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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

CELIA NAVARRETE, an
individual, on behalf of herself and
all others similarly situated,

Plaintiff,

vs.

UKG INC., a Delaware corporation;
and, DOES 1 through 20, inclusive,

Defendants.

Case No. 8:23-cv-00862 HDV-ADS

**STIPULATION, SETTLEMENT, AND
RELEASE OF CLASS ACTION AND
PRIVATE ATTORNEYS GENERAL
ACT CLAIMS**

Judge: Hon. Hernán D. Vera

Magistrate Judge: Autumn D. Spaeth

Courtroom: 5B

**STIPULATION, SETTLEMENT, AND RELEASE OF CLASS ACTION AND PRIVATE
ATTORNEYS GENERAL ACT CLAIMS**

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STIPULATION, SETTLEMENT, AND RELEASE OF CLASS ACTION AND PRIVATE
ATTORNEYS GENERAL ACT CLAIMS

1 This Stipulation, Settlement, and Release of Class Action and Private
2 Attorneys General Act Claims is entered into by and between Plaintiff Celia
3 Navarrete (“Plaintiff”), as an individual, on behalf of all other similarly situated and
4 allegedly aggrieved employees, and as a representative of the State of California on
5 the one hand, and Defendant UKG Inc. (“Defendant”) on the other hand. Plaintiff
6 and Defendant will be individually referred to as “Party,” and collectively as the
7 “Parties” in this Agreement. This Settlement was reached pursuant to a mediation
8 conducted by Joel Grossman on October 18, 2023.

9 **I. DEFINITIONS**

10 A. “Agreement” or “Settlement” or “Settlement Agreement” means this
11 Stipulation, Settlement, and Release of Class Action and Private Attorneys General
12 Act Claims, and all exhibits attached hereto and incorporated herein, including all
13 subsequent amendments agreed to in writing by the Parties and any exhibits to such
14 amendments.

15 B. “Action” means the class and representative action lawsuit, entitled
16 *Navarrete v. UKG, Inc.*, filed on April 11, 2023, in the Superior Court of Orange
17 County, and thereafter removed to the United States District Court for the Central
18 District of California, Case No. 8:23-cv-00862-HDV-ADS.

19 C. “Class Counsel” means Sam Kim and Yoonis Han of Verum Law
20 Group, APC, 841 Apollo Street, Suite 340, El Segundo, CA 90245.

21 D. “Class Counsel Costs Award” means the expenses and costs incurred
22 by Class Counsel in connection with litigation of the Action, which are not to exceed
23 Fifteen Thousand Dollars (\$15,000.00) and are paid from the Gross Settlement
24 Amount.

25 E. “Class Counsel Fees Award” means attorneys’ fees for Class Counsel’s
26 litigation and resolution of the Action, which are not to exceed 30% of the Gross
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1 Settlement Amount, or Ninety-Seven Thousand Five Hundred Dollars (\$97,500.00)
2 and are paid from the Gross Settlement Amount.

3 F. "Class Period" means the period from April 11, 2019 through the date
4 of preliminary approval, or January 16, 2024, whichever is earlier.

5 G. "Class Representative" means Plaintiff in her capacity as a
6 representative of the Settlement Class Members.

7 H. "Compensable Workweeks" means the total number of workweeks
8 during which Settlement Class Members worked for Defendant during the Class
9 Period.

10 I. "Compensable PAGA Pay Periods" means the total number of pay
11 periods during which PAGA Group Members worked for Defendant during the
12 PAGA Period.

13 J. "Court" means the United States District Court for the Central District
14 of California.

15 K. "Defendant" means UKG INC.

16 L. "Effective Date" means date upon which both of the following have
17 occurred: (i) final approval of the settlement is granted by the Court(s), and (ii) the
18 Court's judgment approving the settlement becomes Final. The term "Final" shall
19 mean the latest of: (i) if there is an appeal of the Court's judgment, the date the
20 judgment is affirmed on appeal, the date of dismissal of such appeal, or the
21 expiration of the time to file a petition for review to the California Supreme Court
22 and/or a petition for writ of certiorari to the United States Supreme Court, or (ii) if a
23 petition for review or writ of certiorari is filed, the date of denial of the petition for
24 review or writ of certiorari, or the date the judgment is affirmed pursuant to such
25 petition; or (iii) if no appeal is filed, the expiration date of the time for filing or
26 noticing any appeal of the judgment.
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1 M. "Employee List" means a complete list of all Settlement Class
2 Members and PAGA Group Members that Defendant will, in good faith, compile
3 from its records and provide to the Settlement Administrator. It shall be formatted
4 as a Microsoft Excel spreadsheet and shall include the following information for
5 each Settlement Class Member and PAGA Group Member: (1) employee
6 identification number; (2) full name; (3) last known address; (4) last known home
7 telephone number; (5) Social Security Number; and (6) start and end dates of
8 employment as California, non-exempt employees.

9 N. "Employer Taxes" shall mean Defendant's share of any employer
10 payroll taxes and other required employer withholdings due on the Individual
11 Settlement Payments, which will be separately paid by Defendant and will not be
12 deducted from the Gross Settlement Amount.

13 O. "Gross Settlement Amount" or "GSA" means a non-reversionary
14 common fund that shall have a total all-in value of Three Hundred Twenty-Five
15 Thousand Dollars (\$325,000.00), and includes all payments Defendant is
16 responsible for under the Settlement, including the Individual Settlement Payments,
17 Service Award, PAGA Payment, Class Counsel Costs Award, Class Counsel Fees
18 Award, and Settlement Administration Costs.

19 P. "Individual Settlement Payment" means the amount payable from the
20 Net Settlement Amount to each Settlement Class Member who has not submitted a
21 Request for Exclusion.

22 Q. "Net Settlement Amount" or "NSA" means the Gross Settlement
23 Amount, less the Service Award, PAGA Payment, Class Counsel Costs Award,
24 Class Counsel Fees Award, and Settlement Administration Costs.

25 R. "Notice Packet" means the Notice of Class Action Settlement in a form
26 substantially similar to the form attached hereto as Exhibit 1.
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1 S. "PAGA" means California's Private Attorneys General Act, California
2 Labor Code § 2699 *et seq.*

3 T. "PAGA Group Members" means all current and former non-exempt
4 employees who worked for Defendant in the State of California during the PAGA
5 Period.

6 U. "PAGA Notices" means the PAGA notice sent by Plaintiff to the
7 LWDA dated April 20, 2023.

8 V. "PAGA Payment" means the amount of Twenty Thousand Dollars
9 (\$20,000.00) allocated to penalties under the PAGA, of which Fifteen Thousand
10 Dollars (\$15,000.00) shall be paid by the Settlement Administrator directly to the
11 LWDA; and the remaining Five Thousand Dollars (\$5,000.00) shall be distributed
12 to PAGA Group Members based on Compensable PAGA Pay Periods.

13 W. "PAGA Period" means the period from April 20, 2022 through the date
14 of preliminary approval, or January 16, 2024, whichever is earlier.

15 X. "Parties" means Plaintiff and Defendant, collectively, and "Party" shall
16 mean either Plaintiff or Defendant, individually.

17 Y. "Plaintiff" means Plaintiff Celia Navarrete.

18 Z. "Preliminary Approval Date" means the date on which the Court enters
19 an Order Granting Preliminary Approval of the Class Action Settlement.

