money is set forth on the attached claim form. The amount is only an estimate based on available information. The actual amount you may receive may be more or less than the estimate below.

TO ALL CURRENT AND FORMER EMPLOYEES OF PACIFIC PETROLEUM CALIFORNIA, INC. ("PPC") WHO WERE EMPLOYED AS A NON-EXEMPT EMPLOYEE IN THE STATE OF CALIFORNIA DURING ALL OR PART OF THE PERIOD FROM

1 SEPTEMBER 16, 2011 THROUGH [DATE OF PRELIMINARY APPROVAL] (THE "CLASS");
2 PLEASE READ THIS NOTICE CAREFULLY.

3
4 IF YOU WISH TO RECEIVE MONEY AS PART OF THE SETTLEMENT OF THIS
5 CLASS ACTION, YOU NEED TO COMPLETE AND MAIL YOUR CLAIM FORM
6 (ALONG WITH APPROPRIATE DOCUMENTATION) WITH A POSTMARK NOT
7 LATER THAN _____.

8
9 IF YOU WISH TO COMMENT IN FAVOR OF THE SETTLEMENT OR OBJECT TO
10 THE SETTLEMENT, OR IF YOU DECIDE NOT TO PARTICIPATE IN THE
11 SETTLEMENT, YOU MUST FOLLOW THE DIRECTIONS IN THIS NOTICE.

12
13 IF YOU INTEND NOT TO PARTICIPATE IN THE SETTLEMENT, YOU MUST
14 COMPLETE AND MAIL YOUR REQUEST FOR EXCLUSION FORM WITH A
15 POSTMARK NOT LATER THAN _____ OR ELSE YOU WILL BE BOUND BY
16 THE SETTLEMENT INCLUDING THE RELEASE OF CLAIMS.

17 Pursuant to the order of the California Superior Court for the County of Santa Barbara
18 entered on _____, YOU ARE HEREBY NOTIFIED AS FOLLOWS:

19 A proposed settlement (the "Settlement") has been reached between the parties in this action
20 pending in the California Superior Court for the County of Santa Barbara, (the "Lawsuit") brought
21 on behalf of the Class described above. The Court supervising the Lawsuit has preliminarily
22 approved the Settlement.

23 You have received this Notice because PPC's records indicate that you may be a member of
24 the Class and you may be eligible to participate in this Settlement. The purpose of this Notice is to
25 describe the Lawsuit, to inform you of the terms of the proposed Settlement, and to inform you of
26 your rights and options in connection with the proposed Settlement. If you do not timely submit a
27 Claim Form, you will not receive any money in the Settlement. If you do not timely submit a
28 Request for Exclusion Form, and if the Settlement is finally approved by the Court, the Settlement

will be binding upon you, even if you object to the Settlement.

I. BACKGROUND OF THE CASE.

Plaintiffs John Hill and Mark Gray (“Plaintiffs”) allege in the Lawsuit that PPC owes current and former employees wages and penalties due to its failure to comply with various labor laws. Plaintiffs claim that PPC failed to pay overtime pay and minimum wage and failed to provide employees with meal periods and rest breaks that complied with applicable law. Plaintiffs further claim that PPC forced employees to work “off-the-clock”, failed to pay all wages due to employees who resigned or otherwise terminated in a timely manner, failed to provide employees with accurate itemized wage statements, and failed to reimburse employees for business expenses. On behalf of themselves and other persons currently and formerly employed by PPC, Plaintiffs seek to recover unpaid wages, penalties, interest and attorney’s fees.

PPC denies all of Plaintiffs’ claims and maintains that it has complied with all labor laws and that, for purposes other than settlement, the Lawsuit is not appropriate for class treatment. The Court has not decided whether or not PPC violated any laws or whether or not any current or former employee of PPC is entitled to any money or other relief.

After extensive discovery and depositions and good-faith settlement negotiations wherein both sides recognized the substantial risk associated with proceeding with the Lawsuit, Plaintiffs and PPC agreed to settle the Lawsuit pursuant to the terms and conditions of the Settlement.

