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 14 STORER TRANSPORTATION SERVICE
 and STORER TRANSPORTATION SCHOOL
 15 AND CONTRACT SERVICE

16 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

17 **COUNTY OF STANISLAUS**

18 LATISHA LOCKWOOD, individually, and on) Case No. CV-23-002976
 behalf of all others similarly situated,)

19 Plaintiff,

) Judge: Hon. John D. Freeland

20 vs.

) Dept: 23

21 STORER TRANSPORTATION SCHOOL
 AND CONTRACT SERVICE, a California
 22 corporation; STORER TRANSPORTATION
 SERVICE, a California corporation; and DOES
 23 1 through 10, inclusive,

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

) Action Filed: May 25, 2023

24 Defendants

25
 26 This Joint Stipulation of Settlement and Release of PAGA Action ("Agreement") is made
 27 and entered into between Plaintiff Latisha Lockwood ("Plaintiff"), individually and on behalf of the
 28 proposed PAGA Group, (defined below), and Defendants Storer Transportation School and Contract

1 Service and Storer Transportation Service (collectively, “Defendants” or “Storer”). This Agreement
2 is subject to approval of the Court and is made for the sole purpose of attempting to consummate
3 settlement of the Action (as defined below) on a PAGA basis subject to the following terms and
4 conditions. As detailed below, in the event the Court does not enter an order granting approval of
5 the PAGA Settlement (as defined below) and enter judgment, or the conditions precedent are not met
6 for any reason, this Agreement is void and of no force or effect whatsoever.

7 1. **DEFINITIONS**

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

11 1.1 **Action**. “Action” shall mean this civil action titled *Latisha Lockwood v. Storer*
12 *Transportation School and Contract Service et al.*, Stanislaus County Superior Court Case No. Case
13 No. CV-23-002976, filed on or about May 25, 2023, and the underlying PAGA Notice sent to the
14 Labor and Workforce Development Agency (“LWDA”) by Plaintiff on May 22, 2023.

15 1.2 **Approval and Fairness Hearing**. “Approval and Fairness Hearing” shall mean
16 the hearing held to ascertain the fairness, reasonableness, and adequacy of the PAGA Settlement. At
17 this hearing, the Court will consider PAGA Counsel’s application for Attorneys’ Fees and Expenses,
18 the PAGA Representative Incentive Award, the Administration Expenses, and approval of the PAGA
19 Payment. The proposed Order Granting Approval and Entering Judgment is attached, in substantial
20 form, as **Exhibit B**.

21 1.3 **Approval Date**. “Approval Date” shall mean the date upon which the Court
22 enters an order granting approval of the PAGA Settlement and enters Judgment.

23 1.4 **Claims**. “Claims” shall mean the claims and theories alleged and causes of action
24 alleged in the Action, or that could have been alleged in the Action, including the PAGA penalties
25 alleged in the Action.

26 1.5 **Court**. “Court” shall mean the Superior Court of California, County of Stanislaus
27 (or any court to which the Action is transferred).

28 1.6 **Defendants**. “Defendants” shall mean Storer Transportation School and Contract

1 Service and Storer Transportation Service.

2 1.7 **Defense Counsel.** "Defense Counsel" shall mean Timothy Nelson and Douglas
3 Leach of Medina McKelvey LLP, 925 Highland Pointe Drive, Suite 300, Roseville, California 95678.

4 1.8 **Effective Date.** "Effective Date" means the date by when both of the following
5 have occurred: (a) the Court enters a Judgment on its Order approving the PAGA Settlement; and (b)
6 the Judgment is final. The Judgment is final as of the day the Court enters Judgment.

7 1.9 **Gross Settlement Amount.** "Gross Settlement Amount" means the agreed upon
8 settlement amount totaling One Hundred Thousand Dollars (\$100,000.00), to be paid by Defendants
9 in full settlement of the Released Claims asserted in this case, which includes PAGA Counsel's
10 Attorneys' Fees and Costs, Settlement Administration Fees, and the LWDA Payment, and Individual
11 Settlement Payments. In no event shall Defendants be required to pay more than the Gross
12 Settlement Amount. Defendants are not jointly and severally liable for the Gross Settlement Amount.