20 AA. "Service Award" means the Court approved payment of Ten Thousand
21 Dollars (\$10,000.00) paid to Plaintiff as Class Representative, in addition to her
22 Individual Settlement Payment, in recognition of her efforts and risks in assisting
23 with the prosecution of the Action.

24 BB. "Released Claims" shall include the claims released and shall have the
25 meanings ascribed to them as set forth in Paragraph C, D and E of Section III of
26 this Settlement Agreement.
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1 CC. "Released Parties" means Defendant and all of its present and former
2 parent companies, subsidiaries, affiliates and joint ventures (including, but not
3 limited to, Kronos Incorporated and Kronos SaaShr, Inc.) and all of their present and
4 former officers, directors, employees, agents, servants, registered representatives,
5 attorneys, insurers, successors and assigns, and any other persons acting by, through,
6 under, or in concert with any of them.

7 DD. "Response Deadline" means the date forty-five (45) days after the
8 Settlement Administrator mails Notice Packets to Settlement Class Members and the
9 last date on which Settlement Class Members may submit Requests for Exclusion or
10 objections to the Settlement.

11 EE. "Settlement Administration Costs" means the costs payable from the
12 Gross Settlement Amount to the Settlement Administrator for administering this
13 Settlement, including, but not limited to the Settlement Administrator's
14 responsibilities outlined in this Settlement Agreement.

15 FF. "Settlement Administrator" means, subject to appointment by the
16 Court, Phoenix Settlement Administrators, who shall be responsible for the
17 administration of the Settlement, distribution of any amounts owed under this
18 settlement, and matters necessarily related thereto pursuant to the terms of this
19 Agreement.

20 GG. "Settlement Class Members" or "Settlement Class" means all current
21 and former non-exempt employees who worked for Defendant in the State of
22 California during the Class Period. The "Settlement Class Members" or "Settlement
23 Class" shall not include any person who submits a timely and valid Request for
24 Exclusion as provided in this Agreement.

25 **II. RECITALS**

26 A. On April 11, 2023, Plaintiff filed a putative class action against
27 Defendant in the Orange County Superior Court, Case No. 30-2023-01318758-CU-
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1 OE-CXC, alleging claims for: 1) failure to pay all wages; 2) failure to provide meal
2 periods or compensation in lieu thereof; 3) failure to provide rest breaks or
3 compensation in lieu thereof; 4) failure to timely pay wages during employment; 5)
4 failure to provide accurate wage statements; 6) waiting time penalties; 7) violation
5 of California Business & Professions Code § 17200 *et seq.* (the “Action”). On May
6 17, 2023, Defendant removed the Action to the United States District Court for the
7 Central District of California, pursuant to the Class Action Fairness Act of 2005, 28
8 U.S.C. §§ 1332 (c), (d)(2), 1441(a), 1446, and 1453 (“CAFA”). On November 9,
9 2023, Plaintiff filed a First Amended Complaint (“FAC”) adding a claim under the
10 PAGA. On October 18, 2023, the Parties participated in a mediation with Joel
11 Grossman, Esq., a mediator with experience in mediating complex labor and
12 employment matters.

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14 B. Defendant has denied and continues to deny any liability or wrongdoing
15 of any kind associated with the claims alleged in the Action, disputes the wages,
16 damages and penalties claimed by the Plaintiff, and further contends that, for any
17 purpose other than settlement, Plaintiff’s claims are not appropriate for class or
18 representative action treatment. Defendant contends, among other things, that, at all
19 times, it has complied with the California Labor Code, the Industrial Wage
20 Commission Orders, and the California Business and Professions Code.

21 C. The Plaintiff and Class Representative are represented by Class
22 Counsel. Class Counsel conducted an investigation into the facts relevant to the
23 Action, including reviewing documents and information provided by Defendant
24 informally during discovery. Based on their own independent investigation and
25 evaluation, Class Counsel is of the opinion that the Settlement with Defendant is
26 fair, reasonable and adequate, and in the best interest of the Settlement Class in light
27 of all known facts and circumstances, including the risks of significant delay,
28 defenses asserted by Defendant, and uncertainties regarding a class and

1 representative action trial on the merits. Although Defendant denies any liability,
2 Defendant has concluded that, because of the substantial expense of defending
3 against the Action, the length of time necessary to resolve the issues presented
4 herein, the inconvenience involved in such litigation, and the concomitant disruption
5 to its business operations, it is in its best interests to accept the terms of this
6 Agreement to avoid the burden, expense and uncertainty of continuing litigation and
7 for the purpose of putting to rest the controversies engendered by the Action.
8 Accordingly, the Parties and their counsel desire to fully, finally, and forever settle,
9 compromise and discharge all disputes and claims arising from or relating to the
10 Action on the terms set forth herein.

11 **III. TERMS OF SETTLEMENT AGREEMENT**

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13 A. Settlement Consideration. Defendant shall pay the Gross Settlement
14 Amount of Three Hundred Twenty-Five Thousand Dollars (\$325,000.00) to settle
15 this Action. The Gross Settlement Amount shall include the sum of the Individual
16 Settlement Payments, Service Award, PAGA Payment, Class Counsel Costs Award,
17 Class Counsel Fees Award, and Settlement Administration Costs. In no event shall
18 Defendant be required to pay more than the Gross Settlement Amount, except as
19 provided in Section B below. The Settlement is non-reversionary. The Gross
20 Settlement Amount is a material term of this Agreement. Except as set forth in
21 Section B below, to the extent Plaintiff or the Court seeks to require Defendant to
22 pay more than the Gross Settlement Amount as part of this Settlement or Agreement,
23 Defendant shall retain the right, in the exercise of its sole discretion, to nullify the
24 Settlement or Agreement.

25 B. Pro Rata Increase of Gross Settlement Amount. The Settlement
26 negotiations were premised on the assumption that Settlement Class Members
27 worked approximately 65,732 workweeks through October 18, 2023. If the total
28 number of workweeks worked by Settlement Class Members during the Class Period

1 increases by more than 10% of the 65,732 workweeks (i.e., more than 6,573
2 additional workweeks), then Defendant will have the option to pay an adjusted pro-
3 rata settlement amount to reflect the increased number of workweeks beyond the
4 10% workweeks; or (2) Defendant shall have the right to cap the workweeks and the
5 scope of the release as of the date that they exceed the above-referenced 10%
6 threshold.

7 C. Release of Class Claims. As of the Effective Date, in exchange for
8 the consideration set forth in this Agreement, the Settlement Class Members, and
9 each of them, shall be deemed to have released, and by operation of the Final
10 Approval Order shall have, fully, finally, and forever released, acquitted,
11 relinquished and completely discharged the Released Parties from any and all
12 claims that were pled or could have been pled based on the factual allegations in
13 the operative First Amended Complaint or prior complaints in the Action, arising
14 during the Class Period, including, but not limited to, any claim for failure to
15 provide meal periods or authorize and permit rest periods, failure to provide
16 premium pay at the regular rate of pay, failure to pay any form of wages, failure to
17 pay any wages (including overtime) at the regular rate of pay, regular rate
18 violations, failure to pay timely wages during employment, failure to timely pay
19 accrued wages upon termination of employment, failure to furnish accurate and
20 itemized wage statements, failure to maintain accurate records, any known and
21 unknown claims arising under California Labor Code §§ 201, 202, 203, 204, 210,
22 218.6, 226, 226.3, 226.7, 510, 512, 516, 1174, 1194, 1194.2, as well as the
23 California Unfair Competition Law, Business and Professions Code §§ 17200 *et*
24 *seq.*, and the applicable California Industrial Welfare Commission Wage Order.
25 (“Released Class Claims”) against the Released Parties. The Released Class
26 Claims as described above shall include any remedies for any of the claims
27 described herein, including damages, penalties of any nature, restitution,
28 declaratory relief, equitable or injunctive relief, interest, and attorneys’ fees and

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costs. The Parties stipulate that beyond the Gross Settlement Amount, Defendant shall not owe any further monies to the Settlement Class Members based upon the claims made in the Lawsuit. The scope of the Released Class Claims is a material term of this Agreement. To the extent Plaintiff or the Court seeks to modify the scope of the Released Class Claims in order to make it more narrow, Defendant shall retain the right, in the exercise of its sole discretion, to nullify the Settlement or Agreement.

