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JENNIFER MARQUEZ

12
13 SUPERIOR COURT OF THE STATE OF CALIFORNIA
14 FOR THE COUNTY OF LOS ANGELES, SPRING STREET COURTHOUSE
15

16 JENNIFER N. MARQUEZ, individually
and on behalf of all others similarly
17 situated

18 Plaintiff,

19 vs.

20 WILMINGTON COMMUNITY CLINIC; and
DOES 1 through 20, inclusive,

21 Defendants.
22
23

CASE No.: 22STCV34359

ASSIGNED TO THE HONORABLE STUART RICE
DEPT. 1

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT**

Date Action Filed: October 26, 2022
Trial Date: None Set

24 This s Class Action and PAGA Settlement Agreement ("Agreement") is made by and
25 between plaintiff Jennifer Marquez ("Plaintiff") and defendant Wilmington Community Clinic
26 "WCC". The Agreement refers to Plaintiff and WCC collectively as "Parties," or individually as
27 "Party."
28

1 **I. DEFINITIONS**

2 1.1. "Action" means the Plaintiff's lawsuit alleging wage and hour violations against WCC
3 captioned *Jennifer N. Marquez, individually and on behalf of all others similarly situated v.*
4 *Wilmington Community Clinic, et al.* Case No. 22STCV34359 initiated on October 26, 2022 and
5 pending in Superior Court of the State of California, County of Los Angeles.

6 1.2. "Administrator" means Phoenix Class Administrations the neutral entity the Parties
7 have agreed to appoint to administer the Settlement.

8 1.3. "Administration Expenses Payment" means the amount the Administrator will be paid
9 from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance
10 with the Administrator's "not to exceed" bid submitted to the Court in connection with approval of
11 this Settlement, including, but not limited to, all tax document preparation, custodial fees, and
12 accounting fees incurred by the Administrator; all costs and fees associated with preparing, issuing
13 and mailing any and all notices and other correspondence to Class Members; all costs and fees
14 associated with computing, processing, reviewing, and paying the Claim Amounts, and resolving
15 disputed claims; all costs and fees associated with calculating tax withholdings and payroll taxes
16 and making related payments to federal and state tax authorities and issuing tax forms relating to
17 payments made under the Settlement; all fees and costs associated with any other payments to be
18 made out of or into the costs and fees associated with preparing any tax returns and any other
19 filings required by any governmental taxing authority or agency, and providing copies of such
20 forms to the Parties at their request and as permitted under this Agreement; all costs and fees
21 associated with preparing any other notices, reports, or filings to be prepared in the course of
22 administering disbursements from the Qualified Settlement Fund ("QSF"); all costs and fees
23 associated with providing copies of any forms received from Class Members to the Parties at their
24 request; and any other costs and fees incurred and/or charged by the Administrator in connection
25 with the execution of its duties under this Agreement.

26 1.4. "Aggrieved Employee" means all current and former non-exempt employees who
27 have worked, or continue to work, for WCC during the PAGA Period.
28

1 1.5. "Class" and "Class Members" means all current and former non-exempt employees
2 who have worked, or continue to work, for WCC during the Class Period.

3 1.6. "Class Counsel" means Samuel A. Wong, Kashif Haque and Jessica Campbell,
4 AEGIS LAW FIRM, PC, 9811 Irvine Center Drive, Suite 100, Irvine, CA 92618, the attorneys
5 representing the Plaintiff in the Action.

6 1.7. "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment"
7 mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys' fees and
8 expenses, respectively, incurred to prosecute the Action.

9 1.8. "Class Data" means Class Member identifying information in WCC's possession,
10 using WCC's human resources and/or payroll databases as they are maintained in the normal
11 course of business, including the Class Member's name, last-known mailing address, Social
12 Security number, and number of Class Period Workweeks and PAGA Pay Periods.

13 1.9 "Class Member" or "Settlement Class Member" means a member of the Class, as
14 either a Participating Class Member or Non-Participating Class Member (including a Non-
15 Participating Class Member who qualifies as an Aggrieved Employee).

16 1.10 "Class Member Address Search" means the Administrator's investigation and search
17 for current Class Member mailing addresses using all reasonably available sources, methods and
18 means including, but not limited to, the National Change of Address database, skip traces, and
19 direct contact by the Administrator with Class Members.

20 1.11. "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION
21 SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to
22 Class Members in English with a Spanish translation.

23 1.12. "Class Period" means the period from October 26, 2018 to December 31, 2023.

24 1.13. "Class Representative" means the named Plaintiff in the operative complaint in the
25 Action seeking Court approval to serve as a Class Representative.

26 1.14. "Class Representative Service Payment" means the payment to the Class
27 Representative for initiating the Action and providing services in support of the Action.

28 1.15. "Court" means the Superior Court of California, County of Los Angeles.

1 1.16. "WCC" means named Defendant Wilmington Community Clinic.

2 1.17. "Defense Counsel" means Summer Young-Agriesti and Ana Thomas, Young-
3 Agriesti & Thomas, LLP, 7755 Center Ave., Suite 1100, Huntington Beach, CA 92647, (949)
4 221-8700.

5 1.18. "Effective Date" means the date by when both of the following have occurred: (a) the
6 Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the
7 Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no
8 Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if
9 one or more Participating Class Members objects to the Settlement, the day after the deadline for
10 filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the
11 day after the appellate court affirms the Judgment and issues a remittitur.

12 1.19. "Final Approval" means the Court's order granting final approval of the Settlement.

13 1.20. "Final Approval Hearing" means the Court's hearing on the Motion for Final
14 Approval of the Settlement.

15 1.21. "Final Judgment" means the Judgment Entered by the Court upon Granting Final
16 Approval of the Settlement.

17 1.22. "Gross Settlement Amount" means \$350,000 which is the total amount WCC agrees
18 to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement
19 Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA
20 PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service
21 Payment and the Administrator's Expenses.

22 1.23. "Individual Class Payment" means the Participating Class Member's pro rata share
23 of the Net Settlement Amount calculated according to the number of Workweeks worked during
24 the Class Period.

25 1.24. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of
26 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the
27 PAGA Period.

28

1 1.25. "Judgment" means the judgment entered by the Court based upon the Final
2 Approval.

3 1.26. "LWDA" means the California Labor and Workforce Development Agency, the
4 agency entitled, under Labor Code section 2699, subdivision (i).

5 1.27. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA
6 under Labor Code section 2699, subdivision (i).

7 1.28. "Net Settlement Amount" means the Gross Settlement Amount, less the following
8 payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA
9 Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel
10 Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be
11 paid to Participating Class Members as Individual Class Payments.