13 1.10 **Individual Settlement Payment.** "Individual Settlement Payment(s)" shall mean
14 the proportionate share of the Net Settlement Amount to be distributed to each PAGA Member based
15 on the number of his or her pay periods worked in the PAGA Period in relation to the aggregate
16 number of pay periods worked by the Settlement Group during the PAGA Period.

17 1.11 **Net Settlement Amount.** "Net Settlement Amount" or "NSA" shall mean the
18 Gross Settlement Amount, minus the Court-approved amounts awarded for the Attorneys' Fees and
19 Costs, Settlement Administration Fees, and the LWDA Payment. The Parties intend that the NSA
20 shall be sufficient to pay all valid claims of Settlement Group Members. Accordingly, if for any
21 reason the total value of Individual Settlement Payments to Settlement Group Members exceeds this
22 amount, then payment to each Settlement Group Member will be adjusted on a pro-rated basis so
23 that the total payout to Settlement Group Members does not exceed the NSA.

24 1.12 **PAGA:** "PAGA" refers to the Labor Code Private Attorneys General Act of 2004,
25 Labor Code sections 2699, *et seq.*

26 1.13 **PAGA List:** "PAGA List" shall mean the information for each PAGA Member
27 which Defendants shall compile from their business records and provide to the Administrator for
28 purposes of providing notice of the Settlement to the PAGA Group. The PAGA List shall be in a

1 readable, ready to use, Microsoft Excel spreadsheet, which will provide for each Settlement Group
2 Member, the following information: (a) full name; (b) last-known mailing address; (c) telephone
3 number(s); (d) Social Security number; (e) number of pay periods employed as a PAGA Member
4 during the PAGA Period. The PAGA List will be provided to the Settlement Administrator within
5 21 days of Defendants receiving written notification that the Court granted approval of the
6 Settlement.

7 1.14 **PAGA Counsel:** “PAGA Counsel” refers to Moon Law Group, PC 1055 W.
8 Seventh Street, Suite 1880, Los Angeles, California 90017.

9 1.15 **PAGA Counsel’s Attorneys’ Fees and Expenses:** “PAGA Counsel’s Attorneys’
10 Fees and Expenses” shall mean PAGA Counsel’s attorneys’ fees and expenses to be requested and
11 subject to approval by the Court at the time of the Approval Hearing in an amount not to exceed
12 \$33,333.33 (33.33% of the Gross Settlement Amount) and costs not to exceed \$16,000.00.

13 1.16 **PAGA Member(s):** “PAGA Member(s)” and “Settlement Group Members” shall
14 mean all current and former non-exempt employees that worked for Defendant Storer Transportation
15 School and Contract Service during the PAGA Period.

16 1.17 **PAGA Penalties.** Means the total amount of PAGA civil penalties to be paid from
17 the Gross Settlement Amount, allocated 25% to the PAGA Members and the 75% to the LWDA in
18 settlement of PAGA claims.

19 1.18 **PAGA Period.** “PAGA Period” means the period from May 26, 2022 through
20 the earlier of April 30, 2024 or the approval of the Settlement.

21 1.19 **PAGA Release.** See Released Claims.

22 1.20 **Parties.** “Parties” shall mean Plaintiff (as defined below) and Defendants.

23 1.21 **Pay Periods.** “Pay Periods” means the number of pay periods a PAGA Member
24 was employed during the PAGA Period and recorded time in Defendants’ timekeeping system.

25 1.22 **Plaintiff.** “Plaintiff” and “PAGA Representative” shall mean Plaintiff Latisha
26 Lockwood.

27 1.23 **Released Claims.** “Released Claims” shall mean all claims and theories that were
28 set forth, or that could have been set forth based on the facts alleged in the Action during the PAGA

Period, pursuant to *Huff v. Securitas Services USA, Inc.* (2018) 25 Cal.App.5th 745, including, but not limited to, under California Labor Code sections 200-204, 210, 226, 226.3, 226.7, 227.3, 510, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2800-2802, 2698 *et seq.*, and related IWC Wage Orders, based on the various theories of liability, including, but not limited to, failure to pay all minimum and overtime wages, failure to provide and/or pay sick pay, including at the regular rate of pay, failure to provide meal periods, failure to provide rest periods, failure to provide accurate wage statements, failure to issue wages in a legally-permissible manner, failure to pay all wages owing during employment, failure to pay wages upon termination, and failure to reimburse business expenses.

