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Attorneys for Plaintiff
JULIE A. VILLANUEVA, individually and on
behalf of others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO

JULIE A. VILLANUEVA, an Individual, on
behalf of herself and all others similarly
situated

Plaintiffs,

v.

WORLDWIDE LOGISTICS, INC.; and
DOES 1 through 100, Inclusive

Defendants.

CASE NO.: CIVSB2221516

[Assigned for all purposes to Hon. Jessica Morgan
Dept. S26]

CLASS ACTION

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

Action Filed: 9/28/2022
Trial Date: None yet

1 **TO THE COURT, ALL PARTIES, AND THEIR ATTORNEYS OF RECORD:**

2 Subject to final approval by the Court, which counsel and parties agree to pursue and recommend
3 in good faith, Plaintiff Julie A. Villanueva, individually and on behalf of all employees similarly situated,
4 on the one hand, and Defendant Worldwide Logistics, Inc., on the other hand, hereby agree to the
5 following binding settlement of the class and Private Attorneys General Act (“PAGA”) action titled *Julie*
6 *Villanueva v. Worldwide Logistics, Inc.*, San Bernardino Superior Court Case No. CIVSB2221516, as
7 follows:

8 **I. DEFINITIONS**

9 1. “Action” means, and refers to, the case captioned *Julie Villanueva v. Worldwide Logistics,*
10 *Inc.*, filed in the California Superior Court for the County of San Bernardino Case No. CIVSB2221516
11 which also includes the notice letter submitted by Named Plaintiff to the Labor and Workforce
12 Development Agency (“LWDA”) on or about March 16, 2023, LWDA-CM-942774-23 (“PAGA
13 Notice”).

14 2. “Agreement,” “Settlement,” or “Stipulation” mean, and refer to, this Joint Stipulation and
15 Settlement of Class and PAGA Action.

16 3. “Aggrieved Employee(s)” means, and refers to, all current and former non-exempt, hourly
17 paid employees of Defendant employed in California during the PAGA Period.

18 4. “Aggregate Workweek Number” means, and refers to, the sum of all of the Participating
19 Class Members’ Total Workweeks which will be used to calculate the Individual Settlement Payments.

20 5. “Attorneys’ Fees and Cost Award” means, and refers to, the amount authorized by the
21 Court to be paid to Class Counsel for the services they have rendered, and expenses they have incurred,
22 in prosecuting the Action. As set forth, *infra*, Class Counsel shall request, and Defendant will not oppose,
23 an award of attorneys’ fees of Sixty-Six Thousand Six Hundred Sixty-Six Dollars and Sixty-Six Cents
24 (\$66,666.66) which is Thirty-Three and One Third Percent (33⅓%) of the Gross Fund Value and a cost
25 award of up to Nineteen Thousand Dollars (\$19,000.00). The Attorneys’ Fees and Cost Award shall come
26 out of the Gross Fund Value and will not increase the amount of the Gross Fund Value. Class Counsel
27 will be issued an IRS Form 1099 for the Attorneys’ Fees and Cost Award.

6. “Class” and “Class Member” means, and refers to, a member of the class conditionally certified for settlement purposes only during the applicable Class Period, consisting of all current and former non-exempt, hourly paid employees of Defendant who worked for Defendant in California during the Class Period.

7. “Class Counsel” means, and refers to, Bruce Kokozyan, Esq. of Kokozyan Law Firm, APC.

8. “Class and PAGA Member Data” means, and refers to, an electronic data file that identifies for each Class Member and Aggrieved Employee his/her full name, last-known address, last known telephone number, Social Security number, the number of Workweeks worked during the Class Period and, if applicable, the number PAGA Pay Periods worked during the PAGA Period. The Settlement Administrator will keep the Class and PAGA Member Data confidential and shall use it only for the purposes described herein, take adequate safeguards to protect confidential or private information, and return to Defendant or certify to Defendant the destruction of the information upon completion of the Settlement Administration process. For avoidance of doubt, neither Class Counsel nor the Named Plaintiff shall be permitted to review or receive a copy of Class and PAGA Member Data.

9. “Class Period” means, and refers to, the period between September 28, 2018 and October 17, 2023.

10. “Court” means, and refers to, the Superior Court of California, County of San Bernardino and specifically the courtroom in which Case No. CIVSB2221516 is pending, or any other court and/or courtroom holding jurisdiction.

11. “Defendant” means, and refers to, Worldwide Logistics, Inc.

12. “Defendant’s Counsel” or “Defense Counsel” means, and refers to, Ryan C. Bykerk, Esq. and Oscar Peralta, Esq. of Greenberg Traurig, LLP.

13. “Effective Date” means, and refers to, the date the Settlement shall become effective which will be the later of the following: (a) the 61st day (unless the last such date is a weekend or holiday, in which case the next business day shall be used) after the Court enters an order granting final approval of this Settlement Agreement and judgment in the Action, provided that no timely appeal is taken by a Class Member of the order of final approval and entering judgment in the Action; (b) if an objection is filed and

not withdrawn, the date for filing an appeal and no such appeal being filed; or (c) if any timely appeals are filed, the date of the resolution and entry of remittitur (or withdrawal) of any such appeal in a way that does not alter the terms of the settlement.

14. “Excluded Class Members” means, and refers to, all Class Members who timely and validly submit a written request to be excluded from the Class on or before the Exclusion Deadline Date.

15. “Final Approval,” “Final Approval Order,” or “Final Judgment” means, and refers to, the Court’s order granting final approval of the Settlement and entering judgment.

16. “Final Approval Date” means, and refers to, the date on which the Court’s Final Approval Order is entered.

17. “Final Approval Hearing” or “Settlement Fairness Hearing” means, and refers to, the hearing at which the Court considers whether to approve the Settlement and to enter the Final Approval Order.

18. “Gross Fund Value” means, and refers to, the maximum non-reversionary amount that Defendant will be required to pay in connection with this Settlement. The Gross Fund Value consists of the Attorneys’ Fees and Costs Award, the Service Award, the Settlement Administration Costs, the PAGA Allocation and the Net Fund Value. The Gross Fund Value is equal to the total gross sum of Two Hundred Thousand Dollars (\$200,000.00). Defendant will have no obligation to pay any amount in connection with this Settlement apart from the Gross Fund Value and Defendant’s employers’ portion of payroll taxes due on the portion of the Individual Settlement Payments allocated as wages. There will be no reversion.

19. “Individual Settlement Payment(s)” means, and refers to, the amount to be paid to each individual Participating Class Member from the Net Fund Value. The estimated Individual Settlement Payment shall be indicated on the Notice.

20. “Named Plaintiff” means, and refers to, Julie Villanueva.

21. “Net Fund Value” or “NFV” means, and refers to, the funds available to be distributed to Participating Class Members from the Gross Fund Value after the payment of any Attorneys’ Fees and Cost Award, Service Award, Settlement Administration Costs, and PAGA Allocation.

22. “Notice” or “Class Notice” means, and refers to, the Notice of Class Action and PAGA

1 Settlement that the Court approves and directs to be sent by regular mail to all Class Members
2 (substantially in the form annexed hereto as Exhibit A).

3 23. “Objection/Exclusion Deadline” means, and refers, to the date no later than sixty (60)
4 calendar days after the date the Class Notices are mailed (judged by the postmark date) to Class Members
5 by the Settlement Administrator, on or before which a Class Member, may (1) validly submit a Notice of
6 Objection, (2) submit a Request for Exclusion, or (3) challenge with documentary evidence his or her
7 Total Workweeks.

8 24. “PAGA Allocation” means, and refers, to the total sum of Six Thousand Dollars
9 (\$6,000.00) that will be paid from the Gross Fund Value and which constitutes penalties pursuant to
10 PAGA, that which will be distributed as follows: 75% (which totals \$4,500.00) shall be paid to the LWDA
11 and the remaining 25% (which totals \$1,500.00) shall be paid to the Aggrieved Employees on a
12 proportionate basis based on the number of PAGA Pay Periods each worked during the PAGA Period
13 (“Individual PAGA Payment(s”).

14 25. “PAGA Period” means, and refers to, the period of time from March 16, 2022, through
15 October 17, 2023.

16 26. “PAGA Pay Periods” means, and refers to, Defendant’s two-week payroll cycle in which
17 an Aggrieved Employee worked one or more days for Defendant during the PAGA Pay Period.

18 27. “Participating Class Member” means, and refers to, all Class Members who are not
19 Excluded Class Members.

20 28. “Preliminary Approval Order” means, and refers to, the order issued by the Court
21 preliminarily approving the terms of the Settlement.

22 29. “Preliminary Approval Date” means, and refers to, the date that the Court enters the
23 Preliminary Approval Order.

