

**CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND RELEASE OF
CLAIMS**

This Class Action and PAGA Settlement Agreement and Release of Claims is entered into by and between Plaintiffs Dominguez Blancas (“Plaintiff Blancas”) and Carlos Quezada (collectively, at times “Plaintiffs”), individually and on behalf of all others similarly situated, and Defendant CONAM Management Corporation (collectively with Plaintiffs, the “Parties”), and is approved by their respective counsel of record, subject to the terms and conditions hereof and the Court’s approval. The Parties agree as follows:

A. Definitions

The following definitions apply to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. “Action” or “Lawsuit” means and refers to the cases entitled *Reynaldo Dominguez Blancas v. CONAM Management Corporation* (San Diego County Superior Court, Case No. 37-2023-00008393-CU-OE-CTL) (“Blancas Class and Representative Action”); *Quezada v. CONAM Management Corporation* (San Bernardino Superior Court Case No. CIV-SB-2308615) (“Quezada Representative Action”); and *Quezada v. CONAM Management Corporation* (San Bernardino Superior Court Case No. CIV-SB-2305893 (“Quezada Class Action”). The Quezada Class Action incorporates all claims and allegations in the Blancas Class and Representative Action and the Quezada Representative Action.

2. “Aggrieved Employees” means all persons who are or were previously employed by Defendant in California classified as a non-exempt hourly employee at any time from March 1, 2022, until February 29, 2024.

3. “Agreement,” “Settlement Agreement and Release,” “Settlement,” or “Stipulation” shall mean this Class Action and PAGA Settlement Agreement and Release of Claims, including any attached Exhibits.

4. “Class Claims” or “Released Class Claims” will include all claims arising during the Class Period: (1) that were pleaded in the First Amended Complaint filed in the Blancas Class and Representative Action; (2) that were pleaded in the Complaint filed in the Quezada Class

1 Action; and (3) that could have been alleged in either the Blancas Class and Representative Action
2 or the Quezada Class Action based on the facts alleged therein, and include, but are not limited
3 to, claims for (i) failure to pay all regular wages, minimum wages and overtime wages due
4 (including off-the-clock and rounding claims); (ii) failure to pay all wages at the correct rate of
5 pay (including meal period premiums, rest break premiums, sick pay, vacation wages, and
6 reporting time pay); (iii) failure to provide meal periods or compensation in lieu thereof; (iv)
7 failure to provide rest periods or compensation in lieu thereof; (v) failure to pay wages timely at
8 time of termination or resignation; (vi) failure to provide timely payment of wages during
9 employment; (vii) failure to maintain complete, accurate records (including payroll records and
10 records of work periods, meal periods, total daily hours, hours per pay period, and applicable pay
11 rates); (viii) failure to provide complete, accurate wage statements; (ix) failure to pay reporting
12 time pay; (x) failure to pay prevailing wages; (xi) failure to pay accrued vacation wages; (xii)
13 failure to reimburse for necessary business-related expenses; (xiii) unlawful deductions of wages;
14 (xiv) failure to pay overtime and double time at the regular rate; (xv) failure to pay sick pay;; and
15 (xvii) unfair business practices..

16 5. “Class Counsel” refers to Nazo Koulloukian of Koul Law Firm, Sahag Majarian
17 and Garen Majarian of Majarian Law Group, APC, Mehrdad Bokhour of Bokhour Law Group,
18 P.C., and Joshua Falakassa of Falakassa Law, P.C., collectively.

19 6. “Class Data” means a complete list that Defendant will diligently and in good faith
20 compile from its records and provide to the Settlement Administrator on one spreadsheet and
21 shall include the Settlement Class Members’ full names; last known addresses; telephone
22 numbers; Social Security Numbers; and dates of employment and/or number of Workweeks
23 Worked in California as non-exempt or hourly employees of Defendant during the Class Period
24 and the PAGA Period for each Settlement Class Member.

25 7. “Class Period” and “Class Release Period” shall mean March 1, 2022, until
26 February 29, 2024.

27 8. “Class Representatives” or “Plaintiffs” means and refers to Reynaldo Dominguez
28 Blancas and Carlos Quezada.

1 9. “Complaint” refers collectively to any complaint or amended complaints filed in
2 the Action.

3 10. “Court” means the California Superior Court, County of San Bernardino, or any
4 other Court of competent jurisdiction.

5 11. “Defendant” means and refers to CONAM Management Corporation.

6 12. “Defendant’s Counsel” or “Defense Counsel” refers to Stacey E. James, B. Allison
7 Borkenheim, and Charles Ureña.

8 13. “Effective Date” of the Settlement will be later of the following: (a) if no timely
9 objections are filed or if all objections are withdrawn, the date upon which the Court enters Final
10 Approval; (b) if an objection is filed and not withdrawn, the date for filing an appeal and no such
11 appeal being filed (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of
12 any such appeal in a way that does not alter the terms of the settlement.

13 14. “Final Settlement Class” means all Participating Class Members and Aggrieved
14 Employees.

15 15. “Individual Settlement Amount” shall have the meaning ascribed to it in Paragraph
16 46(d) below.

17 16. “Net Settlement Amount” shall have the meaning ascribed to it in Paragraph 46(c)
18 below.

19 17. “Notice” means the notice of settlement of Class Action and PAGA Settlement
20 that will be sent to the Settlement Class Members.

21 18. “Notice Response Deadline” is forty-five (45) calendar days from when the Notice
22 is mailed to the Settlement Class Members.

23 19. “Objecting Settlement Class Member” means a Settlement Class Member, other
24 than Plaintiffs, who submit a valid and timely objection to the terms of this Agreement with
25 respect to the Class Claims pursuant to Paragraph 69(a) below.

26 20. “PAGA” shall refer to the California Labor Code Private Attorneys General Act
27 of 2004, California Labor Code sections 2698–2699.5.
28

21. “PAGA Claims” or “Released PAGA Claims” shall include any and all claims for civil penalties pursuant to PAGA based on the allegations stated in the PAGA Notices and that were or could have been pled in the Complaint based on the facts alleged therein, including but not limited to all claims under the California Labor Code Private Attorneys General Act of 2004 for civil penalties that could have been premised on the facts alleged in both Named Plaintiffs’ respective PAGA Letters to the LWDA and the Action, including PAGA claims for alleged violations of Labor Code sections 201, 202, 203, 204, 206, 206.5, 207, 210, 216, 218, 218.6, 221, 223, 226, 226(a), 226.3, 226.7, 227.3, 246, 256, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, and for any and all claims pursuant to California’s Labor Code and Wage Orders, and including but not limited to penalties that could have been awarded pursuant to Labor Code sections 210, 225.5, 226, 226.3, 558, 1174.5, 1197.1, and 2698 *et seq.*

22. “PAGA Notices” shall refer collectively to the notices sent by Plaintiffs, by and through counsel to the LWDA and to Defendant, alleging that Defendant engaged in violations of the California Labor Code and California Wage Order(s).

23. “PAGA Period” and “PAGA Release Period” shall mean March 1, 2022, until February 29, 2024.

24. “Participating Class Member” means any and all Settlement Class Members who receive an Individual Settlement Amount for the Class Claims and who do not opt out of the settlement of the Class Claims by submitting timely and valid Requests for Exclusion.

25. “Parties” or “Settling Parties” mean Plaintiffs, the Settlement Class Members, the Aggrieved Employees, and Defendant, collectively.

26. “Preliminary Approval Date” means the date the Court enters an order granting preliminary approval of the Settlement Agreement.

