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INTERNATIONAL CORPORATION; THE
YORK GROUP, INC.; AND SANNIPOLI
CORPORATION

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF RIVERSIDE

RIVERSIDE HISTORIC COURTHOUSE

PEDRO CEDENO, as an individual on behalf of
himself and on behalf of all others similarly
situated,

Plaintiff,

vs.

SANNIPOLI CORPORATION, a
California Corporation; MATTHEWS
INTERNATIONAL CORPORATION, a
Pennsylvania Corporation; THE YORK
GROUP, INC., a Delaware Corporation; and
DOES 1-100, inclusive,

Defendants.

Lead Case No. CVRI2303826
[Consolidated with Case Nos. CVRI2304132;
CVRI2304915; and CVRI2306853]

*[Assigned for all purposed to The Honorable
Harold Hopp, Dept. 1]*

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT**

1 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and
2 between Plaintiffs Pedro Ceden0 (“Ceden0”) and Santos Martinez Padilla (“Padilla”) (Ceden0 and
3 Padilla collectively “Plaintiffs”) and Defendants Matthews International Corporation
4 (“Matthews”), The York Group Inc., (“York”) and Sannipoli Corporation (“Sannipoli”)
5 (collectively “Defendants”) (collectively “the Parties”) with regard to the consolidated lawsuits,
6 lead case titled *Ceden0 v. Matthews International Corporation, et al.*, Case No. CVRI2303826
7 pending in the Superior Court of the State of California, County of Riverside (the “Civil
8 Actions”).

9 THE SETTLEMENT

10 1. Subject to the Court’s approval pursuant to Section 382 of the California Code of
11 Civil Procedure and Rule 3.769 of the California Rules of Court, Plaintiffs and Defendants have
12 agreed to settle the Civil Actions upon the terms and conditions and for the consideration set forth
13 in this Agreement.

14 DEFINITIONS

15 Unless otherwise defined herein, capitalized terms used in this Agreement shall have the
16 meanings set forth below:

17 2. “Civil Actions” means the lawsuits filed by Plaintiffs in the Superior Court of the
18 State of California for the County of Riverside titled, *Pedro Ceden0 v. Matthews International et*
19 *al*, Case Number CVRI2303826, *Pedro Ceden0 v. Matthews International et al*, Case Number
20 CVRI2304132, *Santos Martinez Padilla v. Matthews International et al*, Case Number
21 CVRI2304915, *Santos Martinez Padilla v. Matthews International et al*, Case Number
22 CVRI2306853, all of which have been consolidated under lead Case Number CVRI2303826.

23 3. “Class”, “Classes”, “Class Member” or “Class Members” means all current and
24 former non-exempt hourly employees, including Plaintiffs, who worked for Defendants directly or
25 through a staffing agency at a Sannipoli Corporation d/b/a/ Whited Cemetery Service location in
26 California during the Class Period.

27 4. “Class Counsel” means Zachary Crosner, Brandon Brouillette, and Chad Saunders
28

1 from Crosner Legal P.C. (“Crosner”) and Norman Blumenthal, Kyle Nordrehaug, and Aparajit
2 Bhowmik from Blumenthal Nordrehaug Bhowmik De Blouw (“BNBD”).

3 5. “Class Period” means between July 26, 2019, through April 4, 2024.

4 6. “Class Representatives” or “Plaintiffs” means plaintiffs Pedro Ceden0 and Santos
5 Martinez Padilla.

6 7. “Complaints” means the Complaints filed in the Superior Court of the State of
7 California for the County of Riverside titled, *Pedro Ceden0 v. Matthews International et al*, Case
8 Number CVRI2303826, *Pedro Ceden0 v. Matthews International et al*, Case Number
9 CVRI2304132, *Santos Martinez Padilla v. Matthews International et al*, Case Number
10 CVRI2304915, *Santos Martinez Padilla v. Matthews International et al*, Case Number
11 CVRI2306853, all of which have been consolidated under lead Case Number CVRI2303826..

12 8. “Court” means the Superior Court of the State of California for the County of
13 Riverside.

14 9. “Defendants” means Defendants Matthews International Corporation, The York
15 Group, Inc. and Sannipoli Corporation.

16 10. “Defense Counsel” means Jennifer C. Terry and Corrie J. Buck of Reed Smith
17 LLP.

18 11. “Effective Date” means the first date upon which all of the following events have
19 occurred:

20 (i) this Agreement has been executed by all Parties and by Class Counsel and
21 Defense Counsel;

22 (ii) the Court has preliminarily approved the Settlement;

23 (iii) notice has been properly given to Class Members;

24 (iv) the Court has held a Final Fairness and Approval Hearing and entered the
25 Final Order and Judgment approving the Settlement; and

26 (v) in the event no objection is submitted, then the date Judgment is entered, in
27 the event no appeal is filed, then sixty (60) days after the entry of the Final
28

Order and Judgment, or, if an appeal is filed, upon the final dismissal of the appeal, writ or other appellate proceeding opposing this Agreement.

12. “Employer’s Share of Payroll Taxes” means Defendants’ portion of payroll taxes, including, but not limited to FICA and FUTA, on the portion of the Individual Settlement Payments that constitutes wages. This additional amount shall be paid by Defendants in addition to the GSA and sent to the Settlement Administrator at the same time as the GSA. The Settlement Administrator shall handle the calculation of the taxes owed, payment of such amounts to the appropriate agencies, and reporting.

13. “Enhancement Award” means any payment to the Class Representatives for their service to the Class and their individual release as set forth in paragraph 86, which is in addition to whatever payments they may otherwise be entitled to as a Settlement Class Member.

14. “Final Fairness and Approval Hearing” means the hearing to be requested by Plaintiffs and conducted by the Court after the filing by Plaintiffs of an appropriate motion and following appropriate notice to Class Members giving Class Members an opportunity to opt out from the Class and Settlement or to object to the Settlement, at which time Plaintiffs shall request that the Court finally approve the fairness, reasonableness and adequacy of the terms and conditions of the Settlement, enter the Final Order and Judgment, and take other appropriate action.

15. “Final Order and Judgment” means the order and judgment to be entered by the Court upon granting final approval of the Settlement and this Agreement as binding upon the Parties and the Settlement Class Members who do not properly and timely submit a written Opt Out.

16. “Gross Settlement Amount” or “GSA” means the maximum amount (not including the Employer’s Share of Payroll Taxes) that Defendants shall be required to pay under this Agreement, which shall be inclusive of all Individual Settlement Payments to Settlement Class Members, PAGA Payment Share to PAGA Employees, attorneys’ fees and costs, Settlement Administration Costs, Enhancement Awards to the Class Representatives, and payment to the California Labor Workforce Development Agency (“LWDA”) pursuant to the California Labor

1 Code Private Attorneys General Act of 2004 (“PAGA”), and employees’ share of payroll taxes on
2 any portion of the Individual Settlement Payments to the Settlement Class Members that
3 constitutes wages. The Gross Settlement Amount is Nine Hundred Thousand Dollars and No
4 Cents (\$900,000.00).