12 1.29. "Non-Participating Class Member" means any Class Member who opts out of the
13 Settlement by sending the Administrator a valid and timely Request for Exclusion.

14 1.30. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee
15 worked for WCC for at least one day during the PAGA Period.

16 1.31. "PAGA Period" means the period from October 26, 2021 to December 31, 2023.

17 1.32. "PAGA" means the Private Attorneys General Act (Lab. Code, § 2698 et seq.).

18 1.33 "PAGA Notice" means Plaintiff's October 26, 2022 letter to WCC and the LWDA
19 providing notice pursuant to *Labor Code* section 2699.3, subdivision (a).

20 1.34 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from
21 the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$2,500) and the 75%
22 to LWDA (\$7,500) in settlement of PAGA claims.

23 1.35. "Participating Class Member" means a Class Member who does not submit a valid
24 and timely Request for Exclusion from the Settlement.

25 1.36. "Plaintiff" means Jennifer Marquez, the named plaintiff in the Action.

26 1.37. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of
27 the Settlement.

28

1 1.38. "Preliminary Approval Order" means the proposed Order Granting Preliminary
2 Approval and Approval of PAGA Settlement.

3 1.39. "Released Class Claims" means the claims being released as described in Paragraph
4 5.2 below.

5 1.40. "Released PAGA Claims" means the claims being released as described in Paragraph
6 5.3 below.

7 1.41. "Released Parties" means: WCC and each of its former and present parents, directors,
8 officers, board members, operators, doners, shareholders, principals, owners, members, divisions,
9 fiduciaries, trustees, agents, attorneys, representatives, accountants, auditors, consultants, vendors,
10 employees, partners, insurers and reinsurers, predecessors, investors, benefit plans, heirs,
11 successors, assigns, subsidiaries and affiliates.

12 1.42. "Request for Exclusion" means a Class Member's submission of a written request to
13 be excluded from the Class Settlement signed by the Class Member.

14 1.43. "Response Deadline" means 60 days after the Administrator mails Notice to Class
15 Members, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests
16 for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement.
17 Class Members to whom Notice Packets are resent after having been returned undeliverable to the
18 Administrator shall have an additional 14 calendar days beyond the Response Deadline has
19 expired.

20 1.44. "Settlement" means the disposition of the Action effected by this Agreement and the
21 Judgment.

22 1.45. "Workweek" means any week during which a Class Member worked for WCC for at
23 least part of one shift during the Class Period, and does not include periods of time due to leaves
24 of absence, workers' compensation leave away from work, paid non-working time such as
25 vacation or sick, or workweeks in which a class member has provided a general release as part of a
26 settlement or severance payment entered into prior to settlement of this Action. For purposes of
27 sick, vacation and holiday non-working time, Class Members will be allocated their prorata share
28 of five weeks of paid non-working time a year.

1 **II. RECITALS**

2 2.1. On October 26, 2022, Plaintiff commenced this Action by filing a Complaint alleging
3 causes of action against WCC for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Overtime
4 Wages; (3) Failure to Provide Meal Periods; (4) Failure to Provide Rest Breaks; (5) Failure to
5 Reimburse Business Expenses; (6) Failure to Provide Accurate Itemized Wage Statements; (7)
6 Failure to Wages Timely During Employment; (8) Failure to Pay All Wages Due Upon Separation
7 of Employment; and (9) Violation of Business and Professions Code §§ 17200, *et. seq.* On or
8 about February 9, 2023, Plaintiff filed a First Amended Complaint alleging additional causes of
9 action against WCC for Enforcement of Labor Code §2689 et seq. ("PAGA"). The First Amended
10 Complaint is the operative complaint in the Action (the "Operative Complaint."). Except to the
11 extent that its paycheck stubs were inaccurate for a period of time within the Class Period, WCC
12 denies the allegations in the Operative Complaint, denies any failure to comply with the laws
13 identified in in the Operative Complaint, denies any failure to comply with the laws identified in
14 in the Operative Complaint and denies any and all liability for the causes of action alleged.

15 2.2 Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written
16 notice to WCC and the LWDA by sending the PAGA Notice.

17 2.3. On October 12, 2023, the Parties participated in an all-day mediation presided over by
18 experienced mediator Gig Kyriacou which led to this Agreement to settle the Action.

19 2.4. Prior to mediation Plaintiff obtained, through informal discovery, a sample of paystubs
20 and timesheets for approximately 35 employees (over 25% of the class members), randomly
21 selected; Plaintiff's payroll records and personnel file; and relevant handbook and policy
22 documents. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set
23 forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot*
24 *Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

25 2.5. The Court has not granted class certification.

26 2.6. The Parties, Class Counsel and Defense Counsel represent that they are not aware of
27 any other pending matter or action asserting claims that will be extinguished or affected by the
28 Settlement.

1 2.7. Plaintiff and Class Counsel believe that this Agreement is in the best interest of the
2 Class Members. Specifically, the Plaintiff and Class Counsel have concluded, based upon their
3 investigation and discovery, after performing a thorough study of the law and facts relating to the
4 claims asserted in the Action and taking into account the sharply disputed factual and legal issues
5 involved in this Action, the risks associated with further prosecution to trial and judgment, the
6 uncertainties of complex litigation, the strong likelihood of further appeals as litigation continues,
7 the discovery and investigation conducted to date, the expense and time necessary to pursue the
8 Action through trial, and the substantial benefits to be received by the Class pursuant to the
9 compromise and settlement of the Action, that the Settlement as embodied by this Agreement is
10 fair, adequate, and reasonable, and is in the best interests of the Plaintiff and the Class. The
11 Plaintiff, on her own behalf and on behalf of the Class Members, has agreed to settle the Action on
12 the terms set forth in this Agreement.

13 2.8. Except to the extent that its paycheck stubs were inaccurate for a period of time
14 within the Class Period, WCC denies any liability or wrongdoing of any kind associated with the
15 Actions and further denies that for purposes other than the settling of this Actions, any part of the
16 Actions is appropriate for class treatment. WCC has denied and continues to deny each and every
17 material factual allegation and alleged claim asserted in the Complaint and First Amended
18 Complaint. Nothing herein shall constitute an admission by WCC of wrongdoing or liability or of
19 the truth of any factual allegations in the Action. Nothing herein shall constitute an admission by
20 WCC that the Actions are properly brought on a PAGA, class or representative basis other than for
21 settlement purposes. To this end, the Settlement of the Actions, the negotiation and execution of
22 this Agreement, and all acts performed or documents executed pursuant to or in furtherance of the
23 Settlement are not, shall not be deemed to be, and may not be used as, an admission or evidence of
24 any wrongdoing or liability on the part of WCC or of the truth of any of the factual allegations in
25 the Action. This Settlement contains a compromise of disputed claims, as WCC has concluded
26 that further litigation would be protracted and expensive, and would also divert management and
27 employee time. WCC has taken into account the uncertainty and risks inherent in litigation. WCC
28 has, therefore, concluded that it is desirable that the Action be fully and finally settled in the

1 manner and upon the terms and conditions set forth in this Agreement.