1.24 **Released Parties.** “Released Parties” shall mean Defendants, and includes any of their officers, directors, executives, partners, managers, owners, shareholders, members, employees, agents, attorneys, any of their former and present parents, subsidiaries, successors, assigns and affiliates and related entities, and their officers, directors, managers, owners, executives, partners, employees, shareholders, agents, attorneys, and any other successors, assigns, or legal representatives.

1.25 **Settlement.** “Settlement” shall mean the settlement between Parties, which is memorialized in this Agreement, including any attached exhibits, and subject to Court approval.

1.26 **Settlement Administrator.** “Settlement Administrator” or “Administrator” shall mean Phoenix Class Action Administration Solutions (“Phoenix”), the third-party settlement administrator selected by the Parties and to be approved by the Court, which the Parties have agreed will be responsible for administration of the Settlement and related matters. The Administrator’s fee and expenses are estimated to not exceed \$5,000.00.

1.27 **Settlement Group.** “Settlement Group” or “Settlement Group Members” shall mean all PAGA Members.

1.28 **Settlement Letter.** “Settlement Letter” shall mean the letter accompanying the Individual Settlement Payments attached, in substantial form, as **Exhibit A.**

2. **FACTUAL AND PROCEDURAL BACKGROUND OF ACTION**

2.1 On May 22, 2023, Plaintiff provided her notice to the Labor and Workforce

1 Development Agency. On May 25, 2023, Plaintiff filed the Action in Stanislaus Superior Court. On
2 September 25, 2023, Plaintiff filed her First Amended Complaint pursuant to Labor Code §2698,
3 PAGA (“Operative Complaint”), on behalf of the state of California. On October 9, 2023, the Court
4 granted an order dismissing class and individual claims in this Action.

5 2.2 The Parties agreed to mediate with Michael Young, Esq., and Plaintiff requested,
6 and received, extensive informal discovery to evaluate the claims and theories alleged prior to
7 mediation. The Parties attended private mediation with Michael Young on January 30, 2024. They
8 were able to resolve the matter following the mediation based on a mediator’s proposal.

9 2.3 The Parties and their respective counsel believe this Agreement reflects a fair,
10 adequate, and reasonable settlement of the Action and have arrived at this Agreement as a result of
11 arm’s-length negotiations, facilitated by an experienced and neutral mediator, taking into account all
12 relevant factors, present and potential.

13 3. **ALLEGATIONS OF THE PAGA REPRESENTATIVE AND BENEFITS OF**
14 **THE SETTLEMENT**

15 3.1 The investigation and extensive exchange of information and informal discovery
16 conducted in this matter, as well as discussions between counsel have been adequate to give PAGA
17 Counsel an understanding of the merits of the Parties’ respective positions and to evaluate the worth
18 of the claims of the Settlement Group. The information and data exchanged by the Parties prior to
19 and during mediation and settlement negotiations are sufficient to reliably assess the merits of the
20 Parties’ respective positions and to compromise the issues on a fair and equitable basis.

21 3.2 The Parties recognize and acknowledge the expense and delay of continued
22 lengthy proceedings necessary to prosecute the Action against Defendants through trial and through
23 appeals. PAGA Counsel has considered the uncertain outcome of the litigation, the risk of continued
24 litigation in complex actions such as this, as well as difficulties and delays inherent in such litigation,
25 as well as trying the claims of the Settlement Group. PAGA Counsel believes that the Settlement set
26 forth in this Agreement confers substantial benefits upon Plaintiff and the Settlement Group
27 Members and that an independent review of this Agreement by the Court in the approval process will
28 confirm this conclusion. Based on their own independent investigation and evaluation, PAGA

1 Counsel has determined that the Settlement set forth in the Agreement is in the best interests of
2 Plaintiff and the Settlement Group Members.