D. Release of PAGA Claims. As of the Effective Date, in exchange for the PAGA Payment set forth in this Agreement, the State of California, the LWDA, and all PAGA Group Members. and each of them, shall be deemed to have released, and by operation of the Final Approval Order shall have, fully, finally, and forever released, acquitted, relinquished and completely discharged the Released Parties from include any and all PAGA claims during the PAGA Period that were pled or could have been pled based on the factual allegations in the forthcoming operative First Amended Complaint or prior complaints in the Lawsuit and in all PAGA notice letter filed by Plaintiff, and further including claims that are premised upon California Labor Code §§ 201, 202, 203, 204, 210, 218.6, 226, 226.3, 226.7, 510, 512, 516, 1174, 1194, 1194.2, and claims covered by the Release of the Class Action Claims, against the Released Parties. The scope of the Released PAGA Claims as defined herein is a material term of this Agreement. To the extent Plaintiff or the Court seeks to modify the scope of the Released PAGA Claims in order to make it more narrow, Defendant shall retain the right, in the exercise of its sole discretion, to nullify the Settlement or Agreement.

E. General Release by Plaintiff. As of the Effective Date, in addition to releasing the Released Class Claims and Released PAGA Claims, in exchange for the Service Award, Plaintiff, for herself and her heirs, successors and assigns, does hereby fully and finally release the Released Parties, from all known and unknown

claims, including a waiver of Cal. Civ. Code § 1542 (“Plaintiff’s General Release”). Plaintiff’s General Release includes all claims, whether known or unknown. Even if Plaintiff discovers facts in addition to or different from those that Plaintiff now knows or believes to be true with respect to the subject matter of Plaintiff’s General Release, those claims will remain released and forever barred. Thus, Plaintiff expressly waives and relinquishes the provisions, rights and benefits of section 1542 of the California Civil Code, which reads:

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

Plaintiff acknowledges and agrees that this knowing and voluntary waiver is an essential and material term of this Agreement, and the Agreement would not have been entered into without such a waiver.

Notwithstanding the foregoing, Plaintiff does not waive or release any claim which cannot be waived or released by private agreement. Further, nothing in this Agreement shall prevent Plaintiff from filing a charge or complaint with, or from participating in, an investigation or proceeding conducted by the SEC, OSHA, EEOC, DFEH, NLRB or any other federal, state or local agency charged with the enforcement of any employment or other applicable laws. Plaintiff, however, understands that by signing this Agreement, she waives the right to recover any damages or to receive other relief in any claim or suit brought by or through the EEOC, the DFEH or any other state or local deferral agency on their behalf to the fullest extent permitted by law, but expressly excluding any monetary award or other

1 relief available from the SEC/OSHA, including an SEC/OSHA whistleblower
2 award, or other awards or relief that may not lawfully be waived.

3 F. Conditions Precedent: This Settlement will become final and effective
4 only upon the occurrence of all of the following events:

5 1. The Court enters an Order Granting Preliminary Approval of the
6 Settlement;

7 2. The Court enters an Order Granting Final Approval of the Class
8 Action Settlement (“Final Approval Order”) and a Final Judgment in the Action;

9 3. The time for appeal of the Final Approval Order expires; or, if an
10 appeal is timely filed, there is a final resolution of any appeal from the Final
11 Approval Order;

12 4. Defendant funds the Gross Settlement Amount; and

13 5. Defendant does not invoke its right to revoke the Settlement as
14 provided herein.

15 G. Certification of the Settlement Class. The Parties stipulate to
16 conditional class certification of the Settlement Class for the Class Period for
17 purposes of settlement only. In the event that this Settlement is not approved by the
18 Court, fails to become effective, or is reversed, withdrawn or modified by the Court,
19 or in any way prevents or prohibits Defendant from obtaining a complete resolution
20 of the claims as described herein, the conditional class certification (obtained for any
21 purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible
22 in any judicial, administrative or arbitral proceeding for any purpose or with respect
23 to any issue, substantive or procedural.

24 H. Tax Liability. The Parties make no representations as to the tax
25 treatment or legal effect of the payments called for hereunder, and the Parties,
26 Settlement Class Members, and PAGA Group Members are not relying on any
27 statement, representation, or calculation by the Parties in this regard. Plaintiff,
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1 Settlement Class Members, and PAGA Group Members understand and agree that
2 except for the employer's portion of any payroll taxes, Plaintiff, Settlement Class
3 Members, and PAGA Group Members will be solely responsible for the payment of
4 any taxes and penalties assessed on the payments described herein and will hold the
5 Parties and their respective counsel free and harmless from and against any claims,
6 liabilities, costs and expenses, including attorney's fees, resulting in any way from
7 personal tax treatment of the payments made pursuant to this Agreement, including
8 the treatment of such payments as not subject to withholding or deduction for payroll
9 and employment taxes.

10 I. Circular 230 Disclaimer. Each Party to this Agreement (for purposes
11 of this section, the "acknowledging party" and each Party to this Agreement other
12 than the acknowledging party, an "other party") acknowledges and agrees that: (1)
13 no provision of this Agreement, and no written communication or disclosure
14 between or among the Parties or their attorneys and other advisers, is or was intended
15 to be, nor shall any such communication or disclosure constitute or be construed or
16 be relied upon as, tax advice within the meaning of United States Treasury
17 Department circular 230 (31 CFR part 10, as amended); (2) the acknowledging party
18 (a) has relied exclusively upon his, her or its own, independent legal and tax counsel
19 for advice (including tax advice) in connection with this Agreement, (b) has not
20 entered into this Agreement based upon the recommendation of any other Party or
21 any attorney or advisor to any other Party, and (c) is not entitled to rely upon any
22 communication or disclosure by any attorney or adviser to any other party to avoid
23 any tax penalty that may be imposed on the acknowledging party, and (3) no attorney
24 or adviser to any other Party has imposed any limitation that protects the
25 confidentiality of any such attorney's or adviser's tax strategies (regardless of
26 whether such limitation is legally binding) upon disclosure by the acknowledging
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1 party of the tax treatment or tax structure of any transaction, including any
2 transaction contemplated by this Agreement.

3 J. Preliminary Approval Motion. At the earliest practicable time, Plaintiff
4 shall file with the Court a Motion for Order Granting Preliminary Approval and
5 supporting papers, which shall include this Settlement Agreement.

6 K. Notice Obligations Under 28 U.S.C. Section 1715. Defendant shall
7 provide notice of the Settlement, consistent with the requirements of 28 U.S.C.
8 Section 1715, to the Attorney General of the United States and the California
9 Attorney General. If any of the notified federal or state officials takes any action
10 adversely affecting the validity or enforceability of the Settlement, or seeking to
11 impose additional liability on Defendant for the matters resolved by the Released
12 Claims, Defendant may, at its option, suspend the implementation of the Settlement
13 pending the outcome of the action initiated by the notified federal or state official or
14 may elect to void the Settlement by written notice to Class Counsel.