27. “Preliminary Approval Order” means the judicial Order to be entered by the Court, upon the application or motion of the Plaintiffs, preliminarily approving this Settlement and providing for the issuance of the Notice to the Settlement Class Members, an opportunity to opt out of settlement of the Class Claims, an opportunity to submit timely objections to the terms of

1 this Settlement related to the Class Claims, and setting a hearing on the fairness of the terms of
2 Settlement, including approval of attorneys' fees and costs.

3 28. "QSF" means the Qualified Settlement Fund managed by the Settlement
4 Administrator for the benefit of the Final Settlement Class, and from which the settlement
5 payments shall be made, and which is intended to be a fund that qualifies under Internal Revenue
6 Code Section 468.

7 29. "Release" shall mean the complete release and discharge of the Class Claims by
8 Plaintiffs and all of the Participating Class Members, the complete release and discharge of the
9 PAGA Claims by Plaintiffs and all of the Aggrieved Employees against Defendant.

10 30. "Released Parties" shall refer to Defendant, its current and former officers, past,
11 present and/or future, direct and/or indirect, officers, directors, members, managers, agents,
12 representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent
13 companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint
14 venturers, if any.

15 31. "Request for Exclusion" shall have the meaning ascribed to it in Paragraph 69(a)
16 below.

17 32. "Service Payment" or "Service Award" means the amount approved by the Court
18 to be paid to Class Representatives in addition to their Individual Settlement Amount as
19 Participating Class Members.

20 33. "Settlement Administration Costs" means the costs payable from the Settlement
21 Amount to the Settlement Administrator for administering this Settlement, including, but not
22 limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, due
23 diligence, reporting and remittance obligations, distributing the Settlement Amount, and
24 providing necessary reports and declarations, as requested by the Parties. The Settlement
25 Administration Costs shall be paid from the Settlement Amount.

26 34. "Settlement Administrator" refers to Phoenix Class Action Administration
27 Solutions, which the Parties have mutually agreed will provide the Notice to the Class Members
28 and distribute the settlement amounts as described in this Agreement. The Parties each represent

1 that they do not have any financial interest in the Settlement Administrator or otherwise have a
2 relationship with the Settlement Administrator that could create a conflict of interest.

3 35. "Settlement Amount" or "Gross Settlement Amount" shall have the meaning
4 ascribed to it in Paragraph 46(a) below.

5 36. "Settlement Class Member" or "Class Member" refers to individual members of
6 the Settlement Class.

7 37. "Settlement Class" and "Settlement Class Members" refers to all persons who are
8 or were previously employed by Defendant in California classified as a non-exempt employee
9 during the Class Period.

10 38. "Workweeks Worked" for each Settlement Class Member and Aggrieved
11 Employee means any workweek during the Class Period and/or the PAGA Period, as applicable,
12 in which the Settlement Class Member and/or Aggrieved Employee was employed by Defendant
13 as a non-exempt employee in California and worked at least one shift during the workweek for
14 Defendant. Workweeks Worked shall not include weeks where a Settlement Class Member and/or
15 Aggrieved Employee only had sick time, vacation time, was on leave, or otherwise did not record
16 any actual work time in Defendant's timekeeping system. Workweeks Worked will be calculated
17 based on Defendant's business records.

18 **B. General Terms**

19 39. In February 2023, Plaintiff Blancas filed a class action complaint against
20 Defendant, including allegations of (1) failure to pay all sick pay wages, (2) wage statement
21 violations, (3) late payment of wages, (4) waiting time penalties and (5) unfair competition. In
22 March 2023, Plaintiff Quezada filed his class action complaint in San Bernardino Superior Court
23 alleging (1) failure to pay for all hours worked; (2) failure to provide rest breaks; (3) failure to
24 provide uninterrupted meal breaks; (4) failure to reimburse business expenses; (5) failure to pay
25 wages due upon termination; (7) failure to provide accurate itemized wage statements, and (8)
26 unfair competition. In April 2023, Plaintiff Quezada filed a separate PAGA representative action
27 based on the same underlying Labor Code violations. On or about July 17, 2023, Plaintiff Blancas
28 filed a First Amended Complaint to add a cause of action for failure to pay all vacation wages and

1 PAGA penalties based on the foregoing Labor Code violations. The Parties will seek approval of
2 the Settlement in the Quezada Class Action pending in the San Bernardino Superior Court and
3 will ensure that the Combined Complaint fully incorporates the statutory time period of the
4 Blancas Class and Representative Action.

5 40. Defendant denies Plaintiffs' claims and allegations and contends that the Action
6 is not suitable for class certification and/or representative treatment.

7 41. Class Representatives believe they can proceed with their class, and the
8 representative claims that the Action is meritorious and that class certification is appropriate.

9 42. The Parties have thoroughly investigated the underlying facts and circumstances
10 of the Action. This has included conducting extensive exchanges of informal discovery, including
11 Defendant's employee handbooks and related written policies and practices, the production of
12 records showing the mileage of Settlement Class Members and Aggrieved Employees, and the
13 production of payroll and timekeeping records for Settlement Class Members and Aggrieved
14 Employees. Class Counsel is both knowledgeable about and has done extensive research with
15 respect to the applicable law and potential defenses to the claims of the Settlement Class Members
16 and Aggrieved Employees. Class Counsel has diligently investigated the Class Members' claims
17 against Defendant. Based on the foregoing data and their own independent investigation and
18 evaluation, Class Counsel is of the opinion that the settlement with Defendant for the
19 consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and
20 adequate and is in the best interests of the Settlement Class Members and Aggrieved Employees
21 in light of all known facts and circumstances, including the risk of significant delay and
22 uncertainty associated with litigation, various defenses asserted by Defendant, and numerous
23 potential appellate issues.

24 43. On November 29, 2023, the Parties participated in mediation before David
25 Phillips, Esq., a highly experienced class action mediator. On December 1, 2023, the Parties
26 accepted a Mediator's Proposal.

27 44. The Parties agree that neither the Parties' Settlement, this Agreement, nor the acts
28 to be performed or judgments to be entered pursuant to the terms of the Settlement and Agreement

1 shall be construed as an admission by Defendant of any wrongdoing or violation of any statute,
2 law, wage order, or liability in any capacity regarding the claims or allegations in the Action.

3 45. Stipulation for Class Certification and Representative Treatment. For settlement
4 purposes only, Defendant will stipulate that the Settlement Class Members described herein who
5 do not Request Exclusion from the Settlement Class may be conditionally certified as a settlement
6 class and that the Aggrieved Employees are appropriate for representative treatment for purposes
7 of settlement. This stipulation to certification and representative treatment is in no way an
8 admission that class action certification and/or representative treatment is proper and shall not be
9 admissible in this or in any other action except for the sole purposes of enforcing this Agreement.
10 Should, for whatever reason, the Court fail to issue Final Approval, the Parties' stipulation to
11 class certification and representative treatment as part of the Settlement shall become null and
12 void *ab initio* and shall have no bearing on and shall not be admissible in connection with the
13 issue of whether or not class certification and/or representative treatment would be appropriate in
14 any other context. Defendant expressly reserves its rights and declares that it will continue to
15 oppose class certification, representative treatment, and the substantive merits of the case should
16 the Court fail to issue Final Approval. Plaintiffs expressly reserve their right and declare that they
17 will continue to pursue class certification and representative treatment and a trial should the Court
18 fail to issue Final Approval.