3 4. **NO ADMISSION OF ANY LIABILITY**

4 4.1 Nothing herein shall constitute any admissions by Defendants of wrongdoing or
5 liability, or of the truth of any factual allegations in the Action. Nothing herein shall constitute any
6 admission by Defendants regarding the merits of the Claims in this Action. Nothing herein shall
7 constitute an admission by Defendants that the Action was properly brought as a representative action
8 other than for settlement purposes. To the contrary, Defendants have denied and continue to deny
9 each and every material factual allegation and all Claims.

10 4.2 Nothing in this Agreement nor any action taken or made in implementation
11 thereof, nor any statements, discussions, or communications, nor any materials prepared, exchanged,
12 issued, or used during the course of the negotiations leading to the Agreement, is intended by the
13 Parties to, nor will any of the foregoing constitute, be introduced, be used, or be admissible in any
14 way in this case or any other judicial, arbitral, administrative, investigative or other forum or
15 proceeding as evidence of any violation of any federal, state, or local law, statute, ordinance,
16 regulation, rule, or executive order, or any obligation or duty at law or in equity. Notwithstanding
17 the foregoing, the Agreement may be used in any proceeding in the Court that has as its purpose the
18 interpretation, implementation, or enforcement of the Agreement or any orders or judgments of the
19 Court entered into in connection therewith.

20 4.3 The Parties agree that Plaintiff's motion for approval of the Settlement and
21 Defendants' agreement thereto is for purposes of the Settlement only. If, for any reason, the
22 Settlement is not approved, this Agreement will not be admissible in this or any other proceeding as
23 evidence that (i) the Action should proceed forward, or (ii) Defendants are liable to Plaintiff or the
24 Settlement Group Members as Plaintiff alleged. In the event that this Agreement is not approved by
25 the Court or any appellate court, is terminated, or otherwise fails to be enforceable, Defendants will
26 not be deemed to have waived, limited, or affected in any way any of their objections or defenses in
27 the Action, including, but not limited to, their ability to move to compel arbitration, raise defenses in
28 opposition to the Action, contest the merits of the claims and theories alleged, etc.

1 5. **SETTLEMENT CONSIDERATION**

2 5.1 **Gross Settlement and Net Settlement Amounts and Distribution.** The Gross
3 Settlement Amount and other actions and forbearances taken by Defendants shall constitute adequate
4 consideration for the Settlement and will be made in full and final settlement of: (a) the Released
5 Claims, (b) PAGA Counsel's Attorneys' Fees and Expenses, (c) Administration Expenses, (d)
6 LWDA Payment, and (e) the Individual Settlement Payments to Settlement Group Members, and
7 any other obligation of Defendants under this Agreement.

8 5.2 **Payments to Settlement Group Members.** Each Settlement Group Member
9 shall be eligible to receive an Individual Settlement Payment. The Parties understand that Settlement
10 Group Members who receive an Individual Settlement Payment pursuant to this Agreement shall be
11 solely responsible for any and all other individual tax obligations associated with the payment.

12 5.3 **No Effect on Employee Benefits.** Neither the Settlement nor any amounts paid
13 under the Settlement will modify any previously credited hours, days, or weeks or service under any
14 employee benefit plan, policy or bonus program sponsored by Defendants (or their affiliates, parents
15 or successors). Such amounts will not form the basis for additional contributions to, benefit under,
16 or any other monetary entitlement under Defendants' sponsored benefit plans, policies or bonus
17 programs, if any. The payments made under the terms of this Settlement shall not be applied
18 retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other form of
19 compensation for the purposes of any of Defendants' benefit plans, policies or bonus programs, if
20 any. Defendants retain the right to modify the language of their benefits plans, policies and bonus
21 programs to effect this intent and to make clear that any amounts paid pursuant to this Agreement
22 are not for "weeks worked," "weeks paid," "weeks of service," or any similar measuring term as
23 defined by applicable plans, policies and bonus programs for purpose of eligibility, vesting, benefit
24 accrual, or any other purpose, and that additional contributions or benefits are not required by this
25 Agreement. Defendants do not consider the Individual Settlement Payments "compensation" for
26 purposes of determining eligibility for, or benefit accrual within, any benefits plan, policy, or bonus
27 program, or any other plan or program sponsored by Defendants (or their affiliates, parents or
28 successors), if any.