2 **3. MONETARY TERMS & CONDITIONS PRECEDENT**

3 **3.1. CONDITIONS PRECEDENT TO SETTLEMENT TAKING EFFECT**

4 The Parties enter into this Agreement and the Settlement on a conditional basis. This
5 Agreement and Settlement is contingent upon, and will become final and effective only upon the
6 occurrence of, all of the following events:

7 (1) The Court entering an order granting preliminary approval of the Settlement
8 and conditional certification of a class for settlement purposes only consistent with the
9 terms described in this Agreement (or as otherwise agreed upon in writing by the Parties);

10 (2) Mailing of the Class Notice to Class Members in accordance with the
11 Court's order of preliminary approval;

12 (3) The Court setting and conducting a Fairness Hearing;

13 (4) The Court entering an order granting Final Approval of the Settlement
14 consistent with the terms described in this Agreement;

15 (5) The Effective Date occurring, and any challenge to the Settlement, whether
16 by objection or appeal, being resolved in favor of enforcement of the Settlement.

17 Unless the Court orders otherwise or as otherwise agreed upon in writing by the Parties,
18 this Agreement shall be deemed null and void *ab initio* unless each of these conditions occurs.

19 3.2 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, WCC
20 promises to pay \$350,000 and no more as the Gross Settlement Amount and to separately pay any
21 and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments, with
22 such sums to be calculated by the Administrator and provided to WCC with supporting
23 calculations at least 30 days prior to payment deadline. WCC has no obligation to pay the Gross
24 Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this
25 Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking
26 or requiring Participating Class Members or Aggrieved Employees to submit any claim as a
27 condition of payment. None of the Gross Settlement Amount will revert to WCC.

28

1 3.3. Payments from the Gross Settlement Amount. The Administrator will make and
2 deduct the following payments from the Gross Settlement Amount, in the amounts specified by
3 the Court in the Final Approval:

4 3.3.1. To Plaintiff: Class Representative Service Payment to the Class
5 Representative of not more than \$7,500 (in addition to any Individual Class
6 Payment and any Individual PAGA Payment the Class Representative is entitled to
7 receive as a Participating Class Member). WCC will not oppose Plaintiff's request
8 for a Class Representative Service Payment that does not exceed this amount. As
9 part of the motion for Class Counsel Fees Payment and Class Litigation Expenses
10 Payment, Plaintiff will seek Court approval for any Class Representative Service
11 Payments no later than 16 court days prior to the Final Approval Hearing. If the
12 Court approves a Class Representative Service Payment less than the amount
13 requested, the Administrator will retain the remainder in the Net Settlement
14 Amount. The Administrator will pay the Class Representative Service Payment
15 using IRS Form 1099. Plaintiff assumes full responsibility and liability for
16 employee taxes owed on the Class Representative Service Payment.

17 3.3.2. To Class Counsel: A Class Counsel Fees Payment of not more than one -
18 third which is currently estimated to be \$116,666.67 and Class Counsel Litigation
19 Expenses Payment of not more than \$25,000. Any amounts awarded will
20 constitute complete consideration to Class Counsel for all work performed and
21 expenses incurred to date and for all work to be performed and expenses to be
22 incurred through the completion of the Action and its Settlement. WCC will not
23 oppose requests for these payments provided that do not exceed these amounts.
24 Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment
25 and Class Litigation Expenses Payment no later than 16 court days prior to the
26 Final Approval Hearing. If the Court approves a Class Counsel Fees Payment
27 and/or a Class Counsel Litigation Expenses Payment less than the amounts
28 requested, the Administrator will allocate the remainder to the Net Settlement

1 Amount. Released Parties shall have no liability to Class Counsel or any other
2 Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee
3 Payment and/or Class Counsel Litigation Expenses Payment. The Administrator
4 will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment
5 using one or more IRS 1099 Forms, provided that Class Counsel provides WCC a
6 current, fully completed IRS Form W-9. Class Counsel assumes full responsibility
7 and liability for taxes owed on the Class Counsel Fees Payment and the Class
8 Counsel Litigation Expenses Payment and holds WCC harmless, and indemnifies
9 WCC, from any dispute or controversy regarding any division or sharing of any of
10 these Payments.

11 3.3.3. To the Administrator: An Administrator Expenses Payment not to exceed \$
12 7,750.00 except for a showing of good cause and as approved by the Court. To the
13 extent the Administration Expenses are less or the Court approves payment less
14 than \$7,750.00, the Administrator will retain the remainder in the Net Settlement
15 Amount. The Administrator must provide WCC with a current, fully completed
16 IRS Form W-9 and agree to timely provide copies of claims administered in this
17 case to WCC upon demand (i.e., class notices, settlement checks, proof of payment
18 such as cancelled checks, etc.)

19 3.3.4. To Each Participating Class Member: An Individual Class Payment
20 calculated by (a) dividing the Net Settlement Amount by the total number of
21 Workweeks worked by all Participating Class Members during the Class Period
22 and (b) multiplying the result by each Participating Class Member's Workweeks.

23 3.3.4.1 Tax Allocation of Individual Class Payments. 20% of each
24 Participating Class Member's Individual Class Payment will be allocated to
25 settlement of wage claims (the "Wage Portion"). The Wage Portions are
26 subject to tax withholding and will be reported on an IRS W-2 Form. The
27 80% of each Participating Class Member's Individual Class Payment will
28 be allocated to settlement of claims for non-wage damages, interest,

1 penalties and reimbursement of expenses (the “Non-Wage Portion”). The
2 Non-Wage Portions are not subject to wage withholdings and will be
3 reported on IRS 1099 Forms. Participating Class Members assume full
4 responsibility and liability for any employee taxes owed on their Individual
5 Class Payment.

6 3.3.4.2 Effect of Non-Participating Class Members on Calculation of
7 Individual Class Payments. Non-Participating Class Members will not
8 receive any Individual Class Payments. The Administrator will retain
9 amounts equal to their Individual Class Payments in the Net Settlement
10 Amount for distribution to Participating Class Members on a pro rata basis.

11 3.3.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of
12 \$10,000 to be paid from the Gross Settlement Amount, with 75% (\$7,500)
13 allocated to the LWDA PAGA Payment and 25% (\$2,500) allocated to the
14 Individual PAGA Payments.