5 17. “Individual Settlement Payment” means the gross amount that shall be paid to
6 each Settlement Class Member for their Qualifying Workweeks. The Individual Settlement
7 Payment shall be determined as described in paragraph 73 below. If a Class Member is also a
8 PAGA Employee, the individual shall also receive a PAGA Payment Share.

9 19. “Net Settlement Amount” means the amount of money remaining after all
10 Individual Settlement Payments to Settlement Class Members, Class Counsel’s attorneys’ fees,
11 costs and expenses, any Enhancement Awards to the Class Representatives, settlement
12 administration costs and expenses, all penalty amounts, and all employee payroll
13 withholdings/taxes applicable to the Individual Settlement Payment made to Settlement Class
14 Members are deducted from the Gross Settlement Amount.

15 20. “Notice of Class Action and PAGA Settlement” or “Notice” means the form
16 attached hereto as **Exhibit 1** or whichever form is approved by the Court that shall be provided to
17 the Class Members to inform them of the terms of this Agreement and their rights and options
18 related thereto in the various methods described in paragraphs 56 and 58-60 below. Upon approval
19 by the Court, the Notice of Class Action and PAGA Settlement shall be translated into Spanish,
20 and both the English and Spanish versions shall be provided to the Class Members.

21 21. “Objection” means a Class Member’s written objection to the Settlement. Any
22 Objection shall be in the form described in paragraph 65 below.

23 22. “Opt Out” means a written request that a Class Member may submit to be excluded
24 from the Class and the Settlement. Any Opt Out shall be in the form described in paragraph 61
25 below.

26 23. “PAGA Employees” means all current and former non-exempt employees of
27 Defendants who worked either directly or through a staffing agency at a Whited Cemetery Service
28 location in California employed between June 7, 2022 through the earlier of: (a) April 4, 2024, or

1 (b) the date of preliminary approval.

2 24. "PAGA Letters" means the notice of alleged Labor Code violations that Pedro
3 Cedenno caused to be sent to the LWDA pursuant to Labor Code Section 2699.3(l) on or about
4 June 7, 2023, and the notice of alleged Labor Code violations that Santos Martinez Padilla caused
5 to be sent to the LWDA pursuant to Labor Code Section 2699.3(l) on or about August 22, 2023.

6 25. "PAGA Payment" means the amount that the Parties have agreed to pay to the
7 California Labor and Workforce Development Agency ("LWDA") and the PAGA Employees in
8 connection with the California Labor Code Private Attorneys General Act of 2004, California
9 Labor Code Sections 2698, *et seq.* ("PAGA"). The Parties have agreed that Sixty Thousand
10 Dollars and No Cents (\$60,000) of the Gross Settlement Amount will be allocated to the resolution
11 of all claims arising under PAGA. Pursuant to Labor Code Section 2699(i), it shall be distributed
12 as follows: 25%, or \$15,000, to the PAGA Employees and 75%, or \$45,000, to the LWDA. If it
13 should later be determined by the Court that an additional amount is needed to effectuate a full and
14 complete release of all PAGA claims, the amount shall be deducted from the Gross Settlement
15 Amount.

16 26. "PAGA Payment Share" means the gross amount that shall be paid to each PAGA
17 Employee for their total PAGA Workweeks. The PAGA Payment Share for PAGA Employees
18 shall be calculated as described in paragraph 74 below.

19 27. "PAGA Period" means the period between June 7, 2022 through the earlier of: (a)
20 April 4, 2024, or (b) the date of preliminary approval.

21 28. "PAGA Workweeks" means the total number of workweeks worked by each
22 PAGA Employee during the PAGA Period based on Defendants' records.

23 29. "PAGA Workweek Payment Rate" means the gross amount that shall be paid for
24 each PAGA Workweek for PAGA Employees as described below in paragraph 74.

25 30. "Party" or "Parties" means Plaintiffs and Defendants.

26 31. "Preliminary Approval Order" means the order to be issued by the Court approving
27 and authorizing the mailing of the Notice of Class Action and PAGA Settlement by the Settlement
28 Administrator, setting the date of the Final Fairness and Approval Hearing and granting

1 preliminary approval of the Settlement set forth in this Stipulation, among other things,
2 substantially in the form attached as **Exhibit 2**, or as subsequently modified with the approval of
3 counsel for all Parties.

4 32. "Proof of Work" means document(s) that a Class Member and/or PAGA Employee
5 may submit to the Settlement Administrator to show that they are entitled to payment based upon
6 a different number of Qualifying Workweeks and/or PAGA Workweeks than the number(s)
7 calculated by the Settlement Administrator based upon Defendants' data. Adequacy of the Proof
8 of Work submitted will be evaluated by Class Counsel, Defense Counsel, and the Settlement
9 Administrator. In the event of a disagreement, the Settlement Administrator will make the final
10 decision.

11 33. "Qualifying Workweeks" means the total number of workweeks worked by each
12 Class Member during the Class Period based on Defendants' records.

13 34. "Released Class Claims" are defined in paragraph 93 below.

14 35. "Released PAGA Claims" with respect to the PAGA Employees are defined in
15 paragraph 94 below.

16 36. "Released Parties" means Matthews International Corporation, The York Group,
17 Inc., and Sannipoli Corporation together with their officers, directors, employees and agents.

18 37. "Response Deadline" means the forty-five (45) day period following the date the
19 Settlement Administrator mails the Notice of Class Action and PAGA Settlement to Class
20 Members within which any Class Member may: (a) submit a written Opt Out form to be excluded
21 from the Class and this Settlement (Opt-Out Form attached as **Exhibit 2**) ; (b) submit an Objection
22 (Objection Form attached as **Exhibit 3**); and/or (c) submit a dispute regarding their Qualifying
23 Workweeks and/or PAGA Workweeks and any Proof of Work. For purposes of this definition,
24 the term "submit" refers to the date by which the correspondence is postmarked, faxed, or emailed
25 and is thereafter received by the Settlement Administrator. All Opt Outs and Objections must be
26 submitted on or before the end of the Response Deadline or within the extended deadline for
27 certain Class Members only as expressly described in paragraph 58(a).

28 38. "Settlement" means the final and complete disposition of the Civil Actions as

provided for in this Agreement and all Exhibits hereto.

39. “Settlement Administrator” means Apex Class Action Administration (“Apex”).

40. “Settlement Administration Costs” means the reasonable costs and fees of administration of this Settlement to be paid to the Settlement Administrator from the Gross Settlement Amount, including, but not limited to: (i) translating into Spanish, printing and emailing and mailing and re-mailing (if necessary) of Notices of Class Action and PAGA Settlement to Class Members and PAGA Employees; (ii) preparing and maintaining a web site for settlement administration; (iii) preparing and submitting to Settlement Class Members, PAGA Employees, and government entities all appropriate tax filings and forms; (iv) computing the amount of and distributing Individual Settlement Payments, PAGA Payment Shares, Class Representative Service Award, and Class Counsel Attorneys’ Fees, Costs and Expenses; (v) processing and validating Opt Outs; and (vi) calculating and remitting to the appropriate government agencies all employer and employee payroll tax obligations arising from the Settlement and preparing and submitting filings required by law in connection with the payments required by the Settlement.