19 **C. Terms of Settlement**

20 46. The financial terms of the Settlement are as follows:

21 (a) Gross Settlement Amount: The Parties agree to settle this Action for Eight
22 Hundred Fifty Thousand Dollars (\$850,000.00) ("the Settlement Amount"). The Settlement
23 Amount is the maximum amount that will be paid by Defendant, and includes Individual
24 Settlement Amounts, all attorneys' fees of Class Counsel, costs and expenses, the Service
25 Payment to Class Representatives, all Settlement Administration Costs, and payment to the Labor
26 Workforce Development Agency (LWDA) for PAGA penalties. Defendant shall separately pay
27 the employer's share of applicable payroll taxes.
28

(b) Defendant estimates that there are 1,437 Class Members who worked approximately 82,000 Workweeks through November 29, 2023, the Mediation Date. If the Workweek number increases by more than 10% of the estimate stated above (so that there are 90,200 or more Workweeks Worked) through preliminary approval of the settlement, then Defendant shall have the option to either (1) Increase the Gross Settlement Amount by \$10.36 (\$850,000 divided by 82,000) for each additional Workweek above 90,200; or (2) have the Class Period and PAGA Period end on the date before the Weeks Worked meet or exceed the 90,200 threshold. If Defendant elects to shorten the Class Period and PAGA Period, then Defendant must give written notice to Plaintiffs' counsel by email no later than, Monday, March 11, 2024, and the Parties shall amend the Settlement Agreement and Notice to reflect the modified Class Period. If the Preliminary Approval motion has already been filed, the Parties shall submit a stipulation, all applicable documents, and a revised Order to reflect the new Class Period, PAGA Period, and Workweek information. If the total Workweek count, as measured through the Mediation Date, exceeds 90,200, then Defendant shall still be required to increase the Gross Settlement Amount by \$10.36 for each additional Workweek above 90,200.

(c) Net Settlement Amount: The "Net Settlement Amount" is defined as the Settlement Amount less attorneys' fees and litigation costs as approved and awarded by the Court, the Service Payment of \$10,000 to each of the Class Representatives as approved and awarded by the Court, the Settlement Administration Costs, as approved and awarded by the Court, and the Eighteen Thousand Seven Hundred Fifty Dollars (\$18,750.00) PAGA payment to the LWDA and Six Thousand Two Hundred Fifty Dollars (\$6,250.00) payment to Aggrieved Employees related to PAGA penalties as described in Paragraph 46(d) below. In the event that the Court reduces the attorneys' fees and litigation costs or Service Awards, Settlement Administration Costs, or either increases or decreases the amount allocated to PAGA penalties, the Net Settlement Sum shall be increased or decreased accordingly.

(d) Individual Settlement Amounts for the Settlement Class: The Settlement Administrator will use the Class Data provided by Defendant to calculate each Participating Class

1 Member's and Aggrieved Employee's Individual Settlement Amount based on the following
2 formula:

3 i. PAGA Amount: \$25,000 of the Gross Settlement Amount has been
4 designated to the PAGA claims. Twenty-five percent (25%) or \$6,250, shall be paid out to
5 Aggrieved Employees, while seventy-five percent (75%), or \$18,750, will be paid to the LWDA.
6 Each Aggrieved Employee shall receive a portion of the \$6,250 proportionate to the number of
7 Workweeks Worked by the Aggrieved Employees during the PAGA Period compared to the total
8 number of Workweeks Worked by all Aggrieved Employees during the PAGA Period. Aggrieved
9 Employees shall have their settlement amount for the Released PAGA claims paid one hundred
10 percent (100%) as civil penalties for which no taxes will be withheld and for which the Settlement
11 Administrator will issue a Form 1099.

12 ii. Class Amount: The Net Settlement Amount shall be allocated to each
13 Participating Class Member based on his/her/their proportionate Workweeks Worked during the
14 Class Period. This is determined by multiplying the Net Settlement Amount by a fraction, the
15 numerator of which is the Participating Class Member's total Workweeks Worked during the
16 Class Period, and the denominator of which is the total Workweeks Worked by all Participating
17 Class Members during the Class Period. If there are any timely submitted Requests for Exclusion,
18 the Settlement Administrator shall proportionately increase the Individual Settlement Amounts
19 for each Participating Class Member so that the amount actually distributed to Participating Class
20 Members equals 100% of the Net Settlement Amount allocated toward Released Class Claims.

21 (e) Allocation of Individual Settlement Amounts: The Individual Settlement Amounts
22 will be allocated for tax purposes based on the allegations in the Action as follows: thirty-three
23 percent (33%) will be paid as wages subject to withholding of all applicable local, state, and
24 federal taxes; and sixty-seven percent (67%) will be paid as interest and as civil penalties
25 (pursuant to, *e.g.*, California Labor Code sections 203, 226) from which no taxes will be withheld.
26 The Settlement Administrator will issue to each Participating Class Member an Internal Revenue
27 Service Form W-2 and comparable state forms with respect to the wage allocation and a Form
28 1099 with respect to the civil penalties and interest allocations.

1 (f) Service Payment to Class Representative: The amount awarded to Class
2 Representatives as a Service Payment will be set by the Court in its discretion, not to exceed
3 \$10,000. Defendant agrees not to oppose this request. The Service Payment to Class
4 Representatives will be paid out of the Gross Settlement Amount. Class Representatives will be
5 issued IRS Form 1099 in connection with this payment. Plaintiffs shall be solely and legally
6 responsible for paying any and all applicable taxes on this payment. The Parties agree that any
7 amount awarded by the Court as the Service Payment to Plaintiffs less than the requested amount
8 shall not be a basis for Plaintiffs or Class Counsel to void this Stipulation. Should the Court
9 approve a lesser amount for any Service Payment, the difference shall be added to the Net
10 Settlement Amount to be distributed to the Participating Class Members. In the event of any
11 appeal of the amount of any Service Payment (if any) approved by the Court, if, after the
12 exhaustion of any such appellate review, additional amounts not awarded to Class Representatives
13 shall be added to the Net Settlement Amount to be distributed to the Participating Class Members.

14 (g) Attorneys' Fees and Costs: Defendant agrees not to oppose a request by Class
15 Counsel to the Court for an award of attorneys' fees of one-third (33.33%) of the Settlement
16 Amount (approximately \$283,333.33), plus reasonable litigation costs not to exceed \$45,000
17 ("Attorneys' Fees and Cost Award"). For purposes of this Settlement, Defendant agrees not to
18 oppose any contention by Class Counsel that attorneys' fees should be based on the common fund
19 theory. The Attorneys' Fee and Cost Award shall be paid from the Gross Settlement Amount, and
20 except for this award, Defendant shall have no further obligation to pay any attorneys' fees, costs,
21 or expenses to Class Counsel. Should the Court approve a lesser amount than what is sought by
22 Class Counsel, the difference shall be added to the Net Settlement Amount to be distributed to
23 the Participating Class Members. Any Court order awarding less than the amount sought by Class
24 Counsel shall not be grounds to rescind the Settlement Agreement or otherwise void the
25 Settlement. In the event of any appeal of the amount of the awards of attorneys' fees and costs (if
26 any) approved by the Court, final funding and administration of the portion of the attorneys' fees
27 and/or costs award in dispute will be segregated and stayed pending the exhaustion of appellate
28 review. If, after the exhaustion of any such appellate review, additional amounts not awarded as

attorneys' fees and costs shall be added to the Net Settlement Amount to be distributed to the Participating Class Members and/or Aggrieved Employees. It is understood and agreed by the Parties, Class Counsel and Defendant's counsel that no amounts designated herein as Class Counsel's attorney's fees or expenses are accessible or otherwise available to Class Counsel until the payment amount and method are agreed to by Class Counsel and the Settlement Administrator pursuant to a distribution agreement and the Joint Prosecution and Fee-Sharing Agreement. IRS Form 1099s shall be issued to Class Counsel reflecting the amount of attorneys' fees and costs awarded by the Court. Class Counsel agrees that any allocation of fees between or among Class Counsel and any other attorney representing or claiming to represent the Class Members shall be the sole responsibility of Class Counsel.