24 30. “Preliminary Approval Hearing” means, and refers to, the hearing on Named Plaintiff’s
25 Motion for Preliminary Approval.

26 31. “Qualified Settlement Fund” means, and refers, to the fund to be established by the
27 Settlement Administrator pursuant to Internal Revenue Code Section 1.468B-1.

32. “Released Class Claims” is defined as follows: Participating Class Members release and discharge Defendant and the Released Parties for the Class Period from any and all claims, causes of action, damages, wages, benefits, expenses, penalties, debts, liabilities, demands, obligations, attorneys’ fees, costs, and any other form of relief or remedy in law, equity, of whatever kind of nature, arising from the claims pled in the Action, and any claims that could have been pled based on facts alleged in the operative complaints, including, all claims for failure to pay for all hours worked, unpaid wages (including minimum wage, straight time, overtime and double time), meal period violations (including meal premiums), rest break violations (including rest premiums), failure to pay premium wages at the correct regular rate, failure to pay final wages, failure to provide accurate wage statements, unlawful business practices under the California Labor Code and/or the California Business and Professions Code, all claims for restitution or equitable relief, civil penalties, statutory penalties of any nature whatsoever, and attorneys’ fees and costs. The Released Class Claims include claims meeting the above definition(s) under any and all applicable statutes, including without limitation California Labor Code §§ 201, 202, 203, 218, 218.5, 218.6, 226, 226.7, 510, 512, 516, 558, 1174, 1194, 1194.2, 1197, 1198; the California Unfair Competition Act based on the preceding claims, and in particular, California Bus. & Prof. Code §§ 17200 et seq, as well as the Industrial Welfare Commission Wage Orders.

33. “PAGA Released Claims” is defined as follows: Aggrieved Employees discharge Defendant and the Released Parties for the PAGA Period from any and all claims, causes of action, civil penalties, liabilities, demands, obligations, attorneys’ fees, costs, and any other form of relief or remedy in law, equity, of whatever kind of nature, arising from the PAGA claim asserted in the Action, Plaintiff’s PAGA Notice, and any claims that could have been pled under PAGA based on facts alleged in the operative complaints and PAGA Notice, including, all claims for failure to pay for all hours worked, unpaid wages (including minimum wage, straight time, overtime and double time), meal period violations (including meal premiums), rest break violations (including rest premiums), failure to pay premium wages at the correct regular rate, failure to pay final wages, failure to provide accurate wage statements, and claims for civil penalties recoverable through the PAGA for violations of the California Labor Code. The PAGA Released Claims include any PAGA claim that may be asserted based on the above definition(s)

1 under any and all applicable statutes, including without limitation California Labor Code §§ 201, 202,
2 203, 218, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 516, 558, 1174, 1194, 1194.2, 1197, 1198; 2699, *et*
3 *seq.*, and the Industrial Welfare Commission Wage Orders.

4 34. “Released Parties” means, and refers to, Defendant Worldwide Logistics, Inc., and its
5 former, present and future owners, parents, subsidiaries, affiliates, and all of its current, former and future
6 officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers,
7 agents, clients, successors, assigns, accountants, insurers, or legal representatives.

8 35. “Service Award” means, and refers to, the amount that the Court authorizes to be paid to
9 the Named Plaintiff over and above her Individual Settlement Payment, in recognition of Named
10 Plaintiff’s efforts in assisting with the prosecution of the Action on behalf of the Class Members and in
11 consideration of a General Release by Named Plaintiff. Named Plaintiff will request, and Defendant will
12 not oppose, a Service Award of up to Seven Thousand Dollars (\$7,000.00). Named Plaintiff will be issued
13 an IRS Form 1099 in connection with his Service Award.

14 36. “Settlement Administrator” means, and refers to, ILYM Group, Inc.

15 37. “Settlement Administration Costs” means, and refers to, the amount that will be paid to
16 the Settlement Administrator, and includes all costs incurred in administering the Settlement, which will
17 be paid from the Gross Fund Value. The Parties agree to work in good faith to minimize, as much as
18 possible, the Settlement Administration Costs. Defendant will not object to an application for approval of
19 the Settlement Administration Costs, provided the Settlement Administration Costs are paid out of the
20 Gross Fund Value and will not increase the Gross Fund Value. The Parties anticipate Settlement
21 Administration Costs to total \$9,0000.

22 38. “Settlement Member(s)” means, and refers to, all Participating Class Members, all
23 Aggrieved Employees, and the Named Plaintiff.

24 39. “Total PAGA Pay Periods” means, and refers to, the sum of all the PAGA Pay Periods
25 worked by all Aggrieved Employees during the PAGA Period.

26 40. “Workweek” is any calendar week during the Class Period in which a Class Member was
27 employed by and performed work for Defendant.

41. “Total Workweeks” means and refers to the sum of all the Workweeks a Class Member was employed during the Class Period.

II. RECITALS

A. CLASS CERTIFICATION FOR SETTLEMENT PURPOSES ONLY

At or about the time that the Named Plaintiff files her motion for preliminary approval of this Settlement, the Named Plaintiff shall request certification of the Class for settlement purposes only. The certification of the Class – for settlement purposes only – shall not constitute, in this or any other proceeding, an admission of any kind by Defendant, including without limitation, that certification of a class or collective action for trial purposes is appropriate or proper, that Named Plaintiff could establish any of the requisite elements for class or collective treatment of any of the claims in the Action, or that the PAGA claims asserted could proceed on a representative basis. In the event that the Settlement is not finally approved, or the Settlement is otherwise terminated or rendered null and void, the certification of the Class shall be automatically vacated and shall not constitute evidence or a binding determination that the requirements for certification of a class or collective action for trial purposes in this Action or in any other actions are satisfied. In such circumstances, Defendant expressly reserves all rights to challenge the Class certification for any purpose other than settlement purposes in this Action or in any other action on all available grounds as if no class had been certified for settlement purposes in the Action, and no reference to the prior certification of this class, or any documents related thereto, shall be made available for any purpose. Additionally, the Parties stipulate that to further the certification for settlement purposes only, and for no other purpose or effect, and which shall not constitute evidence or a binding admission, the Named Plaintiff is typical of other Class Members and can represent the Class.

B. INVESTIGATION IN THE CLASS ACTION

The Parties have conducted significant investigation of the facts and law during the prosecution of this Action. Discovery and investigation included: the exchange of informal discovery between Plaintiff and Defendant including the production of documents by Defendant, including Defendant’s employee handbooks, policies and procedures regarding the payment of wages, time keeping, overtime, meal and rest periods and the production of sample class member payroll and time punch data. Plaintiff’s counsel

1 retained an expert to review timekeeping records and payroll records and to assist in the preparation of a
2 damage analysis for this litigation. Also, there were numerous conferences between representatives of the
3 Parties and a full day-long mediation session with Hon. Ronald Sabraw (Ret.), an experienced mediator
4 of wage-and-hour class actions, on October 17, 2023.

5 **C. BENEFITS OF SETTLEMENT TO CLASS MEMBERS**

6 Named Plaintiff and Class Counsel recognize the expense and length of continued proceedings
7 necessary to litigate their disputes through trial and through any possible appeals. Named Plaintiff has
8 also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties
9 and delays inherent in such litigation. Named Plaintiff and Class Counsel are also aware of the burdens of
10 proof necessary to establish liability for the claims asserted in the Action, both generally and in response
11 to Defendant's defenses thereto (many of which have been shared at the mediation and in settlement
12 discussions). Named Plaintiff and Class Counsel have also taken into account the extensive settlement
13 negotiations conducted. Named Plaintiff and Class Counsel have also taken into account Defendant's
14 agreement to enter into a settlement that confers substantial relief upon the Class Members. Based on the
15 foregoing, Named Plaintiff and Class Counsel have determined that the Settlement set forth in this
16 Agreement is a fair, adequate and a reasonable settlement, and is in the best interests of the Class Members.

17 **D. DEFENDANT'S REASONS FOR SETTLEMENT**

18 Defendant has concluded that any further defense of this litigation would be protracted and
19 expensive for all Parties. Substantial amounts of Defendant's time, energy and resources have been and,
20 unless this Settlement is made, will continue to be devoted to the defense of the claims asserted. Defendant
21 has also taken into account the risks of further litigation in reaching its decision to enter into this
22 Settlement. Defendant has, therefore, agreed to settle in the manner and upon the terms set forth in this
23 Agreement to put to rest this Action.