41. “Settlement Class Members” means Plaintiffs and all other Class Members who do not submit a timely and valid Opt Out under the process described in paragraph 61.

42. “Workweek Payment Rate” means the gross amount that shall be paid for each Qualifying Workweek as described below in paragraph 73.

BACKGROUND

43. On July 26, 2023, Plaintiff Pedro Cedenó (“Cedenó”) filed a putative class action complaint in Riverside County Superior Court against Matthews International Corporation, The York Group, Inc., and Sannipoli Corporation (“Defendants”), case number CVRI2303826 (the “Cedenó Class Action Complaint”). Through the Cedenó Class Action Complaint, Cedenó, a non-former exempt employee seeks damages, restitution, penalties, unpaid wages, injunctive relief, declaratory relief, pre- and post-judgment interest, costs, attorneys’ fees, and any other relief deemed appropriate by the Court on the basis of the allegations, inter alia, against Defendants: (1) violation of California Labor Code §§ 1194, 1197, and 1197.1 (unpaid minimum wages); (2)

1 violation of California Labor Code §§ 510 and 1198 (unpaid overtime); (3) violation of California
2 Labor Code §§ 226.7 and 512 (a) (unpaid meal period premiums); (4) violation of California
3 Labor Code § 226.7 (unpaid rest period premiums); (5) violation of California Labor Code §
4 226(a) (non-compliant wage statements); (6) violation of California Labor Code §§ 201 and 202
5 (final wages not timely paid); (7) violation of California Labor Code §§ 2800 and 2802
6 (unreimbursed business expenses); (8) violation of California Business & Professions Code §§
7 17200, et seq.

8 44. On September 12, 2023, Defendants filed their Answer to the Cedeno Class Action
9 Complaint

10 45. On August 11, 2023, Cedeno filed a second complaint under the Private Attorney
11 General’s Act (“PAGA”) in Riverside County Superior Court against Defendants, case number
12 CVRI2304132 (the “Cedeno PAGA Complaint”). The Cedeno PAGA Complaint alleges
13 violations of the PAGA, including failure to pay overtime wages, failure provide meal periods or
14 to pay premiums in lieu thereof, failure to provide rest periods or to pay rest premiums in lieu
15 thereof, failure to pay minimum wages, failure to timely pay wages upon separation from
16 employment, failure to timely pay wages during employment, failure to provide accurate itemized
17 wage statements, failure to reimburse business expenses, failure to maintain records, credit check
18 related claims, background check/criminal history related claims, failure to pay sick wages at the
19 regular rate, failure to provide supplemental paid sick leave, failure to pay vacation wages, failure
20 to provide suitable resting facilities, failure to provide suitable seating, and OSHA and Cal/OSHA
21 violations.

22 46. On October 3, 2023, Defendants filed their Answer to the Cedeno PAGA
23 Complaint.

24 47. On September 18, 2023, Plaintiff Santos Martinez Padilla (“Padilla”) filed a
25 putative class action complaint in Riverside County Superior Court against Matthews International
26 Corporation, The York Group, Inc., and Sannipoli Corporation (“Defendants”), case number
27 CVRI2304915 (the “Padilla Class Action Complaint”). Through the Padilla Class Action
28 Complaint, Padilla, a non-exempt employee seeks damages, restitution, penalties, unpaid wages,

1 injunctive relief, declaratory relief, pre- and post-judgment interest, costs, attorneys' fees, and any
2 other relief deemed appropriate by the Court on the basis of the allegations, inter alia, against
3 Defendants: (1) violation of California Business & Professions Code §§ 17200, et seq.; (2)
4 violation of California Labor Code §§ 1194, 1197, and 1197.1 (unpaid minimum wages); (3)
5 violation of California Labor Code §§ 510 and 1198 (unpaid overtime); (4) violation of California
6 Labor Code §§ 226.7 and 512 (a) (unpaid meal period premiums); (5) violation of California
7 Labor Code § 226.7 (unpaid rest period premiums); (6) violation of California Labor Code §
8 226(a) (non-compliant wage statements); (7) violation of California Labor Code §§ 2800 and 2802
9 (unreimbursed business expenses); (8) violation of California Labor Code §§ §§201-204, 233, 246
10 (failure to pay sick time).

11 48. Due to the pending settlement discussions, the Parties stipulated, and the Court
12 ordered, that Defendants' responsive pleading deadline to the Padilla Class Action Complaint
13 would be April 28, 2024.

14 49. On December 21, 2023, Padilla filed a second complaint under the Private Attorney
15 General's Act ("PAGA") in Riverside County Superior Court against Defendants, case number
16 CVRI2306853 (the "Padilla PAGA Complaint"). The Padilla PAGA Complaint alleges violations
17 of the PAGA, including failure to pay overtime wages, failure provide meal periods or to pay
18 premiums in lieu thereof, failure to provide rest periods or to pay rest premiums in lieu thereof,
19 failure to pay minimum wages, failure to timely pay wages upon separation from employment,
20 failure to timely pay wages during employment, failure to provide accurate itemized wage
21 statements, failure to reimburse business expenses, failure to maintain records, credit check related
22 claims, background check/criminal history related claims, failure to pay sick wages at the regular
23 rate, failure to provide supplemental paid sick leave, failure to pay vacation wages, failure to
24 provide suitable resting facilities, failure to provide suitable seating, and OSHA and Cal/OSHA
25 violations.

26 50. Defendants' Answer to the Padilla PAGA Complaint is currently April 10, 2024.

27 51. The Cedeno Class Action Complaint, the Cedeno PAGA Complaint, the Padilla
28 Class Action Complaint, and the Padilla PAGA Complaint shall be referred to hereafter as the

1 “Complaints.”

2 52. On February 8, 2024, the Parties filed a stipulation to consolidate the Complaints
3 into a single action, with the lead Case Number CVRI2303826.

4 53. On February 20, 2024 the Court granted the stipulation and ordered the Complaints
5 to be consolidated for the purposes of settlement and approval.

6 54. Defendants deny each of the allegations of the Complaints and the PAGA Letters,
7 denies Defendants has any liability for the claims of Plaintiffs, the putative class(es) they purport
8 to represent or any allegedly aggrieved employee, and deny that Plaintiffs, the putative class(es)
9 they purport to represent or any allegedly aggrieved employee are entitled to any relief.

10 55. Class Counsel and Defense Counsel have extensive experience in litigating wage
11 and hour class actions in California. Class Counsel and Defense Counsel have vigorously litigated
12 the Civil Action since its inception.

13 56. On January 5, 2024, the Parties engaged in mediation before Louis Marlin, Esq., an
14 experienced mediator in this area of law. During the mediation, Plaintiffs and Defendants agreed
15 on the principal terms of a settlement and, thereafter, executed a Memorandum of Understanding
16 (“MOU”) to memorialize their agreement on or about January 22, 2024. The MOU is superseded
17 in all respects by this Agreement.

18 50. This Agreement is made in compromise of and embraces all claims against any of
19 the Released Parties as enumerated in paragraphs 93-94 below.