15 3.3.5.1. The Administrator will calculate each Individual PAGA Payment
16 by (a) dividing the amount of the Aggrieved Employees’ 25% share of
17 PAGA Penalties (\$2,500) by the total number of PAGA Period Pay Periods
18 worked by all Aggrieved Employees during the PAGA Period and (b)
19 multiplying the result by each Aggrieved Employee’s PAGA Period Pay
20 Periods. Aggrieved Employees assume full responsibility and liability for
21 any taxes owed on their Individual PAGA Payment.

22 3.3.3.2. If the Court approves PAGA Penalties of less than the amount
23 requested, the Administrator will allocate the remainder to the Net
24 Settlement Amount. The Administrator will report the Individual PAGA
25 Payments on IRS 1099 Forms.

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28 ///

1 **4. SETTLEMENT FUNDING AND PAYMENTS**

2 4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its
3 records to date, WCC estimates there are 157 Class Members who collectively worked a total of
4 11,000 Workweeks.

5 4.2 Class Data. Not later than 30 days after the Court grants Preliminary Approval of the
6 Settlement, WCC will simultaneously deliver the Class Data to the Administrator, in the form of a
7 Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must
8 maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and
9 for no other purpose, and restrict access to the Class Data to Administrator employees who need
10 access to the Class Data to effect and perform under this Agreement. The Class list shall not be
11 subject to disclosure by the Administrator to Class Counsel, except that relevant information may
12 be provided to Class Counsel to the extent necessary to address a disputed claim or to respond to a
13 specific inquiry from a Class Member. At no time during the settlement process will any Class
14 Member's address, telephone number or Social Security Number be filed with the Court by Class
15 Counsel or WCC, except under seal as may be ordered by the Court. The Administrator shall
16 ensure that the Notice and any other communications to Class Members shall not include the Class
17 Members' Social Security Numbers, except for the last four digits. WCC has a continuing duty to
18 immediately notify Class Counsel if it discovers that the Class Data omitted class member
19 identifying information and to provide corrected or updated Class Data as soon as reasonably
20 feasible. Without any extension of the deadline by which WCC must send the Class Data to the
21 Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to
22 reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

23 4.3. Funding of Gross Settlement Amount. The Administrator shall, within one business
24 day after the Effective Date, provide all information necessary for WCC to wire payment,
25 including the routing and account number, with oral confirmation via phone call to a mobile
26 device of Defense counsel. WCC shall fully fund the Gross Settlement Amount, and also fund the
27 amounts necessary to fully pay WCC's share of payroll taxes by transmitting the funds to the
28 Administrator no later than 65 days after the Effective Date.

1 4.4. Payments from the Gross Settlement Amount. Within 14 days after WCC funds the
2 Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments,
3 all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses
4 Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and
5 the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the
6 Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall
7 not precede disbursement of Individual Class Payments and Individual PAGA Payments.

8 4.4.1 The Administrator will issue checks for the Individual Class Payments and/or
9 Individual PAGA Payments and send them to the Class Members via First Class
10 U.S. Mail, postage prepaid. The face of each check shall prominently state the date
11 (not less than 180 days after the date of mailing) when the check will be voided.

12 The Administrator will cancel all checks not cashed by the void date. The
13 Administrator will send checks for Individual Settlement Payments to all
14 Participating Class Members (including those for whom Class Notice was returned
15 undelivered). The Administrator will send checks for Individual PAGA Payments
16 to all Aggrieved Employees including Non-Participating Class Members who
17 qualify as Aggrieved Employees (including those for whom Class Notice was
18 returned undelivered). The Administrator may send Participating Class Members a
19 single check combining the Individual Class Payment and the Individual PAGA
20 Payment. Before mailing any checks, the Settlement Administrator must update
21 the recipients' mailing addresses using the National Change of Address Database.

22 4.4.2. The Administrator must conduct a Class Member Address Search for all
23 other Class Members whose checks are returned undelivered without United States
24 Postal Service ("USPS") forwarding address. Within 7-days of receiving a returned
25 check the Administrator must re-mail checks to the USPS forwarding address
26 provided or to an address ascertained through the Class Member Address Search.
27 The Administrator need not take further steps to deliver checks to Class Members
28 whose re-mailed checks are returned as undelivered. The Administrator shall

promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of *Code of Civil Procedure* section 384, subdivision (b).

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

4.4.5. The Administrator shall provide, as appropriate, an IRS Form W-2 and 1099 to each Participating Member, Class Representative and Class Counsel, with copies of such forms to WCC for its tax records.

5. RELEASES OF CLAIMS

Effective on the date when WCC fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff's Release. Plaintiff and his, her, or their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: any and all claims of any kind whatsoever, known or unknown, against the Released Parties through the execution of this Agreement. Plaintiff releases the Released Parties from all claims, demands, rights, liabilities and causes of action of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any state or federal statute, rule or regulation arising out of, relating to,

1 or in connection with any act or omission by or on the part of any of the Released Parties
2 committed or omitted prior to the execution hereof. (The release set forth in this Section shall be
3 referred to hereinafter as the "Plaintiff Release"). Plaintiff's Release does not extend to any
4 claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment
5 benefits, disability benefits, social security benefits, workers' compensation benefits that arose at
6 any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff
7 may discover facts or law different from, or in addition to, the facts or law that Plaintiff now
8 knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain
9 effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery
10 of them.

11 5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For
12 purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the
13 provisions, rights, and benefits, if any, of section 1542 of the Civil Code, which
14 reads:

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

19 5.2 Release by Participating Class Members Who Are Not Aggrieved Employees:

20 All Participating Class Members, on behalf of themselves and their respective former and
21 present representatives, agents, attorneys, heirs, administrators, successors and assigns, release
22 Released Parties from all claims arising during the class period that were alleged, or reasonably
23 could have been alleged, based on the Class Period facts stated in the Operative Complaint and
24 ascertained in the course of the Action including:

- 25 (1) all claims for unpaid wages, including but not limited to any type of regular wages,
26 minimum wages, overtime wages or an overtime premium on non-hourly compensation, including
27 without limitation, bonus or other incentive pay, in accordance with California state or federal law;
28 (2) all claims for liquidated damages;

- 1 (3) all claims for failure to indemnify employees;
- 2 (4) all claims for the failure to provide meal breaks or rest breaks or premium pay in
3 lieu thereof;
- 4 (5) all claims for the failure to keep accurate records, including records pertaining to
5 hours worked and start and stop time of meal breaks;
- 6 (6) all claims that WCC owed and failed to timely pay all wages due and owing during
7 employment, or within the required time at Class Members' termination, resignation or discharge;
- 8 (7) all claims for the failure to issue properly itemized wage statements pursuant to
9 California Labor Code Section 226;
- 10 (8) all interest and statutory penalties,
- 11 (9) all claims for violations of *Labor Code* Sections 201, 202, 203, 204, 210, 226,
12 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, , 2800, and
13 2802;
- 14 (10) all claims for violations of any Wage Order issued by the Industrial Welfare
15 Commission related to any of the claims set forth herein; and
- 16 (11) all incorporated or related claims for unfair competition pursuant to California
17 *Business and Professions Code* Section 17200, *et seq.*

18 Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not
19 release any other claims, including claims for vested benefits, wrongful termination, violation of
20 the Fair Employment and Housing Act, unemployment insurance, disability, social security,
21 workers' compensation or claims based on facts occurring outside the Class Period.