(h) Settlement Administration Costs: The fees and other charges of the Settlement Administrator will be paid from the Gross Settlement Amount, not to exceed \$20,000, subject to Court approval, unless approved by all Parties and the Court.

(j) Tax Liability: Class Counsel, Defendant, and Defendant's Counsel make no representations as to the tax treatment or legal effect of Settlement Amounts called for hereunder, and Plaintiffs and the Settlement Class Members are not relying on any statement or representation by Class Counsel, Defendant, or Defendant's Counsel in this regard. Plaintiffs and Final Settlement Class Members understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on their respective Settlement Amounts described herein. Income tax withholding will also be made pursuant to applicable federal, state, and/or local withholding codes or regulations. Forms W-2 and/or Forms 1099 will be distributed at times and in the manner required by the Internal Revenue Code of 1986 (the "Code") and consistent with this Agreement. If the Code, the regulations promulgated thereunder, or other applicable tax law, are changed after the date of this Agreement, the processes set forth in this Section may be modified in a manner to bring Defendant into compliance with any such changes.

(k) CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER

PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, THEIR, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

47. No Credit Towards Benefit Plans. The Individual Settlement Payments and Individual PAGA Payments made to Participating Class Members and/or Aggrieved Employees under this Settlement, as well as any other payment made pursuant to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members and/or Aggrieved Employees may be eligible, including but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties’ intention that this Settlement Agreement will not

1 affect the rights, contributions, or amounts to which any Class Member and/or Aggrieved
2 Employees may be entitled under benefit plans.

3 48. “Non-Reversionary” Settlement. This is a “non-reversionary” settlement. Under
4 no circumstances will any portion of the Settlement Amount revert to Defendant. Final Settlement
5 Class Members will not have to make a claim to receive an Individual Settlement Amount.
6 Individual distributions, in the form of Individual Settlement Amounts, will be made directly to
7 each Final Settlement Class Member. The Settlement Administrator shall be responsible for
8 accurately and timely reporting any remittance obligations with respect to unclaimed funds as a
9 result of a Final Settlement Class Member not cashing an Individual Settlement Amount by the
10 check cashing deadline, as set forth herein.

11 49. Class Counsel and Plaintiffs believe that the Settlement is fair and reasonable, and
12 adequate, and will so represent same to the Court.

13 **D. Release by Plaintiffs and the Final Settlement Class**

14 50. Upon the Effective Date of this Settlement, Plaintiffs and each Participating Class
15 Member, together and individually, for themselves and for their respective spouses, domestic
16 partners, marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries,
17 devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and
18 representatives, shall be deemed to have fully, forever, and completely released and discharged
19 all of the Released Parties from, or any of them, from each of the Released Class Claims arising
20 during the Class Release Period.

21 51. Each Participating Class Member will be deemed to have made the foregoing
22 Release as if by manually signing it.

23 52. Upon the Effective Date of this Settlement, Plaintiffs, the LWDA, and each
24 Aggrieved Employee, for themselves and for their respective spouses, domestic partners, marital
25 community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees,
26 executors, administrators, trustees, conservators, guardians, assigns, and representatives, will
27 forever completely release and discharge the Released Parties from the Released PAGA Claims
28 for the PAGA Release Period.

53. Each Aggrieved Employee and the LWDA will be deemed to have made the foregoing Release as they manually signed it.

54. Plaintiffs and Defendant intend that the Settlement described in this Agreement will release and preclude any further claim, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and all of the Participating Class Members to obtain a recovery based on, arising out of, and/or related to any and all of the Released Class Claims. The Settlement Class Members shall be so notified in the Notice. This Paragraph does not apply to any Settlement Class Member who timely and validly opts out of the Settlement for purposes of Class Claims.

55. Plaintiffs and Defendant intend that the Settlement described in this Agreement will release and preclude any further claims, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by the LWDA to obtain recovery based on, arising out of, and/or related to any and all of the Released PAGA Claims.

56. Class Representatives, on behalf of themselves and the Participating Settlement Class Members and Aggrieved Employees, acknowledge and agree that the claims for (1) failure to pay all minimum wages; (2) failure to pay overtime wages; (3) meal and rest period violations; (4) wage statement violations; (5) failure to reimburse for necessary business expenses; (6) waiting time penalties; (7) unfair competition; and (8) PAGA penalties are disputed, and that the payments set forth herein constitute payment of all sums allegedly due to each of them. Class Representatives, on behalf of themselves and the Participating Settlement Class Members, acknowledge and agree that California Labor Code Section 206.5 is not applicable to the Parties hereto. Section 206.5 provides in pertinent part as follows:

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

E. Release by Class Representatives

57. As a material inducement to Defendant to enter into this Settlement Agreement, in addition to Class Representatives' release of the Released Class Claims and Released PAGA

1 Claims, as discussed in Paragraph 56 above, Class Representatives do hereby, for themselves and
2 for their respective spouses, domestic partners, marital community, children, estates, trusts,
3 attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees,
4 conservators, guardians, assigns, and representatives, forever completely release and discharge
5 the Released Parties from any and all charges, complaints, claims, liabilities, obligations,
6 promises, agreements, contracts, controversies, damages, actions, causes of action, suits, rights,
7 demands, costs, losses, debts, and expenses (including for back wages, statutory penalties, civil
8 penalties, liquidated damages, exemplary damages, interest, attorneys' fees, and costs) of any
9 nature whatsoever, from the beginning of time through the execution of this Stipulation, whether
10 known or unknown, suspected or unsuspected, concealed or hidden, including but not limited to
11 all claims arising out of, based upon, or relating to Class Representatives' employment with
12 Defendant or the remuneration for or termination of such employment (collectively, the "Class
13 Representatives' Claims").

14 58. Without limiting the generality of the foregoing, Class Representatives also
15 expressly release all claims or rights against Released Parties arising out of or relating to alleged
16 violations of any contracts, express or implied (including but not limited to any contract of
17 employment); any contract or covenant of good faith and fair dealing (express or implied); any
18 tort, including but not limited to, negligence, fraud, misrepresentation and violation of California
19 Labor Code section 970, negligent infliction of emotional distress, intentional infliction of
20 emotional distress, defamation, "retaliation" claims and claims for violation of public policy, any
21 claim for improper or unauthorized wage deductions, failure to pay the applicable wage, unpaid
22 wages, unpaid vacation benefits, unpaid sick pay, penalties, liquidated damages, other damages,
23 overtime, failure to pay any wages at the correct rate of pay, and alleged "off the clock" work
24 under federal and state law, including, but not limited to, California Labor Code Sections 204 and
25 558, waiting time penalties pursuant to California Labor Section 203, damages, or penalties
26 pursuant to California Labor Code Section 226, meal period and rest break payments and penalties
27 pursuant to California Labor Code Sections 226.7 and 512, failure to provide itemized wage
28 statements pursuant to California Labor Code Section 226, statutory or civil penalties pursuant to