1 5.4 **PAGA Counsel's Attorneys' Fees and Expenses.** As part of the motion for
2 approval of the Settlement, PAGA Counsel may submit an application for an award of PAGA
3 Counsel's Attorneys' Fees and Expenses. Defendants agree not to object to any such fee, cost or
4 expense application in line with this Agreement and in an amount not to exceed \$33,333.33 (33.33%
5 of the Gross Settlement Amount) for attorneys' fees and \$16,000.00 for recoverable costs. As a
6 condition of this Settlement, PAGA Counsel has agreed to pursue fees and costs only in the manner
7 reflected by this Agreement. Any PAGA Counsel's Attorneys' Fee and Expenses awarded by the
8 Court shall be paid from the Gross Settlement Amount. If the PAGA Counsel voluntarily reduces
9 the request for Attorneys' Fees and Expenses or the Court's award is less than set forth above, the
10 difference shall remain with the Net Settlement Amount.

11 The PAGA Counsel's Attorneys' Fees and Expenses approved by the Court shall
12 encompass: (a) all work performed and costs and expenses incurred by, or at the direction of, any
13 attorney purporting to represent the Settlement Group through the date of this Agreement; (b) all
14 work to be performed and costs to be incurred in connection with approval by the Court of the
15 Settlement set forth in this Agreement; (c) all work to be performed and costs and expenses, if any,
16 incurred in connection with administering the PAGA Settlement through the Effective Date; and (d)
17 may be based on the Lodestar method and/or Common Fund Doctrine.

18 5.5 **Payment of PAGA Counsel's Attorneys' Fees and Expenses.** PAGA Counsel's
19 Attorneys' Fees and Expenses as awarded by the Court shall be paid by the Settlement Administrator
20 within thirty (30) days of the Effective Date.

21 5.6 **Size of the Settlement Group.** For the time period from May 26, 2022 through
22 January 30, 2024 ("Time Period"), Defendants have represented that there are approximately 8,000
23 pay periods ("Pay Period Total") worked by PAGA Members. If the number of Pay Periods increases
24 by 10% beyond the Pay Period Total for the Time Period, the Gross Settlement Amount will be
25 increased by the actual percentage increase, or Defendants may adjust the PAGA Period so that
26 Defendants are not required to increase the Gross Settlement Amount. For example, if the number
27 of pay periods for the Time Period is 8,880, then this would represent an 11% increase. In this
28 example, Defendants would have the option of: (1) increasing the Gross Settlement Amount by 1%,

1 or adjusting the PAGA period so that the number of pay periods covered does not exceed 8,800 pay
2 periods.

3 6. **ADMINISTRATION COSTS AND EXPENSES**

4 6.1 **The Settlement Administrator's Costs and Expenses.** All costs and expenses
5 due to the Settlement Administrator in connection with its administration of the Settlement described
6 in the Agreement, including, but not limited to, formatting and mailing the Settlement Letter and
7 Individual Settlement Payments, performing a National Change of Address database search to update
8 Settlement Group Members addresses prior to the mailing, performing skip-traces to locate and
9 update Settlement Group Members' addresses, calculating, and distributing Individual Settlement
10 Payments, and any other tasks requested by the Parties or by the Court, among other tasks as reflected
11 within this Agreement, will be paid through the Gross Settlement Amount.

12 7. **FUNDING AND DISTRIBUTION**

13 7.1 **Funding of the Gross Settlement Amount.** The Settlement Administrator will
14 provide Defendants with its bank wire instructions to establish the Qualified Settlement Fund (QSF)
15 that meets the requirements under US Treasury Regulation § 468B-1. Within fifteen (15) days of the
16 Effective Date, Defendants shall transmit the Gross Settlement Amount to the Settlement
17 Administrator.

18 7.2 **Distribution of the Gross Settlement Amount.** Within 30 calendar days of the
19 Effective Date, the Administrator will pay to Settlement Group Members, their Individual Settlement
20 Payments via first-class regular U.S. Mail; to PAGA Counsel, the Court-awarded PAGA Counsel's
21 Attorneys' Fees and Litigation Expenses Payment; to the LWDA, the Court-approved LWDA
22 Payment; and to the Administrator, the Court-awarded Administration Fees and Expenses.