22 5.3 Release by Non-Participating Class Members Who Are Aggrieved Employees: All
23 Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf
24 of themselves and their respective former and present representatives, agents, attorneys, heirs,
25 administrators, successors and assigns, the Released Parties from all claims for PAGA penalties
26 arising during the PAGA period that were alleged, or reasonably could have been alleged, based
27 on the facts stated in the Operative Complaint, the PAGA Notice and ascertained in the course of
28 the Action including all claims for PAGA penalties due to violations of *Labor Code* Sections 201,

202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2698, 2699, 2699.3, 2699.5, 2800, and 2802.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT

The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

6.1 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

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

6.3. The Parties shall also request that the Court enter an order that pending Final Approval, Class Members who do not opt-out of the Settlement are barred from instituting, prosecuting, or participating in any claims or actions against the Released Parties which fall within the definition of the Released Claims and that any pending actions against the Released Parties are stayed on an interim basis as to any claims which fall within the definition of the Released Claims. The parties shall also request that the Court enter an order that pending Final Approval, Aggrieved Employees are barred from instituting, prosecuting, or participating in any PAGA claim or action against the Released Parties which fall within the definition of the Released Claims and that any

1 pending actions against the Released Parties, whether in court or arbitration, are stayed on an
2 interim basis as to any claims which fall within the definition of the Released Claims.

3 **7. SETTLEMENT ADMINISTRATION**

4 7.1 Selection of Administrator. The Parties have jointly selected Phoenix Class
5 Administrations to serve as the Administrator and verified that, as a condition of appointment,
6 Phoenix Class Administrations agrees to be bound by this Agreement and to perform, as a
7 fiduciary, all duties specified in this Agreement in exchange for payment of Administration
8 Expenses. The Parties and their Counsel represent that they have no interest or relationship,
9 financial or otherwise, with the Administrator other than a professional relationship arising out of
10 prior experiences administering settlements. WCC may engage in communications with the
11 Administrator without notice or copies to Class Counsel, any Class Members, or the Court. Class
12 Counsel may engage in communications with the Administrator without notice or copies to WCC,
13 any Class Members, or the Court. In the event that either WCC or Class Counsel take the position
14 that the Administrator is not acting in accordance with the terms of the Agreement, such party
15 shall meet and confer first with opposing counsel and then, if necessary, with the Administrator
16 and/or the Court.

17 7.2 Employer Identification Number. The Administrator shall have and use its own
18 Employer Identification Number for purposes of calculating payroll tax withholdings and
19 providing reports state and federal tax authorities. The Administrator shall: (1) calculate,
20 withhold, remit and report, for each Participating Class Member, all applicable payroll taxes
21 (including, without limitation, federal, state, local and income tax, employee-side federal, state and
22 local payroll tax withholdings, including without limitation FICA, FUTA, Medicare and any state,
23 or local employment taxes); (2) satisfy all federal, state and local and income and other tax
24 reporting, return, and filing requirements with respect to the WCC and the QSF and any interest or
25 other income earned by the QSF; and (3) satisfy out of the QSF all (i) employee-side taxes
26 (including any estimated taxes, interest or penalties) with respect to the interest or other income
27 earned by the QSF, and (ii) fees, expenses and costs incurred in connection with the opening and
28 administration of the QSF and the performance of its duties and functions as described in this

1 Agreement. The aforementioned taxes, fees, costs and expenses shall be treated as, and included
2 in, the costs of administering the QSF and as Claims Administration Costs. The Administrator
3 shall provide copies to WCC of any federal, state and local income or other tax reporting, return
4 and filing prepared on WCC's behalf. The Administrator shall also calculate, remit and report, for
5 each Participating Class Member, all applicable employer-side payroll taxes (including, without
6 limitation, federal, state, local and income tax, employer-side federal, state and local payroll tax
7 withholdings, including without limitation FICA, FUTA, Medicare and any state, or local
8 employment taxes), and provide that information to WCC 30 days before the Gross Settlement
9 Funds are due. The Parties agree to cooperate with the Administrator and one another to the
10 extent reasonably necessary to carry out the provisions of this Section.

11 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that
12 meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation
13 section 468B-1. If practical, the QSF shall be an interest-bearing account at a federally-insured
14 bank that is mutually acceptable to the Parties and the Administrator.

15 7.4 Notice to Class Members.

16 7.4.1. No later than three (3) business days after receipt of the Class Data, the
17 Administrator shall notify Class Counsel that the list has been received and state
18 the number of Class Members, PAGA Members, Workweeks and Pay Periods in
19 the Class Data.

20 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14
21 days after receiving the Class Data, the Administrator will send to all Class
22 Members identified in the Class Data, via first-class USPS mail, the Class Notice
23 with Spanish translation. The first page of the Class Notice shall prominently
24 estimate the dollar amounts of any Individual Class Payment and/or Individual
25 PAGA Payment payable to the Class Member, and the number of Workweeks and
26 PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing
27 Class Notices, the Administrator shall update Class Member addresses using the
28 National Change of Address database.

1 7.4.3 Not later than 3 business days after the Administrator's receipt of any Class
2 Notice returned by the USPS as undelivered, the Administrator shall re-mail the
3 Class Notice using any forwarding address provided by the USPS. If the USPS
4 does not provide a forwarding address, the Administrator shall conduct a Class
5 Member Address Search, and re-mail the Class Notice to the most current address
6 obtained. The Administrator has no obligation to make further attempts to locate or
7 send Class Notice to Class Members whose Class Notice is returned by the USPS a
8 second time.

9 7.4.4 The deadlines for Class Members' written objections, Challenges to
10 Workweeks and/or Pay Periods and Requests for Exclusion will be extended an
11 additional 14 days beyond the 60 days otherwise provided in the Class Notice for
12 all Class Members whose notice is re-mailed. The Administrator will inform the
13 Class Member of the extended deadline with the re-mailed Class Notice.