24 **E. DEFENDANT'S DENIAL OF WRONGDOING**

25 Defendant does not admit any wrongdoing and contends that it fully complied with the law at all
26 times in all respects. Regardless of whether the Settlement is finally approved, neither this Settlement, nor
27 any terms, document, statement, proceeding or conduct related to settlement, nor any reports or accounts
28

thereof, shall in any event be (a) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose, including, but not limited to, evidence of a presumption, concession, indication, or admission by Defendant of any fault, wrongdoing, liability and/or unlawful activity whatsoever or any effort to certify a class or collective action; or (b) disclosed, referred to, or offered or received in evidence, in any further proceeding in this action, or any other civil, criminal or administrative action or proceeding, except for purposes of settling this Action or enforcing this Settlement, or as a defense to any claims released by the Settlement.

F. NAMED PLAINTIFF'S CLAIMS

Named Plaintiff has claimed and continues to claim that the Released Class Claims and PAGA Released Claims have merit and give rise to liability on the part of Defendant. This Agreement is a compromise of disputed claims. Nothing contained in this Agreement and no documents referred to herein and no action taken to carry out this Agreement may be construed or used as an admission by or against the Named Plaintiff or Class Counsel as to the merits or lack thereof of the Action.

III. STIPULATION AND AGREEMENT

NOW, THEREFORE, IT IS HEREBY STIPULATED, by and among the Named Plaintiff, individually and on behalf of all employees similarly situated, on the one hand, and Defendant on the other hand, and subject to the approval of the Court, that the Action is hereby being compromised and settled pursuant to the terms and conditions set forth in this Agreement, subject to the definitions and recitals set forth in Sections I and II, which by this reference become an integral part of this Agreement, and subject to the following terms and conditions:

1. Full Investigation. Named Plaintiff and Class Counsel have fully investigated the factual and legal bases for the causes of action asserted in the Action.

2. Release as to All Participating Class Members. Upon the Effective Date and upon Defendant fully funding the Settlement, the Participating Class Members, including the Named Plaintiff, release the Released Parties for the Released Class Claims for the Class Period.

3. Release as to All Aggrieved Employees. Upon the Effective Date and upon Defendant fully funding the Settlement, the Aggrieved Employees, including the Named Plaintiff, release the Released

Parties for the PAGA Released Claims for the PAGA Period.

4. General Release by Named Plaintiff Only. Named Plaintiff, on behalf of herself and her heirs, spouse (if any), executor, administrator and agents, and in exchange for the Service Award requested or as otherwise authorized by the Court, will, as of the Effective Date and Defendant fully funding the Settlement, hereby release and discharge Defendant and all Released Parties of and from any and all known or unknown liabilities, claims, demands for damages, costs, indemnification, contribution, or any other thing for which Named Plaintiff has or may have, including known or unknown causes of action, claims, or demands for damages, costs, indemnification, or contribution, whether certain or speculative, which may have come into existence at any time prior to the time of execution of this Agreement, or that may be brought in the future in connection with any acts or omissions that have arisen at any time prior to execution of this Agreement, including, but not limited to, any and all claims that Named Plaintiff has actually alleged or could have alleged to date, any and all claims arising out of Named Plaintiff's work for Defendant and/or employment status, any and all claims for breach of any express or implied agreement, the Released Class Claims which Named Plaintiff will release as a Settlement Member, any claims related to FMLA or CFRA leave, any claims that Named Plaintiff was wrongfully terminated or has been discriminated against or retaliated against in any way, or that Named Plaintiff's privacy has been violated in any way, any and all claims arising under a "whistleblower" statute (including any claims arising under Labor Code §§ 6310, 1102.5), any and all claims for wage and hour violations, any and all claim for tortious conduct resulting in personal injuries or intentional infliction of emotional distress, any and all claims for violations under the California Business and Professions Code Section 17200, and any and all claims for or related to harassment, discrimination or retaliation on the basis of race, color, national origin, religion, gender, age, sexual orientation, ancestry, medical condition, marital status, pregnancy, physical or mental disability, associational disability, or other protected class, discharge in violation of public policy and/or violation of any state and federal laws, regulations, or constitutions, including without limitation, the *Age Discrimination in Employment Act* ("ADEA") and its amendment, the *Older Workers Benefit Protection Act* ("OWBPA"), the *California Fair Employment and Housing Act* ("FEHA"), the *Americans with Disabilities Act*, *Title VII of the Civil Rights Act of 1964*, as amended, Secs. 503 and 504

1 of the *Rehabilitation Act of 1973*, as amended, *The Fair Labor Standards Act*, as amended, *the National*
2 *Labor Relations Act*, as amended, *the Labor - Management Relations Act*, as amended, *the Worker*
3 *Adjustment and Retraining Notification Act of 1988*, as amended, *the Pregnancy Discrimination Act*, *the*
4 *Employee Retirement Income Security Act of 1974*, as amended, *the Family Medical Leave Act of 1993*,
5 as amended, *the California Family Rights Act*, as amended, and *the California Labor Code*, including
6 divisible individual claims under the Private Attorneys General Act, Labor Code § 2698, et seq, and *the*
7 *California Wage Orders* (“General Release”).

8 a. Waiver of Unknown Claims. The General Release as to Named Plaintiff includes a
9 complete release of any and all unknown claims that Named Plaintiff does not know or suspect to exist in
10 her favor at the time of the General Release, which, if known by her, might have affected her settlement
11 with, and release of, the Released Parties or might have affected her decision not to object to this
12 Settlement or the General Release. With respect to her General Release, Named Plaintiff stipulates and
13 agrees that, upon the Effective Date and Defendant fully funding the settlement, Named Plaintiff shall be
14 deemed to have, and by operation of the Final Judgment shall have, expressly waived and relinquished, to
15 the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California
16 Civil Code, or any other similar provision under federal or state law, which provides:

17 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**
18 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO**
19 **EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE**
20 **AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY**
21 **AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED**
22 **PARTY.**

23 Named Plaintiff may hereafter discover facts in addition to or different from those she now knows
24 or believes to be true with respect to the subject matter of the General Release, but Named Plaintiff upon
25 the Effective Date shall be deemed to have, and by operation of the Final Judgment shall have, fully,
26 finally, and forever settled and released any and all of the claims released pursuant to the General Release
27 whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or
28

heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts.

5. Service Award. Subject to Court approval, Named Plaintiff shall be paid a Service Award up to a total of Seven Thousand Dollars (\$7,000.00), or such other distribution or lower amount as the Court may order. The Service Award shall be paid from the Gross Fund Value and shall not increase the Gross Fund Value. The Service Award shall be paid to the Named Plaintiff by the Settlement Administrator no later than ten (10) business days after Defendant delivers the Gross Fund Value to the Settlement Administrator for deposit into the Qualified Settlement Fund. The Parties agree that a decision by the Court to award Named Plaintiff an amount less than the amount stated above shall not be a basis for Class Counsel to void this Stipulation. The Settlement Administrator shall issue Named Plaintiff an IRS Form 1099 for the Service Award. Any amount awarded for service payments to the Named Plaintiff less than the requested amount will result in the non-awarded funds to be awarded to Participating Class Members on a proportionate basis to the amount of their Individual Settlement Payment. The Named Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on this payment. The Service Award shall be paid in addition to her Individual Settlement Payment.

6. Tax Liability. Defendant makes no representations as to the tax treatment or legal effect of the payments called for hereunder, and Named Plaintiff and Settlement Members are not relying on any statement or representation by Defendant in this regard. Named Plaintiff and Settlement Members understand and agree that except for Defendant's payment of the employer's portion of any payroll taxes, they will be solely responsible for the payment of any and all taxes and penalties assessed on the payments described herein.

7. 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

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

19 8. Creation of the Qualified Settlement Fund and Administration of the Settlement. Within
20 fourteen (14) days of the Effective Date, Defendant shall deliver the Gross Fund Value into the Qualified
21 Settlement Fund created by the Settlement Administrator. Defendant shall also simultaneously deliver to
22 the Settlement Administrator, Defendant's (Employer) share of payroll taxes, including but not limited to,
23 FICA, FUTA and SDI contributions.

24 9. Escalation Clause. Defendant represents that there are approximately 5,988 workweeks
25 during the Class Period. If the number of the workweeks during the Class Period exceeds 5,988 by more
26 than 10%, the Gross Fund Value will increase by a proportionate percentage above the listed 5,988
27 estimate (i.e., if the workweeks increased by 12%, the Gross Fund Value would increase by 2%).
28

1 Alternatively, at Defendant's option, Defendant may shorten the Class Period to a date at which the total
2 workweeks fall within the 10% threshold (i.e., the date on which the Class Members worked no more than
3 6,586 workweeks).

