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Attorneys for Defendant
ELWOOD STAFFING SERVICES, INC.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

PATRIA SOSA, individually and on behalf of
all other Aggrieved Employees,

Plaintiff,

vs.

THE SUNRIDER CORPORATION, a Utah
corporation; SUNRIDER
MANUFACTURING, L.P., a California
limited partnership; SUNLIFE HERBAL
COMPANY, INC., a California corporation,
and DOES 1 through 50, inclusive,

Defendants.

) Case No. 23TRCV01299

) Assigned for All Purposes To:

) Judge: Ronald F. Frank

) Dept: 8

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

) Action Filed: April 26, 2023

1 This Joint Stipulation of Settlement and Release of Class and PAGA Action (“Agreement”)
2 is made and entered into between Plaintiff Patria Sosa (“Plaintiff”), individually and on behalf of the
3 proposed Settlement Class, the State of California, the Labor and Workforce Development Agency,
4 and allegedly aggrieved employees (defined below), and Defendants The Sunrider Corporation,
5 Sunrider Manufacturing, L.P., Sunlife Herbal Company, Inc. and Elwood Staffing Services, Inc.
6 (collectively, “Defendants”). This Agreement is subject to approval of the Court, pursuant to the
7 California Rules of Court (“CRC”), Rule 3.769(c), (d) and (e), and California Labor Code § 2698 et
8 seq. and made for the sole purpose of attempting to consummate settlement of the Action (as defined
9 below) on a class-wide and representative basis subject to the following terms and conditions. As
10 detailed below, if the Court does not enter an order granting final approval of the Class and PAGA
11 Settlement (as defined below) and enter judgment, or the conditions precedent are not met for any
12 reason, this Agreement is void and of no force or effect whatsoever.

13 **1. DEFINITIONS**

14 As used in this Agreement, the following terms shall have the meanings specified below. To
15 the extent terms or phrases used in this Agreement are not specifically defined below, but are defined
16 elsewhere in this Agreement, they are incorporated by reference into this definition section.

17 1.1 **Action**. “Action” shall mean the lawsuit titled *Patria Sosa v. The Sunrider*
18 *Corporation, et al.*, Case No. 23TRCV01299, pending in the Superior Court of California, County
19 of Los Angeles, which includes the notice letter sent to the Labor and Workforce Development
20 Agency (“LWDA”) on or about February 17, 2023. The Complaint alleges the following claims
21 under PAGA: (1) failure to provide employment records, (2) failure to pay overtime and/or double
22 time, (3) failure to provide rest periods, (4) failure to provide meal periods, (5) failure to pay
23 minimum wages, (6) failure to keep accurate payroll records, (7) failure to provide itemized wage
24 statements, (8) failure to pay reporting time wages, (8) failure to pay split shift wages, (9) failure to
25 pay all wages earned on time, (10) failure to pay all wages earned upon discharge or resignation, (11)
26 failure to reimburse necessary business expenses, and (12) failure to provide notice of paid sick time
27 and accrual. Plaintiff will submit an amended PAGA notice pursuant to the terms of this Agreement

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to include all Released PAGA Claims against Defendants and will file a First Amended Complaint to include all Released Class Claims and Released PAGA Claims (both defined below).

1.2 **Administration Expenses.** “Administration Expenses” shall mean the amount that will be paid to the Settlement Administrator for the administration of this Settlement in an amount not to exceed \$10,500.

1.3 **Class Counsel.** “Class Counsel” shall mean Haig B. Kazandjian of Haig B. Kazandjian Lawyers, APC, 801 North Brand Blvd., Suite 970, Los Angeles, CA 91203.

1.4 **Class Counsel’s Attorneys’ Fees and Expenses.** “Class Counsel’s Attorneys’ Fees and Expenses” shall mean Class Counsel’s attorneys’ fees and expenses to be requested and subject to approval by the Court at the time of the Final Approval and Fairness Hearing (as defined below).

1.5 **Class List and Data.** “Class List and Data” shall mean the information for each Settlement Class Member that Defendants shall compile from their business records and provide to the Administrator for purposes of providing notice of the Settlement to the Settlement Class. The Class List and Data shall be in a readable, ready to use, Microsoft Excel spreadsheet, which will provide the following information for each Settlement Class Member: (a) full name; (b) last-known mailing address; (c) telephone numbers; (d) Social Security Number; (e) number of pay periods worked during the PAGA Period; and (f) number of workweeks worked during the Class Period.

1.6 **Class Period.** “Class Period” shall mean the period from February 17, 2019 through the date of preliminary approval.

1.7 **Class Representative.** “Class Representative” shall mean Plaintiff.

1.8 **Court.** “Court” shall mean the Superior Court of California, County of Los Angeles.

1.9 **Defendants.** “Defendants” shall mean The Sunrider Corporation, Sunrider Manufacturing, L.P., Sunlife Herbal Company, Inc. and Elwood Staffing Services, Inc.

1.10 **Defense Counsel.** “Defense Counsel” shall mean Nima Darouian of Ballard Spahr, LLP, 2029 Century Park East, Suite 1400, Los Angeles, California 90067, and David Hagopian and Garrett Jensen of CDF Labor Law, LLP, 18300 Von Karman Ave., Irvine, CA 92612.

1.11 **Effective Date.** “Effective Date” shall be the later of the time when: (a) the date of final affirmance of the Judgment on an appeal of the Judgment, the expiration of the time for, or the

denial of, a petition to review the Judgment, or if review is granted, the date of final affirmance of the Judgment following review pursuant to that grant; (b) the date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding to review the Judgment, provided that the Judgment is affirmed and/or not reversed in any part; (c) the final resolution (or withdrawal) of any filed appeal in a way that affirms the Final Approval Order and Judgment in a form substantially identical to the form of the Final Approval Order entered by the Court, and the time to petition for review with respect to any appellate decision affirming the Final Approval Order has expired; or (d) if no appeal is filed, the sixty-first (61st) day after the Court enters final approval of the settlement and the Judgment approving this Agreement.

1.12 **Employee's Taxes and Required Withholding.** "Employee's Taxes and Required Withholding" shall mean the Participating Settlement Class Member's share of any and all applicable federal, state, or local payroll taxes, including those collected under authority of the Federal Insurance Contributions Act ("FICA"), FUTA and/or SUTA on the portion of the Participating Settlement Class Member's Individual Settlement Payment that constitutes wages.

1.13 **Employer's Taxes.** "Employer's Taxes" shall mean and refer to Defendants' share of corporate, federal, state, and/or local payroll taxes that is owed on the portion of the Participating Settlement Class Member's Individual Settlement Payment that constitutes wages. The Employer's Taxes shall be separately paid by Defendants in addition to the Gross Settlement Amount.

1.14 **Final Approval and Fairness Hearing.** "Final Approval and Fairness Hearing" shall mean the final hearing held to consider the Class reaction to notice of the Settlement, and to ascertain the fairness, reasonableness, and adequacy of the Class Settlement. At this hearing, the Court will consider Class Counsel's application for the Class Counsel's Attorneys' Fees and Expenses, the Administration Expenses, the Enhancement Payment to Plaintiff, and approval of the PAGA Payment.

1.15 **Final Approval Date.** "Final Approval Date" shall mean the date upon which the Court enters an order granting final approval of the Class Action Settlement and enters Judgment.

1.16 **Gross Settlement Amount.** "Gross Settlement Amount" means the agreed upon settlement amount totaling Three Hundred and Twenty Five Thousand, One Hundred and Fifty One

Dollars (\$325,151), to be paid by Defendants in full settlement of the Released Class Claims and Released PAGA Claims asserted in this case, which includes the Administration Expenses to the Settlement Administrator, Employee's Taxes and Required Withholdings, Class Counsel's Attorneys' Fees and Expenses, the Enhancement Payment to Plaintiff, PAGA Payment to the LWDA and PAGA Members. The Gross Settlement Amount is non-reversionary, meaning no amount will revert to Defendants. In no event shall Defendants be required to pay more than the Gross Settlement Amount (excluding the employer's share of payroll taxes on the "wages" portion of the settlement for Participating Settlement Class Members). The Parties agree that Code of Civil Procedure section 384 does not apply to this Settlement and any uncashed checks will be sent to the California Controller's Unclaimed Property Fund in the name of the Participating Settlement Class Members who did not cash their checks until such time that they claim their property. Defendants are not jointly and severally liable for the Settlement.