23 7.3 **Non-Cashed Settlement Checks.** Settlement Group Members shall have one
24 hundred eighty days (180) to cash their checks. Any funds associated with uncashed checks after
25 one hundred eighty (180) days shall be transmitted to a *cy pres* recipient, approved by the Court. The
26 Parties will propose Legal Aid at Work.

27 8. **NULLIFICATION OF THIS AGREEMENT**

28 8.1 **Non-Approval of the Agreement.** If (a) the Court should for any reason fail to

1 approve this Agreement in the form agreed to by the Parties, or (b) the Court should for any reason
2 fail to enter a judgment on this Action, or (c) the approval of the Settlement and judgment is reversed,
3 modified or declared or rendered void, then the Settlement shall be considered null and void, and
4 neither the Settlement nor any of the related negotiations or proceedings shall be of any force or
5 effect, and all Parties to the Settlement shall stand in the same position, without prejudice, as if the
6 Settlement (and any related filings set forth in this Agreement) has been neither entered into nor filed
7 with the Court. Notwithstanding the foregoing, the Parties may attempt in good faith to cure any
8 perceived defects in the Agreement to facilitate approval. In the event the Court awards less than the
9 requested amounts for Administration Fees, PAGA Counsel's Attorneys' Fees and Expenses, or the
10 PAGA Payment, the difference shall become part of the Net Settlement Amount.

11 8.2 **Invalidation.** Invalidation of any material portion of the Settlement shall
12 invalidate the Settlement in its entirety, unless the Parties shall subsequently agree in writing that the
13 remaining provisions of the Settlement are to remain in full force and effect.

14 8.3 **Waiver of Right to Appeal.** Provided the Judgment is consistent with the terms
15 and conditions of this Agreement, specifically including the PAGA Counsel's Attorneys' Fees and
16 Expenses, the Parties, their respective counsel waive all rights to appeal from the Judgment, including
17 all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment,
18 motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any
19 waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment,
20 the Parties' obligations to perform under this Agreement will be suspended until such time as the
21 appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the
22 amount of the Net Settlement Amount.

23 8.4 **Continuing Jurisdiction of The Court.** The Parties agree that, after entry of
24 Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for
25 purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration
26 matters, and (iii) addressing such post-Judgment matters as are permitted by law.

27 9. **MOTION OR STIPULATION FOR COURT APPROVAL**

28 9.1 **Approval.** PAGA Counsel will submit this Agreement to the Court along with a

1 Motion or Stipulation for an Order Granting Approval of the Settlement.

2 10. **RELEASES AND WAIVERS**

3 10.1 **Settlement Group Members' Release.** Upon the Effective Date, Plaintiff, the
4 Settlement Group Members, and the State of California vis-à-vis the LWDA shall hereby release the
5 Released Parties for the Released Claims for the PAGA Period.

6 11. **DUTIES OF THE PARTIES**

7 11.1 **Mutual Full Cooperation.** The Parties agree to cooperate fully with one another
8 to accomplish and implement the terms of this Agreement. Such cooperation shall include, but not
9 be limited to, execution of such other documents and the taking of such other actions as may
10 reasonably be necessary to fulfill the terms of this Settlement. The Parties shall use their best efforts,
11 including all effects contemplated by this Agreement and any other efforts that may become
12 necessary by Court order or otherwise, to effectuate the terms of this Agreement. As soon as
13 practicable after execution of this Agreement, PAGA Counsel, with the cooperation of Defendants
14 and Defense Counsel, shall take all necessary and reasonable steps to secure the Court's final
15 approval of this Agreement.

16 11.2 **Duty to Support and Defend the Settlement.** The Parties agree to abide by all
17 of the terms of the Settlement in good faith and to support the Settlement fully and to use their best
18 efforts to defend this Settlement from any legal challenge, whether by appeal or collateral attack.