4 10. Attorneys' Fees and Cost Award. Defendant agrees not to oppose or impede any
5 application or motion by Class Counsel for attorneys' fees in the amount of Thirty-Three and One Third
6 Percent (33⅓%) of the Gross Fund Value which equates to Sixty-Six Thousand Six Hundred Sixty-Six
7 Dollars and Sixty-Six Cents (\$66,666.66). Defendant further agrees not to oppose any application or
8 motion by Class Counsel for the reimbursement of any actual costs associated with Class Counsel's
9 prosecution of this matter not in excess of Nineteen Thousand Dollars (\$19,000.00). Class Counsel will
10 provide verification of the cost amount that it is seeking to be reimbursed. The Parties agree that a decision
11 by the Court to award an Attorneys' Fees and Cost Award in an amount less than the amount stated above
12 shall not be a basis for Class Counsel to void this Stipulation. Any amount awarded for attorneys' fees
13 and costs less than the allocated amounts will result in the non-awarded amounts to be awarded to
14 Participating Class Members on a proportionate basis to the amount of their Individual Settlement
15 Payments. Class Counsel shall be paid any Court-approved fees and costs no later than ten (10) business
16 days after Defendant delivers the required funds to the Settlement Administrator for deposit into the
17 Qualified Settlement Fund. Class Counsel shall be solely and legally responsible to pay all applicable
18 taxes on the payment made to Class Counsel. Forms 1099 – MISC, Box 14 shall be provided to Class
19 Counsel for the payments made, and Class Counsel shall provide, before the Effective Date, properly
20 completed Forms W-9.

21 11. Settlement Administrator. The Settlement Administrator shall be paid for the costs of
22 administration of the Settlement out of the Gross Fund Value as deposited in the Qualified Settlement
23 Fund. The estimate of such costs of administration for the disbursement of the Gross Fund Value is no
24 more than Nine Thousand Dollars (\$9,000.00) Any amount awarded for costs of administration to
25 Settlement Administrator, or such other entity upon whom the Parties mutually agree, less than Nine
26 Thousand Dollars and 00/100 (\$9,000.00) will result in the non-awarded amount to be awarded to
27 Participating Class Members on a proportionate basis to the amount of their Individual Settlement
28

1 Payments. This estimate includes all tasks required of the Settlement Administrator by this Agreement
2 including the issuance of the Notice, the issuance of settlement checks, the required tax reporting on the
3 settlement amounts, including the issuing of W2 and 1099 forms (if any), the handling of Class Member
4 questions and disputes and the calculation of employee withholding taxes and the employer payroll taxes,
5 which will be remitted to the tax authorities by the Settlement Administrator. At least sixteen (16) court
6 days prior to the Final Approval Hearing, the Settlement Administrator shall provide the Court and all
7 counsel for the Parties with a statement detailing the costs of administration of the Gross Fund Value and
8 the breakdown of the Gross Fund Value.

9 12. Preliminary Settlement Hearing/Alterations to this Agreement. As part of this Settlement,
10 the Parties agree to the following procedures for obtaining preliminary Court approval of the Settlement:

11 a. Plaintiff shall file a Motion for Preliminary Approval and request a hearing before the
12 Court to request preliminary approval of the Settlement and to request the entry of the Preliminary
13 Approval Order.

14 b. Simultaneous with and/or included in the filing of the Motion for Preliminary Approval,
15 and solely for purposes of this Settlement, Named Plaintiff will request the Court to enter the Preliminary
16 Approval Order, preliminarily approving the proposed Settlement, conditionally certifying the Class, and
17 setting a date for a Final Approval Hearing.

18 c. In conjunction with the Motion for Preliminary Approval, Named Plaintiff will submit this
19 Agreement and will include proposed forms of all notices and other documents as attached hereto
20 necessary to implement the Settlement. The Order shall provide for Notice of the settlement to be sent to
21 Class Members as specified herein.

22 d. In the event any provision of the Settlement is rejected by the Court, the Parties will work
23 in good faith to negotiate alteration of the rejected term. The Parties agree to use the services of a mediator
24 if informal efforts to negotiate alteration have been exhausted.

25 e. If, following the Parties' good faith efforts and mediation, the Parties cannot agree on
26 alterations, or if ultimately the Court does not grant preliminary or final approval of the Settlement in its
27 entirety, or if the Court's final approval of the Settlement is reversed or materially modified on appellate
28

review, then this Settlement will become null and void. In such case, the Settlement shall not be used, referenced, or be admissible in any subsequent proceedings, either in this Action, in this Court, or in any other court or forum.

13. Settlement Administration/Management. The Individual Settlement Payments and Individual PAGA Payments shall be managed and administered as follows:

a. The Parties each represent they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

b. Defendant shall provide the Settlement Administrator the Class and PAGA Member Data within fourteen (14) days of the Preliminary Approval Date.

c. Within twenty-one (21) days of receipt of the Class and PAGA Member Data, the Settlement Administrator shall mail the Class Notice.

d. Participating Class Members will be eligible to receive an Individual Settlement Payment and Aggrieved Employees will be eligible to receive an Individual PAGA Payment.

e. The Settlement Administrator shall provide Defendant's Counsel and Class Counsel a weekly report showing the number of Class Members who have objected to or requested exclusion from the Settlement (if any). Sixteen (16) court days prior to the Final Approval Hearing, the Settlement Administrator shall provide Defendant's Counsel and Class Counsel a final report showing the names and number of Class Members who have requested exclusion from the Settlement or indicated their intent to object to the Settlement.

f. The Parties agree to cooperate in the settlement administration process and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement.

g. The Settlement Administrator shall be responsible for: printing and mailing the Notices as directed by the Court; receiving and reporting the objections/requests for exclusion and challenges to the Individual Settlement Payments submitted by Class Members; mailing Individual Settlement Payments to Participating Class Members; mailing Individual PAGA Payments to Aggrieved Employees; the payment

1 to the LWDA; and other tasks as the Parties mutually agree or the Court orders the Settlement
2 Administrator to perform (including the calculation and remittance of employer taxes which will be paid
3 by Defendant in addition to Gross Fund Value.) The Settlement Administrator shall keep Defendant,
4 Defendant's Counsel and Class Counsel timely apprised of the performance of all Settlement
5 Administrator responsibilities.

6 h. The Settlement Administrator, on Defendant's behalf, shall have the authority and
7 obligation to make payments, credits and disbursements, including payments and credits in the manner
8 set forth herein to Settlement Members, calculated in accordance with the methodology set out in this
9 Agreement and orders of the Court.

10 i. Any tax return filing required by this Agreement shall be made by the Settlement
11 Administrator. Any expenses incurred in connection with such filing shall be a cost of administration of
12 the Settlement and shall not increase the Gross Fund Value.

13 j. No person shall have any claim against Defendant or Defendant's Counsel, the Named
14 Plaintiff, Class Members, the Class, Class Counsel or the Settlement Administrator based on distributions
15 and payments made in accordance with this Agreement.

16 k. The Settlement Administrator will provide to Defendant, as soon as practicable, but no
17 later than thirty (30) days after Preliminary Approval is granted, a fully-executed IRS W-9 form and any
18 other information Defendant may require to issue payment.

19 14. Calculation and Administration of Individual Settlement Payments. The Individual
20 Settlement Payments will be calculated as follows:

21 a. The Settlement Administrator will be provided each Class Member's Total Workweeks
22 based on the Class and PAGA Member Data, which shall be presumed to be correct. If a Class Member
23 disagrees with his or her Total Workweeks, which shall be set forth in the Notice, he or she may challenge
24 the Total Workweeks.

25 b. The Settlement Administrator will calculate the Aggregate Workweek Number by adding
26 the sum of all the Class Members' Total Workweeks.

27 c. The Settlement Administrator will divide the Net Fund Value by the Aggregate Workweek
28

Number to calculate the amount to allocate to each Workweek.

d. The Settlement Administrator will calculate each Class Members' Individual Settlement Payment by multiplying his or her Total Workweeks times the amount allocated to each Workweek. Each Class Members estimated Individual Settlement Payment will be indicated on the Notice.

e. The Individual Settlement Payment estimates indicated on the Notice are subject to change, depending on factors including: (i) how many Class Members become Excluded Class Members (resulting in their Total Workweeks being removed from the final Aggregate Workweek Number, thereby increasing the value of each Workweek); (ii) any changes to the Total Workweeks resulting from challenges to Total Workweeks submitted by Class Members resulting in workweek adjustments, which may increase or decrease the final Aggregate Workweek Number and the value of each Workweek; and (iii) any increases or reductions in the Net Fund Value which may result from, inter alia, changes to the actual amount of PAGA Allocation, and/or Settlement Administration Costs approved by the Court.

f. Each Participating Class Member's Individual Settlement Payment will be allocated as follows: (a) 25% as wages; and (b) 75% as interest and penalties. The portion allocated to wages ("Wage Component") shall be reported on an IRS Form W-2 and the portions allocated to interest and penalties (the "Non-Wage Component") shall be reported on an IRS Form-1099 by the Settlement Administrator.

g. The employee's portion of employment taxes, including payroll deductions for state and federal withholding taxes, and any other applicable payroll deductions, shall be made from each Participating Class Members' Wage Component, resulting in a "Net Wage Component." The Settlement Administrator will issue a W-2 for the Wage Component. No withholding shall be made on the Non-Wage Component. The Settlement Administrator will issue an IRS Form 1099 for the Non-Wage Component.