1.17 **Individual Settlement Payment.** "Individual Settlement Payment" means the proportionate share of the Net Settlement Amount to be distributed to each Participating Class Member based on the number of his or her Weeks Worked during the Class Period and the number of his or her Pay Periods Worked during the PAGA Period in relation to the aggregate number of Weeks Worked by all Participating Settlement Class Members, and Pay Periods by all PAGA Members, respectively, less any Employee's Taxes and Required Withholdings.

1.18 **Net Settlement Amount.** "Net Settlement Amount" or "NSA" shall mean the Gross Settlement Amount, minus the Court-approved amounts awarded for the Class Counsel's Attorneys' Fees and Expenses, Administration Expenses, Enhancement Payment to Plaintiff, and PAGA Payment.

1.19 **Notice Packet.** "Notice Packet" means the Notice of Class Action Settlement advising Class Members of the Settlement and their options under the Settlement. Attached hereto as **Exhibit A** is a true and correct copy of the Notice Packet.

1.20 **Opt-Out.** "Opt-Out(s)" shall mean a Class Member's timely and valid request for exclusion from the Settlement Class portion of the Settlement in accordance with the terms of this Agreement and as set forth in the Notice Packet. If a Settlement Class Member validly and timely

opts out of the Class portion of the Settlement, to the extent the Settlement Class Member is eligible as a PAGA Member, they will still receive a portion of the PAGA penalty payment allocated to the PAGA Members based on the number of Pay Periods employed during the PAGA Period and will release the claims alleged under PAGA.

1.21 **PAGA.** PAGA refers to the Labor Code Private Attorneys General Act of 2004, Labor Code sections 2698, *et seq.*

1.22 **PAGA Member(s):** “PAGA Member(s)” means any current or formerly hourly-paid employee of Sunrider Defendants and/or of Elwood who worked or were otherwise placed on assignment at a Sunrider facility in California during the PAGA Period.

1.23 **PAGA Payment:** “PAGA Payment” shall mean allocation of Forty Thousand Dollars (\$40,000) to be paid from the Gross Settlement Amount, designated by the Parties as PAGA civil penalties, seventy-five percent (75%) of which (\$30,000.00) shall be remitted to the LWDA for its statutorily set portion of the PAGA penalties (“LWDA Payment”) and the remaining twenty-five percent (25%) of which (\$10,000) shall be distributed to the PAGA Members on a proportionate basis based on the number of Pay Periods employed during the PAGA Period.

1.24 **PAGA Period.** “PAGA Period” means the period from February 17, 2022 to the date of preliminary approval.

1.25 **Participating Settlement Class Member(s).** “Participating Settlement Class Members” shall mean Settlement Class Members who do not timely and validly opt-out of the Settlement Class in the manner set forth in this Agreement and described in the Notice Packet.

1.26 **Parties.** “Parties” shall mean Plaintiff (as defined below) and Defendants.

1.27 **Pay Periods.** “Pay Periods” means the number of pay periods a PAGA Member was employed during the PAGA Period.

1.28 **Plaintiff.** “Plaintiff” shall mean Plaintiff Patria Sosa.

1.29 **Preliminary Approval Date.** “Preliminary Approval Date” shall mean the date upon which the Court enters an order preliminarily approving this Agreement, conditionally certifying the Class, approving the Notice Packet, appointing Plaintiff as the Class Representative,

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1 Plaintiff's Counsel as Class Counsel, and Simpluris as the Settlement Administrator, and setting a
2 Final Approval Hearing date.

3 1.30 Released Class Claims. "Released Class Claims" shall mean all claims, rights,
4 demands, liabilities, damages, penalties, attorneys' fees, costs, and causes of action of every nature
5 and description, arising from any and all claims which were asserted in the Action or reasonably
6 could have been asserted based on the facts alleged in the Action, including statutory, constitutional
7 or common law claims for wages, damages, unpaid costs, liquidated damages, penalties, interest,
8 attorneys' fees, litigation costs, restitution, equitable relief, or other relief based on the following
9 claims under Labor Code sections 96, 98.6, 200-204, 206, 206.5, 210, 218.6, 226, 226(a), 226.7,
10 227.3, 232, 232.5, 246, 432, 510, 512 (a), 558, 558.1, 1102.5, 1174, 1174.5, 1182.2, 1194, 1194.2,
11 1197, 1197.1, 1198, 1198.5, 1199, 2800, 2802, 2810.5, 2698 et seq., and related IWC wage orders,
12 CCR 8 § 11050(5)(A), CCR 11050(4)(C), Code Civil Procedure sections 1021.5 and 1032; Civil
13 Code section 3287.5, and unfair competition (Business & Professions Code § 17200 et seq.) for: all
14 claims for failure to provide employment records, failure to pay overtime and/or double time, failure
15 to provide rest periods, failure to provide meal periods, failure to pay minimum wages, failure to
16 keep accurate payroll records, failure to provide itemized wage statements, failure to pay reporting
17 time wages, failure to pay split shift wages, failure to pay all wages earned on time, failure to pay all
18 wages earned upon discharge or resignation, failure to reimburse necessary business expenses, failure
19 to provide notice of paid sick time and accrual, failure to pay overtime (including off the clock work,
20 failing to pay for travel time, not paying at regular rate, failing to pay for training time, rounding,
21 manipulating time entries, pre-and post-shift work (including COVID screenings), failing to pay split
22 shift premiums, failing to pay reporting time pay), failure to pay rest period premiums at regular rate,
23 failing to provide meal premiums at regular rate, failure to keep accurate time records, wage
24 statements and personnel records, failure to provide COVID supplemental sick leave and/or failure
25 to permit use upon request, preventing employees from disclosing violations of law or disclosing
26 unsafe or discriminatory working conditions or wage and hour violations, failure to comply with
27 Labor Code section 2810.5 by failing to provide rates of pay and overtime rates applicable to
28 employment, allowances claimed as part of minimum wage, failing to provide regular payday

1 designated, failure to provide name of employer including a DBA, workers' compensation insurance
2 information, information regarding paid sick leave and other information required by Labor Code
3 2810.5, failure to pay accrued vacation, failure to timely pay wages, failure to pay wages "without
4 condition and within time set" conceded to be due, failure to provide suitable seating and/or providing
5 inadequate seats, preventing employees from using or disclosing skills, knowledge and experience
6 obtained for purpose of competing with employers, including preventing employees from disclosing
7 their wages in negotiating new jobs with prospective employers, preventing employees from
8 engaging in lawful conduct during non-working hours, including free speech and economic liberty.

9 1.31 Released PAGA Claims. "Released PAGA Claims" or "PAGA Released Claims"
10 shall mean all claims, theories, and causes of action alleged or that could have been alleged or
11 otherwise raised based on the factual allegations set forth in Plaintiff's Complaint, letter to LWDA
12 dated February 17, 2023, amended PAGA letter, and FAC. This includes claims under Labor Code
13 sections 96, 98.6, 200-204, 206, 206.5, 210, 218.6, 226, 226(a), 226.7, 227.3, 232, 232.5, 246, 432,
14 510, 512 (a), 558, 558.1, 1102.5, 1174, 1174.5, 1182.2, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5,
15 1199, 2800, 2802, 2810.5, 2698 et seq., and related IWC wage orders, CCR 8 § 11050(5)(A), CCR
16 11050(4)(C), Code Civil Procedure sections 1021.5 and 1032; and Civil Code section 3287.5 for: all
17 claims for failure to provide employment records, failure to pay overtime and/or double time, failure
18 to provide rest periods, failure to provide meal periods, failure to pay minimum wages, failure to
19 keep accurate payroll records, failure to provide itemized wage statements, failure to pay reporting
20 time wages, failure to pay split shift wages, failure to pay all wages earned on time, failure to pay all
21 wages earned upon discharge or resignation, failure to reimburse necessary business expenses, failure
22 to provide notice of paid sick time and accrual, failure to pay overtime (including off the clock work,
23 failing to pay for travel time, not paying at regular rate, failing to pay for training time, rounding,
24 manipulating time entries, pre-and post-shift work (including COVID screenings), failing to pay split
25 shift premiums, failing to pay reporting time pay), failure to pay rest period premiums at regular rate,
26 failing to provide meal premiums at regular rate, failure to keep accurate time records, wage
27 statements and personnel records, failure to provide COVID supplemental sick leave and/or failure
28 to permit use upon request, preventing employees from disclosing violations of law or disclosing