15 L. Settlement Administrator. The Settlement Administrator shall be
16 responsible for: (a) calculating Individual Settlement Payments and the portion of
17 the PAGA Payment paid to each PAGA Group Member; (b) processing and mailing
18 payments to the Class Representative, Class Counsel, LWDA, Settlement Class
19 Members and PAGA Group Members; (c) preparing, printing and mailing the Notice
20 Packets to the Settlement Class Members and PAGA Group Members as directed by
21 the Court; (d) receiving and reporting the objections and requests for exclusion; (e)
22 calculating and withholding all required state and federal taxes owed by the
23 Settlement Class Members, PAGA Group Members, and Defendant; (f) processing
24 and mailing tax payments to the appropriate state and federal taxing authorities; (g)
25 providing declaration(s), as necessary, in support of preliminary and/or final
26 approval of this Settlement; (h) preparing and mailing the required notices pursuant
27 to 28 U.S.C. § 1715, as provided by Section K herein; and (i) other tasks as the
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Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities.

M. Settlement Administration.

1. Employee List. No later than twenty-one (21) calendar days after the Preliminary Approval Date, Defendant shall provide the Settlement Administrator with the Employee List for purposes of preparing, printing and mailing Notice Packets to Settlement Class Members and PAGA Group Members. The Employee List shall be used solely for the administration of this Settlement and for no other purpose, and shall not be shared with any persons or entity not employed by the Settlement Administrator and working on the administration of this Settlement, unless required by the Court to be reviewed by Class Counsel. Because sensitive personal information is included in the Employee List, the Settlement Administrator shall maintain the Employee List securely and in confidence. Access to such Employee List shall be limited to employees of the Settlement Administrator with a need to use the Employee List for administration of the Settlement. In the event that the Settlement Agreement is not finally approved by the Court, or if it is in any way altered or disapproved on appeal, the Settlement Administrator shall not thereafter use the Employee List, and shall destroy any and all copies or versions of it (including any in electronic form).

2. Notice Packets.

a) The Notice Packet shall contain the Notice of Class Action Settlement in a form substantially similar to the form attached hereto as Exhibit 1. The Notice of Class Action Settlement shall set forth the material terms of the Settlement, including the release to be given by all members of the Settlement Class who do not request to be excluded from the Settlement Class. The Notice Packet also shall be individualized by including the Compensable Workweeks and

1 Compensable PAGA Pay Periods (if applicable), and the estimated amount of the
2 Individual Settlement Payment for the Settlement Class Member and the payment
3 for the PAGA Group Member (if applicable).

4 b) The Notice Packet's mailing envelope shall include the
5 following language: "IMPORTANT LEGAL DOCUMENT- YOU ARE
6 ENTITLED TO MONEY FROM A CLASS ACTION SETTLEMENT; YOUR
7 PROMPT REPLY IS REQUIRED AS EXPLAINED IN THE ENCLOSED
8 NOTICE."

9 3. Notice By First Class U.S. Mail. Upon receipt of the Employee
10 List, the Settlement Administrator will perform a search based on the National
11 Change of Address Database and/or similar database(s) to update and correct any
12 known or identifiable address changes. No later than fourteen (14) calendar days
13 after receiving the Employee List from Defendant as provided herein, the Settlement
14 Administrator shall mail copies of the Notice Packet to all Settlement Class
15 Members and PAGA Group Members via regular First-Class U.S. Mail. The
16 Settlement Administrator shall exercise its best judgment to determine the current
17 mailing address for each Settlement Class Member and PAGA Group Member. The
18 address identified by the Settlement Administrator as the current mailing address
19 shall be presumed to be the best mailing address for each Settlement Class Member
20 and PAGA Group Member. In the event more than one address is identified, then
21 the Settlement Administrator shall mail to each potentially valid address.

22 4. Undeliverable Notices. Any Notice Packets returned to the
23 Settlement Administrator as non-delivered on or before the Response Deadline shall
24 be re-mailed to the forwarding address affixed thereto. If no forwarding address is
25 provided, the Settlement Administrator shall promptly attempt to determine a correct
26 address by lawful use of skip-tracing, or other search using the name, address and/or
27 Social Security number of the Settlement Class Member and PAGA Group Member
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involved, and shall then perform a re-mailing, if another mailing address is identified by the Settlement Administrator.

5. Notice Satisfies Due Process. Compliance with the notice procedures specified in this Settlement Agreement shall constitute due and sufficient notice to Settlement Class Members and PAGA Group Members of this Settlement and shall satisfy the requirements of due process. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defendant's counsel to provide notice of the proposed Settlement. In the event the procedures in this Settlement Agreement are followed and the intended recipient of a Notice Packet still does not receive the Notice Packet, the intended recipient shall be a Settlement Class Member and will be bound by all the terms of the Settlement and the Final Approval Order entered by the Court if the Settlement becomes effective.

6. Disputes Regarding Individual Settlement Payments. Settlement Class Members and PAGA Group Members will have the opportunity, should they disagree with Defendant's records regarding the Compensable Workweeks and/or Compensable PAGA Pay Periods stated in their Notice Packet, to provide documentation and/or an explanation to show contrary Compensable Workweeks and/or Compensable PAGA Pay Periods. Settlement Class Members must submit information to the Settlement Administrator in writing no later than the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of this Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Payment shall be binding upon the Settlement Class Member and the Parties.

1 7. Disputes Regarding Administration of Settlement. Any disputes
2 not resolved by the Settlement Administrator concerning the administration of the
3 Settlement will be resolved by the Court under the laws of the State of California.
4 Prior to any such involvement of the Court, counsel for the Parties will confer in
5 good faith to resolve the disputes without the necessity of involving the Court.

6 8. Request for Exclusion. The Notice of Class Action Settlement
7 contained in the Notice Packet shall state that Settlement Class Members who wish
8 to exclude themselves from the Settlement must submit to the Settlement
9 Administrator a signed, written statement requesting exclusion from the Settlement
10 (“Request for Exclusion”). The written statement must contain the Settlement Class
11 Member’s name, address, telephone number, and the last four digits of the
12 Settlement Class Member’s Social Security number and/or the Employee ID
13 number. The Request for Exclusion will not be valid if it is not signed by the person
14 requesting exclusion, timely submitted by the Response Deadline, and received by
15 the Settlement Administrator. The date of the postmark on the return mailing
16 envelope on the Request for Exclusion shall be the exclusive means used to
17 determine whether the Request for Exclusion was timely submitted. If the postmark
18 is illegible, then the Request for Exclusion must arrive within three (3) calendar days
19 after the Objection/Exclusion Deadline Date to be considered timely. Any
20 Settlement Class Member who requests to be excluded from the Settlement Class
21 will not be entitled to any recovery under the Settlement and will not be bound by
22 the terms of the Settlement or have any right to object, appeal or comment thereon.
23 Settlement Class Members who fail to submit a valid and timely written Request for
24 Exclusion on or before the Response Deadline shall be bound by all terms of the
25 Settlement and any Final Judgment entered in this Action if the Settlement is
26 approved by the Court. No later than fourteen (14) calendar days after the Response
27 Deadline, the Settlement Administrator shall provide counsel for the Parties with a
28

STIPULATION, SETTLEMENT, AND RELEASE OF CLASS ACTION AND PRIVATE
ATTORNEYS GENERAL ACT CLAIMS

1 final list of the Settlement Class Members who have timely submitted Requests for
2 Exclusion. At no time shall any of the Parties or their counsel seek to directly or
3 indirectly solicit or otherwise encourage members of the Settlement Class to submit
4 Requests for Exclusion from the Settlement. Settlement Class Members who submit
5 a Request for Exclusion are not entitled to object to the Settlement. PAGA Group
6 Members will not have the opportunity to opt out of, or object to, their payment from
7 the portion of the PAGA Payment paid to PAGA Group Members or the Released
8 PAGA Claims set forth in this Settlement Agreement.