15. Calculation and Administration of the PAGA Allocation. The Individual PAGA Payment will be calculated as follows:

a. The Settlement Administrator shall pay \$4,500.00 (75% of the PAGA Allocation) to the LWDA.

b. The Settlement Administrator will determine the number of Aggrieved Employees and the Total PAGA Pay Periods, which shall be presumed to be correct.

1 c. The Settlement Administrator will divide the \$1,500.00 (25% of the total PAGA
2 Allocation) by the amount of Total PAGA Pay Periods to obtain the amount to allocate to each PAGA
3 Pay Period.

4 d. The Settlement Administrator will calculate each Aggrieved Employee's Individual PAGA
5 Payment by multiplying his/her PAGA Pay Periods by the amount allocated to each PAGA Pay Period.
6 Each Aggrieved Employee's Individual PAGA Payment will be indicated on the Notice.

7 e. The PAGA Allocation is subject to Court approval and may change on this basis.

8 f. Each Aggrieved Employees' Individual PAGA Payment will be allocated as 100%
9 penalties and shall be reported on an IRS Form-1099 by the Settlement Administrator.

10 g. The Settlement Administrator, on Defendant's and Class Counsel's collective behalf, shall
11 have the authority and obligation to make payments, credits and disbursements, including payments and
12 credits in the manner set forth herein, to Aggrieved Employees and Participating Class Members in
13 accordance with the methodology set out in this Agreement and orders of the Court. The Settlement
14 Administrator shall be responsible for calculating and withholding all required state and federal taxes.

15 16. Notice to Class Members and Aggrieved Employees. Notice of the Settlement shall be
16 provided to all Class Members and Aggrieved Employees using the following procedures:

17 a. Notice By First-Class Mail. Within twenty-one (21) days after receipt of the Class and
18 PAGA Member Data, the Settlement Administrator shall mail the Class Notice, which has been mutually
19 approved by counsel for the Parties, to the Class Members via first-class regular U.S. Mail. The Class
20 Notice is substantially in the form annexed hereto as Exhibit A. Prior to mailing, the Settlement
21 Administrator will perform a search based on the National Change of Address Database information to
22 update and correct for any known or identifiable address changes. If a new address is obtained by a way
23 of a returned Class Notice, then the Settlement Administrator shall promptly forward the original Class
24 Notice to the updated address via first-class regular U.S. mail indicating on the original Class Notice the
25 date of such re-mailing.

26 b. No Requirement for a Claim Form. Class Members shall not be required to submit a Claim
27 Form to receive an Individual Settlement Payment or Individual PAGA Payment.

1 c. Objection/Exclusion Deadline. Class Members will have sixty (60) calendar days from the
2 mailing of the Class Notice to submit an objection and/or request for exclusion from the Settlement, or
3 challenge the Total Workweeks indicated on their Class Notice. Class Members to whom Class Notices
4 are resent after having been returned undeliverable to the Administrator per the paragraph below shall
5 have an additional fourteen (14) calendar days beyond the Objection/ Exclusion Deadline Date.

6 d. Procedure for Undeliverable Notices. Any Class Notices returned to the Settlement
7 Administrator as non-delivered on or before the Objection/Exclusion Deadline Date shall be sent to the
8 forwarding address affixed thereto within five (5) business days. If no forwarding address is provided,
9 then the Settlement Administrator shall promptly attempt to determine a correct address using a single
10 skip-trace, computer or other search using the name and address of the individual involved, and shall then
11 perform a single re-mailing within five (5) business days. In the event the procedures in this paragraph are
12 followed and the intended recipient of a Notice still does not receive the Notice, the Class Member shall
13 be bound by all terms of the Settlement and any Final Judgment entered by the Court if the Settlement is
14 approved by the Court.

15 e. No later than sixteen (16) court days prior to the Final Approval Hearing, the Settlement
16 Administrator shall provide Defendant's Counsel and Class Counsel: (i) the names and contact
17 information of the Class Members objecting to or requesting exclusion from the Settlement; and (ii) the
18 amount owed to each Participating Class Member.

19 17. Procedure for Objecting to or Requesting Exclusion from the Class Action Settlement, or
20 Challenging Total Workweeks. The Class Members shall submit objections to the Settlement and/or
21 request exclusion from the Settlement and/or submit a challenge to their Total Workweeks using the
22 following procedures:

23 a. Procedure For Objecting. The Class Notice shall provide that those Class Members who
24 wish to object to the Settlement shall mail a written statement of objection ("Notice of Objection") to the
25 Settlement Administrator, no later than the Objection/Exclusion Deadline Date. The postmark date of the
26 mailing shall be deemed the exclusive means for determining if a Notice of Objection is timely. The Notice
27 of Objection must contain the Class Member's name, the last four digits of his/her social security number,
28

1 dates of employment, current contact information, a statement providing the basis for the Class Member's
2 objections, a statement advising if the objecting Class Member plans to address the Court at the Settlement
3 Fairness Hearing, and any legal briefs, papers or memoranda the objecting Class Member proposes to
4 submit to the Court. Class Members regardless of whether they submit a written objection to the
5 Settlement Administrator will have the right to appear at the Final Approval Hearing in order to have their
6 objections heard by the Court. No later than sixteen (16) court days before the Settlement Fairness
7 Hearing, the Settlement Administrator shall provide counsel for the Parties with complete copies of all
8 objections received, including the postmark dates for each objection. Class Counsel and Counsel for
9 Defendant shall file any responses to any written objections submitted to the Court in accordance with
10 this Settlement Agreement at least five (5) court days before the Fairness Settlement Hearing.

11 b. Procedure For Requesting Exclusion. The Notice shall provide that Class Members who
12 wish to exclude themselves from the Class must submit a written request to be excluded ("Request for
13 Exclusion") from the Class on or before the Objection/Exclusion Deadline Date. Such Request for
14 Exclusion: (1) must contain the name, address, telephone number and the last four digits of the Social
15 Security number of the person requesting exclusion; (2) must be signed by the person requesting
16 exclusion; (3) must be returned by mail to the Settlement Administrator at the specified address; (4) and
17 must be postmarked on or before the Objection/Exclusion Deadline Date. The date of the postmark on the
18 return mailing envelope shall be the exclusive means used to determine whether a request for exclusion
19 has been timely submitted. Any Class Member who requests an exclusion from the Class will not be
20 bound by the Released Class Claims, have any right to object, appeal or comment thereon, or be entitled
21 to an Individual Settlement Payment. Class Members who fail to submit valid and timely a Request for
22 Exclusion on or before the Objection/Exclusion Deadline Date shall be Participating Class Members and
23 shall be bound by all terms of the Settlement and any Final Judgment entered in this Class Action if the
24 Settlement is approved by the Superior Court. No later than sixteen (16) court days before the Settlement
25 Fairness Hearing, the Settlement Administrator shall provide counsel for the Parties with a complete list
26 of all members of the Settlement Class who have timely requested exclusion from the Settlement. At no
27 time shall any of the Parties or their counsel seek to solicit or otherwise encourage members of the
28

1 Settlement Class to submit a Request for Exclusion from the Settlement. Requests for Exclusions do not
2 apply to Aggrieved Employees; Aggrieved Employees will be bound by the PAGA Released Claims
3 irrespective of whether they make a Request for Exclusion. For the avoidance of doubt, no Aggrieved
4 Employee may opt out of the Settlement with respect to the PAGA Released Claims.

5 c. Procedure for Contesting Individual Settlement Payment: Each Class Members will have
6 the opportunity, should he/she disagree with Defendant's records regarding his/her Total Workweeks as
7 presented in his/her Class Notice, to provide documentation to show contrary employment dates. To do
8 so, Class Members must contact the Settlement Administrator, along with all applicable documentary
9 evidence to support his/her dispute regarding his/her Total Workweeks prior to the Objection/Exclusion
10 Deadline. Moreover, an individual can only dispute his/her number of Total Workweeks if he/she does
11 not exclude himself/herself from the Settlement. If there is a dispute, the Settlement Administrator will
12 consult with the Parties to determine whether a workweek adjustment is warranted. Class Counsel and
13 Defendant's Counsel shall meet and confer in an attempt to reach an agreement regarding whether a
14 workweek adjustment is warranted based on the documentary evidence submitted by the Class Member
15 to challenge his/her Total Workweeks. In the event that a workweek adjustment is warranted, the
16 additional amount owed to said Class Member, if any, shall be paid as part of that Participating Class
17 Member's Individual Settlement Payment and no adjustment will result in an increase to the Gross Fund
18 Value.