1 unsafe or discriminatory working conditions or wage and hour violations, failure to comply with
2 Labor Code section 2810.5 by failing to provide rates of pay and overtime rates applicable to
3 employment, allowances claimed as part of minimum wage, failing to provide regular payday
4 designated, failure to provide name of employer including a DBA, workers' compensation insurance
5 information, information regarding paid sick leave and other information required by Labor Code
6 2810.5, failure to pay accrued vacation, failure to timely pay wages, failure to pay wages "without
7 condition and within time set" conceded to be due, failure to provide suitable seating and/or providing
8 inadequate seats, preventing employees from using or disclosing skills, knowledge and experience
9 obtained for purpose of competing with employers, including preventing employees from disclosing
10 their wages in negotiating new jobs with prospective employers, preventing employees from
11 engaging in lawful conduct during non-working hours, including free speech and economic liberty.
12 The PAGA Released Claims will bind the PAGA Members even if they timely and validly opt out
13 of the Settlement Class.

14 1.32 **Released Parties.** "Released Parties" shall mean Defendants and their officers,
15 directors, managers, owners, executives, partners, employees, shareholders, agents, attorneys, and
16 any other successors, assigns, or legal representatives and any of Defendants' former and present
17 parents, subsidiaries, successors, and affiliates, and their officers, directors, managers, owners,
18 executives, partners, employees, shareholders, agents, attorneys, and any other successors, assigns,
19 or legal representatives.

20 1.33 **Response Deadline.** "Response Deadline" shall mean forty-five (45) calendar days
21 following the date on which the Settlement Administrator first mails the Notice Packet to all
22 Settlement Class Members. Settlement Class Members who receive a remailed Notice Packet fifteen
23 (15) days or less before the Response Deadline shall have fifteen (15) days from the date the Notice
24 Packet is remailed to postmark an Opt-Out request, object to the Agreement, or dispute the
25 information on which their Individual Settlement Payment is calculated.

26 Settlement. "Settlement" shall mean the settlement between Parties, which is memorialized in this
27 Agreement, including any attached exhibits, and subject to Court approval.

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1.34 **Settlement Administrator.** “Settlement Administrator” shall mean Simpluris, the third-party settlement administrator selected by the Parties and to be approved by the Court, which the Parties have agreed will be responsible for administration of the Settlement and related matters. The qualifications and experience of the Settlement Administrator will be provided pursuant to a declaration submitted by the Settlement Administrator that will be filed concurrently with Plaintiff’s motion for preliminary approval. The Administration Expenses are estimated to not exceed \$10,500.

1.35 **Settlement Class.** “Settlement Class” shall mean all current and former hourly-paid employees of Sunrider Defendants or of Elwood who worked or were otherwise placed on assignment at a Sunrider facility within the State of California at any time during the Class Period.

1.36 **Settlement Class Member.** “Settlement Class Member” means a member of the Settlement Class. If the Class Member is incompetent or deceased, the individual’s legal guardian, executor, heir, or successor-in-interest, may submit the proper documentation to the Administrator to claim such Settlement Class Member’s Individual Settlement Payment.

1.37 **Pay Periods Worked.** “Pay Periods Worked” means any pay period during the Class Period in which a Settlement Class Member worked at least one day in that pay period.

1.38 **Enhancement Payment.** Plaintiff’s Counsel will request, and Defendants will not oppose, an Enhancement Payment of Ten Thousand Dollars (\$10,000) to Plaintiff, to be paid out of the Gross Settlement Amount. Should the Court reduce the amount, the balance shall revert back to the Net Settlement Amount.

2. FACTUAL AND PROCEDURAL BACKGROUND OF ACTION

2.1 On April 26, 2023, Plaintiff filed the Action titled *Patria Sosa v. The Sunrider Corporation, et al.*, Case No. 23TRCV01299, in the Superior Court of California, County of Los Angeles, on behalf of PAGA.

2.2 On February 17, 2023, Plaintiff submitted a letter to the California Labor and Workforce Development Agency alleging violations of the Private Attorneys General Act, California Labor Code section 2698, et seq. (“PAGA”), alleging similar violations to those alleged in the Action,

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1 and Plaintiff will amend her notice to include all of the foregoing theories of liability stated in Section
2 2.1 above (collectively, the “LWDA letter”)

3 2.3 The Parties agreed to explore the possibility of a mediation. Upon agreement to
4 attend mediation and to prepare for a meaningful and informed session, Class Counsel requested, and
5 Defense Counsel produced, time and payroll records, relevant policies, and information regarding
6 the putative class and the potentially aggrieved employees.

7 2.4 With sufficient discovery conducted to evaluate the viability of the claims and
8 theories alleged, and Defendants’ potential liability on class wide and PAGA bases and its defenses,
9 on October 6, 2023, the Parties participated in an all-day mediation with Scott Markus, Esq., an
10 experienced and respected mediator of wage and hour class and PAGA actions. During mediation
11 the Parties agreed to settle the Action.

12 2.5 The Parties and their respective counsel believe this Agreement reflects a fair,
13 adequate, and reasonable settlement of the Action and have arrived at this Agreement because of
14 arm’s-length negotiations, facilitated by an experienced and neutral mediator, considering all
15 relevant factors, present and potential.

16 **3. ALLEGATIONS OF THE CLASS REPRESENTATIVE AND BENEFITS OF CLASS**
17 **SETTLEMENT**

18 3.1 The investigation and extensive exchange of information in this matter, as well as
19 discussions between counsel have been adequate to give Class Counsel an understanding of the
20 merits of the Parties’ respective positions and to evaluate the worth of the claims of the Settlement
21 Class. The information and data exchanged by the Parties prior to and during mediation and
22 settlement negotiations are sufficient to reliably assess the merits of the Parties’ respective positions
23 and to compromise the issues on a fair and equitable basis.

24 3.2 The Parties recognize and acknowledge the expense and delay of continued lengthy
25 proceedings necessary to prosecute the Action against Defendants through trial and through appeals.
26 Class Counsel have considered the uncertain outcome of the litigation, the risk of continued litigation
27 in complex actions such as this, as well as difficulties and delays inherent in such litigation, the
28 potential difficulty of obtaining certification of the Action, as well as trying the claims of the

1 Settlement Class. Class Counsel believe that the Settlement set forth in this Agreement confers
2 substantial benefits upon Plaintiff and the Settlement Class Members and that an independent review
3 of this Agreement by the Court in the approval process will confirm this conclusion. Based on their
4 own independent investigation and evaluation, Class Counsel have determined that the Settlement
5 set forth in the Agreement is in the best interests of Plaintiff and the Settlement Class Members.

6 **4. NO ADMISSION OF ANY LIABILITY AND CONDITIONAL CERTIFICATION.**

7 4.1 This Agreement represents a compromise and settlement of highly disputed claims.
8 This Agreement does not constitute, is not intended to constitute, and will not be deemed to
9 constitute, an admission of liability by Defendants as to the merits, validity, or accuracy of any of
10 the allegations or claims made against Defendants in the Action or the appropriateness of class or
11 conditional certification. Defendants deny each and all of Plaintiff's allegations in their entirety and
12 allege that Plaintiff and all other Settlement Class Members were paid all wages owed, including
13 straight time, minimum and overtime wages, were properly paid all for hours worked, received
14 proper rest and meal breaks, received accurate itemized wage statements, were timely paid all wages
15 due, timely received all pay due at termination, were reimbursed for all necessary business expenses,
16 received proper sick time and accrual including for COVID supplemental sick leave (including
17 notice), and Defendants did not engage in unfair business practices, that they kept accurate records,
18 and did not prevent employees from disclosing violations of law, complied with Labor Code section
19 2810.5, provided suitable seating, and did not prevent employees from engaging in lawful conduct,
20 and otherwise complied with the law regarding Plaintiff's allegations.