9
10 9. Objections. The Notice of Class Action Settlement contained in
11 the Notice Packet shall state that Settlement Class Members who wish to object to
12 the Settlement should serve on the Settlement Administrator a written statement of
13 objection (“Notice of Objection”) by the Response Deadline. The Notice of
14 Objection should be signed by the Settlement Class Member and state: (1) the full
15 name of the Settlement Class Member; (2) the dates of employment of the Settlement
16 Class Member; (3) the last four digits of the Settlement Class Member’s Social
17 Security number and/or the Employee ID number; and (4) the basis for the objection.
18 Settlement Class Members who fail to make objections shall be deemed to have
19 waived any objections and shall be foreclosed from making any objections (whether
20 by appeal or otherwise) to the Settlement. The Parties will be permitted to respond
21 in writing to such objections prior to the Court’s ruling on the same. Settlement
22 Class Members have a right to appear at the Final Approval/Settlement Fairness
23 Hearing in order to have their objections heard by the Court. At no time shall any
24 of the Parties or their counsel seek to directly or indirectly solicit or otherwise
25 encourage Settlement Class Members to file or serve written objections to the
26 Settlement or appeal from the Final Approval Order and Final Judgment. Settlement
27 Class Members who submit a Request for Exclusion are not entitled to object to the
28 Settlement.

1 N. Funding and Allocation of the Gross Settlement Amount. Defendant
2 shall fund the GSA no later than 30 calendar days after the Effective Date. All
3 payments due under this settlement shall be distributed within 15 calendar days after
4 funding of the GSA by Defendant.

5 1. Individual Settlement Payments. Individual Settlement
6 Payments shall be paid from the Net Settlement Amount and shall be paid pursuant
7 to the formula set forth herein.

8 a) Calculation of Individual Settlement Payments. Using the
9 Employee List, the amount of each Individual Settlement Payment will be calculated
10 on a pro rata basis, based on the number of Compensable Workweeks each
11 Settlement Class Member worked during the Class Settlement Period. To establish
12 the value of each Compensable Workweek (“Compensable Workweek Value”), the
13 Settlement Administrator will first determine the total number of workweeks worked
14 by the Settlement Class Members for Defendant and Released Parties as a non-
15 exempt employee in the State of California during the Class Period. The
16 Compensable Workweek Value will be equal to the Net Settlement Amount divided
17 by the total number of workweeks worked by all Settlement Class Members during
18 the Class Period. The Compensable Workweek Value will be rounded to the nearest
19 cent. The Individual Settlement Payment to each Settlement Class Member will be
20 determined by multiplying the Compensable Workweek Value by the total number
21 of Compensable Workweeks each Settlement Class Member worked during the
22 Class Period. The total of all Individual Settlement Payments for all Settlement
23 Class Members shall equal the Net Settlement Amount. There is no need for a
24 Settlement Class Member to submit a claim form in order to be eligible for and to
25 receive an Individual Settlement Payment. Any partial workweek will be rounded
26 up to the nearest full workweek. Individual Settlement Payments will be reduced by
27
28

1 any required deductions for each Settlement Class Member, including employee-
2 side tax withholdings and/or deductions.

3 b) Allocation. For tax purposes, Individual Settlement
4 Payments shall be allocated and treated as follows: twenty percent (20%) as wages;
5 eighty percent (80%) as penalties and interest.

6 c) Mailing. Individual Settlement Payments and shall be
7 mailed by regular First-Class U.S. Mail to Settlement Class Members' last known
8 mailing address no later than 15 calendar days after funding of the GSA by
9 Defendant.

10 d) Expiration. Any checks issued to Settlement Class
11 Members shall remain valid and negotiable for one hundred and eighty (180) days
12 from the date of their issuance. If a Settlement Class Member does not cash his or
13 her settlement check within 180 days, the uncashed funds, plus any accrued interest
14 that has not been distributed pursuant to the Order of this Court, shall be voided by
15 the Settlement Administrator and the Settlement Administrator will take all steps
16 necessary to ensure that the proceeds from the Settlement Class Member's un-cashed
17 check(s), including unpaid cash residue(s), or other unclaimed or abandoned fund(s),
18 shall be distributed by the Settlement Administrator to the California State
19 Controller's Office Unclaimed Property Fund in the name of the Settlement Class
20 Member.

21
22 2. Service Award Payment. Defendant agrees not to oppose or
23 object to any application or motion by Plaintiff for a Service Award of up to Ten
24 Thousand Dollars (\$10,000). The Service Award is for Plaintiff's time, effort and
25 risk in bringing and prosecuting the Action, and for Plaintiff's General Release. The
26 Settlement Administrator shall pay the Service Award to Plaintiff from the Gross
27 Settlement Amount within 15 calendar days after funding of the GSA by Defendant.
28 Any portion of the requested Service Award that is not awarded to the Class

1 Representative shall be part of the Net Settlement Amount and shall be distributed
2 to Settlement Class Members as provided in this Agreement. The Settlement
3 Administrator shall issue an IRS Form 1099 — MISC to Plaintiff for his Class
4 Service Award. Plaintiff shall be solely and legally responsible to pay any and all
5 applicable taxes on his respective Service Award and shall hold harmless Defendant
6 from any claim or liability for taxes, penalties, or interest arising as a result of the
7 Service Award. The Class Representative Service Award shall be in addition to the
8 Plaintiff's Individual Settlement Payment as a Settlement Class Member. The
9 Court's approval of the Service Award is not a material term of the Settlement or
10 this Agreement. If the Court does not approve or approves only a lesser amount than
11 that requested by Class Counsel for the Service Award, the other terms of the
12 Settlement and this Agreement shall apply. The Court's refusal to approve the
13 Service Award requested by Class Counsel does not give either the Class
14 Representative or Class Counsel any basis to abrogate the Settlement or this
15 Agreement.
16

17 3. Class Counsel's Attorneys' Fees and Costs. Defendant agrees
18 not to oppose or object to any application or motion by Class Counsel for the Class
19 Counsel Fees Award for attorneys' fees not to exceed 30% of the Gross Settlement
20 Amount (\$97,500.00), plus a request for the Class Counsel Costs Award for costs
21 and expenses not to exceed Fifteen Thousand Dollars (\$15,000.00), supported by a
22 declaration from Class Counsel, from the Gross Settlement Amount. The Parties
23 agree that any and all claims for reasonable attorneys' fees and costs have been
24 settled by this Agreement and that neither Plaintiff, Settlement Class Members, nor
25 Class Counsel shall seek payment of attorneys' fees or reimbursement of
26 costs/expenses from Defendant except as set forth in this Agreement. Any portion
27 of the requested Class Counsel Fees Award or Class Counsel Costs Award that is
28 not awarded to Class Counsel shall be part of the Net Settlement Amount and shall