14 7.4.5 If the Administrator, WCC or Class Counsel is contacted by or otherwise
15 discovers any persons who believe they should have been included in the Class
16 Data and should have received Class Notice, the Parties will expeditiously meet
17 and confer in person or by telephone, and in good faith, in an effort to agree on
18 whether to include them as Class Members. If the Parties agree, such persons will
19 be Class Members entitled to the same rights as other Class Members, and the
20 Administrator will send, via email or overnight delivery, a Class Notice requiring
21 them to exercise options under this Agreement not later than 14 days after receipt
22 of Class Notice, or the deadline dates in the Class Notice, which ever are later.

23 7.4.6 Compliance with these procedures shall constitute due and sufficient notice to
24 Class Members of this Settlement and shall satisfy the requirement of due process.
25 Nothing else shall be required of, or done by, the Parties, Class Counsel, and
26 Defense Counsel to provide notice of the proposed Settlement to the Class. In the
27 event that the procedures in the Agreement are followed and a Class Member,
28 nonetheless, does not receive the Class notice approved by the Court, the intended

1 recipient shall remain a Class Member and will be bound by all the terms of this
2 Agreement, including the Release of Claims and any orders of the Court.

3 7.5 Requests for Exclusion (Opt-Outs).

4 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class
5 Settlement must send the Administrator, by fax, email, or mail, a signed written
6 Request for Exclusion not later than 60 days after the Administrator mails the Class
7 Notice (plus an additional 14-days for Class Members whose Class Notice is re-
8 mailed). A Request for Exclusion is a letter from a Class Member or his/her/their
9 representative that reasonably communicates the Class Member's election to be
10 excluded from the Settlement and includes the Class Member's name, address and
11 email address or telephone number. No Opt-Out Request may be made on behalf
12 of a group of Class Members. To be valid, a Request for Exclusion must be timely
13 faxed, emailed, or postmarked by the Response Deadline.

14 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because
15 it fails to contain all the information specified in the Class Notice. The
16 administrator shall accept any Request for Exclusion as valid if the Administrator
17 can reasonably ascertain the identity of the person as a Class Member and the Class
18 Member's desire to be excluded. The Administrator's determination shall be final
19 and not appealable or otherwise susceptible to challenge. If the Administrator has
20 reason to question the authenticity of a Request for Exclusion, the Administrator
21 may demand additional proof of the Class Member's identity. The Administrator's
22 determination of authenticity shall be final and not appealable or otherwise
23 susceptible to challenge.

24 7.5.3 Every Class Member who does not submit a timely and valid Request for
25 Exclusion is deemed to be a Participating Class Member under this Agreement,
26 entitled to all benefits and bound by all terms and conditions of the Settlement,
27 including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3
28 of this Agreement, regardless of whether the Participating Class Member actually

1 receives the Class Notice or objects to the Settlement.

2 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is
3 a Non-Participating Class Member and shall not receive an Individual Class
4 Payment or have the right to object to the class action components of the
5 Settlement. Because future PAGA claims are subject to claim preclusion upon
6 entry of the Judgment, Non-Participating Class Members who are Aggrieved
7 Employees are deemed to release the claims identified in Paragraph 5.3 of this
8 Agreement and are eligible for an Individual PAGA Payment.

9 7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 60-days after
10 the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose
11 Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods
12 (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the
13 allocation by communicating with the Administrator via fax, email or mail. The Administrator
14 must encourage the challenging Class Member to submit supporting documentation. In the
15 absence of any contrary documentation, the Administrator is entitled to presume that the
16 Workweeks contained in the Class Notice are correct so long as they are consistent with the Class
17 Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or
18 Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The
19 Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or
20 Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the
21 challenges.

22 7.7 Objections to Settlement.

23 7.7.1 Only Participating Class Members may object to the class action components
24 of the Settlement and/or this Agreement, including contesting the fairness of the
25 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class
26 Counsel Litigation Expenses Payment and/or Class Representative Service
27 Payment.

28 7.7.2 Participating Class Members may send written objections to the

1 Administrator, by fax, email or mail. In the alternative, Participating Class
2 Members may appear in Court (or hire an attorney to appear in Court) to present
3 oral objections at the Final Approval Hearing. A Participating Class Member who
4 elects to send a written objection to the Administrator must do so not later than 60
5 days after the Administrator's mailing of the Class Notice (plus an additional 14
6 days for Class Members whose Class Notice was re-mailed).

7 7.7.3 Non-Participating Class Members have no right to object to any of the class
8 action components of the Settlement.

9 7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to
10 be performed or observed by the Administrator contained in this Agreement or otherwise.

11 7.8.1 Website, Email Address and Toll-Free Number. The Administrator will
12 establish and maintain and use an internet website to post information of interest to
13 Class Members including the date, time and location for the Final Approval
14 Hearing and copies of the Settlement Agreement, Motion for Preliminary
15 Approval, the Preliminary Approval, the Class Notice, the Motion for Final
16 Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation
17 Expenses Payment and Class Representative Service Payment, the Final Approval
18 and the Judgment. The Administrator will also maintain and monitor an email
19 address and a toll-free telephone number to receive Class Member calls, faxes and
20 emails.

21 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
22 promptly review on a rolling basis Requests for Exclusion to ascertain their
23 validity. Not later than 5 days after the expiration of the deadline for submitting
24 Requests for Exclusion, the Administrator shall email a list to Class Counsel and
25 Defense Counsel containing (a) the names and other identifying information of
26 Class Members who have timely submitted valid Requests for Exclusion
27 ("Exclusion List"); (b) the names and other identifying information of Class
28 Members who have submitted invalid Requests for Exclusion; (c) copies of all

1 Requests for Exclusion from Settlement submitted (whether valid or invalid).

2 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written
3 reports to Class Counsel and Defense Counsel that, among other things, tally the
4 number of: Class Notices mailed or re-mailed, Class Notices returned undelivered,
5 Requests for Exclusion (whether valid or invalid) received, objections received,
6 challenges to Workweeks and/or Pay Periods received and/or resolved, and checks
7 mailed for Individual Class Payments and Individual PAGA Payments ("Weekly
8 Report"). The Weekly Reports must include provide the Administrator's
9 assessment of the validity of Requests for Exclusion and attach copies of all
10 Requests for Exclusion and objections received.

11 7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority
12 to address and make final decisions consistent with the terms of this Agreement on
13 all Class Member challenges over the calculation of Workweeks and/or Pay
14 Periods. The Administrator's decision shall be final and not appealable or
15 otherwise susceptible to challenge.