19 d. No Solicitation of Settlement Objections. The Parties agree to use their best efforts to carry
20 out the terms of this Settlement. At no time shall any of the Parties or their counsel seek to solicit or
21 otherwise encourage Class Members to submit written objections to the Settlement or appeal from the
22 Order and Final Judgment.

23 18. Procedure for Payment of Individual Settlement Payments and Individual PAGA
24 Payments.

25 a. Individual Settlement Payments for Class Members and Individual PAGA Payments for
26 Aggrieved Employees shall be paid exclusively from the Qualified Settlement Fund, pursuant to the
27 settlement formulas set forth herein, and shall be mailed within ten (10) business days after Defendant
28

delivers the required funds to the Settlement Administrator for deposit into the Qualified Settlement Fund.

b. Should any question arise regarding the determination of eligibility for, or the amounts of, any Individual Settlement Payment or Individual PAGA Payments under the terms of this Agreement, Class Counsel and Defendant's Counsel shall meet and confer in an attempt to reach agreement.

c. Any checks issued by the Settlement Administrator to Settlement Members shall be negotiable for one hundred and eighty (180) calendar days. Those funds represented by Settlement checks returned as undeliverable and those Settlement checks remaining uncashed for more than one hundred and eighty (180) days after issuance (collectively, "Uncashed Settlement Checks") shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Code of Civil Procedure Section 1500 et seq. for the benefits of those Settlement Members who did not cash their checks until such time they claim their property. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code Section 384, as the entire Net Fund Value (NFV) and the PAGA Allocation attributable to the Aggrieved Employees will be paid out to Settlement Members, whether or not they all cash their settlement checks.

d. Although Settlement Members who do not timely cash their Individual Settlement Payments or Individual PAGA Payments shall not immediately receive the monies from those checks, such persons shall nonetheless be Settlement Members and will be bound by all terms of the Settlement and any Final Judgment entered in this Action if the Settlement is approved by the Court, including the release of the Released Class Claims and Released PAGA Claims.

19. Claims Deemed Waived. Any Class Member who does not request exclusion as set forth above is deemed to be a Participating Class Member and thereby is deemed to have released the Released Class Claims against Released Parties for the Class Period as set forth herein, regardless of whether they timely cash their Individual Settlement Payment.

20. Certification by Settlement Administrator. Upon completion of administration of the distributions, the Settlement Administrator shall provide written certification of such completion to the Court and counsel for all Parties.

21. Final Approval Hearing and Entry of Final Judgment. Upon expiration of the

1 Objection/Exclusion Deadline Date, with the Court's permission, a Final Approval Hearing shall be
2 conducted to determine final approval of the Settlement along with the amount properly payable for (i)
3 the Attorneys' Fees and Cost Award, (ii) any Service Awards, and (iii) Settlement Administration Costs.
4 The Final Approval Hearing shall not be held earlier than forty-five (45) calendar days from
5 Objection/Exclusion Deadline Date. Upon final approval of the Settlement by the Court, Class Counsel
6 shall prepare and the Parties shall present the Final Approval Order and Judgment, in a form agreed to in
7 advance by the Parties, for the Court's approval. After entry of the Final Approval Order and Judgment,
8 the Court shall have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and
9 enforcement of the terms of the Settlement; (ii) Settlement administration matters; and (iii) such post-
10 Final Judgment matters as may be appropriate under court rules or as set forth in this Agreement.

11 22. Discharge of Obligations. Defendant shall discharge its obligations to the Settlement
12 Members through the remittance of the Individual Settlement Awards to the Participating Class Members
13 and Individual PAGA Payments to the Aggrieved Employees, regardless of whether these awards are
14 actually received and/or negotiated by Settlement Members. Once Defendant has complied with the
15 obligations set forth in this Settlement, it will be deemed to have satisfied all terms and conditions under
16 this Settlement Agreement and shall have no further obligations under the terms of the Agreement
17 regardless of what occurs with respect to those sums.

18 23. Nullification of Settlement Agreement. In the event: (i) the Court does not finally approve
19 the Settlement as provided herein; or (ii) the Court does not enter a Final Approval Order as provided
20 herein, which becomes final as a result of the occurrence of the Effective Date, this Settlement Agreement
21 shall be null and void and any order or judgment entered by the Court in furtherance of this Settlement
22 shall be treated as void from the beginning. In such a case, the Parties and any funds to be awarded under
23 this Settlement shall be returned to their respective statuses as of the date and time immediately prior to
24 the execution of this Agreement, and the Parties shall proceed in all respects as if this Settlement
25 Agreement had not been executed. In the event an appeal is filed from the Court's Final Judgment, or any
26 other appellate review is sought prior to the Effective Date, administration of the Settlement shall be stayed
27 pending final resolution of the appeal or other appellate review, as well as any fees incurred by the
28

Settlement Administrator prior to it being notified of the filing of an appeal from the Court's Final Judgment, or any other appellate review.

24. Right to Rescind Agreement: Defendant shall have, in its sole discretion, the right to void and withdraw from the Settlement if, as of the Objection Deadline, five percent (5%) or more of the Class Members submit timely and valid Requests for Exclusion. Defendant must exercise this right of rescission, in writing, to Class Counsel within fifteen (15) calendar days of receipt of the report from the Settlement Administrator. If the option to rescind is exercised, then Defendant will be solely responsible for all settlement administration costs incurred to that point.

25. No Effect on Employee Benefits. Neither the Individual Settlement Payments, Individual PAGA Payments, nor the Service Award to Named Plaintiff shall be deemed to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of the respective Named Plaintiff or Settlement Members. The Parties agree that any Individual Settlement Payments and Individual PAGA Payments under the terms of this Agreement do not represent any modification of the Settlement Members' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendant. Further, any Individual Settlement Payment, Individual PAGA Payment, or Service Award hereunder shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan or employee welfare benefit plan sponsored by Defendant. Neither Defendant nor Named Plaintiff are opining on the terms of any such Plan, each of which speaks for itself.

26. Dispute Resolution. Except as otherwise set forth herein, all disputes concerning the interpretation, calculation or payment of settlement claims, or other disputes regarding compliance with this Agreement shall be resolved as follows:

a. If the Named Plaintiff or Class Counsel, on behalf of the Named Plaintiff or any Class Member, or the Defendant at any time believes that the other Party has breached or acted contrary to the Agreement, that Party shall notify the other Party in writing of the alleged violation.

b. Upon receiving notice of the alleged violation or dispute, the responding Party shall have

ten (10) calendar days to correct the alleged violation and/or respond to the initiating Party with the reasons why the Party disputes all or part of the allegation.

c. If the response does not address the alleged violation to the initiating Party's satisfaction, the Parties shall negotiate in good faith for up to ten (10) calendar days to resolve their differences.

d. If Class Counsel and Defense counsel are unable to resolve their respective parties' differences after twenty (20) calendar days referenced in Section III, Paragraph 26(a)-(c), either Party may elect to file (1) an appropriate Code of Civil Procedure section 664.6 motion for enforcement with the Court, or (2) take any other legal action to enforce this Settlement Agreement.

e. In the event that the Court does not agree to adopt the above dispute resolution procedure as part of its Order granting final approval to the Settlement, then the above provisions for Dispute Resolution (Section III, paragraph 26(a)-(d)) are null and void, the remainder of the Settlement is unaffected, and the parties shall remain free to submit disputes and/or motions for enforcement of the Settlement via appropriate noticed motion or ex parte application.

27. Notice to the LWDA. Class Counsel shall be responsible for timely providing all notices to the LWDA and providing Defendant's counsel confirmation of same, including submission of the Settlement to the LWDA contemporaneously with the filing of the motion for preliminary approval, under California Labor Code § 2699(l)(2), and submission of any judgment within 10 days after entry of same, under California Labor Code § 2699(l)(3). Defendant may also choose, but is in no case obligated, to provide such notice to the LWDA.

28. No Retaliation. Defendant shall not take any adverse action against any Class Member because of the existence of, and/or participation in, the Settlement, or because they choose to benefit from the Settlement or to object to or opt out from the Settlement. Defendant shall not take action to discourage Class Members from participating in the Settlement.