20 51. Because the settled matters are putative class and representative actions, this
21 Agreement must receive preliminary and final approval by the Court. Accordingly, Plaintiffs and
22 Defendants enter into this Agreement on a conditional basis. Should the Court, or any other court
23 taking jurisdiction of this matter, decline to approve all material aspects of the Settlement or make
24 any ruling substantially altering the material terms of the Settlement, the Settlement shall be
25 voidable and unenforceable as to Plaintiffs and Defendants, at the option of any party. Subject to
26 the requirements of the immediately preceding sentence, any party may exercise its option to void
27 this Settlement by giving notice, in writing, to the other Parties and to the Court at any time before
28 final approval by the Court of this Settlement. The Party electing to void this Settlement will pay

1 all of the Settlement Administration Costs incurred as of the time such Party elected to void the
2 Settlement. In the event that the Effective Date, as defined herein does not occur, this Agreement
3 shall be deemed null and void *ab initio* and shall be of no force or effect whatsoever, and shall not
4 be referred to or utilized for any purpose. Defendants deny all of Plaintiffs' claims and all class
5 and representative claims as to liability and damages. Defendants expressly reserve all rights to
6 challenge any and all such claims and allegations upon all procedural and factual grounds,
7 including the assertion of all defenses, if the Effective Date of the Settlement does not occur.
8 Likewise, Plaintiffs expressly reserves all rights to pursue, amend, dismiss or otherwise dispose of
9 the claims covered under this Settlement, including but not limited to seeking damages, restitution,
10 fees, expenses, interest and/or any other monetary amount in excess of the GSA set forth above for
11 the claims included in the Civil Actions or for any other claims Plaintiffs may have against
12 Defendants, in the event the Effective Date of the Settlement does not occur.

13 52. Plaintiffs and Class Counsel have concluded, after taking into account the sharply
14 disputed factual and legal issues involved in the Complaints, the risks attending further
15 prosecution, and the substantial benefits to be received pursuant to settlement as set forth in this
16 Agreement, that settlement on the terms set forth herein is in the best interest of Plaintiffs and the
17 Class and the PAGA Employees, and is fair and reasonable.

18 53. Similarly, Defendants have concluded, after taking into account the sharply
19 disputed factual and legal issues involved in the Civil Action, the risks and expense attending
20 further litigation, and their desire to put the controversy to rest, that settlement on the terms set
21 forth herein is in their best interest and is fair and reasonable.

22 54. This Settlement contemplates (i) entry of an order preliminarily approving the
23 Settlement, (ii) distribution of the Notice of Class Action and PAGA Settlement to Class Members
24 and PAGA Employees, and (iii) entry of a Final Order and Judgment of the Settlement. The Court
25 shall retain jurisdiction over the Civil Action and Parties for purposes of enforcing the Settlement
26 and resolving any disputes relating to the Settlement.

27 **SETTLEMENT APPROVAL AND IMPLEMENTATION PROCEDURE**

28 **Preliminary Approval of Settlement**

1 55. As soon as practicable, Class Counsel shall submit this Agreement to the Court for
2 its preliminary approval. Plaintiffs shall also move the Court to enter a Preliminary Approval
3 Order and to conditionally certify the Class for purposes of this Settlement only. Class Counsel
4 shall provide the motion for preliminary approval to Defense Counsel for review of the substance
5 contained in the motion for preliminary approval at least 2 days prior to filing. The submission
6 shall also include admissible evidence as may be required for the Court to determine that this
7 Settlement is fair, adequate, and reasonable, as required by California Code of Civil Procedure
8 section 382. The submission shall also include the Notice of Class Action and PAGA Settlement
9 in the form attached hereto as **Exhibit 1**, an Opt-Out Form attached hereto as **Exhibit 2**, an
10 Objection Form attached hereto as **Exhibit 3**, a proposed order granting preliminary approval of
11 Settlement in the form attached hereto as **Exhibit 4**, which shall, among other things, set a Final
12 Fairness and Approval Hearing date, a declaration from the Settlement Administrator, and a
13 declaration from Defendants' counsel. Plaintiffs and Defendants agree that the conditional
14 certification of the Class for settlement purposes only is in no way an admission by any of the
15 Released Parties that class certification would otherwise be proper.

16 **Notice to Class Members and PAGA Employees**

17 56. Following the Court's order granting preliminary approval of this Settlement, the
18 Settlement Administrator shall disseminate the Notice of Class Action and PAGA Settlement in
19 the form attached hereto as **Exhibit 1** to the Class Members and PAGA Employees.

20 **Cooperation**

21 57. The Parties agree to cooperate with each other to accomplish the terms of this
22 Settlement, including, but not limited to, the timely execution of such documents and such other
23 acts as may be reasonably necessary to implement the terms of this Settlement. Neither the Parties
24 nor any of their attorneys or agents shall solicit or encourage any Class Members to exclude
25 themselves from the Settlement or to object to the Settlement. The Parties to the Settlement shall
26 use their best efforts, including all efforts contemplated by this Agreement and any other efforts
27 that may become necessary by Court order, or otherwise, to effectuate this Settlement and the
28 terms set forth herein.

1 **Notice of Class Action and PAGA Settlement by Mail**

2 58. The Settlement Administrator shall, within fourteen (14) days receiving the Class
3 Data from Defendants, mail by First-Class United States mail the Notice of Class Action and
4 PAGA Settlement to each Class Member and PAGA Employee, translated by the Settlement
5 Administrator into English and Spanish (hereinafter “Notice”), using the most recent address
6 available to the Settlement Administrator for mail delivery, after updating provided addresses
7 using the National Change of Address Database. The Settlement Administrator shall also, within
8 10 days of mailing the Notice, send an electronic copy of the Notice via email to the last known
9 email addresses (to the extent available) of each Class Member and PAGA employee.

10 a. Any Notice returned to the Settlement Administrator as non-
11 delivered on or before the Response Deadline with a forwarding address from the
12 U.S. postal service shall be promptly re-mailed to the forwarding address affixed
13 thereto. If no forwarding address is provided, the Settlement Administrator shall
14 promptly attempt to determine a correct address by the use of skip-tracing, or other
15 automated search, and shall then promptly perform a re-mailing to the Class
16 Member whose Notice was returned as non-delivered, assuming another mailing
17 address is identified by the Settlement Administrator. A letter prepared by the
18 Settlement Administrator will be included in the re-mailed Notice in that instance,
19 stating that the recipient of the Notice has until the original deadline set forth on the
20 Notice, or ten (10) calendar days after the date of re-mailing of the Notice
21 (whichever is later) to object or submit an Opt Out or submit Proof of Work. In no
22 event shall this be more than ten (10) calendar days after the Response Deadline.

23 b. If these procedures are followed, notice to Class Members shall be
24 deemed to have been fully satisfied, and if the intended recipient does not receive
25 the Notice of Class Action and PAGA Settlement, the intended recipient shall
26 nevertheless remain a Class Member and shall be bound by all terms of the
27 Settlement and the Final Order and Judgment.