16 7.8.5 Administrator's Declaration. Not later than 14-days before the date by which
17 Plaintiff is required to file the Motion for Final Approval of the Settlement, the
18 Administrator will provide to Class Counsel and Defense Counsel, a signed
19 declaration suitable for filing in Court attesting to its due diligence and compliance
20 with all of its obligations under this Agreement, including, but not limited to, its
21 mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing
22 of Class Notices, attempts to locate Class Members, the total number of Requests
23 for Exclusion from Settlement it received (both valid or invalid), the number of
24 written objections and attach the Exclusion List. The Administrator will
25 supplement its declaration as needed or requested by the Parties and/or the Court.
26 Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

27 7.8.6 Final Report by Settlement Administrator. Within 10-days after the
28 Administrator disburses all funds in the Gross Settlement Amount, the

1 Administrator will provide Class Counsel and Defense Counsel with a final report
2 detailing its disbursements by employee identification number only of all payments
3 made under this Agreement. At least 15 days before any deadline set by the Court,
4 the Administrator will prepare, and submit to Class Counsel and Defense Counsel,
5 a signed declaration suitable for filing in Court attesting to its disbursement of all
6 payments required under this Agreement. Class Counsel is responsible for filing the
7 Administrator's declaration in Court.

8 **8. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.** Based on its records,
9 WCC estimates that, as of the date of this Settlement Agreement, (1) there are 157 Class Members
10 and 11,000 Total Workweeks during the Class period. Should the Workweeks exceed 12,100 (i.e.,
11 an increase of 110%) the Gross Settlement Amount shall increase pro-rata.

12 **9. WCC's RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion
13 identified in the Exclusion List exceeds 15% of the total of all Class Members, WCC may, but is
14 not obligated, elect to withdraw from the Settlement. The Parties agree that, if WCC withdraws,
15 the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party
16 will have any further obligation to perform under this Agreement; provided, however, WCC will
17 remain responsible for paying all Settlement Administration Expenses incurred to that point. WCC
18 must notify Class Counsel and the Court of its election to withdraw not later than seven days after
19 the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no
20 effect.

21 **10. MOTION FOR FINAL APPROVAL.** Not later than 16-court days before the
22 calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the
23 Settlement that includes a request for approval of the PAGA settlement under Labor Code section
24 2699, subdivision (l), a Proposed Final Approval Order and a proposed Judgment (collectively
25 "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense
26 Counsel not later than seven days prior to filing the Motion for Final Approval. Class Counsel and
27 Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith,
28 to resolve any disagreements concerning the Motion for Final Approval.

1 10.1 Response to Objections. Each Party retains the right to respond to any objection
2 raised by a Participating Class Member, including the right to file responsive documents in Court
3 no later than five-court days prior to the Final Approval Hearing, or as otherwise ordered or
4 accepted by the Court.

5 10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
6 Approval on any material change to the Settlement (including, but not limited to, the scope of
7 release to be granted by Class Members), the Parties will expeditiously work together in good
8 faith to address the Court's concerns by revising the Agreement as necessary to obtain Final
9 Approval. The Court's decision to award less than the amounts requested for the Class
10 Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses
11 Payment and/or Administrator Expenses Payment shall not constitute a material modification to
12 the Agreement within the meaning of this paragraph.

13 10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment,
14 the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of
15 (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters
16 and (iii) addressing such post-Judgment matters as are permitted by law.

17 10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
18 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
19 Counsel Litigation Expenses Payment set forth in this Settlement, the Parties, their respective
20 counsel and all Participating Class Members who did not object to the Settlement as provided in
21 this Agreement, waive all rights to appeal from the Judgment, including all rights to post-
22 judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new
23 trial, extraordinary writs and appeals. The waiver of appeal does not include any waiver of the
24 right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties'
25 obligations to perform under this Agreement will be suspended until such time as the appeal is
26 finally resolved and the Judgment becomes final, except as to matters that do not affect the amount
27 of the Net Settlement Amount.

28 10.5 Appellate Court Orders to Vacate, Reverse or Materially Modify Judgment. If the

1 reviewing Court vacates, reverses or modifies the Judgment in a manner that requires a material
2 modification of this Agreement (including, but not limited to, the scope of release to be granted by
3 Class Members), this Agreement shall be null and void. The Parties shall nevertheless
4 expeditiously work together in good faith to address the appellate court's concerns and to obtain
5 Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration
6 Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse or modify
7 the Court's award of the Class Representative Service Payment or any payments to Class Counsel
8 shall not constitute a material modification of the Judgment within the meaning of this paragraph,
9 as long as the Gross Settlement Amount remains unchanged.

10 **11. AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil
11 Procedure section 384, the Parties will work together in good faith to jointly submit and a
12 proposed amended judgment.

13 **12. ADDITIONAL PROVISIONS.**

14 **12.1 No Admission of Liability, Class Certification or Representative Manageability for**
15 **Other Purposes.** This Agreement represents a compromise and settlement of highly disputed
16 claims and is contingent upon the conditions precedent in Section 3.1 occurring. It is entered into
17 voluntarily by the Parties for settlement purposes only. Nothing in this Agreement is intended or
18 should be construed as an admission by WCC that any of the allegations in the Operative
19 Complaint have merit or that WCC has any liability for any claims asserted; nor should it be
20 intended or construed as an admission by Plaintiff that WCC's defenses in the Action have merit.
21 The Parties agree that representative treatment is for purposes of this Settlement only. If, for any
22 reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, or, if
23 appealed, the Settlement is not affirmed, or if the Settlement does not become effective for any
24 other reason, the Parties agree that conditional class certification for settlement purposes only will
25 automatically be deemed revoked. The Parties will take all steps, if necessary, to decertify the
26 class and return the case to the "status quo" as it existed on October 12, 2023, and prior to the
27 Parties' seeking approval of the Settlement from the Court. In the event that the conditional class
28 certification for settlement purposes only is deemed revoked, then the class certification for

1 settlement purposes only shall have no precedential value and it shall not be introduced into
2 evidence or used for any other purpose. To the extent that this Agreement is deemed void or the
3 Effective Date does not occur or for whatever reason does not result in the final resolution of the
4 Action, WCC does not waive, and, instead, expressly reserves its rights to challenge all claims and
5 allegations in the Action upon all procedural, factual and legal grounds, and further reserves the
6 right to contest certification of any class for any reasons, and WCC reserves all available defenses
7 to the claims in the Action, and Plaintiff reserves the right to move for class certification on any
8 grounds available and to contest WCC's defenses. Plaintiff and Class Counsel agree that WCC
9 retains and reserves these rights, and agrees not to argue or present any argument, and hereby
10 waives any argument that, based on this Agreement, WCC cannot contest class certification on
11 any grounds or assert any and all other potential defenses and privileges if this Action were to
12 proceed. The Settlement, this Agreement and Parties' willingness to settle the Action will have no
13 bearing on, and will not be admissible in connection with, any litigation (except for proceedings to
14 enforce or effectuate the Settlement and this Agreement).