The Settlement represents a compromise and settlement of highly-disputed claims. Nothing in the Settlement is intended to or will be construed as an admission by PPC that Plaintiffs’ claims in the Lawsuit have merit or that PPC has any liability to Class Members. Plaintiff and PPC, and their counsel, have concluded that the Settlement is advantageous, considering the risks and uncertainties to each side of continued litigation. The parties and their counsel have determined that the Settlement is fair, reasonable, and adequate and is in the best interests of the members of the Class.

The Court has made no ruling on the merits of Class Members’ claims and has determined only that class certification for Settlement purposes only is appropriate under California law. If you are a member of the Class and you are otherwise eligible, you will participate and receive money from the Settlement if you timely submit a valid Claim Form and the appropriate documentation.

1 However, if you are a member of the Class and you elect not to participate in the settlement and you
2 decide that you do not want to receive money under the settlement, you must timely submit a
3 Request for Exclusion Form.

4 **II. SUMMARY OF THE SETTLEMENT.**

5 The Settlement provides for the following:

6 A. Who is eligible to participate in the Settlement and receive money?

7 You are eligible to participate in this Settlement if:

8 1. You were employed by PPC, as a non-exempt employee in the State of
9 California ("Covered Position") at any time during the period from September 16, 2011 to [date of
10 preliminary approval] ("Covered Period"); and

11 2. You have not previously asserted claims against PPC for the matters asserted
12 in the Lawsuit before any court or other tribunal and such claims were finally determined by such
13 court or other tribunal; and

14 3. You have not previously waived or released your claims against PPC for any
15 of the matters asserted in the Lawsuit (or your claims against PPC were not waived and released by
16 your successor or assign, such as a bankruptcy trustee).

17 In addition to the above eligibility criteria, to receive money from the Settlement, you must
18 fully and completely fill out the Claim Form (without any deletion of any information on the Claim
19 Form), you must sign the Claim Form under penalty of perjury, and you must mail the Claim Form
20 (along with appropriate documentation if you are a former employee) to the Claims Administrator
21 postmarked no later than _____

22 It is estimated that there are approximately 506 members of the Class.

23 B. What will I receive from the Settlement?

24 From a Settlement Amount of up to \$250,000 minus (i) Class Counsel's Attorneys' Fees and
25 Expenses, (ii) the Class Representatives' payments, (iii) Claims Administration fees and costs; (vi) a
26 payment of \$3,750 to the California Labor and Workforce Development Agency, and (v) litigation
27 costs, PPC will make a settlement payment to each member of the Class who is eligible to participate
28 in the settlement based on the number of weeks the Class Member worked as a non-exempt

1 employee at PPC during the Covered Period. The Covered Period is defined as the period from
2 September 16, 2011 to [date of preliminary approval]. The Settlement payments will be reduced by
3 applicable tax deductions and withholdings.

4 C. When will I receive my Settlement Payment?

5 Not later than forty five (45) Days following the Effective Date, (the date on which the
6 Court's order granting final approval of the Settlement becomes final) the Claims Administrator
7 shall mail to each Settlement Class Member a check Stipulation representing the Settlement Payment
8 to be made to the Settlement Class Member pursuant to Settlement Agreement.

9 D. What if I do not want to participate in the Settlement?

10 You will not be included in the Settlement if you elect not to participate by submitting a
11 Request for Exclusion Form that is provided with this Notice and in accordance with the conditions
12 for submitting that form.

13 E. What if I do not submit a Request for Exclusion Form?

14 If you do not submit a Request for Exclusion Form, you will be bound by the terms of the
15 Settlement, including the release. You will not have the right to pursue your own claims against
16 PPC or other related entities or persons if you do nothing.

17 F. What if I do not submit an Exclusion Form but I also do not submit a Claim Form?

18 To receive money under the Settlement, you must be eligible and you must submit a valid
19 and timely Claim Form (along with appropriate documentation if necessary). If you do not submit a
20 Claim Form or Exclusion Form, you still will be bound by the terms of the Settlement, including the
21 release, but you will not receive any money. You also will not have the right to pursue your own
22 claims against PPC or other related entities or persons if you do nothing.