29. Exhibits and Headings. The terms of this Agreement include the terms set forth in any attached Exhibit A which is incorporated by this reference as though fully set forth herein. Any exhibits to this Agreement are an integral part of the Settlement. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of

1 this Agreement.

2 30. Interim Stay of Proceedings. The Parties agree to hold all proceedings in the Action
3 including all discovery events and efforts, except such proceedings necessary to implement and complete
4 the Settlement, in abeyance pending the Preliminary Approval Hearing and Final Approval Hearing.

5 31. Amendment or Modification. This Agreement may be amended or modified only by a
6 written instrument signed by counsel for all Parties or their successors-in-interest.

7 32. Entire Agreement. This Agreement and any attached exhibits constitute the entire
8 agreement among these Parties, and no oral or written representations, warranties or inducements have
9 been made to any Party concerning this Agreement or its exhibits other than the representations, warranties
10 and covenants contained and memorialized in such documents. Defendant shall not be required as part of
11 the Settlement to modify or eliminate any of its personnel, compensation or payroll practices, or adopt
12 any new personnel, compensation or payroll practices.

13 33. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
14 represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement
15 and to take all appropriate action required or permitted to be taken by such Parties pursuant to this
16 Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of
17 this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to
18 effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the
19 form or content of any document needed to implement the Settlement, or on any supplemental provisions
20 that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance
21 of the Court and/or the mediator to resolve such disagreement. The persons signing this Agreement on
22 behalf of Defendant represents and warrants that they are authorized to sign this Agreement on behalf of
23 Defendant.

24 34. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure to
25 the benefit of, the successors or assigns of the Parties hereto, as previously defined.

26 35. California Law Governs. All terms of this Agreement and the exhibits hereto shall be
27 governed by and interpreted according to the laws of the State of California.

1 36. No Public Disclosure Prior to Preliminary Approval. Named Plaintiff and Class Counsel
2 agree that they will not issue any press releases, initiate any contact with the press, respond to any press
3 inquiry or have any communication with the press about this case and/or the fact, amount or terms of the
4 Settlement. In addition, Named Plaintiff and Class Counsel agree that they will not engage in any
5 advertising or distribute any marketing materials relating to the Settlement, including but not limited to
6 any postings on any websites maintained by Class Counsel; provided, however, that Class Counsel may
7 state that it has settled a class action claim against a company so long as neither Defendant, nor the Named
8 Plaintiff are identified. In addition, Named Plaintiff's counsel may list the case name, number, and a brief
9 description of the claims in their declarations in support of qualifications as class counsel in future filings.

10 37. Counterparts. This Agreement may be executed in one or more counterparts. All executed
11 counterparts and each of them shall be deemed to be one and the same instrument provided that counsel
12 for the Parties to this Agreement shall exchange among themselves original signed counterparts.

13 38. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this Settlement is a
14 fair, adequate and reasonable settlement of this Action and have arrived at this Settlement after extensive
15 arms-length negotiations, taking into account all relevant factors, present and potential.

16 39. Jurisdiction of The Court. The Court shall retain jurisdiction, pursuant to Code of Civil
17 Procedure Section 664.6 or otherwise, with respect to the interpretation, implementation and enforcement
18 of the terms of this Agreement and all orders and judgments entered in connection therewith, and the
19 Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting,
20 implementing and enforcing the settlement embodied in this Agreement and all orders and judgments
21 entered in connection therewith.

22 40. Cooperation and Drafting. Each of the Parties has cooperated in the drafting and
23 preparation of this Agreement. Hence, in any construction made to this Agreement, the same shall not be
24 construed against any of the Parties.

25 41. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid, the
26 Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with
27 applicable precedents so as to define all provisions of this Agreement valid and enforceable.

IN WITNESS WHEREOF, the Parties and their Counsel have executed this Settlement Agreement as follows:

NAMED PLAINTIFF

Dated: _____

Julie Villanueva

CLASS COUNSEL

Dated: _____

Kokozian Law Firm, APC

Bruce Kokozian, Esq.

DEFENDANT WORLDWIDE LOGISTICS, INC.

Dated: January 10, 2024

By: Travis Pearson

Its: President

Approved as to form:

GREENBERG TRAURIG, LLP

Dated: January 10, 2024


Ryan C. Bykerk, Esq.
Attorney for Worldwide Logistics, Inc.

Dated: 1/8/2024

Julie Villanueva

Dated: 1/8/24

Kokozian Law Firm, APC

Bruce Kokozian, Esq.

Dated:

By: _____

Its:

Approved as to form:

GREENBERG TRAURIG, LLP

Dated:

Ryan C. Bykerk, Esq.
Attorney for Worldwide Logistics, Inc.

Exhibit “A”

NOTICE OF CLASS AND PAGA ACTION SETTLEMENT

This is an Official Notice approved by the Court intended to inform all Class Members of the Class and PAGA Action Settlement reached in the following lawsuit: **Julie Villanueva v. Worldwide Logistics, Inc., San Bernardino Superior Court, Case No. CIVSB2221516**. Class Members include all current and former non-exempt, hourly paid employees of Worldwide Logistics, Inc. who worked for Worldwide Logistics, Inc. in California from September 28, 2018 to October 17, 2023.

A court approved this notice. This is not an advertisement.

You are not being sued. Your legal rights are affected whether you act or not.

PLEASE READ THIS NOTICE.

WHAT IS IN THIS NOTICE

- | | | |
|----|--|--------|
| 1. | Why Should You Read This Notice? | Page 1 |
| 2. | What Is the Case About?..... | Page 2 |
| 3. | What Does the Settlement Provide? | Page 2 |
| 4. | What Are My Rights? How Will My Rights Be Affected? | Page 3 |
| 5. | Who Are the Attorneys Representing the Parties? | Page 5 |
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1. Why Should You Read This Notice?

On September 28, 2022, Plaintiff (“Plaintiff”) Julie Villanueva initiated a putative class action against Worldwide Logistics, Inc. (“Defendant” and/or “Worldwide”) (together with Plaintiff, “Parties”) premised on various alleged violations of the California Labor Code and Unfair Competition Law. On May 30, 2023, Plaintiff filed a First Amended Complaint to assert a claim for civil penalties pursuant to California’s Private Attorneys General Act (“PAGA”). Plaintiff’s class and PAGA action is presently pending before Department S26 of the Superior Court of California for the County of San Bernardino (“Court”).

This Notice describes the nature of Plaintiff’s class and PAGA action and explains your rights in the settlement. You have received this Notice because records indicate that you are a Class Member and/or an Aggrieved Employee. “Class Member(s)” include all current and former non-exempt, hourly paid employees of Defendant who worked for Defendant in California from September 28, 2018 to October 17, 2023 (“Class Period”). Those identified as Class Members will comprise the class the Plaintiff with request the Court conditionally certify for settlement purposes only (“Class”). In addition, the “Aggrieved Employee(s)” include all current and former non-exempt, hourly paid employees of Defendant who worked for Defendant in California from March 16, 2022, through October 17, 2023 (“PAGA Period”).

On **January 2024**, the Parties executed a Class and PAGA Action Settlement (“Settlement”) as a compromise that resolves Plaintiff’s individual and representative claims, subject to Court approval. On **February 7, 2024**, the Court preliminarily approved the Settlement and has ordered that this Notice be provided to you. ***The Court has not determined who is right or wrong is this***

lawsuit.

2. What Is the Case About?

Plaintiff asserted claims against Defendant on behalf of Class Members/Aggrieved Employees for: failure to pay overtime wages; failure to pay minimum wages; failure to pay overtime wages at the legal overtime pay rate; failure to provide meal periods; failure to provide paid rest periods; failure to timely furnish accurate itemized wage statements; failure to pay wages at termination; unfair business practices; and civil penalties pursuant to PAGA.

Worldwide vehemently denies any and all wrongdoing and liability. Worldwide contends it conducted business and compensated employees consistent with the laws of the State of California. Worldwide contends it has no liability for any of claims under any statute, wage order, common law, or equitable theory. The Court has not ruled on the merits of Plaintiff's claims.

3. What Does the Settlement Provide?

As part of the Settlement's terms, and in exchange for a release of the class and PAGA claims asserted by Plaintiff, Worldwide will pay **\$200,000.00 ("Gross Fund Value")**, which includes payment for attorneys' fees, costs, third-party settlement administrator costs, the class representative enhancement payment, payment to the California Labor and Workforce Development Agency, and payment to Class Members and Aggrieved Employees

Plaintiff will request from the Gross Fund Value: (1) \$66,666.66 for attorneys' fees; (2) up to \$19,000.00 in costs; (3) up to \$9,000.00 for settlement administration costs to ILYM Group, Inc.; (4) up to \$7,000.00 as a service award to Plaintiff for her services as a class representative; and (5) a PAGA payment of \$6,000.00, of which \$1,500.00 will be distributed to Aggrieved Employees and \$4,500.00 will be paid to the California Labor and Workforce Development Agency. After deducting all the preceding amounts from the Gross Fund Value, the remaining amount ("Net Fund Value") will be distributed as Settlement Awards to Class Members who do not exercise their right to opt out of the Settlement as provided in Section 6 below.