1 be distributed to Settlement Class Members as provided in this Agreement.
2 Notwithstanding anything else in this Agreement, Settlement is not contingent upon
3 the Court awarding Class Counsel any particular amount in attorneys' fees and costs
4 and, in the event that the Court does not approve the requested amount of, or reduces
5 the Class Counsel Fees Award and/or Class Counsel Costs Award amounts, Plaintiff
6 and Class Counsel shall not have the right to modify or revoke the Settlement, or to
7 appeal such order, nor will Plaintiff or Class Counsel seek, request, or demand an
8 increase to the Gross Settlement Amount on that basis. The Settlement
9 Administrator shall pay the Class Counsel Fees Award and the Class Counsel Costs
10 Award to Class Counsel from the Gross Settlement Amount within 15 calendar days
11 after funding of the GSA by Defendant. Class Counsel shall be solely and legally
12 responsible to pay all applicable taxes on the payment made pursuant to this
13 paragraph. Class Counsel agrees to provide the Settlement Administrator (and not
14 Defendant or Defendant's counsel) with executed IRS Forms W-9 within five (5)
15 days after the funding date and before payments for the Class Counsel Fees Award
16 and Class Counsel Costs Award are issued. The Settlement Administrator shall
17 issue an IRS Form 1099 — MISC to Class Counsel for the payments made pursuant
18 to this paragraph. Neither Class Counsel nor any other current or past counsel for
19 Plaintiff shall be permitted to petition the Court for, or accept, any additional
20 payments for fees, costs, or interest, and the Class Counsel Fees Award and Class
21 Counsel Costs Award shall be for all claims for attorneys' fees and costs whenever
22 incurred, including past and present fees and costs incurred in the Action to date and
23 through and including the Effective Date, as well as final distribution of all payments
24 under this Settlement Agreement and through and after Final Judgment. Upon the
25 Gross Settlement Amount funding date, payment of the Class Counsel Fees Award
26 and Class Counsel Costs Award to Class Counsel as set forth herein shall constitute
27 full satisfaction of the obligation to pay any amounts to any person, attorney or law
28

STIPULATION, SETTLEMENT, AND RELEASE OF CLASS ACTION AND PRIVATE
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1 firm for attorneys' fees, expenses or costs in the Action incurred by any attorney on
2 behalf of Plaintiff, the Settlement Class, and/or any of the PAGA Group Members,
3 and shall relieve the Settlement Class, PAGA Group Members, Defendant and
4 Released Parties, the Settlement Administrator, and Defendant's Counsel of any
5 other claims or liability to any other attorney or law firm for any attorneys' fees,
6 expenses and/or costs to which any of them may claim to be entitled on behalf of
7 Plaintiff, the Settlement Class, and/or the PAGA Group Members in connection with
8 the claims released in this Settlement.

9
10 4. PAGA Payment. Twenty Thousand Dollars (\$20,000) shall be
11 allocated from the Gross Settlement Amount for settlement of claims for civil
12 penalties under the PAGA. The Settlement Administrator shall pay seventy-five
13 percent (75%) of the PAGA Payment, or \$15,000.00, to the California Labor and
14 Workforce Development Agency within 15 calendar days after funding of the GSA
15 by Defendant; and the remaining Five Thousand Dollars (\$5,000.00) shall be
16 distributed to PAGA Group Members as follows:

17 a) Calculation. Using the Employee List, the remaining Five
18 Thousand Dollars (\$5,000.00) shall be distributed to all PAGA Group Members,
19 with each receiving a pro rata share based on the number of Compensable PAGA
20 Periods each PAGA Group Member worked during the PAGA Period. To establish
21 the value of each Compensable PAGA Period ("Compensable PAGA Period
22 Value"), the Settlement Administrator will first determine the total number of pay
23 periods worked by the PAGA Group Members for Defendant and Released Parties
24 as a non-exempt employee in the State of California during the PAGA Period. The
25 Compensable PAGA Period Value will be equal to Five Thousand Dollars
26 (\$5,000.00) divided by the total number of pay periods worked by all PAGA Group
27 Members during the PAGA Period. The Compensable PAGA Period Value will be
28 rounded to the nearest cent. The payment to each PAGA Group Member will be

determined by multiplying the Compensable PAGA Period Value by the total number of Compensable PAGA Periods each PAGA Group Member worked during the PAGA Period. The total of all payments for all PAGA Group Members shall equal Five Thousand Dollars (\$5,000.00). Any partial pay period will be rounded up to the nearest full pay period. The portion of the PAGA Payment paid to the PAGA Group Members shall be treated entirely as penalties. In the event that the Court awards less than the full amount requested for the PAGA Payment, the un-awarded amount shall remain in the Net Settlement Amount and be distributed to Settlement Class Members. The Court's reduction or increase of the PAGA Payment is not a material term of the Settlement or this Agreement. If the Court approves only a lesser amount or a higher amount than that requested by Class Counsel for the PAGA Payment, the other terms of the Settlement and this Agreement shall apply. The Court's reduction or increase of the PAGA Payment requested by Class Counsel does not give the Class Representative or Class Counsel any basis to abrogate the Settlement or this Agreement.

b) Mailing. Payments to PAGA Group Members shall be mailed along with Individual Settlement Payments by regular First-Class U.S. Mail to the PAGA Group Member's last known mailing address within 15 calendar days after funding of the GSA by Defendant

c) Expiration. Any checks issued to PAGA Group Members shall remain valid and negotiable for one hundred and eighty (180) days from the date of their issuance. If a PAGA Group Member does not cash his or her settlement check within 180 days, the uncashed funds, plus any accrued interest that has not been distributed pursuant to the Order of this Court, shall be voided by the Settlement Administrator and the Settlement Administrator will take all steps necessary to ensure that the proceeds from the PAGA Group Member's un-cashed check(s), including unpaid cash residue(s), or other unclaimed or abandoned fund(s), shall be

distributed by the Settlement Administrator to the California State Controller's Office Unclaimed Property Fund in the name of the PAGA Group Member.

5. Settlement Administration Costs. The Settlement Administrator shall be paid for the costs of administration of the Settlement from the Gross Settlement Amount. The Settlement Administration Costs are not to exceed Fourteen Thousand Two Hundred Fifty Dollars (\$14,250.00). The Settlement Administrator shall be paid the Settlement Administration Costs within 15 calendar days after funding of the GSA by Defendant.

O. Government Actions Affecting Settlement. If any administrative proceeding or action is commenced on or before a date that is one (1) year from the Preliminary Approval Date by any federal, state or local government authority, including, without limitation, the U.S. Department of Labor or the California Division of Labor Standards Enforcement, in a *parens patriae* or other function asserting the Released Claims, Plaintiff and Class Counsel will sign an appropriate declaration at the request of Defendant supporting the Settlement and asserting that the governmental action is within the scope of this Stipulation, the Action and the Final Judgment. Additionally, in the event any action is commenced by a governmental authority as stated herein, Defendant shall have the option to seek an Order from the Court, requesting that payments to the Settlement Class Members be immediately suspended pending the outcome of the suit or administrative proceeding brought by the governmental authority.

P. Final Approval Motion. At the earliest practicable time following the expiration of the Response Deadline, Plaintiff shall file with the Court a Motion for Order Granting Final Approval of the Class Action Settlement and a Final Judgment in the Action, which motion shall request final approval of the Settlement and the amounts payable for the Service Award, Class Counsel Costs Award, Class Counsel Fees Award, PAGA Payment, and Settlement Administration Costs. Upon Final

1 Approval Order of the Class Settlement by the Court at or after the Final Approval
2 hearing, the Parties shall present a Proposed Final Judgment to the Court for its
3 approval. Class Counsel will be responsible for drafting all documents necessary to
4 obtain Final Approval Order, including the Final Judgment.