21 4.2 Nothing in this Agreement nor any action taken or made in implementation thereof,
22 nor any statements, discussions, or communications, nor any materials prepared, exchanged, issued,
23 or used during the course of the negotiations leading to the Agreement, is intended by the Parties to,
24 nor will any of the foregoing constitute, be introduced, be used, or be admissible in any way in this
25 case or any other judicial, arbitral, administrative, investigative or other forum or proceeding as
26 evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule, or
27 executive order, or any obligation or duty at law or in equity. The Agreement may be used in any

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1 proceeding in the Court for the interpretation, implementation, or enforcement of the Agreement or
2 any orders or judgments of the Court entered in connection therewith.

3 4.3 The Parties agree that Plaintiff's motion for preliminary approval of the Settlement
4 seeking certification of a class action and Defendants' agreement thereto is for purposes of the
5 Settlement only. Solely for the purpose of this Agreement, including effectuating its terms, the
6 Parties stipulate to conditional certification of the Settlement Class. If, for any reason, the Settlement
7 is not approved, the stipulation for certification will have no force or effect. The Parties agree that
8 certification for purposes of the Settlement is in no way an admission that class certification or
9 conditional certification of a collective action is proper under the standard applied to contested
10 certification motions and that this Agreement will not be admissible in this or any other proceeding
11 as evidence that: (a) a class or representative action should be certified as Plaintiff proposed; or (b)
12 Defendants are liable to Plaintiff or the Settlement Class Members as Plaintiff alleged. Further,
13 neither this Agreement nor the Court's actions regarding this Agreement will be admissible in any
14 court or other tribunal regarding the propriety of class certification for purposes other than the
15 settlement of this Action. If this Agreement is not approved by the Court or any appellate court, is
16 terminated, or otherwise fails to be enforceable, Defendants will not be deemed to have waived,
17 limited, or affected in any way any of their objections or defenses in the Action, including, but not
18 limited to, their ability to move to compel arbitration, raise defenses in opposition to certification,
19 contest the merits of the claims and theories alleged, etc.

20 **5. CLASS SETTLEMENT CONSIDERATION**

21 5.1 **Gross Settlement and Net Settlement Amounts and Distribution.** Subject to
22 terms and conditions of this Agreement, and subject to Court approval, the claims of all Settlement
23 Class Members are settled for a Gross Settlement Amount of Three Hundred and Twenty-Five
24 Thousand, One Hundred and Fifty-One Dollars (\$325,151.00). The Gross Settlement Amount and
25 other actions and forbearances taken by Defendants shall constitute adequate consideration for the
26 Settlement and will be made in full and final settlement of: (a) the Released Class Claims and
27 Released PAGA Claims, (b) Class Counsel's Attorneys' Fees and Expenses, (c) Administration
28 Expenses, (d) Enhancement Payment to Plaintiff; (e) PAGA Payment, and (f) the Individual

1 Settlement Payments to Participating Settlement Class Members, and any other obligation of
2 Defendants under this Agreement (other than the Employer's Taxes).

3 5.2 Payments to Participating Settlement Class Members. Each Participating
4 Settlement Class Member shall be eligible to receive an Individual Settlement Payment based on
5 their tenure, *i.e.*, the number of Workweeks Worked during the Class Period, in relation to the number
6 of Workweeks Worked by all Participating Class Members. The Individual Settlement Payment will
7 be subject to the Employee Taxes and Required Withholdings. Plaintiff and Participating Settlement
8 Class Members who receive an Individual Settlement Payment pursuant to this Agreement shall be
9 solely responsible for any and all other individual tax obligations associated the payment.

10 5.3 Payments to PAGA Group Members. Each PAGA Group Member shall be
11 eligible to receive an Individual Settlement Payment based on their tenure, *i.e.*, the number of Pay
12 Periods Worked during the PAGA Period, in relation to the number of PAG Periods Worked by all
13 PAGA Group Members. Plaintiff and Participating Settlement Class Members who receive an
14 Individual Settlement Payment pursuant to this Agreement shall be solely responsible for any and all
15 other individual tax obligations associated the payment.

16 5.4 Allocation of Individual Settlement Payment. The Parties agreement that the
17 Individual Settlement Payment shall be allocated as follows: (a) twenty percent (20%) to wages and
18 reported on an IRS W-2 basis; (b) thirty percent (30%) to interest to be reported on an IRS form
19 1099; and (c) fifty percent (50%) to penalties to be reported on an IRS form 1099. PAGA Members'
20 portion of the PAGA Payment will be allocated one hundred percent (100%) penalties to be reported
21 on an IRS form 1099. Defendants agree to pay the Employer's Taxes on that portion of Individual
22 Settlement Payment allocated to W-2 wages, which will be computed and paid by the Administrator,
23 but funded separately and in addition to the Gross Settlement Amount.

24 5.5 No Effect on Employee Benefits. Neither the Settlement nor any amounts paid
25 under the Settlement will modify any previously credited hours, days, or weeks or service under any
26 employee benefit plan, policy or bonus program sponsored by Defendants (or their affiliates). Such
27 amounts will not form the basis for additional contributions to, benefit under, or any other monetary
28 entitlement under Defendants' sponsored benefit plans, policies, or bonus programs, if any. The

1 payments made under the terms of this Settlement shall not be applied retroactively, currently, or on
2 a going forward basis, as salary, earnings, wages, or any other form of compensation for the purposes
3 of any of Defendants' benefit plans, policies or bonus programs, if any. Defendants retain the right
4 to modify the language of its benefits plans, policies and bonus programs to effect this intent and to
5 make clear that any amounts paid pursuant to this Agreement are not for "weeks worked," "weeks
6 paid," "weeks of service," or any similar measuring term as defined by applicable plans, policies and
7 bonus programs for purpose of eligibility, vesting, benefit accrual, or any other purpose, and that
8 additional contributions or benefits are not required by this Agreement. Defendants do not consider
9 the Individual Settlement Payments "compensation" for purposes of determining eligibility for, or
10 benefit accrual within, any benefits plan, policy, or bonus program, or any other plan or program
11 sponsored by Defendants (or their affiliates), if any.

12 5.6 **Class Counsel Attorneys' Fees and Expenses.** As part of the motion for final
13 approval of the Settlement, Class Counsel may submit an application for an award of Class Counsel's
14 Attorneys' Fees and Expenses with the fee portion not to exceed Thirty-Three Point Three Percent
15 of the Gross Settlement Amount, or One Hundred, Eight Thousand, Three Hundred Ninety-Eight
16 Dollars and Forty-Nine Cents (\$108,398.49), and the award of reasonable, actual documented costs
17 or expenses. Defendants agree not to object to any such fee, cost, or expense application up to those
18 amounts. As a condition of this Settlement, Class Counsel has agreed to pursue fees only in the
19 manner reflected by this Section. Any Class Counsel Attorneys' Fee and Expenses awarded by the
20 Court shall be paid from the Gross Settlement Amount. If the Class Counsel voluntarily reduces the
21 request for Class Counsel's Attorneys' Fees and Expenses or the Court's award is less than set forth
22 above, the difference shall remain with the Net Settlement Amount.

23 The Class Counsel's Attorneys' Fees and Expenses approved by the Court shall encompass:
24 (a) all work performed and costs and expenses incurred by, or at the direction of, any attorney
25 purporting to represent the Settlement Class through the date of this Agreement; (b) all work to be
26 performed and costs to be incurred in connection with approval by the Court of the Settlement set
27 forth in this Agreement; (c) all work to be performed and costs and expenses, if any, incurred in

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1 connection with administering the Class Settlement through the Effective Date; and (d) may be based
2 on the Catalyst Theory and/or Common Fund Doctrine.

3 5.7 **Payment of Class Counsel's Attorneys' Fees and Expenses and Enhancement**

4 **Payment.** Class Counsel's Attorneys' Fees and Expenses and Plaintiff's Enhancement Payment, as
5 awarded by the Court shall be paid by the Settlement Administrator from the Gross Settlement
6 Amount within fourteen (14) calendar days of the Effective Date.

7 5.8 **Enhancement to Plaintiff.** Plaintiff's Counsel will request, and Defendants will not
8 oppose, an Enhancement Payment of Ten Thousand Dollars (\$10,000) to Plaintiff, to be paid out of
9 the Gross Settlement Payment. Should the Court award less than the requested amount, the
10 difference shall revert to the Net Settlement Amount.