15 12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, WCC and
16 Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is
17 filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit
18 another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or
19 indirectly, specifically or generally, to any person, corporation, association, government agency or
20 other entity except: (1) to the Parties' attorneys, accountants or spouses, all of whom will be
21 instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent
22 necessary to report income to appropriate taxing authorities; (4) in response to a court order or
23 subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government
24 agency. Each Party agrees to immediately notify each other Party of any judicial or agency order,
25 inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, WCC and Defense
26 Counsel separately agree not to, directly or indirectly, initiate any conversation or other
27 communication, before the filing of the Motion for Preliminary Approval, any with third party
28 regarding this Agreement or the matters giving rise to this Agreement except to respond only that

1 “the matter was resolved,” or words to that effect. This paragraph does not restrict Class
2 Counsel’s communications with Class Members in accordance with Class Counsel’s ethical
3 obligations owed to Class Members.

4 12.3 No Solicitation. The Parties separately agree that they and their respective counsel
5 and employees will not solicit or encourage any Class Member to opt out of or object to the
6 Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict
7 Class Counsel’s ability to communicate with Class Members in accordance with Class Counsel’s
8 ethical obligations owed to Class Members.

9 12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this
10 Agreement together with its attached exhibits shall constitute the entire agreement between the
11 Parties relating to the Settlement, superseding any and all oral representations, warranties,
12 covenants, or inducements made to or by any Party.

13 12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
14 represent that they are authorized by Plaintiff and WCC, respectively, to take all appropriate action
15 required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its
16 terms, and to execute any other documents reasonably required to effectuate the terms of this
17 Agreement including any amendments to this Agreement.

18 12.6 Cooperation. The Parties and their counsel will cooperate with each other and use
19 their best efforts, in good faith, to implement the Settlement by, among other things, modifying the
20 Settlement Agreement, submitting supplemental evidence and supplementing points and
21 authorities as requested by the Court. In the event the Parties are unable to agree upon the form or
22 content of any document necessary to implement the Settlement, or on any modification of the
23 Agreement that may become necessary to implement the Settlement, the Parties will seek the
24 assistance of a mediator and/or the Court for resolution.

25 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not
26 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
27 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
28 action, or right released and discharged by the Party in this Settlement.

1 12.8 No Tax Advice. Neither Plaintiff, Class Counsel, WCC nor Defense Counsel are
2 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
3 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part
4 10, as amended) or otherwise.

5 12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended,
6 modified, changed, or waived only by an express written instrument signed by all Parties or their
7 representatives, and approved by the Court.

8 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure
9 to the benefit of, the successors of each of the Parties.

10 12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be
11 governed by and interpreted according to the internal laws of the state of California, without
12 regard to conflict of law principles.

13 12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation
14 of this Agreement. This Agreement will not be construed against any Party on the basis that the
15 Party was the drafter or participated in the drafting.

16 12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders
17 entered during Action and in this Agreement relating to the confidentiality of information shall
18 survive the execution of this Agreement.

19 12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to
20 Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel
21 by WCC in connection with the mediation, other settlement negotiations, or in connection with the
22 Settlement, may be used only with respect to this Settlement, and no other purpose, and may not
23 be used in any way that violates any existing contractual agreement, statute, or rule of court. Not
24 later than 90 days after the date when the Court discharges the Administrator's obligation to
25 provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy
26 all paper and electronic versions of Class Data received from WCC unless, prior to the Court's
27 discharge of the Administrator's obligation, unless WCC makes a written request to Class Counsel
28 for the return, rather than the destructions, of Class Data.

1 12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is
2 inserted for convenience of reference only and does not constitute a part of this Agreement.

3 12.16 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement
4 shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
5 weekend or federal legal holiday, such date or deadline shall be on the first business day
6 thereafter.

7 12.17 Notice. All notices, demands or other communications between the Parties in
8 connection with this Agreement will be in writing and deemed to have been duly given as of the
9 third business day after mailing by United States mail, or the day sent by email or messenger,
10 addressed as follows:

11 To Plaintiff: Samuel A. Wong, Kashif Haque and Jessica Campbell and Namrata Kaur, AEGIS
12 LAW FIRM, PC, 9811 Irvine Center Drive, Suite 100, Irvine, CA 92618.

13 To WCC: Summer Young-Agriesti and Ana Thomas, Young-Agriesti & Thomas, LLP, 7755
14 Center Ave., Suite 1100, Huntington Beach, CA 92647, (949) 221-8700.

15 12.18 Execution in Counterparts. This Agreement may be executed in one or more
16 counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this
17 Agreement shall be accepted as an original. All executed counterparts and each of them will be
18 deemed to be one and the same instrument if counsel for the Parties will exchange between
19 themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove
20 the existence and contents of this Agreement.

21 12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the
22 litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further
23 agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure section
24 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310
25 for the entire period of this settlement process.

26 12.20 Plaintiff Jennifer Marquez agrees to sign this Agreement and by signing this
27 Agreement is bound by the terms stated herein. Plaintiff agrees not to Opt-Out from the
28 Settlement and further agrees not to object to any of the terms of the Settlement. Any such Opt-

1 Out or objections by Plaintiff shall be void and have no force or effect. Plaintiff also agrees to not
2 disparage the Settlement to Class Members or encourage any Class Member to exclude him or
3 herself from the Settlement, or object to the Settlement.

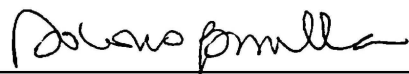
4
5 Dated: May 22, 2024

JENNIFER MARQUEZ

6
7 By:  DocuSigned by:
Jennifer Marquez

8
9 Dated: May 22, 2024

WILMINGTON COMMUNITY CLINIC

10
11 By: 
12 Printed Name: Dolores Bonilla
13 Its: CEO

14
15 Dated: May 22, 2024

Young-Agriesti & Thomas, LLP

16
17 By: 
18 Summer Young-Agriesti
19 Ana Thomas
Attorneys for Defendants
WILMINGTON COMMUNITY CLINIC

20 Dated: May 22, 2024

Aegis Law Firm, PC

21
22 By: 
23 Samuel A. Wong
24 Kashif Haque
25 Jessica Campbell
26 Attorneys for Plaintiff
27 JENNIFER MARQUEZ
28