28 59. The Notice of Class Action and PAGA Settlement to be provided to each Class

Member shall set forth the number of Qualifying Workweeks applicable to the Class Member, the number of PAGA Workweeks applicable to the PAGA Employee, the estimated Workweek Payment Rate applicable to the Class Member, the estimated PAGA Workweek Payment Rate applicable to the PAGA Employee, and the estimated Individual Settlement Payment that the Class Member shall receive under this Settlement if the Court grants final approval of the Settlement, and the estimated PAGA Payment Share that PAGA Employee shall receive under this Settlement if the Court grants final approval of the Settlement. The Notice of Class Action and PAGA Settlement shall notify the Class Members that governmentally-mandated tax withholdings shall be deducted from a portion of his or her Individual Settlement Payment, as described in paragraph 78 below.

60. If the Class Member or PAGA Employee wishes to contest the number of Qualifying Workweeks and/or the number of PAGA Workweeks assigned to him or her by the Settlement Administrator, the Class Member or PAGA Employee or his or her authorized representative in the case of the individual's death or incapacity must timely provide his or her dispute with Proof of Work to the Settlement Administrator. To be timely, the completed Proof of Work must be mailed to the Settlement Administrator and postmarked no later than thirty (30) days after the date of mailing of the Notice of Class Action and PAGA Settlement. As this is not a claims-made Settlement and Class Members need not return the optional Proof of Work, Class Members shall be bound by this Agreement unless they submit a completed, signed and timely Opt Out. However, the Released PAGA claims shall be binding on all PAGA Employees regardless of whether they submit a valid Opt Out from the Class.

Opt Out

61. Any Class Member seeking to be excluded from the Class and this Settlement shall submit a written Opt Out to the Settlement Administrator. The written Opt Out must: (1) contain the name, address, and the last four digits of the Social Security Number of the person requesting exclusion; (2) state the Class Member's request to exclude himself or herself from the Settlement and to opt out of the Settlement; (3) be signed by the Class Member or his or her lawful representative; and (4) be postmarked by the Response Deadline and returned to the Settlement

Administrator at the specified address. Class Members may use the Opt-Out form attached as **Exhibit 2** to opt-out of the Settlement. Opt Outs may also be returned to the Settlement Administrator's email address, as specified in the Notice, by 11:59 p.m. on the Response Deadline. Any Class Member, who submits a completed, signed and timely written Opt Out shall no longer be a member of the Class, shall be barred from participating in this Settlement, shall be barred from objecting to this Settlement, and shall receive no benefit from this Settlement. Any untimely or incomplete Opt Out shall be considered null and void. If a Class Member submits both a completed, signed and timely Proof of Work and a completed, signed and timely Opt Out, the Opt Out shall be deemed invalid, and the Class Member shall be a Settlement Class Member and participate in this Settlement, if the date the Opt Out was submitted falls after the date the Proof of Work was submitted. A valid Opt Out from the Class does not affect the Released PAGA Claims, which shall be binding on all PAGA Employees regardless of the requested exclusion. The Settlement Administrator shall notify Class Counsel and Defense Counsel of the number of timely opt-outs within seven (7) days after the Response Deadline.

62. If more than ten percent (10%) of the Class Members opt out of the Settlement by submitting completed, signed and timely written Opt Outs, Defendants shall have the right at their sole discretion to rescind and void this Settlement by giving written notice to Class Counsel within fourteen (14) calendar days after the Settlement Administrator informs the Parties that the opt out rate exceeded ten percent (10%). If Defendants exercises its right to rescind and void this Settlement under this paragraph, Defendants shall pay any and all reasonable costs and expenses incurred by the Settlement Administrator.

Declaration of Compliance

63. As soon as practicable, but no later than ten (10) days following the close of the Response Deadline, the Settlement Administrator shall provide Class Counsel and Defense Counsel with a declaration attesting to completion of the notice process set forth in this Agreement, the number and names of opt outs, and a summary of any disputes raised by any Class Members. This declaration shall be filed with the Court by Class Counsel along with a motion requesting final approval of the Settlement. The Settlement Administrator shall also provide

1 weekly updates to Class Counsel and Defense Counsel regarding the opt outs, disputes, and
2 objections.

3 **Sufficient Notice**

4 64. The Parties agree that compliance with the procedures described in this Agreement
5 constitutes due and sufficient notice to Class Members and PAGA Employees of this Settlement
6 and the Final Fairness and Approval Hearing, and satisfies the requirements of due process, and
7 that nothing else shall be required of Plaintiffs, Class Counsel, Defendants, Defense Counsel, or
8 the Settlement Administrator to provide notice to Class Members of the Settlement and the Final
9 Fairness and Approval Hearing.

10 **Objections to Settlement**

11 65. Any Class Member or PAGA Employee wishing to object to this Settlement shall
12 inform the Court, Class Counsel, and Defense Counsel in writing of their intent to object by
13 following the procedure set forth in the Notice of Class Action and PAGA Settlement no later than
14 the Response Deadline. Any Objection must: (1) state the Class Member's or PAGA Employee's
15 full name, address, and the last four digits of his or her Social Security Number (for identification
16 purposes only); (2) state the grounds for the objection; (3) be signed by the Class Member or
17 PAGA Employee or their lawful representative; and (4) be postmarked on or before the Response
18 Deadline and returned to the Settlement Administrator and/or be emailed to the Settlement
19 Administrator by 11:59 pm on the date of the Response Deadline. Class Members may use the
20 Objection Form attached hereto as **Exhibit 3** to object to the Settlement.

21 66. Any Class Member or PAGA Employee who fails to file a timely written Objection
22 shall be foreclosed from objecting to this Settlement, unless otherwise ordered by the Court.

23 67. Class Counsel and Defense Counsel shall file any responses to any written
24 Objections submitted to the Court in accordance with this Agreement at least seven (7) days
25 before the Final Fairness and Approval Hearing, or on another date set by the Court.

26 68. Class Counsel shall file a motion for final approval within the timeframe provided
27 in the Code of Civil Procedures. Class Counsel shall provide the motion for final approval to
28 Defense Counsel for review of the substance contained in the motion for final approval at least 10

1 days prior to filing.

2 **Final Fairness and Approval Hearing**

3 69. On the date set forth by the Court for the Final Fairness and Approval Hearing in
4 the order granting preliminary approval of the Settlement, a Final Fairness and Approval Hearing
5 shall be held before the Court in order to consider and determine: (i) whether the Court should
6 give this Settlement final approval; (ii) whether the Court should approve Class Counsel's
7 application for attorneys' fees, costs and expenses and any Enhancement Award to the Class
8 Representative; and (iii) to hear any timely objections to the Settlement. At the Final Fairness and
9 Approval Hearing, Plaintiffs, Class Counsel, Defendants, and Defense Counsel shall ask the Court
10 to give final approval to this Settlement. If the Court grants final approval of the Settlement, the
11 Settlement Administrator shall post notice of final judgment on its website within seven (7)
12 calendar days of entry of the Final Order and Judgment. Class Counsel shall submit a copy of the
13 Final Order and Judgment to the LWDA within ten (10) days after entry of the Final Order and
14 Judgment in accordance with California Labor Code section 2699(1)(3).

15 **Settlement Payment Procedures**

16 Payments under this Agreement shall be made by the Settlement Administrator as follows:

17 70. Settlement Class Members shall be paid exclusively from the Net Settlement
18 Amount.