11 **6. ADMINISTRATION COSTS AND EXPENSES**

12 6.1 **The Settlement Administrator's Costs and Expenses.** All costs and expenses due
13 to the Settlement Administrator in connection with its administration of the Settlement described in
14 the Agreement, including, but not limited to: (a) translating, formatting, and mailing the Notice
15 Packet by first class U.S. Mail; (b) performing a National Change of Address Database ("NCOA")
16 search to update Settlement Class Members' addresses prior to the initial mailing of the Notice
17 Packets; (c) performing skip-traces to locate and update Settlement Class Members' address on the
18 return of undelivered Notice Packets; (d) establishing a toll-free number and post office box for the
19 receipt of Class Member communications; (e) processing Opt-Out requests (and sending those to
20 counsel for Defendants), objections, and disputes; (f) calculating and distributing Individual
21 Settlement Payments to Participating Settlement Class Members and the portion of the PAGA
22 Payment to PAGA Members; (g) tax reporting; (h) providing the Parties' counsel weekly status
23 reports and declarations as needed and requested by the Parties or by the Court; (i) creating and
24 maintaining a static website to provide Settlement Class Members notice of any change to the date
25 or location of the hearings and notice of final judgment; and (j) performing other tasks as reflected
26 within this Agreement. The Settlement Administrator, upon request, will send any Opt-Out forms
27 received to Defense Counsel and Plaintiff's Counsel. The Administration Expenses shall be paid by

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the Settlement Administrator to the Settlement Administrator from the Gross Settlement Amount within thirty (30) calendar days of the Effective Date.

7. NOTICE TO CLASS MEMBERS

7.1 **Notice to Class Members.** Within fourteen (14) calendar days of Preliminary Approval of the Settlement, Defendants shall electronically transmit the Class List and Data to the Settlement Administrator. This information will not be shared with and/or provided to Class Counsel in any way. This confidentiality provision is in the best interest of the Settlement Class because it will reduce the likelihood of Settlement Class Members' personal information being leaked, thereby exposing them to identity theft. This confidentiality provision will not impede Class Counsel's ability to discharge their fiduciary duties.

Within ten (10) calendar days of receipt of the Class List and Data from Defendants and after the Settlement Administrator performs an NCOA search to update Settlement Class Members' addresses, the Settlement Administrator will mail by first-class U.S. Mail the Notice Packet. The exterior of the mailing envelope shall include the following words below the Administrator's address:

**IMPORTANT LEGAL DOCUMENT:
You may get money from a Class Action
Settlement; your prompt reply to correct a
outdated address may be required.**

The Notice Packet will inform Settlement Class Members of the nature of the Action, the allegations made, the claims being settled, and releases to be given, the employment information on which their Individual Settlement Payment will be calculated, and of their right to request exclusion, to object, and to dispute the information on which their payments will be paid and the deadline for doing any of these acts. The Notice Packet will also inform Settlement Class Members of the date, time, and place set for the Final Approval and Fairness Hearing and will advise them that they may appear at the Final Approval and Fairness Hearing without first submitting a written objection.

7.2 **Returned Notice Packet.** If a Notice Packet is returned to the Settlement Administrator with a forwarding address affixed to the front, the Settlement Administrator will resend the Notice Packet to the forwarding address affixed thereto. If a Notice Packet is returned because of an incorrect mailing address, without a forwarding address affixed, the Settlement

1 Administrator will promptly, and not longer than three (3) days of receipt of the returned Notice
2 Packet, search for a more current address by way of skip-trace using the Settlement Class Member's
3 Social Security Number, and remail the Notice Packet to the Settlement Class Member if an updated
4 address is located. The Settlement Administrator will be responsible for taking reasonable steps,
5 consistent with its agreed-upon job parameters, Court orders, and fee, as agreed to with the Parties
6 to trace the mailing address of any Settlement Class Member for whom a Notice Packet is returned
7 by the U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum: (a)
8 the tracking of all undelivered mail; (b) performing address searches for all mail returned without a
9 forwarding address; and (c) promptly remailing to Settlement Class Members for whom new
10 addresses are found. If the Notice Packet is remailed, the Administrator will note for its own records
11 and notify to Counsel for the Parties of the date of each such re-mailing as part of a weekly status
12 report provided to the Parties. Settlement Class Members who receive a remailed Notice Packet
13 fifteen (15) days or less before the Response Deadline shall have fifteen (15) days from the date the
14 Notice Packet is remailed to postmark an Opt-Out request, object to the Agreement, or dispute the
15 information on which their Individual Settlement Payment is calculated.

16 7.3 **Disputing Information.** Settlement Class Members may dispute the information on
17 which their Individual Settlement Payment are calculated by returning a written statement to the
18 Settlement Administrator postmarked by the Response Deadline in the manner described in the
19 Notice Packet. The Settlement Class Member must provide information, documents, or other
20 evidence supporting his or her position.

21 Upon the timely receipt of a dispute, the Settlement Administrator will notify Defense
22 Counsel in writing (email constitutes a writing for this purpose) of the dispute. Defendants' records
23 will be presumed determinative, absent information, documents, or other evidence to rebut
24 Defendants' records, but the Settlement Administrator will evaluate the information submitted by the
25 Class Member and decide as to the validity of such evidence.

26 7.4 **Opt-Out Requests.** The Notice Packet will provide that Settlement Class Members
27 who wish to exclude themselves from the Settlement Class and Settlement must mail to the
28 Settlement Administrator a written request for exclusion postmarked by the Response Deadline (and

pursuant to the terms of the Response Deadline). The date of mailing on the envelope shall be deemed the exclusive means for determining if a request for exclusion was timely received.

(i) To be valid, a request for exclusion must be timely and must comply with the instructions detailed in the Notice Packet, including providing: (1) the name and address of the Settlement Class Member; (2) a statement expressing that the Settlement Class Member elects to be excluded from the Settlement; (3) the last four (4) digits of their Social Security Number (for identity verification purposes only); and (4) a signature by the Settlement Class Member. If a question is raised about the authenticity of a signed request for exclusion, the Settlement Administrator will have the right to demand additional proof of the Settlement Class Member's identity.

(ii) A Settlement Class Member who submits a valid and timely Opt-Out request will not participate in or be bound by the Released Class Claims and the Judgment. However, should this individual be a PAGA Member, they will still receive a portion of the PAGA Payment allocated to the PAGA Members (*i.e.*, 25% of the \$40,000.00, which is \$10,000.00) and will still be bound by the PAGA Released Claims. The Settlement Administrator will determine the individual PAGA payment by comparing the number of Pay Periods the PAGA Member was employed during the PAGA Period to the total number of Pay Periods all PAGA Members were employed during the PAGA Period. In this instance, any Class Member who submits a valid and timely Opt-Out request and who is also a PAGA Member will only be bound by the PAGA Released Claims.

(iii) A Settlement Class Member who does not complete and mail a timely Opt-Out request in the manner and by the Response Deadline will become a Participating Settlement Class Member, will receive an Individual Settlement Payment, and will be bound by all terms and conditions of the Settlement, including the Released Class Claims, if the Settlement is approved by the Court, and by the Judgment.

7.5 Defendants represent that there are approximately 28,274 workweeks during the Class Period ("Workweek Total"). If the Workweek Total increases by more than 10%, Defendants will have the choice of (a) increasing the Gross Settlement Amount proportionally above the 10%; or (b) ending the Class Period on the last day before the 10% threshold is exceeded.

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1 7.6 **Objections to Settlement.** The Notice Packet will provide instructions and the
2 manner for submitting written objections to the Settlement and will indicate that only Participating
3 Settlement Class Members may object to the Settlement. If a Settlement Class Member returns both
4 a written objection and an Opt-Out request, the Opt-Out request will be invalidated, and the written
5 objection will be accepted.