Each Class Members' individual settlement payment will be calculated by dividing the Net Fund Value by all the weeks worked by all Class Members to determine a per workweek dollar figure. This figure will then be multiplied by each Class Members' respective workweeks to determine the Class Member's pro rata portion of the Net Fund Value ("Individual Settlement Payment"). Defendant will provide the Settlement Administrator with each Class Members' Total Workweeks based on its records.

Defendant's records indicate that you worked a total of [REDACTED] workweeks during the Class Period. Based on this estimate and Defendant's records, your estimated Individual Settlement Payment is \$ [REDACTED].

Because you [are / are not] an Aggrieved Employee who worked for Defendant in California from March 16, 2022, through October 17, 2023, you have been credited with having worked ____ pay

periods. Based on this estimate and Defendant's records, the pro rata share of the PAGA payment you will receive under the Settlement is estimated to be \$_____. If these amounts are blank, then you are not an Aggrieved Employee that worked for Defendant in California from March 16, 2022, through October 17, 2023, and will therefore not be receiving a share of the PAGA payment.

You will have the opportunity, should you disagree with Defendant's records regarding the number of workweeks and PAGA pay periods you worked reflected in this Notice, to provide documentation to show contrary employment dates. To do so, you must contact the Settlement Administrator and provide all applicable documentary evidence to support your dispute prior to the objection deadline outlined in Section 6 below. Moreover, you cannot submit a dispute regarding the number of workweeks reflected in this Notice if you exercise the right to opt out of the Class. **Subject to court approval, you do not need to take any further action to receive money from this Settlement.**

4. *What Are My Rights? How Will My Rights Be Affected?*

Participating in the Settlement

Under the Settlement, you will **automatically** receive an Individual Settlement Payment unless you opt out by following the opt-out procedure set forth below. If approved by the Court, the Settlement and its releases will be binding on all Class Members who do not timely opt out of the Settlement.

If you are a current employee of Worldwide, your decision about whether or not to participate in this Settlement will not affect your employment with Worldwide.

Opting Out of the Settlement

If you wish to be excluded from participating in the Settlement, you must mail a written statement to the Settlement Administrator, at the address below, requesting to be excluded from the Settlement. To be considered valid, your request for exclusion must be in writing, signed by you, and contain your name, address, telephone number, and your Social Security number. Your request for exclusion also must clearly indicate that you desire to be excluded from the Settlement. To be considered timely, your request for exclusion must be mailed by First-Class Mail or equivalent, and postmarked no later than _____ ("Opt-out/Objection Deadline"). The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether a request for exclusion has been timely submitted. Late requests for exclusion (opt-out requests) will not be considered.

If you file a timely and valid written request for exclusion, you will no longer be a Class Member, and you will not be eligible to receive money under the Settlement or object to the terms of the Settlement, and you will not be bound by the terms of the Settlement.

Aggrieved Employees, however, cannot opt-out or exclude themselves from the Settlement with respect to the released PAGA claims detailed below. Aggrieved Employees will be issued an individual PAGA payment even if they opt-out from the Class.

Objecting to the Settlement

If you wish to object to the Settlement, you may advise the Court about your objection stating why you object to the Settlement. Your objection must state your full name, your social security number, dates of employment, address, and telephone number, a statement providing the basis for

your objection, a statement advising if you plan to address the Court at the Settlement Fairness Hearing, and any legal briefs, papers or memoranda you propose to submit to the Court. The objection must be mailed to Settlement Administrator, at the address below, and must be postmarked no later than the Opt-out/Objection Deadline.

You may also, if you wish, appear at the Settlement Fairness Hearing on [date] at [time] in Dept. S26 of the San Bernardino County Superior Court to discuss your objections with the Court and the Parties regardless of whether or not you submitted a written objection to the Settlement Administrator. The Settlement Fairness Hearing may be continued to another date without further notice. If you object to the settlement, you may still receive your share of the settlement amount if the Court approves the settlement despite objections.

WHAT AM I RELEASING UNDER THE SETTLEMENT?

If and when the Court grants final approval of the Settlement, upon the Effective Date and upon Defendant fully funding the settlement, all Class Members and/or Aggrieved Employees will release the following claims:

All Class Members who do not opt out of the Settlement will release and discharge Defendant and the Released Parties for the Class Period from any and all claims, causes of action, damages, wages, benefits, expenses, penalties, debts, liabilities, demands, obligations, attorneys' fees, costs, and any other form of relief or remedy in law, equity, of whatever kind of nature, arising from the claims pled in the Action, and any claims that could have been pled based on facts alleged in the operative complaints, including, all claims for failure to pay for all hours worked, unpaid wages (including minimum wage, straight time, overtime and double time), meal period violations (including meal premiums), rest break violations (including rest premiums), failure to pay premium wages at the correct regular rate, failure to pay final wages, failure to provide accurate wage statements, unlawful business practices under the California Labor Code and/or the California Business and Professions Code, all claims for restitution or equitable relief, civil penalties, statutory penalties of any nature whatsoever, and attorneys' fees and costs. The Released Class Claims include claims meeting the above definition(s) under any and all applicable statutes, including without limitation California Labor Code §§ 201, 202, 203, 218, 218.5, 218.6, 226, 226.7, 510, 512, 516, 558, 1174, 1194, 1194.2, 1197, 1198; the California Unfair Competition Act based on the preceding claims, and in particular, California Bus. & Prof. Code §§ 17200 et seq, as well as the Industrial Welfare Commission Wage Orders.

All Aggrieved Employees will discharge Defendant and the Released Parties for the PAGA Period from any and all claims, causes of action, civil penalties, liabilities, demands, obligations, attorneys' fees, costs, and any other form of relief or remedy in law, equity, of whatever kind of nature, arising from the PAGA claim asserted in the Action, Plaintiff's PAGA Notice, and any claims that could have been pled under PAGA based on facts alleged in the operative complaints and PAGA Notice, including, all claims for failure to pay for all hours worked, unpaid wages (including minimum wage, straight time, overtime and double time), meal period violations (including meal premiums), rest break violations (including rest premiums), failure to pay premium wages at the correct regular rate, failure to pay final wages, failure to provide accurate wage statements, and claims for civil penalties recoverable through the PAGA for violations of the California Labor Code. The PAGA Released Claims include any PAGA claim that may be asserted based on the above definition(s) under any and all applicable statutes, including without limitation California Labor Code §§ 201, 202, 203, 218, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 516, 558, 1174, 1194, 1194.2, 1197, 1198; 2699, et seq., and the Industrial Welfare Commission Wage Orders.

The “Released Parties” means and refers to Defendant Worldwide Logistics, Inc., and its former, present and future owners, parents, subsidiaries, affiliates, and all of its current, former and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, clients, successors, assigns, accountants, insurers, or legal representatives.

Uncashed Settlement Checks

Those funds represented by Settlement checks returned as undeliverable and those Settlement checks remaining uncashed for more than 180 days after issuance shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Code of Civil Procedure Section 1500 et seq. for the benefits of those Class Members and/or Aggrieved Employees who did not cash their checks until they claim their property.

5. *Who Are the Attorneys Representing the Parties?*

Class Counsel, appointed and approved by the Court for settlement-purposes only, will represent you. However, you may choose to be represented by your own counsel at your own cost.

Attorneys for Plaintiff & the Class are:

Bruce Kokozyan, Esq.
KOKOZIAN LAW FIRM, APC
10940 Wilshire Blvd, Suite 1200
Los Angeles, California 90024
Telephone (323) 857-5900

Attorneys for Defendant are:

Ryan C. Bykerk, Esq.
Oscar Peralta, Esq.
Greenberg Traurig, LLP

6. *How Will the Attorneys for the Class and Costs Be Paid?*

Class Counsel is seeking an award from the Court for attorneys’ fees of up to \$66,666.66 and documented litigation costs of up to \$19,000.00. Plaintiff is seeking a service award from the Court of up to \$7,000. The actual amounts awarded will be determined by the Court.

If you need more information or have any questions, you may contact the Settlement Administrator at the telephone number listed below.

Julie Villanueva v. Worldwide Logistics, Inc,
c/o [Settlement Administrator]
[ADDRESS]
[PHONE]

**PLEASE DO NOT CONTACT THE COURT
FOR INFORMATION ABOUT THIS SETTLEMENT.**