19 71. The Parties have agreed to pay the LWDA and PAGA Employees Sixty Thousand
20 Dollars (\$60,000). PAGA Employees shall be paid exclusively from the allocated amount from
21 the Gross Settlement Amount as described above.

22 72. Plaintiffs and Defendants recognize and agree that the asserted claims in the Civil
23 Actions are extremely difficult to quantify with any certainty for any given year, or at all, and are
24 subject to a myriad of differing calculations and formulas. Plaintiffs and Defendants agree that the
25 formulas for allocating Individual Settlement Payment to Settlement Class Members and PAGA
26 Payment Shares to PAGA Employees provided herein are reasonable and that the Individual
27 Settlement Payments and PAGA Payment Shares are designed to provide a fair settlement, despite
28 the uncertainties of the amounts alleged to be owed to Settlement Class Members and PAGA

1 Employees and the calculation of them. Distribution amongst Settlement Class Members is based
2 on Qualifying Workweeks that the Class Member was employed during the Class Period. Further,
3 distribution amongst PAGA Employees is based on PAGA Workweeks that the PAGA Employee
4 worked during the PAGA Period. Plaintiffs and Defendants have agreed that the distribution to
5 each Settlement Class Member and PAGA Employee shall be determined as set forth in
6 paragraphs 73 and 74 below.

7 73. The Individual Settlement Payment to each Settlement Class Member shall be
8 determined based on the number of Qualifying Workweeks worked by the Settlement Class
9 Member during the Class Period. The Net Settlement Amount shall be divided by the total
10 number of Qualifying Workweeks for all Settlement Class Members during the Class Period. The
11 result of this division shall yield a Workweek Payment Rate for the Class. The gross amount of
12 each Settlement Class Member's Individual Settlement Payment shall be calculated by multiplying
13 the number of Qualifying Workweeks applicable to that Class Member by the Workweek Payment
14 Rate. Governmentally-required employee tax withholdings shall be deducted from that portion of
15 each Individual Settlement Payment allocated as wages.

16 74. From the PAGA Payment (which shall be deducted from the Gross Settlement
17 Amount), PAGA Payment Shares shall be allocated to the PAGA Employees. The PAGA
18 Payment Share to each PAGA Employee shall be determined based on the number of PAGA
19 Workweeks worked by the PAGA Employee during the PAGA Period. The \$15,000 allocated to
20 the PAGA Employees shall be divided by the total number of PAGA Workweeks for all PAGA
21 Employees during the PAGA Period. The result of this division shall yield a PAGA Workweek
22 Payment Rate. The gross amount of each PAGA Employee's PAGA Payment Share shall be
23 calculated by multiplying the number of PAGA Workweeks applicable to that PAGA Employee
24 by the PAGA Workweek Payment Rate.

25 75. Within fifteen (15) days after the Effective Date, Defendants shall transmit the
26 Gross Settlement Amount to the Settlement Administrator.

27 76. Within twenty-one (21) business days after the Effective Date, the Settlement
28 Administrator shall transmit to Class Counsel the attorneys' fees, costs and expenses approved by

1 the Court, shall transmit to the Class Representatives their Enhancement Awards approved by the
2 Court, shall transmit to the LWDA the payment pursuant to PAGA, shall mail Individual
3 Settlement Payments to each Settlement Class Member, and PAGA Payment Shares to each
4 PAGA Employee.

5 77. Individual Settlement Payments and PAGA Payment Shares shall be made by
6 check and shall be made payable to each Settlement Class Member and PAGA Employee as set
7 forth in this Agreement. Under no circumstances shall the Settlement Administrator distribute
8 checks to Settlement Class Members and/or PAGA Employees until all timely workweek disputes
9 with Proof of Work have been considered, calculated, and accounted for, and the Class Counsel
10 fees and expenses, costs of the Settlement Administrator, and an Enhancement Award have been
11 calculated and accounted for.

12 78. The Individual Settlement Payments are payments for all Released Class Claims for
13 the Settlement Class Members. The PAGA Payment Shares are payments for the Released PAGA
14 Claims for the PAGA Employees. The Settlement Administrator shall be authorized to establish a
15 Qualified Settlement Fund ("QSF") pursuant to Internal Revenue Service ("IRS") rules and
16 regulations in which the Gross Settlement Amount shall be placed and from which payments
17 required by the Settlement shall be made. Twenty-Five percent (25%) of the amount of each
18 Individual Settlement Payment to each Settlement Class Member shall be allocated to their
19 respective alleged unpaid wage claims and shall be paid net of all applicable employment taxes,
20 including any federal, state, and/or local in issue tax withholding requirements and the employee
21 share of FICA taxes. Seventy-Five percent (75%) of the amount of each Individual Settlement
22 Payment to each Individual Settlement Class Member shall be allocated to alleged premium pay,
23 penalties and interest, and shall not be subject to withholding. PAGA Payment Shares will be
24 allocated entirely as penalties and will be included on an IRS Form 1099 to each PAGA
25 Employee. Each Settlement Class Member, PAGA Employee, Class Counsel, and Class
26 Representative shall be responsible for remitting to state and/or federal taxing authorities any
27 applicable taxes which may be owed on the portion of any payment received pursuant to this
28 Agreement, except as provided by this Agreement. The employer's share of payroll taxes shall

1 not be paid from the Gross Settlement Amount and shall remain the sole responsibility of
2 Defendants. Defendants shall remit the additional amount of the Employer's Share of Payroll
3 Taxes to the Settlement Administrator along with the Gross Settlement Amount.

4 79. It is expressly understood and agreed that the receipt of an Individual Settlement
5 Payment and/or PAGA Payment Share shall not entitle any Class Member and/or PAGA
6 Employee to compensation or benefits under any company bonus, contest or other compensation
7 or benefit plan or agreement in place during the applicable Class Period nor applicable PAGA
8 Period, nor shall it entitle any Class Member and/or PAGA Employee to any increased retirement,
9 401(k) or matching benefits, or deferred compensation benefits. The Parties agree that any
10 Individual Settlement Payments made to Settlement Class Members and any PAGA Payment
11 Share made to PAGA Employees under the terms of this Agreement shall not represent any
12 modification of previously credited length of service or other eligibility criteria under any bonus
13 plan, employee pension benefit plan or employee welfare plan sponsored by any of the Released
14 Parties, or to which any of the Released Parties are required to make contributions. Further, any
15 Individual Settlement Payments and PAGA Payment Shares made under this Agreement shall not
16 be considered compensation in any year for purposes of determining eligibility for, or benefit
17 accrual within, any employee pension benefit plan or employee welfare benefit plan sponsored by
18 any of the Released Parties or to which any of the Released Parties are required to make
19 contributions. It is the Parties' intent that the Individual Settlement Payments and PAGA Payment
20 Shares provided for in the Agreement are the sole payments to be made by Defendants to the Class
21 Members and PAGA Employees, and that the Class Members and PAGA Employees are not
22 entitled to any new or additional compensation or benefits as a result of having received the
23 Individual Settlement Payments and PAGA Payment Shares, notwithstanding any contrary terms
24 in any agreement, contract, benefit or compensation plan document that might have been in effect
25 during the applicable Class Period and PAGA Period.