6 Written objections must be postmarked and returned to the Settlement Administrator no later
7 than the Response Deadline. The date of mailing on the envelope shall be deemed the exclusive
8 means for determining if the written objection was timely. Written objections must be signed by the
9 Settlement Class Member, state the last four (4) digits of their Social Security Number [for identity
10 verification purposes only] and should set forth: (a) the full name and address of the objecting
11 Settlement Class Member; (b) the grounds for each objection made; and (c) whether the Settlement
12 Class Member intends to appear at the Final Approval Hearing. Either or both Parties may file a
13 response to any objection before the Final Approval Hearing. Any attorney who will represent an
14 individual objecting to this Settlement who has not filed a written objection must file a notice of
15 appearance with the Court and serve Class Counsel and Defense Counsel with this notice by the
16 Response Deadline. Any Settlement Class Member who fails to submit a timely written objection or
17 to present an objection at the Final Approval Hearing shall be deemed to have waived any objections
18 and shall be foreclosed from making any objection to the Settlement whether by appeal or otherwise.
19 Settlement Class Members are not required to submit written objections to be heard at the Final
20 Approval Hearing.

21 7.7 **Report.** No later than five (5) business days after the deadline for submission of
22 Opt-Out / Objection requests, the Administrator will provide Class Counsel and Defense Counsel
23 with a complete and accurate count of Participating Settlement Class Members and Opt-Outs in a
24 signed declaration.

25 **8. FUNDING AND DISTRIBUTION**

26 8.1 **Funding of the Gross Settlement Amount and the Employer's Taxes.** The
27 Settlement Administrator will calculate the Employer's Taxes and inform Defendants of the total
28 amount of the Employer's Taxes due. The Administrator shall also provide Defendants with its bank

1 wire instructions to establish the Qualified Settlement Fund (“QSF”).

2 Within seven calendar (7) days of the Effective Date, Defendants shall transmit the Gross
3 Settlement Amount of Three Hundred, Twenty Five Thousand, One Hundred Fifty One Dollars
4 (\$325,151.00) and the Employer’s Taxes to the Settlement Administrator to pay: (a) the Class
5 Counsel’s Attorneys’ Fees and Expenses, as approved by the Court; (b) the Administrative Expenses,
6 as approved by the Court; (c) the PAGA Payment, as approved by the Court; (d) the Enhancement
7 Payment to Plaintiff, and (e) the remaining Net Settlement Amount to be distributed entirely to
8 Participating Class Members on a proportionate basis. To the extent Participating Settlement Class
9 Members worked during the PAGA Period, they will receive a proportionate share of the PAGA
10 Payment available to PAGA Members (\$10,000.00). Defendants shall not be obligated to pay more
11 than Three Hundred, Twenty Five Thousand, Five Hundred Twenty One Dollars (\$325,521.00) plus
12 the Employer’s Taxes in connection with this Settlement (except as set forth immediately below).

13 Defendants estimate that there are approximately 28,374 work weeks during the Class Period.
14 If the Workweek Total increases by more than 10%, Defendants will have the choice of (a) increasing
15 the Gross Settlement Amount proportionally above the 10%, or (b) ending the Class Period on the
16 last day before the 10% threshold is exceeded.

17 8.2 **Distribution of the Gross Settlement Amount.** Within fourteen (14) calendar days
18 of the Effective Date, the Administrator will calculate and pay to Participating Settlement Class
19 Members their Individual Settlement Payments via first-class regular U.S. Mail. Within fourteen
20 (14) calendar days of the Effective Date, the Administrator will pay to Class Counsel the Court-
21 awarded Class Counsel’s Attorneys’ Fees and Expenses and Plaintiff’s Enhancement Payment; to
22 the PAGA Members and LWDA the Court-approved PAGA Payment; and to the Administrator the
23 Court-awarded Administration Expenses.

24 8.3 **Calculation of the Individual Settlement Payments.** Participating Class Members
25 will receive a pro-rated share of the NSA based on the total number of weeks worked as a Settlement
26 Class Member any time during the Class Period, in relation to the aggregate number of weeks worked
27 by all Participating Settlement Class Members, based on the following formula:

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Individual Settlement Payment = NSA x (Individual's Number of Weeks Worked ÷ Aggregate Weeks Worked by all Participating Settlement Class Members During the Class Period)

The estimated amount of the Settlement Class Member's Individual Settlement Payment will be calculated by the Settlement Administrator and inserted in the Settlement Class Member's individual Notice Packet, together with their aggregate number of Pay Periods Worked during the Class Period and the number of pay periods employed during the PAGA Period.

If a Settlement Class Member is also a PAGA Member, they will also receive a proportionate share of Ten Thousand Dollars (\$10,000.00) (25% of the PAGA Payment), in addition to the Individual Settlement Payment, based on the following formula:

Individual PAGA payment = \$ 10,000 x (Individual's Number of Pay Periods Worked ÷ Aggregate Pay Periods Worked by all PAGA Members During the PAGA Period)

Defendants shall have no responsibility for deciding the accuracy of the Individual Settlement Payments or any other payments made pursuant to this Agreement. Furthermore, as the Settlement Administrator shall calculate the Employer's Taxes and Required Withholdings, and reporting such amounts to the appropriate governmental authorities, Defendants shall have no responsibility for the determination or payment of Employee's Taxes and Required Withholdings. The Notice Packet will inform Settlement Class Members that they will be solely responsible for any and all tax obligation associated with their respective Individual Settlement Payments.

8.4 **Time for Payment of Taxes and Required Withholding and Individual Settlement Payments.** The Settlement Administrator shall make every effort to pay the Employee's Taxes and the Required Withholding associated with each Participating Settlement Class Member's Individual Settlement Payment as required by law upon the mailing of the Participating Settlement Class Member's Individual Settlement Payments. If the Settlement Administrator is not able to do so within the time period set forth above, it shall so inform Class Counsel and Defense Counsel and provide an approximate date by which Employee's Taxes and Required Withholding shall be paid.

8.5 **Non-Cashed Settlement Checks.** Participating Settlement Class Members and PAGA Group Members shall have one hundred eighty days (180) to cash their checks. Any funds associated with uncashed checks after one hundred eighty (180) days will be sent to the California

1 Controller's Unclaimed Property Fund in the name of the Participating Settlement Class Members
2 who did not cash their checks until such time that they claim their property.

3 8.6 Time for Payment of PAGA Payment to the LWDA. The Settlement
4 Administrator shall distribute to the LWDA the PAGA Payment approved by the Court no later than
5 fourteen (14) calendar days after the Effective Date.

6 **9. NULLIFICATION OF THIS AGREEMENT**

7 9.1 Non-Approval of the Agreement. If (a) the Court should for any reason fail to
8 approve this Agreement in the form agreed to by the Parties, or (b) the Court should for any reason
9 fail to enter a judgment on this Action, or (c) the approval of the Settlement and judgment is reversed,
10 modified or declared or rendered void, then the Settlement and conditional class certification shall
11 be considered null and void, and neither the Settlement, conditional class certification, nor any of the
12 related negotiations or proceedings shall be of any force or effect, and all Parties to the Settlement
13 shall stand in the same position, without prejudice, as if the Settlement has been neither entered into
14 nor filed with the Court. Notwithstanding the foregoing, the Parties may attempt in good faith to cure
15 any perceived defects in the Agreement to facilitate approval. If the Court awards less than the
16 requested amounts for Administration Expenses, Class Counsel's Attorneys' Fees and Expenses, the
17 Enhancement Payment to Plaintiff, or PAGA Payment, the difference shall become part of the Net
18 Settlement Amount.

19 9.2 Parties' Right to Void Class Settlement. If five percent (5%) or more of the
20 Settlement Class Members opt out, Defendants may, at their election, rescind the Settlement and all
21 actions taken in its furtherance of it will be thereby null and void. Defendants must exercise this
22 right of rescission, in writing, to Class Counsel, within twenty-one (21) calendar days after the
23 Administrator notifies the Parties of the total number of opt-outs. If the option to rescind is exercised,
24 Defendants shall be responsible for all costs of the administration accrued to that point.

25 Defendants also have the right to withdraw from the Settlement if the Court: (1) does not
26 approve the material terms set forth in this Agreement after efforts to satisfy the Court's concerns
27 are made by the Parties; (2) does not conditionally certify the Settlement Class; (3) does not
28 conditionally certify a class releasing the Released Class Claims; or (4) does not grant final approval

1 of the Settlement or enter Judgment. If this occurs, the Parties will be restored to their positions as of
2 the date prior to the Agreement being fully executed, and they shall be equally responsible for all
3 costs of Administration accrued to that point.