23 G. Claims Administrator.

24 The Court has appointed _____ to act as an independent claims
25 administrator and to assist in resolving disputes concerning a Class Member's eligibility to
26 participate in the Settlement.

27 H. Release of Claims.

1 The Settlement includes a release by Class Members (other than those who file Request for
2 Exclusion Forms) of PPC and each of its respective past or present directors, officers, employees,
3 partners, principals, agents, corporate parents, subsidiaries and affiliates (including all corporations,
4 limited liability corporations, or any other business organizations associated with such corporate
5 parents, subsidiaries and affiliates), underwriters, issuers, insurers, coinsurers, reinsurers, controlling
6 shareholders, any entity in which the entity or person has a controlling interest, advisors, personal or
7 legal representatives, clients, predecessors, successors, parents, subsidiaries, joint ventures, assigns,
8 spouses, heirs, associates, related or affiliated entities (corporations, limited liability corporation, or
9 any other business organization), any members of his/her/its immediate families, or any trust of
10 which any entity or person is the settlor, or which is for the benefit of any entity or person and/or
11 member(s) of his or her family (collectively referred to as the “Released Parties,” which includes
12 PPC and its parent, subsidiary and affiliated corporations, entities, and divisions, and each of their
13 predecessors, successors, affiliates and assigns, and each of their Related Parties) from any and all
14 claims, charges, complaints, liens, demands, causes of action, obligations, damages and liabilities,
15 known or unknown, suspected or unsuspected, that they had, now have, or may hereafter claim to
16 have against the Released Parties arising out of, or relating in any way to, any and all the wage-and-
17 hour related claims arising during the Covered Period that were alleged or could have been alleged
18 under the facts pled in the Lawsuit, including any and all claims for:

19 1. Known claims and Unknown Claims (defined below) asserted in the
20 Operative Complaint, the Complaint, Plaintiffs’ letter to the LWDA exhausting their administrative
21 remedies under PAGA, and any and all known claims and Unknown Claims that could have been
22 asserted in the Operative Complaint, the Complaint, and/or Plaintiffs’ letter to the LWDA
23 exhausting their administrative remedies under PAGA based upon the facts pleaded in the Operative
24 Complaint, the Complaint, and/or Plaintiffs’ letter to the LWDA exhausting their administrative
25 remedies under PAGA and arising during the Class Period. This includes any and all claims for (a)
26 failure to provide compliant meal periods and rest breaks or compensation in lieu thereof (including
27 any and all claims relating in any way to meal periods and rest breaks including, but not limited to,
28 all claims arising under California Labor Code sections 226.7 and 512, and the applicable Wage

Order), (b) failure to timely pay all wages due during employment and upon termination/resignation (including any and all claims relating in any way to the alleged failure to timely pay all wages due during employment and upon termination or resignation including, but not limited to, all claims arising under California Labor Code sections 201, 202, 203, 204, 510, 1197 and the applicable wage order), (c) failure to provide accurate itemized wage statements (including any and all claims relating in any way to itemized wage statements including, but not limited to, all claims arising under California Labor Code sections 226, 226.3, 226.4, 226.6, 1174 and 1175), (d) failure to pay minimum wages and overtime wages (including but not limited to all claims under California Labor Code sections 510, 558, 1194, 1194.2, 1197, 1198 and the applicable wage order), (e) failure to reimburse employees for all expenses incurred (including but not limited to all claims under California Labor Code sections 2800 and 2802), (f) unfair, unlawful and/or fraudulent business practices in violation of Business and Professions Code section 17200, *et seq.*, (g) all violations of the Private Attorneys' General Act of 2004 (including any and all claims relating in any way to alleged violations of PAGA including, but not limited to, all claims arising under California Labor Code sections 2698, 2699, and 2699.3), (h) all other penalty claims associated in any way to the claims identified in the Operative Complaint including the claims set forth in sections 3.21.1(a) through (g), (i) all other claims for penalties, interest and/or attorneys' fees under the California Labor Code (including PAGA), the applicable Wage Order, or which otherwise reasonably could arise from the claims and allegations asserted in the Operative Complaint, the Complaint, and/or Plaintiff's letter to the LWDA exhausting his administrative remedies under PAGA;