5 1. Declaration by Settlement Administrator. Upon completion of
6 administration of the Settlement, the Settlement Administrator shall submit a
7 declaration, under penalty of perjury, in support of Plaintiff's Motion for Order
8 Granting Final Approval of the Class Action Settlement detailing (a) the number of
9 Notice Packets mailed and re-mailed to Settlement Class Members, (b) the number
10 of undeliverable Notice Packets, (c) the number of timely Requests for Exclusion,
11 (d) the number of timely objections received, (e) the amount of the average
12 Individual Settlement Payment, (f) the Settlement Administration Costs, (g) the
13 confirmed mailing of notices to the federal and state governmental agencies pursuant
14 to 28 U.S.C. § 1715, and (h) any other information as the Parties mutually agree on
15 the Court orders the Settlement Administrator to provide.

16 2. Final Approval Order and Final Judgment. The Parties shall
17 present an Order Granting Final Approval of Class Action Settlement and Final
18 Judgment to the Court for its approval. The Final Judgment shall, among other
19 things:

20 (a) Find that the Court has personal jurisdiction over all Settlement
21 Class Members and PAGA Group Members, and that the Court has subject matter
22 jurisdiction to approve this Stipulation and all exhibits thereto;

23 (b) Approve this Agreement and the proposed Settlement as fair,
24 reasonable and adequate, consistent and in compliance with all applicable
25 requirements of the Federal Rules of Civil Procedure, the California and United
26 States Constitutions (including the due process clauses), the Central District of
27 California Local Rules and any other applicable law, and in the best interests of each
28 of the Parties and the Settlement Class Members and PAGA Group Members; direct

1 the Parties and their counsel to implement this Agreement according to its terms and
2 provisions; and declare this Agreement as to the Released Class Claims to be binding
3 on Plaintiff and all other Settlement Class Members, except those who timely and
4 properly filed Request for Exclusions, as well as their heirs, executors and
5 administrators, successors and assigns, and also declare that the judgment entered
6 by the Court as to the Released PAGA Claims is binding on all PAGA Group
7 Members;

8 (c) Find that the Notice and notice methodology implemented
9 pursuant to this Agreement (i) constituted the best practicable notice; (ii) constituted
10 notice that was reasonably calculated, under the circumstances, to apprise Settlement
11 Class Members of the pendency of the Action, their right to object to or exclude
12 themselves from the proposed Settlement and their right to appear at the Final
13 Approval Hearing; (iii) were reasonable and constituted due, adequate and sufficient
14 notice to all persons entitled to receive notice; and (iv) met all applicable
15 requirements of the Federal Rules of Civil Procedure, the California and United
16 States Constitutions (including the Due Process Clause), the Central District Local
17 Rules and any other applicable law;

18 (d) Find that Plaintiff and Class Counsel adequately represented the
19 Settlement Class for purposes of entering into and implementing the Settlement;

20 (e) Dismiss the Action (including all individual claims, Released
21 Class Claims and Released PAGA Claims) with prejudice, without fees or costs to
22 any party except as provided in this Stipulation; and

23 (f) Without affecting the finality of the Final Judgment, the Court
24 shall retain continuing jurisdiction over the Action, the Parties, and the Settlement
25 Class, as well as the administration and enforcement of the Settlement. Any disputes
26 or controversies arising with respect to the interpretation, consummation,
27 enforcement, or implementation of the Settlement shall be presented by motion to
28 the Court.

1 Q. Option to Terminate Settlement. If, after the Response Deadline, the
2 total number of Settlement Class Members who submitted timely and valid Requests
3 for Exclusion from the Settlement is at least five percent (5%) of all Settlement Class
4 Members, Defendant shall have, in its sole discretion, the option to terminate this
5 Settlement within 15 calendar days after expiration of the Response Deadline. If
6 Defendant exercises the option to terminate this Settlement, Defendant shall: (a)
7 provide written notice to Class Counsel within 15 calendar days after the Response
8 Deadline and (b) pay all Settlement Administration Costs incurred up to the date or
9 as a result of the termination; and the Parties shall proceed in all respects as if this
10 Agreement had not been executed.

11 R. Motions for Preliminary and Final Approval. Class Counsel will
12 provide an opportunity for Counsel for Defendant to review the Motions for Orders
13 Granting Preliminary and Final Approval of the Class Action Settlement and the
14 Final Judgment in the Action, prior to filing with the Court. The Parties and their
15 counsel will cooperate with each other and use their best efforts to seek Court
16 approval of the Motions for Orders Granting Preliminary and Final Approval of the
17 Class Action Settlement and Final Judgment in the Action.

18 S. No Impact on Benefit Plans. Neither this Settlement nor any amounts
19 paid under the Settlement will modify any previously credited hours or service under
20 any employee benefit plan, policy, or bonus program sponsored by Defendant. Such
21 amounts will not form the basis for additional contributions to, benefits under, or
22 any other monetary entitlement under Defendant-sponsored benefit plans, policies,
23 or bonus programs. The payments made under the terms of this Stipulation shall not
24 be applied retroactively, currently, or on a going forward basis, as salary, earnings,
25 wages, or any other form of compensation for the purposes of Defendant's benefit
26 plan, policy, or bonus program. Defendant retains the right to modify the language
27 of its benefit plans, policies and bonus programs to effect this intent, and to make
28

1 clear that any amounts paid pursuant to this Settlement are not for “hours worked,”
2 “hours paid,” “hours of service,” or any similar measuring term as defined by
3 applicable plans, policies and bonus programs for purposes of eligibility, vesting,
4 benefit accrual, or any other purpose, and that additional contributions or benefits
5 are not required by this Settlement.

6 T. Notices. Unless otherwise specifically provided herein, all notices,
7 demands, or other communications given hereunder shall be in writing and shall be
8 deemed to have been duly given as of the third (3rd) business day after mailing by
9 United States certified mail, return receipt requested, addressed as follows:

10 **To Plaintiff and the Settlement Class:**

11 Sam Kim
12 VERUM LAW GROUP, APC
13 360 North Pacific Coast Highway, Suite 1025
14 El Segundo, CA 90245
15 Telephone: (424) 320-2000
16 Facsimile: (424) 221-5010

17 **To Defendant:**

18 Jon D. Meer
19 SEYFARTH SHAW LLP
20 2029 Century Park East, Suite 3500
21 Los Angeles, California 90067-3021
22 Telephone: (310) 277-7200
23 Facsimile: (310) 201-5219

24 U. Cooperation. The Parties and their counsel will cooperate with each
25 other and use their best efforts to implement the Settlement. The Parties have
26 cooperated in the drafting and preparation of this Settlement Agreement. Hence, in
27 any construction made to this Settlement Agreement, the same shall not be construed
28 against any of the Parties

1 V. Admissibility of Agreement. This Agreement shall not be admissible
2 in any proceeding for any purpose, except to enforce it according to its terms.

3 W. Amendment or Modification. This Agreement may be amended or
4 modified only by a written instrument signed by counsel for all Parties or their
5 successors-in-interest, and approved by the Court.

6 X. Entire Agreement. This Agreement and any attached Exhibits
7 constitute the entire Agreement among these Parties, and no oral or written
8 representations, warranties or inducements have been made to any Party concerning
9 this Agreement or its Exhibits other than the representations, warranties and
10 covenants contained and memorialized in the Agreement and its Exhibits.