California Labor Code Sections 210, failure to indemnify for business expenses pursuant to Labor Code section 2802, failure to provide one day of rest in seven pursuant to California Labor Code Sections 551 and 552, any other claim under the California Labor Code, including but not limited to any claims for whistleblower retaliation under Labor Code section 1102.5, unfair competition and unfair business practices pursuant to Business and Professions Code Section 17200 *et seq.*, interest and costs pursuant to California Civil Code Section 3287 and California Labor Code Section 218.6, statutory or common law rights to attorneys' fees and costs, including those pursuant to California Labor Code Section 1194 *et seq.*; claims under the Private Attorneys General Act of 2004, Labor Code section 2699 *et seq.*, and the alleged violation or breach of any other state or federal statute, rule, and or regulation; including all applicable Industrial Welfare Commission Wage Orders, and all similar causes of action, including but not limited to, any claim for restitution, equitable relief, interest, penalties, costs, or attorneys' fees in connection with any of the foregoing, negligent infliction of emotional distress, intentional infliction of emotional distress, and defamation; any "wrongful discharge," "constructive discharge," and "retaliation" claims; any claims relating to any breach of public policy; any legal restrictions on Defendant's right to discharge employees; and any federal, state, or other governmental statute, regulation, or ordinance, including, without limitation: (1) Title VII of the Civil Rights Act of 1964 (race, color, religion, sex, and national origin discrimination or harassment, including retaliation for reporting discrimination or harassment); (2) 42 U.S.C. § 1981 (discrimination); (3) Equal Pay Act, 29 U.S.C. § 209(d)(1) and California Labor Code 1197.5 (equal pay); (4) Americans with Disabilities Act, 42 U.S.C. § 12100 *et seq.* (disability discrimination); (5) Family and Medical Leave Act, 29 U.S.C. § 2601 *et seq.* (family/medical leave); (6) California Fair Employment and Housing Act, Cal. Government Code § 12900 *et seq.* (discrimination or harassment in employment and/or housing, including discrimination or harassment based on race, religious creed, color, national origin, ancestry, disability, marital status, sex (including pregnancy), or age, including retaliation for reporting discrimination or harassment); (7) California Family Rights Act, Cal. Government Code § 12945.1 *et seq.* (family/medical leave); (8) California Labor Code, including Section 1720 *et seq.*, or any Industrial Welfare Commission Wage Order; (9) Executive Order 11246 (race,

1 color, religion, sex, and national origin discrimination or harassment); (10) Executive Order
2 11141 (age discrimination); (11) Sections 503 and 504 of the Rehabilitation Act of 1973
3 (handicap discrimination); (12) the Fair Labor Standards Act; (13) Employee Retirement Income
4 Security Act, 29 U.S.C. § 1000 *et seq.* (employee benefits); (14) the California Civil Code; (15)
5 the California Labor Code; (16) the California Constitution; (17) the National Labor Relations
6 Act; and (18) any other federal, state, or local statute or legislation.

7 59. Class Representatives expressly waive and relinquish all rights and benefits
8 afforded by Section 1542 of the Civil Code of the State of California and does so understanding
9 and acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code
10 of the State of California states:

11 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
12 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
13 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
14 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE
15 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE
16 DEBTOR OR RELEASED PARTY.

17 Notwithstanding the provisions of Section 1542, and for the purpose of implementing a
18 full and complete release and discharge of all parties, Class Representatives, and Class Counsel
19 expressly acknowledge that this Settlement Agreement is intended to include in its effect, without
20 limitation, all claims that Class Representatives knew of, as well as all claims that they do not
21 know or suspect to exist in their favor against the Released Parties, or any of them, for the time
22 period from the beginning of time to the execution of this Settlement Agreement, and that this
23 Settlement Agreement contemplates the extinguishment of any such Class Representatives' claims.

24 **F. Interim Stay of Proceedings**

25 60. Pending completion of all of the prerequisites necessary to effectuate this
26 Settlement, the Parties agree, subject to Court approval, to a stay of all proceedings in the Action
27 except such as are necessary to effectuate the Settlement.
28

1 **G. Notice Process**

2 61. Appointment of Settlement Administrator. The Parties have agreed to the
3 appointment of the Settlement Administrator to perform the duties of a settlement administrator,
4 including mailing the Notice, using standard devices to obtain forwarding addresses,
5 independently reviewing and verifying documentation associated with any claims or opt-out
6 requests, resolving any disputes regarding the calculation or application of the formula for
7 determining the Individual Settlement Amounts, drafting and mailing the settlement checks to
8 Final Settlement Class Members, issuing Forms W-2 and 1099, reporting to taxing authorities,
9 due diligence, reporting and remittance obligations, and performing such other tasks as set forth
10 herein or as the Parties mutually agree or that the Court orders.

11 62. Disputes Regarding Settlement Administration. Any and all disputes relating to
12 administration of the Settlement by the Settlement Administrator (except for disputes regarding
13 Class Data) shall be referred to the Court, if necessary, which will have continuing jurisdiction
14 over the terms and conditions of this Settlement Agreement, until Plaintiffs and Defendant notify
15 the Court that all payments and obligations contemplated by this Settlement Agreement have been
16 fully carried out. Prior to presenting any issue to the Court, counsel for the Parties will confer in
17 good faith to resolve the dispute without the necessity of Court intervention. The Settlement
18 Administrator shall also be responsible for issuing to Plaintiffs, Final Settlement Class Members,
19 and/or Class Counsel any Forms W-2, Forms 1099, or other Tax Forms as may be required by
20 law for all amounts paid pursuant to this Agreement. The Settlement Administrator shall also be
21 responsible for setting up all necessary tax accounts and forwarding all payroll taxes and penalties
22 to the appropriate government authorities.

23 63. Class Data. Within fifteen business (15) days after entry of the Preliminary
24 Approval Order, Defendant shall provide the Class Data to the Settlement Administrator. The
25 Settlement Administrator will run a check of the Class Members' addresses against those on file
26 with the U.S. Postal Service's National Change of Address List. The Class Data provided to the
27 Settlement Administrator will not be provided to Class Counsel and it will remain confidential, it
28 shall be used solely to administer the Settlement, and it will not be used or disclosed to anyone,

1 except as required by applicable tax authorities, pursuant to Defendant's express written consent,
2 or by order of the Court.

3 64. Notice. The Notice, as approved by the Court, shall be sent by the Settlement
4 Administrator to the Settlement Class Members, by first class mail, in English and Spanish, within
5 seven (7) calendar days following the Settlement Administrator's receipt of the Class Data. The
6 Settlement Administrator shall use standard devices, including a skip trace, to obtain forwarding
7 addresses of Settlement Class Members if any envelopes are returned.

8 65. Returned Notices. The Settlement Administrator will take steps to ensure that the
9 Notice is received by all Settlement Class Members, including utilization of the National Change
10 of Address Database maintained by the United States Postal Service to review the accuracy of
11 and, if possible, update a mailing address. If no forwarding address is provided, the Settlement
12 Administrator will promptly attempt to determine the correct address using a skip-trace, or other
13 search using the name, address, and/or Social Security number of the Class Member involved and
14 will then perform a single re-mailing. In the event the procedures in this Paragraph are followed
15 and the intended recipient of a Notice Packet still does not receive the Notice Packet, the Class
16 Member shall be bound by all terms of the Settlement and any Judgment entered by the Court if
17 the Settlement is approved by the Court. Notices will be re-mailed to any Settlement Class
18 Member for whom an updated address is located within ten (10) calendar days following both the
19 Settlement Administrator learning of the failed mailing and its receipt of the updated address. The
20 Notice shall be identical to the original Notice, except that it shall notify the Settlement Class
21 Member that the exclusion (opt-out) request or objection must be returned by the later of the
22 Notice Response Deadline or fifteen (15) days after the remailing of the Notice.

23 66. Presumption Regarding Receipt of Notice. It will be conclusively presumed that
24 if an envelope has not been returned to the Settlement Administrator within thirty (30) days of
25 the mailing that the Settlement Class Member received the Notice.