2. Known claims and Unknown Claims for injunctive relief, restitution, fraudulent business practices or punitive damages alleged or could have been alleged under the facts pleaded in the Operative Complaint, the Complaint, and/or Plaintiffs' letter to the LWDA exhausting their administrative remedies under PAGA; and

3. Known claims and Unknown Claims for penalties under any and all sections of the California Labor Code, including but not limited to, claims for penalties under the California Private Attorney General Act of 2004, the applicable Wage Order, and/or, for Valid Claimants only, federal law, including the Fair Labor Standards Act, which arise out of the wage, hour and payroll

1 practices and/or violations alleged or that could have been alleged under the facts pleaded in the
2 Operative Complaint, the Complaint, and/or Plaintiffs' letter to the LWDA exhausting his
3 administrative remedies under PAGA and/or are the subject of the Release set forth in the
4 Settlement.

5 4. For purposes of the Settlement, "Unknown Claims" means any claim, which
6 arises out of the wage and hour and payroll practices and/or violations alleged or which could have
7 been alleged under the facts pleaded in the Operative Complaint, the Complaint, and/or Plaintiffs'
8 letter to the LWDA exhausting their administrative remedies under PAGA which the Class
9 Representative and any Settlement Class Member does not know or suspect to exist in his or her
10 favor at the time of the release of the Released Persons that, if known by him or her, might have
11 affected his or her settlement with and release of the Released Persons, or might have affected his or
12 her decision whether or not to object to the settlement reflected in this Joint Stipulation. With
13 respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the
14 Effective Date, the Class Representative and each Settlement Class Member shall be deemed to
15 have, and by operation of the order granting Final Approval of the settlement and the issuance and
16 entry of the Judgment, expressly waived, released and relinquished, to the fullest extent permitted by
17 law the provisions, rights, and benefits of California Civil Code section 1542 with regard to the
18 Released Claims. Section 1542 provides as follows:

19 **A general release does not extend to claims which the creditor does not know or suspect**
20 **to exist in his or her favor at the time of executing the release, which if known by him or**
21 **her must have materially affect his or her settlement with the debtor.**

22 Each Class Member, upon the Effective Date, shall be deemed to have, and by operation of the
23 Judgment shall have, waived any and all provisions, rights and benefits conferred by any law of the
24 United States, or any state or territory of the United States, or principle of common law that is
25 similar, comparable or equivalent to California Civil Code section 1542. Each Class Member may
26 hereafter discover facts in addition to or different from those which he or she knows or believes to be
27 true with respect to the subject matter of the Released Claims, but each Settlement Class Member,
28 upon the Effective Date, shall be deemed to have forever settled, waived and released any and all

Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, that now exist or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, reckless, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts.

A. Class Representative.

In addition to their shares as Class Members, the Class Representatives Mark Gray and John Hill will be paid up to \$7,500 each for their services as the Class Representative, as well as their willingness to accept the risk of paying PPC's attorneys' fees and costs in the event of an unsuccessful outcome. This payment will be deducted from the Settlement. Amount.

B. Attorneys' Fees.

Class Counsel will seek approval from the Court for payment of attorneys' fees in the amount of 33⅓% percent of the Settlement Amount, which is currently estimated to be equal to Eighty Three Thousand, Two Hundred Fifty Dollars and No Cents (\$83,250.00), and costs in the maximum amount of Ten Thousand Dollars and No Cents (\$10,000.00). Class Counsel believes the amount for costs and attorneys' fees requested is fair and reasonable, and PPC will not oppose their request for that amount.

C. Costs of Administration.

The internal and external costs of administering the Settlement will be deducted from the Settlement.