4 9.3 **Invalidation.** Invalidation of any material portion of the Settlement shall invalidate
5 the Settlement in its entirety, unless the Parties shall subsequently agree in writing that the remaining
6 provisions of the Settlement are to remain in full force and effect.

7 9.4 **Stay Upon Appeal.** In the event of a timely appeal from the approval of the Class
8 Settlement and Judgment, the Judgment shall be stayed, and Defendant shall not be obligated to fund
9 the Gross Settlement Amount or take any other actions required by this Agreement until all appeal
10 rights have been exhausted by operation of law.

11 **10. MOTION FOR COURT APPROVAL**

12 10.1 **Preliminary Approval.** Class Counsel will submit this Agreement to the Court
13 along with a Motion for Order Granting Preliminary Approval of the Settlement. Each Party shall
14 cooperate to present the Settlement to the Court for preliminary approval in a timely fashion. Prior
15 to the filing of the Preliminary Approval Motion, Class Counsel will provide the Preliminary
16 Approval Motion to Defendants for review and comment.

17 10.2 **Final Approval.** Following the close of the Response Deadline, and upon a date set
18 by the Court as set forth in the Order Granting Preliminary Approval, Plaintiff shall move the Court
19 for the entry of the final order certifying the Class for settlement purposes only and approving the
20 Settlement as being fair, reasonable and adequate to the Participating Settlement Class Members
21 within the meaning of California Rules of Court, Rule 3.769(c), (d) and (e) and for the entry of a
22 final judgment of the Action consistent with the terms of the Class Settlement and California Rule of
23 Court 3.769(h). Class Counsel and/or Defense Counsel shall submit to the Court such pleadings
24 and/or evidence as may be required for the Court's consideration in ruling on the motion.

25 **11. RELEASES AND WAIVERS**

26 11.1 **Release of Claims by Plaintiff and the Participating Class Members.**

27 Upon the mailing of the Gross Settlement Amount, Plaintiff and Settlement Class Members
28 will be bound by the Judgment entered and will release the Released Parties, and each of them, of

1 and from any and all Released Class Claims for the Class Period. It is the desire of the Parties and
2 the Settlement Class Members to fully, finally, and forever settle, compromise, and discharge the
3 Released Class Claims during the Class Period. Each Settlement Class Member, except those who
4 timely Opt-Out, will be bound to the release of Released Class Claims as a result of the Class
5 Settlement and to the terms of the final judgment and the satisfaction of such judgment.

6 Settlement Class Members who do not opt out will be deemed to have acknowledged and
7 agreed that their claims for wages and/or penalties in the Action are disputed, and that their Individual
8 Settlement Payment constitutes payment of all sums allegedly due to them. Class Members will be
9 deemed to have acknowledged and agreed that Labor Code Section 206.5 is not applicable to the
10 Individual Settlement Payment. That section provides in pertinent part as follows:

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

15 11.2 **Release by the LWDA, Plaintiff, and PAGA Members.** Upon the mailing of the
16 Gross Settlement Amount the LWDA, the State of California, Plaintiff, and the PAGA Members
17 shall be deemed to have released the Released Parties, and each of them, of and from any and all
18 PAGA Released Claims during the PAGA Period.

19 11.3 **Release of Claims by Plaintiff.** Plaintiff, on behalf of herself and her heirs,
20 executors, administrators, and representatives, shall and does forever release, discharge and agrees
21 to hold harmless the Released Parties from any and all charges, complaints, claims, liabilities,
22 obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights,
23 demands, costs, losses, debt and expenses (including attorney fees and costs), known or unknown, at
24 law or in equity, which they may now have or may have after the signing of this Stipulation, arising
25 out of or in any way connected with their employment with or assignment at Defendant including,
26 the Released Class Claims and Released PAGA Claims, claims that were asserted or could have been
27 asserted in the Complaint, Action, and any and all transactions, occurrences, or matters between the
28 Parties. Without limiting the generality of the foregoing, this release shall include, but not be limited

1 to, any and all claims under the (a) Americans with Disabilities Act, as amended; (b) Title VII of the
2 Civil Rights Act of 1964, as amended; (c) the Civil Rights Act of 1991; (d) 42 U.S.C. § 1981, as
3 amended; (e) the Age Discrimination in Employment Act, as amended; (f) the Fair Standards Act, as
4 amended; (g) the Equal Pay Act; (h) the Employee Retirement Income Security Act, as amended; (i)
5 the Consolidated Omnibus Budget Reconciliation Act; (j) the Rehabilitation Act of 1973; (k) the
6 Family and Medical Leave Act; (l) the Civil Rights Act of 1966; (m) the California Fair Employment
7 and Housing Act; (n) the California Constitution; (o) the California Labor Code; (p) the California
8 Government Code; (q) the California Civil Code; and (r) any and all other federal, state and local
9 statutes, ordinances, regulations, rules and other laws, and any and all claims based on constitutional,
10 statutory, common law or regulatory grounds as well as any other claims based on the theories of
11 wrongful or constructive discharge, breach of contract or implied contract, fraud, misrepresentation,
12 promissory estoppel or intentional and/or negligent infliction of emotional distress, or damages under
13 any other federal, state or local statutes, ordinances, regulations, rules or laws. This release is for
14 any and all relief, no matter how denominated, including, but not limited to, overtime, wages, back
15 pay, front pay, vacation pay, bonuses, compensatory damages, tortious damages, liquidated damages,
16 punitive damages, damages for pain and suffering, and attorneys' fees and costs, and Plaintiffs hereby
17 forever release, discharge and agree to hold harmless Defendants and the Released Parties from any
18 and all claims for attorney fees and costs arising out of the matters released in this Stipulation.

19 Plaintiff acknowledges that she is aware and familiar with the provisions of section 1542 of
20 the Civil Code, or any other similar provision under federal or state law, which provides:

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

26 Plaintiff, being aware of section 1542, hereby expressly waives and relinquishes all rights
27 and benefits she may have under section 1542 as well as any other statutes or common law principles
28 of a similar effect. Plaintiff may hereafter discover facts in addition to or different from those which

1 she now knows or believes to be true with respect to the subject matter of all the claims referenced
2 herein, but stipulates and agrees that, upon the funding of the Gross Settlement Amount, Plaintiff
3 shall and hereby does fully, and forever settle and release any and all claims against the Released
4 Parties, known or unknown, suspected or unsuspected, contingent or non-contingent, that were
5 asserted or could have been asserted upon any theory of law or equity without regard to the
6 subsequent discovery existence of such different or additional facts.

7 **12. DUTIES OF THE PARTIES**

8 12.1 **Mutual Full Cooperation.** The Parties agree to cooperate fully with one another to
9 accomplish and implement the terms of this Agreement. Such cooperation shall include, but not be
10 limited to, execution of such other documents and the taking of such other actions as may reasonably
11 be necessary to fulfill the terms of this Settlement. The Parties shall use their best efforts, including
12 all effects contemplated by this Agreement and any other efforts that may become necessary by Court
13 order or otherwise, to effectuate the terms of this Agreement. As soon as practicable after execution
14 of this Agreement, Class Counsel, with the cooperation of Defendants and Defense Counsel, shall
15 take all necessary and reasonable steps to secure the Court's final approval of this Agreement.

16 12.2 **Duty to Support and Defend the Settlement.** The Parties agree to abide by all the
17 terms of the Settlement in good faith and to support the Class Settlement fully and to use their best
18 efforts to defend this Settlement from any legal challenge, whether by appeal or collateral attack.

19 **13. MISCELLANEOUS PROVISIONS**

20 13.1 **Different Facts.** The Parties hereto, and each of them, acknowledge that, except for
21 matters expressly represented herein, the facts in relation to the dispute and all claims released by the
22 terms of this Agreement may turn out to be other than or different from the facts now known by each
23 party and/or its counsel, or believed by such Party or counsel to be true, and each Party therefore
24 expressly assumes the risk of the existence of different or presently unknown facts, and agrees that
25 this Agreement shall be in all respects effective and binding despite such difference.

26 13.2 **No Prior Assignments.** The Parties represent, covenant, and warrant that they have
27 not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or

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1 encumber to any person or entity any portion of any liability, claim, demand, action, cause of action,
2 or right herein released and discharged except as set forth herein.