11 Y. Authorization to Enter Into Settlement Agreement. Counsel for all
12 Parties warrant and represent they are expressly authorized by the Parties whom they
13 represent to negotiate this Agreement and to take all appropriate actions required or
14 permitted to be taken by such Parties pursuant to this Agreement to effectuate its
15 terms, and to execute any other documents required to effectuate the terms of this
16 Agreement. The persons signing this Agreement on behalf of Defendant represent
17 and warrant that they are authorized to sign this Agreement on behalf of Defendant.
18 Plaintiff represents and warrant that she is authorized to sign this Agreement and
19 that she has not assigned any claim, or part of a claim, covered by this Settlement to
20 a third-party.

21 Z. Binding on Successors and Assigns. This Agreement shall be binding
22 upon, and inure to the benefit of, the successors or assigns of the Parties hereto and
23 Settlement Class Members and PAGA Group Members, as previously defined.

24 AA. California Law Governs. All terms of this Agreement and the Exhibits
25 hereto and any disputes arising hereunder shall be governed by and interpreted
26 according to the laws of the State of California.
27
28

1 BB. Counterparts. This Agreement may be executed in one or more
2 counterparts. All executed counterparts and each of them shall be deemed to be one
3 and the same instrument provided that counsel for the Parties to this Agreement shall
4 exchange among themselves copies or originals of the signed counterparts.

5 CC. This Settlement Is Fair, Adequate and Reasonable. The Parties believe
6 this Settlement is a fair, adequate and reasonable settlement of this Action and have
7 arrived at this Settlement after extensive arms-length negotiations, taking into
8 account all relevant factors, present and potential. This Settlement was reached after
9 extensive negotiations and mediation with a well-renowned class action mediator.

10 DD. Jurisdiction of the Court. The Parties agree that the Court shall retain
11 jurisdiction with respect to the interpretation, implementation and enforcement of
12 the terms of this Agreement and all orders and judgments entered in connection
13 therewith, and the Parties and their counsel hereto submit to the jurisdiction of the
14 Court for purposes of interpreting, implementing and enforcing the settlement
15 embodied in this Agreement and all orders and judgments entered in connection
16 therewith.

17 EE. Invalidity of Any Provision. Before declaring any provision of this
18 Agreement invalid, the Court shall first attempt to construe the provisions valid to
19 the fullest extent possible consistent with applicable precedents so as to define all
20 provisions of this Agreement valid and enforceable. Should the Court deem any
21 clause or provision of this Agreement be invalid, illegal, or unenforceable, it shall
22 first attempt to modify or reform it as minimally necessary to be valid, lawful, and
23 enforceable.

24 FF. Publicity. Neither Plaintiff nor Plaintiff's counsel shall issue any press
25 release or announcement of any kind related in any way to the settlement. Plaintiff
26 and Plaintiff's counsel agree that, prior to preliminary approval of the settlement,
27 they will keep the terms of the settlement confidential except for purposes of
28

1 communicating with Plaintiff only. Plaintiff understands that the settlement is
2 confidential and shall keep the settlement confidential. From and after Preliminary
3 Approval of the settlement, Plaintiff and Plaintiff's counsel may: (1) as required by
4 law; (2) as required under the terms of the settlement; or (3) as required under
5 counsel's duties and responsibilities as class counsel, comment regarding the
6 specific terms of the settlement. In all other cases, Plaintiff and Class Counsel agree
7 to limit their statements regarding the terms of the settlement, whether oral, written
8 or electronic (including the world wide web), to say the Action has been resolved
9 and that Plaintiff and Class Counsel are satisfied with the settlement terms. Nothing
10 in this Paragraph is intended to interfere with Class Counsel's duties and obligations
11 to faithfully discharge their duties as Class Counsel, including but not limited to,
12 communicating with Settlement Class Members regarding the settlement, and
13 nothing shall prohibit Class Counsel from referring to the settlement in adequacy of
14 counsel declarations or related court filings.
15

16 GG. Waiver of Certain Appeals. Except as provided herein, the Parties
17 agree to waive any and all rights to appeal, this waiver being contingent upon the
18 Court entering the Final Judgment. This waiver includes waiver of all rights to any
19 post-judgment proceeding and appellate proceeding, including, but not limited to,
20 motions for relief from judgment and motions to amend or alter the judgment.

21 HH. No Admissions. Plaintiff has claimed and continues to claim that the
22 Released Class Claims and Released PAGA Claims have merit and give rise to
23 liability on the part of Defendant. Defendant has claimed and continues to claim
24 that the Released Class Claims and Released PAGA Claims have no merit and do
25 not give rise to liability. This Agreement is a compromise of disputed claims.
26 Nothing contained in this Agreement and no documents referred to herein and no
27 action taken to carry out this Agreement may be construed or used as an admission
28 by or against the Defendant or Plaintiff or Class Counsel as to the merits or lack

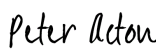
thereof of the claims asserted. Whether or not the Settlement is finally approved, neither the Settlement, nor any document, statement, proceeding or conduct related to this Settlement Agreement, nor any reports or accounts thereof, shall in any event be: (1) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to the Released Parties, including, but not limited to, evidence of a presumption, concession, indication or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession or damage; or (2) disclosed, referred to or offered or received in evidence against any of the Released Parties, in any further proceeding in the Lawsuits, or any other civil, criminal or administrative action or proceeding, except for purposes of settling the Lawsuits pursuant to this Settlement Agreement.

Dated: December ²⁰____, 2023

DocuSigned by:

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 Plaintiff Celia Navarrete

Dated: December _____, 2023
 12/20/2023

DocuSigned by:

 DCDFAE967660420...
 Defendant UKG INC.
 Peter Acton
 Vice President, Deputy General Counsel

AGREED AS TO FORM:

Dated: December____, 2023

 Sam Kim
 Verum Law Group, APC
 Attorney for Plaintiff Celia Navarrete

STIPULATION, SETTLEMENT, AND RELEASE OF CLASS ACTION AND PRIVATE
 ATTORNEYS GENERAL ACT CLAIMS

1 thereof of the claims asserted. Whether or not the Settlement is finally approved,
2 neither the Settlement, nor any document, statement, proceeding or conduct related
3 to this Settlement Agreement, nor any reports or accounts thereof, shall in any event
4 be: (1) construed as, offered or admitted in evidence as, received as, or deemed to
5 be evidence for any purpose adverse to the Released Parties, including, but not
6 limited to, evidence of a presumption, concession, indication or admission by any of
7 the Released Parties of any liability, fault, wrongdoing, omission, concession or
8 damage; or (2) disclosed, referred to or offered or received in evidence against any
9 of the Released Parties, in any further proceeding in the Lawsuits, or any other civil,
10 criminal or administrative action or proceeding, except for purposes of settling the
11 Lawsuits pursuant to this Settlement Agreement.
12

13
14 Dated: December ____, 2023

15 Plaintiff Celia Navarette
16
17

18 Dated: December ____, 2023

19 Defendant UKG INC.
20 Peter Acton
21 Vice President, Deputy General Counsel
22

23 **AGREED AS TO FORM:**

24
25 Dated: December 20, 2023



26 Sam Kim
27 Verum Law Group, APC
28 Attorney for Plaintiff Celia Navarrete

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2
3
4 Dated: December ____, 2023
5 12/20/2023

DocuSigned by:
Michael Afar
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Michael Afar
Seyfarth Shaw LLP
Attorney for Defendant UKG INC.