III. PLAINTIFF'S AND CLASS COUNSEL'S SUPPORT OF THE SETTLEMENT.

Plaintiffs, as the Class Representatives, and Class Counsel support this Settlement. Their reasons include the inherent risk of denial of class certification, the risk of trial on the merits, and the inherent delays and uncertainties associated with litigation. Based on their experience litigating similar cases, Class Counsel believe that further proceedings in this case, including a trial and probable appeals, would be very expensive and protracted. No one can confidently predict how the various legal questions at issue, including the amount of damages, ultimately would be resolved. Therefore, upon careful consideration of all of the facts and circumstances of this case, Class

Counsel believes the Settlement is fair, reasonable and adequate.

IV. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER?

A. Participating in the Settlement.

Plaintiffs, as the Class Representatives, and Class Counsel represent your interests as a Class Member. Unless you elect not to participate in the Settlement by timely filing a Request for Exclusion Form, you are a part of the Class, you will be bound by the terms of the Settlement and any final judgment that may be entered by the Court, and you will be deemed to have released the claims against PPC and the other Released Parties described above. As a member of the Class, you will not be responsible for the payment of attorneys' fees or reimbursement of litigation expenses unless you retain your own counsel, in which case you will be responsible for your own attorneys' fees.

B. Objecting to the Settlement.

If you do not request exclusion from the Settlement, you may object to the terms of the Settlement before final approval by filing a written objection and attending the final approval hearing. However, if the Court rejects your objection, you will be bound by the terms of the Settlement. To object, you can send a written objection to the Claims Administrator as follows:

[Addresss]
Attention: _____
Electronic Mail: _____
Telephone: _____

The Claims Administrator will then send your written objection to counsel who will file your written objections with the Court.

To be valid, all objections to the Settlement must be postmarked to the Claims Administrator no later than _____ (the "Objection Deadline") and must be signed by you or your counsel and must state your (i) name; (ii) current address; (iii) telephone number; (iv) the basis for your objection, and (v) your objection must attach any and all supporting evidence and legal argument in support of such objection(s). Class Members who fail to make timely objections in the manner specified above shall be deemed to have waived any objections, and shall be foreclosed from

1 making any objections (whether by appeal or otherwise) to the Settlement. Class Members who
2 timely deliver a notice of objection to the Claims Administrator will have a right to appear at the
3 Court's Final Fairness and Approval hearing in order to have his or her objections heard by the
4 Court.

5 C. Excluding Yourself from the Settlement.

6 If you do not wish to participate in the Settlement, you must complete the enclosed Request
7 for Exclusion Form. To be valid, the Request for Exclusion Form must be completed, signed by you
8 under penalty of perjury, and returned to the Claims Administrator as follows:

9
10 [Address]
11 Attention: _____
12 Electronic Mail: _____
13 Telephone: _____

14 The Request for Exclusion Form must be postmarked by or physically received by the
15 Claims Administrator no later than _____. A Class Member who fails to mail (or deliver) a
16 Request for Exclusion Form by the deadline specified above will be bound by all terms and
17 conditions of the Settlement, if the Settlement is approved by the Court, and the Judgment,
18 regardless of whether he or she has objected to the Settlement or received any share of the
19 Settlement proceeds.

20 Any person who files a complete and timely Request for Exclusion Form will, upon receipt,
21 no longer be a member of the Class, will be barred from participating in any portion of the
22 Settlement, and will receive no money from the Settlement. Any such person, at his or her own
23 expense, may pursue any claims he or she may have against PPC, its affiliated, predecessor,
24 successor companies, or the other Released Parties described above.

25 D. Claiming a share of the Settlement proceeds.

26 To receive money under the Settlement, you must be eligible and you must sign the enclosed
27 Claim Form under penalty of perjury and return it via United States Mails to:

28 [Address]
Attention: _____

Electronic Mail: _____

Telephone: _____

To be valid, the Claim Form must be completed in full without any alteration of the Claim Form, signed by you under penalty of perjury, and accompanied by a photocopy of your driver's license or other form of government issued picture identification (e.g., passport). The Claim Form must be postmarked no later than _____. A Settlement Class Member who fails to mail a Claim Form in the manner and by the deadline specified above will not receive any money from the Settlement. If that Settlement Class Member also fails to file a valid and timely Exclusion Form, the Settlement Class Member will be bound by all the terms and conditions of the Settlement, if the Settlement is approved by the Court, and the Judgment, even though the Settlement Class Member did not receive any money under the Settlement. This means the Settlement Class Member will not have any right to pursue his or her own claims against PPC or other related entities or persons if the Settlement Class Member does nothing.