19 12. **MISCELLANEOUS PROVISIONS**

20 12.1 **Different Facts.** The Parties hereto, and each of them, acknowledge that, except
21 for matters expressly represented herein, the facts in relation to the dispute and all claims released
22 by the terms of this Agreement may turn out to be other than or different from the facts now known
23 by each party and/or their counsel, or believed by such Party or counsel to be true, and each Party
24 therefore expressly assumes the risk of the existence of different or presently unknown facts, and
25 agrees that this Agreement shall be in all respects effective and binding despite such difference.

26 12.2 **No Prior Assignments.** The Parties represent, covenant, and warrant that they
27 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
28 encumber to any person or entity any portion of any liability, claim, demand, action, cause of action,

1 or right herein released and discharged except as set forth herein.

2 12.3 **Media or Press.** Plaintiff and Defendants, and their respective counsel, agree to
3 limit public comment on this Settlement, the Action, and claims in the Action, stating that the matter
4 has been resolved to the satisfaction of the Parties. Plaintiff and Defendants, and their respective
5 counsel shall not initiate public comment and/or discuss with or present to the media or press.

6 12.4 **Construction.** The Parties hereto agree that the terms and conditions of this
7 Agreement are the result of lengthy, intensive, arms-length non-collusive negotiations between the
8 Parties and that this Agreement is not to be construed in favor of or against any party by reason of
9 the extent to which any Party or their counsel participated in the drafting of this Agreement. If any
10 of the dates in the Agreement fall on a weekend, bank or court holiday, the time to act shall be
11 extended to the next business day.

12 12.5 **Governing Law.** This Agreement is intended to and shall be governed by the
13 laws of the State of California, without regard to conflict of law principles, in all respects, including
14 execution, interpretation, performance, and enforcement.

15 12.6 **Captions and Interpretations.** Section titles or captions contained herein are
16 inserted as a matter of convenience and for reference only and in no way define, limit, extend, or
17 describe the scope of this Agreement or any provision thereof.

18 12.7 **Modification.** This Agreement may not be changed, altered, or modified, except
19 in writing signed by the Parties and approved by the Court. This Agreement may not be discharged
20 except by performance in accordance with its terms or by a writing signed by the Parties.

21 12.8 **Integration Clause.** This Agreement contains the entire agreement between the
22 Parties relating to the Settlement of the Action and the transactions contemplated thereby (with the
23 exception of Plaintiff's individual settlement agreement), and all prior or contemporaneous
24 agreements, understandings, representations, and statements, whether oral or written, and whether
25 by a party or such party's legal counsel, are hereby superseded (with the exception of Plaintiff's
26 individual agreement). No rights under this Agreement may be waived except in writing as provided
27 above.

28 12.9 **Successors and Assigns.** This Agreement shall be binding upon and inure to the

benefit of the Parties and Settlement Group Members and their respective past, present, and former heirs, trustees, executors, administrators, representatives, officers, directors, shareholders, agents, employees, insurers, attorneys, accountants, auditors, advisors, consultants, pension and welfare benefit plans, fiduciaries, parent companies, subsidiaries, affiliates, related companies, joint ventures, predecessors, successors, and assigns.

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

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

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

IN WITNESS WHEREOF, the Parties and their counsel have executed this Agreement on the date below their signatures of their representatives. The date of the Agreement shall be the date of the latest signature.

Dated: February __, 2024
2/29/2024

Plaintiff

By: _____

DocuSigned by:

Latisha Lockwood

22BEB0F06004420...
Latisha Lockwood

1 Dated: February ~~28~~ 2024

Defendant STORER TRANSPORTATION SERVICE

2
3
4 By: _____

Jim Hsia

5 Dated: February ~~28~~, 2024

Defendant STORER TRANSPORTATION SCHOOL AND
CONTRACT SERVICE

6
7
8 By: _____

Jim Hsia

9
10
11 **APPROVED AS TO FORM:**

12 Dated: February 29, 2024

MOON LAW GROUP, P.C.