26 80. Individual Settlement Payment checks and PAGA Payment Share checks shall
27 remain negotiable for 180 days from the date of mailing. The envelopes containing the settlement
28 distributions to Class Member shall bear the notation, "YOUR CLASS ACTION SETTLEMENT

CHECK IS ENCLOSED.” The settlement distribution checks shall be valid for 180 from the date of mailing. The Settlement Administrator shall mail a reminder postcard to any Class Member whose check has not been negotiated within 60 days after the date of mailing. If (i) any of the class members are current employees of the Defendants, (ii) the distribution mailed to those employees is returned to the administrator as being undeliverable, and (iii) the Administrator is unable to locate a valid mailing address, the Administrator shall arrange with the Defendants to have those distributions delivered to the employees at their place of employment. The settlement distribution shall include notification of the entry of judgment in the envelope which shall read as follows: “Please be advised that on _____[date], the Court entered judgment in this action, *Cedeno v. Sannipoli*, Case No. CVRI2303826, and a copy of the Judgment can be found by going to the Settlement Administrator’s website as set forth in the Class Notice. Any Individual Settlement Payment checks or PAGA Payment Share checks that remain uncashed after One Hundred Eighty (180) days from issuance shall be void. The Settlement Administrator shall pay the funds represented by such un-redeemed checks to the Settlement Class Members who did cash their checks on a pro-rata basis based on their Workweek Payment Rates, as described above. In such event, the Settlement Class Member and/or PAGA Employee who did not cash his or her check shall nevertheless remain bound by the Settlement’s Released Class Claims and/or Released PAGA Claims, as applicable. Notwithstanding the foregoing, the Settlement’s Released Class Claims does not include any individual claims under Section 16(b) of the FLSA, 29 U.S.C. 216(b), as to a Settlement Class Member who does not opt in to the Settlement by cashing, depositing or endorsing his or her Individual Settlement Payment check, to the extent that opting in is required to release such FLSA claims.

The Settlement Administrator

81. The Settlement Administrator shall administer the Settlement, including, but not limited to: (i) printing, mailing and re-mailing (if necessary), and emailing, the Notice and receiving Opt Outs and Objections from Class Members and Objections from PAGA Employees; (ii) preparing and maintaining a web site for the settlement administration of this matter which includes the Notice; (iii) preparing and submitting to Settlement Class Members and PAGA

1 Employees and government entities all appropriate tax filings and forms; (iv) computing the
2 amount of and distributing Individual Settlement Payments, PAGA Payment Shares, Enhancement
3 Awards, and Class Counsel attorneys' fees and costs, and redistributing funds from uncashed
4 checks as necessary; (v) processing and validating Qualifying Workweek disputes/Proof of Work,
5 Opt Outs and Objections; (vi) establishing a QSF, as defined by the Internal Revenue Code; (vii)
6 establishing a settlement website for the posting of relevant documents; and (viii) calculating and
7 remitting to the appropriate government agencies all employer and employee payroll tax
8 obligations arising from the Settlement and preparing and submitting filings required by law in
9 connection with the payments required by the Settlement.

10 82. Settlement administration fees in a reasonable amount shall be paid to the
11 Settlement Administrator from the Gross Settlement Amount. Settlement administration fees are
12 estimated to be Twelve Thousand Eight Hundred Ninety Dollars and No Cents (\$12,890). If the
13 actual cost of settlement administration is less or more than the amount approved by the Court,
14 those funds shall be added to or subtracted from the Net Settlement Amount for allocation to
15 Settlement Class Members. All costs associated with settlement administration shall come out of
16 the Gross Settlement Amount.

17 83. Delivery of Class Data. "Class Data" means a complete list of all Class Members
18 and PAGA Employees that Defendants will diligently and in good faith compile from its records.
19 The Class Data shall include the following information from Defendants' records all to the extent
20 available: each Class Member and PAGA Employee's full name, most recent mailing address and
21 telephone number, social security number, most recent e-mail address, and dates of hire and
22 termination. Defendants shall provide the Settlement Administrator with the Class Data no later
23 than thirty (30) calendar days after the Court grants preliminary approval of the Settlement. The
24 Class Data shall only be used by the Settlement Administrator for the purpose of calculating
25 Qualifying Workweeks and PAGA Workweeks, Individual Settlement Payments and PAGA
26 Payment Shares and notifying Class Members and PAGA Employees of the Settlement. The Class
27 Data applicable to an individual Class Member (*i.e.*, unique ID, full name, most recent mailing
28 address, e-mail address, telephone number, and Qualifying Workweeks and PAGA Workweeks)

1 shall be disclosed to Class Counsel if that individual Class Member contacts Class Counsel
2 regarding their Qualifying Workweeks and/or PAGA Workweeks, estimated Individual Settlement
3 Payments and/or PAGA Payment Shares, or related issues with the settlement, but only as
4 necessary to allow them to fulfill their fiduciary duties to the Class and investigate issues that may
5 arise with respect to payments to be made to Class Members and/or PAGA Group Members, so
6 long as notice is provided to Defendants by the Settlement Administrator and Class Counsel.
7 Notwithstanding, the Class Data in its entirety shall not be disclosed to the Class Representative,
8 or any other Class Members or PAGA Group, without written consent of Defendants or by order
9 of the Court. However, concurrent with the mailing of the Notice of Class Action and PAGA
10 Settlement, the Settlement Administrator shall provide Class Counsel and Defense Counsel with a
11 redacted list of all Class Members that shall be limited to the following information: (1) Unique
12 ID (as reflected on the respective Class Member's Notice); (2) Total Qualifying Workweeks and
13 estimated Individual Settlement Payment; and (3) PAGA Workweeks and estimated PAGA
14 Payment Share (if applicable). The Settlement Administrator shall run the Class Data list through
15 the National Change of Address database, and shall use the most recent address for each Class
16 Member – either from Defendants' records or the National Change of Address database – before
17 mailing the Notice of Class Action and PAGA Settlement. The Settlement Administrator shall
18 also take reasonable steps to locate any Class Member or PAGA Employee whose Notice of Class
19 Action and PAGA Settlement is thereafter returned as undeliverable. Class Data shall be provided
20 in a secure format to be determined by the Settlement Administrator and Defendants.

21 **Resolution of Disputes Over Qualifying Workweeks and/or PAGA Workweeks**

22 84. In calculating the Individual Settlement Payment for each Class Member and
23 PAGA Payment Share for each PAGA Employee, Defendants' records regarding the dates of
24 employment used to generate Qualifying Workweeks and PAGA Workweeks shall be presumed to
25 be correct. Any Class Member and/or PAGA Employee who disagrees with Defendants'
26 determination of his or her or its Qualifying Workweeks and/or PAGA Workweeks as indicated
27 on his or her or its Notice of Class Action and PAGA Settlement may dispute that calculation to
28 the Settlement Administrator as explained on the Notice of Class Action and PAGA Settlement.