V. FINAL SETTLEMENT APPROVAL HEARING.

The Court will hold a final approval hearing in Department 2 of the Superior Court of California, County of Santa Barbara (Cook Division), 312-C East Cook Street, Building E, Santa Maria, California 93454 at _____ on _____ to determine whether the Settlement should be finally approved as fair, reasonable and adequate. The Court will also be asked to approve Class Counsel's request for costs and attorneys' fees and the special payment made to Plaintiff as the Class Representative.

The hearing may be postponed without further notice to the Class. It is not necessary for you to appear at this hearing. If you desire, you may appear at the final approval hearing and present objections.

VI. GETTING MORE INFORMATION.

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you are referred to the detailed JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE between Plaintiff and PPC ("Joint Stipulation"), which will be on file with the Clerk of the Court. The Joint Stipulation, as well as the pleadings and other

1 records in this Lawsuit, may be examined at any time during regular business hours in the Superior
2 Court of California, County of Santa Barbara (Cook Division) 312-C East Cook Street, Building E,
3 Santa Maria, California 93454. All inquiries by Class Members regarding this Notice and/or the
4 Settlement should be directed to Class Counsel or the Settlement Administrator, listed above in
5 Paragraphs IV.B, IV.C, and IV.D or to Class Counsel as follows:

6
7 Marcus J. Bradley
BradleyGrombacher, LLP
2815 Townsgate Road, Suite 130
8 Westlake Village, CA 91361
Telephone: 805-212-5124
9

10 **PLEASE DO NOT TELEPHONE THE CLERK OF THE COURT,**
11 **THE JUDGE, PPC, OR PPC'S COUNSEL FOR INFORMATION**
12 **REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS!**
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EXHIBIT “3”

CLAIM FORM
Hill, et al, v. Pacific Petroleum California, Inc.
Superior Court of California, County of Santa Barbara
Case No. 15CV03056

THE DEADLINE FOR SUBMITTING THIS FORM IS _____, 2017.

I. CLAIMANT IDENTIFICATION

Please Make any Name/Address Corrections Below:

<<First>> <<Last>>

<<Address1>>

<<Address2>>

<<City>> <<State>> <Zip>>

II. GENERAL INFORMATION

As a current or former non-exempt employee who worked for Pacific Petroleum California, Inc. at any time during the period of September 16, 2011 to _____ [date of preliminary approval], you are a Class Member in the class action entitled Hill, et al., v. Pacific Petroleum California, Inc., Case No. 15CV03056, Superior Court of California, County of Santa Barbara. As a Class Member (or as a representative, assign, heir, executor, administrator, custodian, predecessor or successor in interest to a Class Member), you are eligible to submit a Claim Form to participate in the Settlement reached by the Parties.

According to the payroll records maintained by Defendant, the total number of work weeks you were employed as a Class Member is: _____. Therefore, your estimated share of the settlement is \$_____.

Pursuant to the Order of the Court dated _____ [preliminary approval date], in order to receive money from the Settlement, you must sign this Claim Form and return it by U.S. first-class mail, **postmarked no later than _____, 2017** to the following address:

Hill, et al, v. Pacific Petroleum California, Inc.

c/o _____

[Address]

[Number]

If you fail to submit your Claim Form by first class U.S. mail postmarked by that date, your claim will be rejected and you will not receive any money in connection with the Settlement (although you will be bound by the other provisions of the Class Action Settlement Agreement and Stipulation approved by the Court, unless you request exclusion from the Class).

III. CERTIFICATION

I have received the Notice. I submit this Claim Form under the terms of the proposed Settlement described in the Notice. I also submit to the jurisdiction of the Superior Court of California, County of Santa Barbara with respect to my claim as a Class Member and for purposes of enforcing the release of claims stated in the Class Action Settlement Agreement and Stipulation. The full and precise terms of the proposed settlement are contained in the Class Action Settlement Agreement and Stipulation filed with the Court. I further acknowledge that I am bound by the terms of any Judgment that may be entered in this Lawsuit. I agree to furnish additional information to support my claim if required to do so. If I am the executor and/or heir of a Class Member or a representative of a Class Member, I have provided appropriate documentation about the capacity in which I am submitting this Claim Form on separate sheets attached.