3 13.3 **Non-Admission.** Nothing in this Agreement shall be construed as or deemed to be
4 an admission by any Party of any liability, culpability, negligence, or wrongdoing toward any other
5 Party, or any other person, and the Parties specifically disclaim any culpability, negligence, or
6 wrongdoing toward each other or any other person. Each of the Parties has entered into this
7 Agreement with the intention to avoid further disputes and litigation with the attendant
8 inconvenience, expenses, and contingencies. Nothing herein shall constitute any admissions by
9 Defendants of wrongdoing or liability, or of the truth of any factual allegations in the Action. Nothing
10 herein shall constitute any admission by Defendants regarding the merits of the Claims in this Action,
11 including but not limited to claims for unpaid wages under California and/or federal law. Nothing
12 herein shall constitute an admission by Defendants that the Action was properly brought as a class
13 or representative action other than for settlement purposes. To the contrary, Defendants have denied
14 and continue to deny each and every material factual allegation and all Claims. To this end, the
15 Settlement of the Action, the negotiation and execution of this Agreement, and all acts performed or
16 documents executed pursuant to or in furtherance of this Agreement or the Settlement are not, shall
17 not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or liability
18 on the part of Defendants or of the truth of any of the factual allegations in the Complaint in the
19 Action; and are not, shall not be deemed to be, and may not be used as, an admission or evidence of
20 any fault or omission on the part of Defendants in any civil, criminal or administrative proceeding in
21 any court, administrative agency or other tribunal.

22 13.4 **Media or Press.** Plaintiff and Defendants, and their respective counsel, agree to
23 limit public comment on this Class Settlement, the Action, and claims in the Action, stating that the
24 matter has been resolved to the satisfaction of the Parties. Neither Plaintiff nor Defendants shall
25 initiate public comment and/or discuss with or present to the media or press.

26 13.5 **Non-Retaliation.** Defendants understand and acknowledge that they have a legal
27 obligation not to retaliate against any Settlement Class Member who elects to participate in the
28 Settlement or elects to Opt-Out of the Class. Defendants will refer any inquiries regarding this

1 Settlement to the Administrator or to Class Counsel and will not discourage, directly or indirectly,
2 Class Members from opting out or objecting to the Settlement.

3 13.6 **Construction.** The Parties hereto agree that the terms and conditions of this
4 Agreement are the result of lengthy, intensive, arms-length non-collusive negotiations between the
5 Parties and that this Agreement is not to be construed in favor of or against any party by reason of
6 the extent to which any Party or their counsel participated in the drafting of this Agreement. If any
7 of the dates in the Agreement fall on a weekend, bank or court holiday, the time to act shall be
8 extended to the next business day.

9 13.7 **Governing Law.** This Agreement is intended to and shall be governed by the laws
10 of the State of California, without regard to conflict of law principles, in all respects, including
11 execution, interpretation, performance, and enforcement.

12 13.8 **Notices.** Except for the mailing of the Notice Packet to Settlement Class Members
13 by the Administrator, any and all notices or other communications required or permitted under this
14 Agreement shall be in writing and shall be sufficiently given if delivered in person to the Party or
15 their counsel by U.S. certified mail, postage pre-paid, e-mail, facsimile, or overnight delivery
16 addressed to the address of the Party appearing in this Agreement.

17 13.9 **Captions and Interpretations.** Section titles or captions contained herein are
18 inserted as a matter of convenience and for reference only and in no way define, limit, extend, or
19 describe the scope of this Agreement or any provision thereof.

20 13.10 **Modification.** This Agreement may not be changed, altered, or modified, except in
21 writing signed by the Parties and approved by the Court. This Agreement may not be discharged
22 except by performance in accordance with its terms or by a writing signed by the Parties.

23 Integration Clause. This Agreement contains the entire agreement between the Parties
24 relating to the Settlement of the Action and the transactions contemplated thereby, and all prior or
25 contemporaneous agreements, understandings, representations, and statements, whether oral or
26 written, and whether by a party or such party's legal counsel, are hereby superseded. No rights
27 under this Agreement may be waived except in writing as provided above.

28 ///

1 13.11 **Successors and Assigns.** This Agreement shall be binding upon and inure to the
2 benefit of the Parties and Settlement Class Members (excluding only persons who timely opt-out)
3 and their respective present and former heirs, trustees, executors, administrators, representatives,
4 officers, directors, shareholders, agents, employees, insurers, attorneys, accountants, auditors,
5 advisors, consultants, pension and welfare benefit plans, fiduciaries, parent companies, subsidiaries,
6 affiliates, related companies, joint ventures, predecessors, successors, and assigns.

7 13.12 **Corporate Signatories.** Any person executing this Agreement or any such related
8 document on behalf of a corporate signatory or on behalf of a partnership hereby warrants and
9 promises, for the benefit of all Parties hereto, that such person has been duly authorized by such
10 corporation or partnership to execute this Agreement or any such related document.

11 13.13 **Execution in Counterparts.** This Agreement shall become effective upon its
12 execution by all the undersigned. The Parties may execute this Agreement in counterparts, and
13 execution of counterparts shall have the same force and effect as if all Parties had signed the same
14 instrument.

15 13.14 **Attorneys' Fees, Costs and Expenses.** Except as otherwise specifically provided
16 for herein, each Party shall bear their, her or its own attorneys' fees, costs, and expenses, taxable or
17 otherwise, incurred by them in or arising out of the Action and shall not seek reimbursement thereof
18 from any other Party to this Agreement.

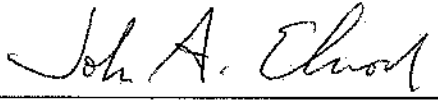
19 IN WITNESS WHEREOF, the Parties and their counsel have executed this Agreement on
20 the date below their signatures of their representatives. The date of the Agreement shall be the date
21 of the latest signature.
22
23
24
25
26
27
28

1 November 27, 2023

CDF LABOR LAW LLP

2
3
4 By: 
5 David G. Hagopian,
6 Counsel for Elwood Staffing Services, Inc.

7
8 November 27, 2023

9
10 By: 
11 on behalf of Elwood Staffing Services, Inc.

12
13 November __, 2023

HAIG B. KAZANDJIAN LAWYERS, APC

14 By: _____
15 Haig B. Kazandjian
16 Counsel for Plaintiff Patria Sosa

17
18 November __, 2023

19 By: _____
20 Patria Sosa, Plaintiff

21
22 November __, 2023

BALLARD SPAHR, LLP

23 By: _____
24 Nima Darouian
25 Counsel for Defendants The Sunrider
26 Corporation, Sunrider Manufacturing, L.P.,
27 and Sunlife Herbal Company, Inc.

28
November __, 2023

By: _____
on behalf of The Sunrider Corporation,
Sunrider Manufacturing, L.P., and Sunlife
Herbal Company, Inc.

1 November __, 2023

CDF LABOR LAW LLP

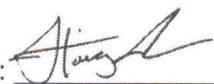
2
3
4 By: _____
5 David G. Hagopian,
6 Counsel for Elwood Staffing Services, Inc.

7
8 November __, 2023

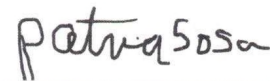
9 By: _____
10 on behalf of Elwood Staffing Services, Inc.

11 November 29, 2023

HAIG B. KAZANDJIAN LAWYERS, APC

12
13 By:  _____
14 Haig B. Kazandjian
15 Counsel for Plaintiff Patria Sosa

16 November 29, 2023

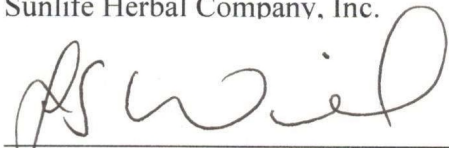
17 By:  _____
18 Patria Sosa, Plaintiff

19 November 30, 2023

BALLARD SPAHR, LLP

20
21 By:  _____
22 Nima Darouian
23 Counsel for Defendants The Sunrider
24 Corporation, Sunrider Manufacturing, L.P.,
25 and Sunlife Herbal Company, Inc.

26 November 30, 2023

27 By:  _____
28 on behalf of The Sunrider Corporation,
Sunrider Manufacturing, L.P., and Sunlife
Herbal Company, Inc.