26 67. Disputes Regarding Class Data. Settlement Class Members are deemed to
27 participate in the Settlement unless they opt-out. The Notice will inform Settlement Class
28 Members of their estimated Individual Settlement Amount and the number of Workweeks

1 Worked during the Class Period and during the PAGA Period. Settlement Class Members may
2 dispute their Workweeks Worked if they feel they were employed more workweeks in the Class
3 Period in California than Defendant's records show by timely submitting evidence to the
4 Settlement Administrator. Defendant's records will be presumed determinative absent reliable
5 evidence to rebut Defendant's records. The Settlement Administrator will evaluate the evidence
6 submitted by the Settlement Class Member and provide the evidence submitted to Class Counsel
7 and Defense Counsel who agree to meet and confer in good faith about the evidence to determine
8 the Class Member's actual number of Workweeks Worked and estimated Individual Settlement
9 Amount. If Class Counsel and Defense Counsel are unable to agree, they agree to submit the
10 dispute to the Settlement Administrator to render a final decision. All disputes will be decided
11 within ten (10) business days of the Notice Response Deadline. Settlement Class Members will
12 have until the Notice Response Deadline to dispute Workweeks Worked, object, or opt out, unless
13 extended by the Court. In the event that the Settlement Administrator increases the number of
14 Workweeks Worked for any Settlement Class Member, the Settlement Administrator will then
15 recalculate the Participating Class Members' Individual Settlement Amounts. However, in no
16 event will Defendant be required to increase the Gross Settlement Amount.

17 68. Declaration of Due Diligence. The Settlement Administrator shall provide counsel
18 for the Parties, at least twenty-five (25) calendar days prior to the final approval hearing, a
19 declaration of due diligence and proof of mailing with regard to the mailing of the Notice.

20 69. Settlement Class Members' Rights. Each Settlement Class Member will be fully
21 advised of the Settlement, the ability to object to the provisions in the Settlement related to the
22 Class Claims, and the ability to opt out or request exclusion from the Class Claims provisions of
23 the Settlement. The Notice will inform the Settlement Class Members of the Court-established
24 deadlines for filing objections or requesting exclusion from the Class Claims provisions of the
25 Settlement in accordance with the following guidelines:

26 (a) Requests for Exclusion from Participating Settlement Class. Any
27 Settlement Class Member, other than Plaintiffs, may request to be excluded from the Participating
28 Settlement Class by submitting a "Request for Exclusion" to the Settlement Administrator,

1 postmarked on or before the Notice Response Deadline. The Request for Exclusion should be
2 stated in words to this effect:

3 I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN
4 THE CONAM MANAGEMENT LAWSUIT. I UNDERSTAND THAT IF
5 I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL
6 NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THE
7 CLASS CLAIMS IN THIS LAWSUIT.

8 Any Request for Exclusion must include the full name, address, telephone number, last
9 four digits of the social security number or date of birth, and signature of the Settlement Class
10 Member requesting exclusion. The Request for Exclusion must be returned by mail to the
11 Settlement Administrator at the specified address. Any such Request must be made in accordance
12 with the terms set forth in the Notice. A Request for Exclusion will be timely only if postmarked
13 by the Notice Response Deadline, unless the Parties otherwise agree in writing. The postmark
14 date will be the exclusive means to determine whether a Request for Exclusion has been timely
15 submitted. Any Settlement Class Member who timely requests exclusion in compliance with these
16 requirements: (i) will not have any rights under this Agreement with respect to the Class Claims,
17 including the right to object, appeal, or comment on the Settlement; (ii) will not be entitled to
18 receive any payments under this Agreement with respect to Class Claims; and (iii) will not be
19 bound by this Agreement, or the Judgment, with respect to the Class Claims.

20 (b) Binding Effect on Final Settlement Class Members. Except for those
21 Settlement Class Members who exclude themselves in compliance with the procedures set forth
22 above, all Settlement Class Members will: (i) be deemed to be Final Settlement Class Members
23 for all purposes under this Agreement; (ii) be bound by the terms and conditions of this
24 Agreement, the Judgment, and the releases set forth herein; and (iii) except as otherwise provided
25 herein, be deemed to have waived all objections and oppositions to the fairness, reasonableness,
26 and adequacy of the Settlement.

27 (c) Objections to Settlement of Class Claims. Any Settlement Class Member,
28 other than Plaintiffs, may object to the terms of this Agreement with respect to the Class Claims
and may appear at the Final Approval Hearing and object whether or not they have filed a written

objection as outlined herein. To object, a Settlement Class Member shall inform the Settlement Administrator, in writing, of his/her/their objection, which must be postmarked by the Notice Response Deadline at the address set forth in the Notice. Such objection shall include the full name, address, telephone number, dates of employment with Defendant of the Objecting Settlement Class Member, the case name and number, the basis for the objection, including any legal support and each specific reason in support of the objection, as well as any documentation or evidence in support thereof, and, if the Objecting Settlement Class Member is represented by counsel, the name and address of his/her/their counsel. If any Objecting Settlement Class Member wishes to speak at the Final Approval Hearing with respect to the Class Claims, that Objecting Settlement Class Member's written submission should include a request to be heard, and the Court will determine whether Objecting Settlement Class Members will be permitted to speak at the hearing. The Settlement Administrator shall provide objections, if any, to Class Counsel and Defense Counsel within three (3) business days of receipt, and the Settlement Administrator shall attach the same to its declaration of due diligence it files with the Court prior to the Final Approval Hearing. Any Objecting Settlement Class Member remains eligible to receive monetary compensation from the Settlement. Plaintiffs and Defendant shall not be responsible for any fees, costs, or expenses incurred by any Class Member and /or his/her/their counsel related to any objections to the Settlement. Submitting an objection does not preserve the right to appeal a final judgment. Rather, the right to appeal is preserved by becoming a party of record by timely and properly intervening or filing a motion to vacate the judgment under Code of Civil Procedure section 663. Settlement Class Members and Aggrieved Employees may not object to or opt out of the Settlement with respect to the PAGA Claims. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to the Settlement or appeal from the Judgment. To the extent a timely Notice of Objection is withdrawn before final approval, such an objection shall be treated as though the objection had not been made.

(d) Failure to Object. Any Settlement Class Member who desires to object with respect to the Class Claims but fails to submit a timely written objection waives any right to

1 object and will be foreclosed from making any objection to this Settlement. Any Settlement Class
2 Member who does not timely and properly become a party of record by intervening or filing a
3 motion to vacate the judgment waives any and all rights to appeal from the Judgment, including
4 all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate
5 judgment, motion for new trial, a motion under California Code of Civil Procedure section 473,
6 and extraordinary writs.

7 (e) Responses to Objections. Counsel for the Parties may file a response to any
8 objections submitted by Objecting Settlement Class Members at least five (5) court days before
9 the date of the Final Approval Hearing.

10 70. Settlement Class Members will have until the Notice Response Deadline to object
11 or submit a Request for Exclusion to the Settlement Administrator by U.S. Mail. The Settlement
12 Administrator shall disclose jointly to Class Counsel and Defendant's counsel what objections or
13 Requests for Exclusion were timely submitted every week, and upon the request of Class Counsel
14 or Defense Counsel.

15 71. Funding of the Settlement Amount. Defendant shall make a one-time deposit into
16 the QSF of the Settlement Amount, as described in Paragraph 46(a) that is necessary to make all
17 payments required under this Settlement, within thirty (30) days after the Effective Date.
18 Separately but on this same date (30 days after Effective Date), Defendant shall pay its share of
19 employer payroll taxes as calculated and directed by the Settlement Administrator and set forth
20 herein.

21 72. Distribution of Funds. No later than seven (7) calendar days after deposit of the
22 Settlement Amount into the QSF, the Settlement Administrator shall mail the payments to the
23 Participating Class Members, the payment for the attorneys' fees and costs to Class Counsel
24 (except as provided herein and/or pursuant to a distribution agreement), any Service Payment to
25 the Class Representatives, the payment to the LWDA for PAGA penalties, and will pay itself the
26 Settlement Administration Costs.