I declare under penalty of perjury under the laws of the State of California and the United States of America that the foregoing information is true and accurate, that I have read and understand the Notice that was mailed with this Claim Form, and agree to abide by the terms of the Notice and this Claim Form.

Taxpayer Identification Number Certification - Substitute IRS Form W-9

Enter the last four digits of your Social Security Number:

Under penalties of perjury, I certify that:

1. The last four digits of the social security number shown on this form is part of my correct taxpayer identification number (or I am waiting for a number to be issued to me); **and**
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; **and**
3. I am a U.S. citizen or resident alien.

Note: If you have been notified by the IRS that you are subject to backup withholding, you must cross out item 2 above.

The IRS does not require your consent to any provision of this document other than this Form W-9 certification to avoid backup withholding.

Dated: _____

Signature

EXHIBIT “4”

REQUEST FOR EXCLUSION FROM CLASS ACTION SETTLEMENT
Hill, et al, v. Pacific Petroleum California, Inc.
Superior Court of California, County of Santa Barbara
Case No. 15CV03056

THE DEADLINE FOR SUBMITTING THIS FORM IS _____, 2017. FORMS NOT POSTMARKED ON OR BEFORE _____, 2017 WILL BE REJECTED.

I submit this Request for Exclusion form Class Action Settlement in order to be excluded from the settlement of this Lawsuit.

I. CLAIMANT IDENTIFICATION

Please Make any Name/Address Corrections Below:

<<First>> <<Last>>

<<Address1>>

<<Address2>>

<<City>> <<State>> <Zip>>

[THIS INFORMATION WILL ONLY BE USED FOR IDENTIFICATION PURPOSES.]

II. ACKNOWLEDGMENT OF LAWSUIT

I have read the Notice of Proposed Class Action Settlement and Final Fairness and Approval Hearing and understand that this Action alleges that Pacific Petroleum California, Inc. violated California wage laws by failing to pay overtime pay and minimum wage, failing to provide employees with meal periods and rest breaks that complied with applicable law, forcing employees to work "off-the-clock", failing to pay all wages due to employees who resigned or were otherwise terminated in a timely manner, failing to provide employees with accurate itemized wage statements, and failing to reimburse employees for business expenses. I understand that the settlement described in the Notice of Proposed Class Action Settlement and Final Fairness and Approval Hearing settles the claims that were brought or could have been brought for missed meal and rest periods on behalf of non-exempt employees working at Pacific Petroleum California, Inc. from September 16, 2011 until _____. I have read the formula for settling claims in the Notice Proposed Class Action Settlement and Final Fairness and Approval Hearing.

III. CERTIFICATION

I WISH TO OPT-OUT FROM THE SETTLEMENT IN Hill, et al, v. Pacific Petroleum of California, Inc., Superior Court of California, County of Santa Barbara Case No. 15CV0305.

By opting out of this Settlement, I understand that I have the right to pursue my own claims against Pacific Petroleum California, Inc., if any.

I understand that by opting out of this Settlement, I will not receive the payment described in the Notice of Pendency of Class Action, Proposed Settlement and Hearing.

I will/have sought the advice of counsel with respect to the applicable statute of limitations.

I understand that if I do not affirmatively request exclusion from this Settlement in a timely manner, I will automatically be considered a Member of the California Settlement Class and I will be bound by the terms of the Settlement, including the release of all claims reasonably related to the complaint in this Action.

I understand that prior to signing this opt out notice, I have had the opportunity to direct any questions to the counsel for Class Representatives or the claims administrator, whose addresses are set forth in the Notice Proposed Class Action Settlement and Final Fairness and Approval Hearing.