13
14
15 By: _____

Kane Moon

16 Attorneys for Plaintiff
LATISHA LOCKWOOD

17
18 Dated: February 29, 2024

MEDINA McKELVEY LLP

19
20
21 By: _____

Timothy B. Nelson
Douglas R. Leach

22 Attorneys for Defendants STORER TRANSPORTATION
23 SERVICE and STORER TRANSPORTATION SCHOOL
24 AND CONTRACT SERVICE

Exhibit A

NOTICE OF PAGA SETTLEMENT

Lockwood, et al., v. Storer Transportation School and Contract Service, et al.
Superior Court of California, County of Stanislaus
Case No. CV-23-002976

Dear [Settlement Group Member's Name]:

Enclosed with this letter is a settlement check being paid to you pursuant to the settlement of the lawsuit filed in the Superior Court of California, County of Stanislaus, entitled *Lockwood, et al., v. Storer Transportation School and Contract Service, et al.*, Case Number CV-23-002976 ("Action"). The purpose of this letter is to provide you with basic information about the Action, the reasons why you are receiving the enclosed settlement check, and the effect of the settlement on your legal rights.

I. The Action

On May 25, 2023, Plaintiff Latisha Lockwood ("Plaintiff"), a former employee of Defendant Storer Transportation School and Contract Service, commenced this Action by filing a complaint against Defendants Storer Transportation School and Contract Service and Storer Transportation Service ("Defendants") in the Superior Court of California, County of Stanislaus. On September 25, 2023, Plaintiff filed First Amended Complaint pursuant to Labor Code section 2698 (Private Attorneys General Act of 2004 ("PAGA")) ("Operative Complaint"), on behalf of the State of California and:

Past and present non-exempt, hourly-paid employees of Defendants who worked in California during the applicable statute of limitations period.

In the Action, Plaintiff claimed Defendants owed civil penalties under PAGA to Plaintiff and the Settlement Group Members for alleged violations of the Labor Code. Defendants deny they violated the Labor Code, deny the allegations in the Operative Complaint, and deny all liability under PAGA to Plaintiff, Settlement Group Members, and the State of California.

The merits of the Action have not been determined. However, on [Approval Date], the Superior Court of California, County of Stanislaus, approved a settlement of the Action that Defendants entered to avoid the costs and disruption of litigation.

II. Why This Settlement Check Is Being Sent to You

The settlement approved by the Superior Court of California, County of Stanislaus, involves a payment of civil penalties. In accordance with PAGA, seventy-five percent (75%) of the civil penalties paid under the settlement goes to the California Labor and Workforce Development Agency. The remaining twenty-five percent (25%) of the civil penalties paid under the settlement will be distributed to all Settlement Group Members. The enclosed settlement check is being sent to you because you have been identified as a Settlement Group Member.

III. How the Amount of Your Settlement Check Was Determined

The enclosed settlement check was calculated based on the total number of pay periods you worked for Defendants from May 26, 2022 through April 30, 2024 relative to all other Settlement Group Members.

Your settlement check will remain negotiable for one hundred eighty (180) calendar days after its mailing. If your settlement check is not cashed, deposited, or negotiated within this timeframe, it will be voided and transmitted to a *cy pres* recipient, approved by the Court. The Parties will propose Legal Aid at Work.

IV. Consequences of the Settlement

The Action was filed as a representative action under PAGA, which functions as a substitute for an enforcement action by the State of California.

The Court's order and judgment approving the settlement of the Action binds all persons, including nonparty employees, who would be bound by a judgment in an action brought by California itself. As a result, although you are not a "party" to the Action, the judgment entered upon settlement of the Action is binding on you with respect to any claims for civil penalties under PAGA encompassed by the settlement. That is true regardless of whether you choose to cash, deposit, or negotiate the enclosed settlement check.

V. Taxation of Your Individual Settlement Award

You will be issued an IRS Form 1099 in connection with the funds paid to you via the enclosed check if your Individual Settlement Award is \$600 or more. However, you are solely responsible for all tax obligations attributable to you that may arise as a result of receiving the settlement check. If you have any tax-related questions regarding your receipt of the enclosed check, you should direct them your own tax advisor.

VI. Where to Get More Information

Do not call or contact the Superior Court of California, County of Stanislaus, about this letter, settlement, settlement check sent to you, or Action in general. If you have questions about this letter, settlement, settlement check sent to you, or Action in general, you may contact the Administrator using the contact information listed below, or consult the Stanislaus Superior Court Website. [REDACTED] at [INSERT CONTACT INFORMATION].

Dated: [INSERT DATE]