27 73. Deadline for Cashing Settlement Checks. Final Settlement Class Members shall
28 have 180 calendar days after mailing by the Settlement Administrator to cash their settlement

1 checks. If any Final Settlement Class Member's check is not cashed within that period, the check
2 will be void and a stop-payment will be issued. All unclaimed funds shall be forwarded to the
3 Controller of the State of California pursuant to the Unclaimed Property Law, California Civil
4 Code § 1500, *et seq.*, to be held in trust for those Participating Class Members and PAGA
5 Members who did not timely cash their Settlement checks. The Settlement Administrator shall
6 provide Class Counsel and Defense Counsel with an accounting of the unclaimed funds sent to
7 the Controller of the State of California. The release will be binding upon all Final Settlement
8 Class Members who do not cash their checks within the 180-day period. In the event that any
9 settlement check is returned to the Settlement Administrator within 180 days of mailing, the
10 Settlement Administrator will, within five (5) business days of receipt of the returned settlement
11 check, perform a skip trace to locate the individual. If a new address is located by these means,
12 the Administrator will have ten (10) business days to re-issue the check and will notify Defense
13 Counsel and Class Counsel that a re-issued check has been sent. Neither Defendant, Defense
14 Counsel, Class Counsel, Plaintiffs, nor the Settlement Administrator will have any liability for
15 lost or stolen settlement checks, forged signatures on settlement checks, or unauthorized
16 negotiation of settlement checks. Without limiting the foregoing, in the event a Final Settlement
17 Class Member notifies the Settlement Administrator that they believe that a settlement check has
18 been lost or stolen, the Settlement Administrator shall immediately stop payment on such check.
19 If the check in question has not been negotiated prior to the stop payment order, the Settlement
20 Administrator will issue a replacement check.

21 74. No person shall have any claim against Defendant, Defendant's Counsel,
22 Plaintiffs, Class Counsel, or the Settlement Administrator based on mailings, distributions,
23 payments, or reports made in accordance with or pursuant to this Agreement. This provision does
24 not, however, prevent a Party from seeking enforcement of this Agreement.

25 75. Without prejudice to any other remedies, the Settlement Administrator shall agree
26 to be responsible for any breach of its obligations (whether committed by the Settlement
27 Administrator or its agents) and to indemnify and hold the Parties and their counsel harmless from
28

and against all liabilities, claims, causes of action, costs and expenses (including legal fees and expenses) arising out of any breach committed by the Settlement Administrator or its agents.

H. Duties of the Parties Prior to the Court's Approval

76. Within thirty (30) days of execution of this Agreement, Plaintiffs will move the Court for Preliminary Approval of this Settlement and entry of the Preliminary Approval Order accomplishing the following:

(a) Scheduling the Final Approval Hearing on the issue of whether this Settlement should be finally approved as fair, reasonable, and adequate as to the Class Members and a hearing on fees, costs, and the Service Payment;

(b) Approving as to form and content the proposed Notice;

(c) Directing the mailing of the Notice by first class mail to the Settlement Class Members;

(d) Preliminarily approving this Settlement; and

(e) Preliminarily certifying the class for purposes of this Settlement.

77. In conjunction with the Preliminary Approval Hearing, Plaintiffs will submit this Settlement Agreement, and will include the proposed Notice Packet, which will include the Notice of Class Action Settlement document and proposed Mailing Envelope.

78. In accordance with section 2699(1)(2) of the California Labor Code, Plaintiffs shall provide a copy of this Settlement Agreement to the LWDA on the same day that Plaintiffs file their motion for Preliminary Approval of this Settlement with the Court.

79. Modifications. In the event the Court refuses, on its first hearing, to approve this Agreement, the Parties shall cooperate in good faith to address any issues raised by the Court. If there are nonmaterial changes that do not affect the terms and non-class payments to Plaintiffs, Class Counsel and Defense Counsel shall have authority to modify this Agreement without additional signatures of the Parties.

I. Duties of the Parties Following Court's Final Approval

80. In connection with the Final Approval Hearing provided for in this Settlement Agreement, Class Counsel shall submit a proposed Final Approval Order:

1 (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable, and
2 adequate, and directing consummation of its terms and provisions;

3 (b) Approving Class Counsel's application for an award of attorneys' fees and
4 reimbursement of litigation costs and expenses, the Service Payment to the Class Representatives,
5 the Williams Individual Claims Payment, and the payment to the Settlement Administrator for
6 costs of administering the Settlement; and

7 (c) Entering judgment approving settlement, thereby permanently barring all
8 Participating Class Members from prosecuting any Released Class Claims against any of the
9 Released Parties, permanent barring the Class Representatives from prosecuting any claims of
10 any nature against the Release Parties (as a product of the general release that each of them hereby
11 provides, see Section 58, above) and permanently barring all Aggrieved Employees and the
12 LWDA from prosecuting any Released PAGA Claims against any of the Released Parties.

13 **J. Voiding the Agreement**

14 81. If the Court fails or refuses to issue the Final Approval Order or fails to approve
15 any material condition of this Settlement Agreement which effects a fundamental change of the
16 Settlement, the entire Settlement Agreement shall be rendered voidable and unenforceable as to
17 all Parties herein at the option of any Party.

18 82. If the Settlement is voided or fails for any reason, Plaintiffs and Defendant will
19 have no further obligations under the Settlement, including any obligation by Defendant to pay
20 the Settlement Amount, or any amounts that otherwise would have been owed under this
21 Settlement.

22 83. If the Settlement is voided or fails for any reason, any costs incurred by the
23 Settlement Administrator shall be borne equally by Defendant (50 percent) and Plaintiffs
24 (collectively 50 percent), unless otherwise specified in this Agreement.

25 **K. Other Terms**

26 84. Full and Complete Defense. This Agreement may be pleaded by any Released
27 Party as a full and complete defense to and may be used as the basis for an injunction against, any
28 action, suit, or other proceeding that has been or may be instituted, prosecuted, or attempted,

1 asserting any Released Claim. The Parties agree to the admissibility of this Agreement in any
2 subsequent action involving the prosecution of any Released Claim.

3 85. Waiver. No waiver of any condition or covenant contained in this Settlement
4 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered
5 to imply or constitute a further waiver by such party of the same or any other condition, covenant,
6 right or remedy.

7 86. Parties' Authority. The signatories hereto represent that they are fully authorized
8 to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions
9 hereof.

10 87. Mutual Full Cooperation. The Parties agree to fully cooperate with each other to
11 accomplish the terms of this Settlement Agreement, including but not limited to, execution of
12 such documents and to take such other action as may reasonably be necessary to implement the
13 terms of this Settlement Agreement. The Parties to this Settlement Agreement shall use their best
14 efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that
15 may become necessary by order of the Court, or otherwise, to effectuate this Settlement
16 Agreement and the terms set forth herein. As soon as practicable after execution of this Settlement
17 Agreement, Class Counsel shall, with the assistance and cooperation of Defendant and
18 Defendant's Counsel, take all necessary steps to secure the Court's preliminary and final approval
19 of the settlement and the final entry of judgment.

20 88. No Prior Assignments. The Parties hereto represent, covenant, and warrant that
21 they have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign,
22 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action,
23 cause of action, or rights released and discharged by this Settlement Agreement.

24 89. No Admission. Defendant denies any and all liability to Plaintiffs and/or any
25 Settlement Class Member in this Action, as to any and all causes of action that were asserted or
26 that might have been asserted in this Action. Nonetheless, Defendant wishes to settle and
27 compromise to avoid further substantial expense and the inconvenience and distraction of
28 protracted litigation. Defendant has considered the uncertainty and risks inherent in litigation, and

without conceding any infirmity in the defenses that they have asserted or could assert against Plaintiffs, have determined that it is desirable and beneficial that Plaintiffs' claims be settled in the manner and upon the terms and conditions set forth in this Agreement.

90. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval Order, nothing contained herein, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant or any of the other Released Parties. Each of the Parties hereto has entered into this Settlement Agreement with the intention of avoiding further disputes and litigation with the attendant inconvenience and expenses. This Settlement Agreement is a settlement document, and it, along with all related documents such as the notices, and motions for preliminary and final approval, shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408, be inadmissible in evidence in any proceeding, except an action or proceeding to approve the settlement, and/or interpret or enforce this Settlement Agreement. The stipulation for class certification as part of this Settlement Agreement is for settlement purposes only and if, for any reason the settlement is not approved, the stipulation will be of no force or effect.

91. Confidentiality. The Parties, Class Counsel and Defense Counsel agree to keep the Settlement confidential through the Preliminary Approval Date. Thereafter, the Parties, Class Counsel and Defense Counsel agree to make no comments to the media or otherwise publicize the terms of the Settlement.

92. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Parties request the Court to first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

93. Notices. Unless otherwise specifically provided herein, all notices, demands, or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by United States registered or certified mail, return receipt requested, addressed:

To the Settlement Class Members and Aggrieved Employees:

Mehrdad Bokhour
mehrdad@bokhourlaw.com
 1901 Avenue of the Stars, Suite 450
 Los Angeles, California 90067
 Tel: (310) 975-1493; Fax: (310) 675-0861

Joshua Falakassa
josh@falakassalaw.com
 1901 Avenue of the Stars, Suite 450
 Los Angeles, California 90067
 Tel: (818) 456-6168; Fax: (818) 505-0868

Nazo Koullokian
 Koul Law Firm
nazo@koullaw.com
 3435 Wilshire Blvd., Suite 1710
 Los Angeles, CA 90010
 (213) 609-0807

To Defendant:

Stacey E. James
SJames@littler.com
 B. Allison Borkenheim
ABorkenheim@littler.com
 Charles J. Ureña
CUrena@littler.com
 501 W. Broadway, Suite 900
 San Diego, California 92101
 Tel: (619) 232-0441; Fax: (619) 232-4302

94. Construction. The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arms' length negotiations between the Parties and that this Settlement Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or their counsel participated in the drafting of this Settlement Agreement. Plaintiffs and Defendant expressly waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement and further agree, covenant, and represent that the language in all parts of this Agreement shall be in all cases construed as a whole, according to its fair meaning.

95. Captions and Interpretations. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or

1 describe the scope of this Settlement Agreement or any provision hereof. Each term of this
2 Settlement Agreement is contractual and not merely a recital.

3 96. Modification. This Settlement Agreement may not be changed, altered, or
4 modified, except in writing and signed by the Parties hereto (except as provided herein, permitting
5 Class Counsel and Defense Counsel to approve any such changes in writing), and approved by
6 the Court. This Settlement Agreement may not be discharged except by performance in
7 accordance with its terms or by a writing signed by all of the Parties hereto.

8 97. Dispute Resolution. Prior to instituting legal action to enforce the provisions of
9 this Agreement or to declare rights and/or obligations under this Agreement, a Party shall provide
10 written notice to the other Party or Parties and allow an opportunity to cure the alleged
11 deficiencies, and Plaintiffs and Defendant agree to seek the help of the mediator identified in this
12 Agreement to resolve any dispute they are unable to resolve informally. During this period, the
13 Parties shall bear their own attorneys' fees and costs. This provision shall not apply to any legal
14 action or other proceeding instituted by any person or entity other than Plaintiffs or Defendant.

15 98. Court Retains Jurisdiction. The Parties agree that upon the entry of judgment of
16 dismissal pursuant to the terms of this Agreement, that, pursuant to Code of Civil Procedure
17 section 664.6, the Court shall retain exclusive and continuing equity jurisdiction of this Action
18 over all Parties to interpret, enforce, and effectuate the terms, conditions, intents, and obligations
19 of this Agreement.

20 99. Enforceability. Pursuant to California Evidence Code section 1123(a) and (b), this
21 Agreement is intended by the Parties to be, and shall be, enforceable, binding and admissible in
22 a court of law.

23 100. Choice of Law. This Settlement Agreement shall be governed by and construed,
24 enforced, and administered in accordance with the laws of the State of California, without regard
25 to its conflicts-of-law rules.

26 101. Integration Clause. This Settlement Agreement contains the entire agreement
27 between the Parties relating to the settlement and transaction contemplated hereby, and all prior
28 or contemporaneous agreements, understandings, representations, and statements, whether oral

or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

102. Binding On Assigns. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors, and assigns.

103. Signatures of All Class Members Unnecessary to be Binding. It is agreed that, because the members of the Settlement Class are numerous, it is impossible or impractical to have each Final Class Member execute this Settlement Agreement. The Notice will advise all Settlement Class Members of the binding nature of the releases provided herein and such shall have the same force and effect as if this Settlement Agreement were executed by each Final Settlement Class Member.

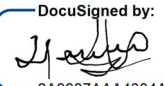
104. Counterparts. This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully signed Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall have the same force and effect as an original.

APPROVAL AND EXECUTION BY PARTIES.

3/19/2024

Dated: March __, 2024

CLASS REPRESENTATIVE:

DocuSigned by:

2A9937AAA4304A7...

REYNALDO DOMINGUEZ BLANCAS

3/12/2024

Dated: March __, 2024

CLASS REPRESENTATIVE:

DocuSigned by:

BFD6F4B55256478...

CARLOS QUEZADA

1 Dated: March ___, 2024

DEFENDANT:

CONAM MANAGEMENT CORPORATION

By: Michael C. Cato

Its: Executive Vice President and General Counsel

APPROVED AS TO FORM:

CLASS COUNSEL:

3/18/2024

2 Dated: March ___, 2024

BOKHOUR LAW GROUP, P.C.

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Mehrdad Bokhour
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Mehrdad Bokhour

Attorneys for Plaintiffs

3/18/2024

3 Dated: March ___, 2024

FALAKASSA LAW, PC

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3/13/2024

4 Dated: March ___, 2024

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MAJARIAN LAW GROUP, APC

3/13/2024

5 Dated: March ___, 2024

DocuSigned by:
Sahag Majarian, II
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Sahag Majarian

Garen Majarian

Attorneys for Plaintiffs

1 Dated: March 12, 2024

DEFENDANT:

2 **CONAM MANAGEMENT CORPORATION**

3 

4 By: Michael C. Cato

5 Its: Executive Vice President and General Counsel

6 **APPROVED AS TO FORM:**

7 **CLASS COUNSEL:**

8
9 Dated: March ___, 2024

BOKHOUR LAW GROUP, P.C.

11
12 _____
Mehrdad Bokhour

13 Attorneys for Plaintiffs

14 Dated: March ___, 2024

FALAKASSA LAW, PC

16
17 _____
Joshua Falakassa

18 Attorneys for Plaintiffs

19 Dated: March ___, 2024

KOUL LAW FIRM

21
22 _____
Nazo Kolloukian

23 Attorneys for Plaintiffs

24 **MAJARIAN LAW GROUP, APC**

25 Dated: March ___, 2024

26 _____
Sahag Majarian

27 Garen Majarian

28 Attorneys for Plaintiffs

1 Dated: March 20, 2024

DEFENDANT'S COUNSEL:

2 **LITTLER MENDELSON, P.C.**

3 

4 Stacey E. James

5 B. Allison Borkenheim

6 Charles Ureña

7 Attorneys for Defendant

8 CONAM MANAGEMENT CORPORATION