IV. NO RETALIATION

I understand that if I am currently employed by Pacific Petroleum California, Inc., I should not be threatened, harassed, discriminated against, or retaliated against for requesting exclusion from the settlement or otherwise exercising my legal rights. To the extent that I believe that I am being retaliated against or otherwise treated improperly, I will report the matter to a supervisor or the human resources department.

V. DECLARATION UNDER PENALTY OF PERJURY

I declare, under penalty of perjury under the laws of the United States of America and the State of California that all of the information contained in this Request for Exclusion from Class Action Settlement Form is true and correct, and that I signed this Form on _____ (date), at _____ (city and state).

(Claimant's signature)

(Type or print your name)

SEND THIS PROOF OF CLAIM FORM TO:

Claims Administrator

PROOF OF SERVICE

STATE OF CALIFORNIA)

COUNTY OF VENTURA)

I am employed in the County of Ventura, State of California. I am over the age of eighteen and not a party to the within action; my business address 2815 Townsgate Road, Suite 130, Westlake Village, California 91361.

On **February 27, 2017**, I served the foregoing documents described as **DECLARATION OF MARCUS J. BRADLEY IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT** on all interested parties in this action as follows: **SEE ATTACHED SERVICE LIST**

☒ **(VIA US MAIL)** I caused such envelope(s) to be deposited in the mail at Westlake Village, California with postage thereon fully prepaid. I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. It is deposited with the U.S. Postal Service on that same day in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

☐ **(VIA OVERNIGHT DELIVERY)** I caused to have served such document(s) by placing a true copy thereof, enclosed in a sealed envelope or package designated by _____ addressed as follows and delivered it to an authorized receiving station authorized by _____ to receive documents with delivery fees by our office.

☐ **(VIA FACSIMILE TRANSMISSION)** From Fax No. _____ to the fax numbers listed on the attached service list. The facsimile machine I used complied with Rule 2033(3) and no error was reported by the machine.

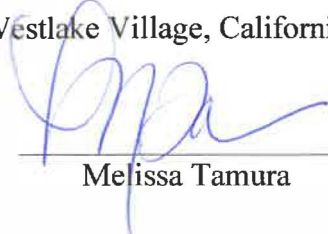
☐ **(VIA PERSONAL SERVICE)** I delivered such envelope(s) by hand to the offices of the addressee(s).

☐ **(VIA E-MAIL)** I caused to have such documents sent by electronic service [Fed. Rule Civ. Proc. Rule 5(b)(2)(a)] by electronically mailing a true and correct copy through _____ electronic mail system to the e-mail address(s) set forth below, or as stated on the attached service list per agreement in accordance with Federal Rules of Civil Procedure rule 5(b).

☒ **(STATE)** I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

☐ **(FEDERAL)** I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Executed on February 27, 2017 at Westlake Village, California.



Melissa Tamura

John Hill v. Pacific Petroleum California, Inc.
Santa Barbara County Superior Court Case No. 15CV03056

Mailing List

Kevin V. Koligian, Esq. Natalie M. Jansen, Esq. LITTLER MENDELSON, P.C. 5200 North Palm Avenue, Suite 302 Fresno, CA 93704-2225 Telephone: (559) 244-7500 Facsimile: (559) 244-7525	Attorneys for Defendant Pacific Petroleum California, Inc.
Christine M. Adams, Esq. ADAMS LAW 510 State Street, Suite 265 Santa Barbara, CA 93101 Telephone: (805) 845-9630 Facsimile: (805) 845-9634 christine@adamsemploymentlaw.com	Co-Counsel for Plaintiffs
David Pourati, Esq. LAW OFFICE OF DAVID POURATI, APC 12400 Wilshire Boulevard, Suite 920 Los Angeles, CA 90025 Telephone: (310) 494-7900 Facsimile: (310) 494-7901 david@pourati.com	Co-Counsel for Plaintiffs
Louis Benowitz, Esq. LAW OFFICES OF LOUIS BENOWITZ 9454 Wilshire Boulevard, Penthouse Beverly Hills, CA 90212 Telephone: (310) 844-5141 Facsimile: (310) 492-4056 louis@benowitzlaw.com	Co-Counsel for Plaintiffs