Defendants' determination shall be presumed accurate unless the Class Member and/or PAGA Employee submits documents to the Settlement Administrator to show that he or she is entitled to payment based upon a different number of Qualifying Workweeks and/or different number of PAGA Workweeks than the number(s) calculated by the Settlement Administrator based upon Defendants' data. Adequacy of Proof of Work submitted will be evaluated by Class Counsel, Defense Counsel, and Settlement Administrator. In the event of a disagreement, the Settlement Administrator shall make the final decision. All such challenges by Class Members and/or PAGA Employees must be received no later than the Response Deadline.

85. In no case shall a dispute result in a payment by Defendants in excess of the Gross Settlement Amount.

Enhancement Award

86. From the Gross Settlement Amount, the Class Representatives may seek approval from the Court of an Enhancement Award up to Ten Thousand Dollars (\$10,000) each for serving as a Class Representatives, which Defendants shall not oppose.

Payment of Class Counsel Attorneys' Fees, Costs and Expenses

87. Class Counsel shall apply to the Court at the Final Fairness and Approval Hearing for an award of attorneys' fees not to exceed the amount of Three Hundred Thousand Dollars (\$300,000), which is one-third of the Gross Settlement Amount and an award of reasonable costs not to exceed Twenty-Five Thousand Dollars (\$25,000), exclusive of the Settlement Administration costs, both of which shall be paid out of the Gross Settlement Amount. The attorneys' fees awarded by the Court shall be allocated 75% to Crosner and 25% to BNBD.

88. Class Counsel and Defendants agree that such awards of attorneys' fees and costs are reasonable under the circumstances. Nothing in this Agreement shall restrict Plaintiffs' or Class Counsel's ability to appeal any decision by the Court to award less than the requested attorneys' fees and costs or Class Representative Enhancement Award. A decision by the Court to award less than the requested attorneys' fees and costs or Class Representative Enhancement Award, however, is not a material change to the settlement agreement. Any order relating to the award of attorney's fees, costs or Class Representative Enhancement Award, or any appeal from

1 any order relating thereto or reversal or modification thereof, will not operate to terminate or
2 cancel this Agreement, however, the Effective Date shall not occur until any such appeal is
3 resolved. If the amount of Enhancement Award, attorneys' fees and/or costs awarded by the Court
4 is less than the requested amounts, the difference shall serve to increase the Net Settlement
5 Amount to be distributed to Settlement Class Members as part of their Individual Settlement
6 Payments. Nothing in this Agreement will require Defendants to pay more than the Gross
7 Settlement Amount under any circumstances.

8 **Taxes and Withholding and Indemnification**

9 89. The Settlement Administrator shall be responsible for ensuring that all tax
10 obligations associated with the Settlement are timely paid to the appropriate governmental taxing
11 authorities. The Settlement Administrator's responsibilities include the following:

- 12 (i) filing all federal, state and local employment tax returns, income tax
13 returns, and any other tax returns associated with the taxes,
- 14 (ii) timely and proper filing of all required federal, state and local information
15 returns (*e.g.*, 1099s, W-2s, etc.), and
- 16 (iii) completion of any other steps necessary for compliance with any tax
17 obligations applicable to Settlement Payments under federal, state and/or
18 local law.

19 90. The Settlement Administrator shall determine the amount of any tax withholding to
20 be deducted from each Settlement Class Member's Individual Settlement Payment. All such tax
21 withholdings shall be remitted by the Settlement Administrator to the proper governmental taxing
22 authorities.

23 91. Each party to this Agreement acknowledges and agrees that:

- 24 (i) No provision of this Agreement and no written communication or
25 disclosure between or among the Parties or their attorneys and other
26 advisers is or was intended to be, nor shall any such communication or
27 disclosure constitute or be construed or be relied upon as, tax advice within
28

the meaning of United State Treasury Department Circular 230 (31 CFR Part 10, as amended);

- (ii) He, she or it (a) has relied exclusively upon his, her or its own, independent legal and tax advisers for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on him or her or it; and
- (iii) No attorney or adviser to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by him or her of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

92. The Individual Settlement Payment received by Settlement Class Members and PAGA Payment Share received by PAGA Employees shall be reported by the Settlement Administrator, as required, to the state and federal taxing authorities on IRS forms 1099 and W-2 or similar forms. Each Settlement Class Member and PAGA Employee shall be responsible for paying all applicable state, local, and federal income taxes on all amounts the Settlement Class Member and PAGA Employee receives pursuant to this Agreement.

RELEASED CLAIMS

93. **Released Class Claims:** Providing there is final approval of this Settlement, then as of the date on which Defendants fully fund the Settlement per paragraph 75 above ("Release Effective Date"), each Settlement Class Member, individually and on behalf of their respective successors, assigns, agents, attorneys, executors, heirs and personal representatives, shall fully and finally release and discharge the Released Parties, and each of them from the Released Class Claims. The Released Class Claims with respect to the Settlement Class Members include all claims, rights, demands, liabilities, statutory causes of action, and theories of liability of every

1 nature and description, that were alleged in the operative Complaints or PAGA Letter, or arising
2 out of the facts and claims alleged in the operative Complaints and/or PAGA Letter against
3 Defendants or any of the Released Parties, including, but not limited to, failure to pay wages
4 overtime wages and minimum wages, failure to provide meal and rest periods, unpaid
5 compensation or premium pay arising out of missed, late, on-duty and/or short meal and/or rest
6 periods and/or off the clock work, failure to pay wages semi-monthly at designated times, failure
7 to reimburse for business expenses, failure to pay wages upon termination, failure to provide
8 accurate itemized wage statements, failure to reimburse for business expenses, failure to provide
9 all paid sick leave and failure to provide written notice of paid sick leave, failure to maintain
10 records, credit check related claims, background check/criminal history related claims, failure to
11 pay sick wages at the regular rate, failure to provide supplemental paid sick leave, failure to pay
12 vacation wages, failure to provide suitable resting facilities, failure to provide suitable seating,
13 OSHA and Cal/OSHA violations, and penalties, damages, interest, costs or attorneys' fees, and
14 violations of any other state or federal law, whether for economic damages, non-economic
15 damages, liquidated or punitive damages, restitution, tort, contract, equitable relief, injunctive or
16 declaratory relief, to the extent necessary to effect a full and complete release of the Released
17 Class Claims, including, but not limited to, all claims under any common laws, contract, Cal. Code
18 of Regulations, Title 8, Sections 11000, *et seq.*, Wage Order 5-2001, Wage Order 9 or any other
19 applicable Wage Order, California Labor Code Sections 96-98.2, *et seq.*, 200-204, 210, 216,
20 218.5, 218.6, 221, 222, 223, 225.5, 226, 226.3, 226.7, 229, 246, 246.5, 350-353, 510, 512, 551,
21 552, 558, 1174, 1174.5, 1175, 1182.11, 1182.12, 1194-1197.1, 1198, 1198.5, 1199, 2699, 2802,
22 California Civil Code Sections 3294 and 3336 and any related provisions, the California Code of
23 Civ. Proc. Section 1021.5, and/or the California Business & Professions Code Sections 17200, *et*
24 *seq.* This release shall extend to all such claims accrued during the Class Period.

25 94. **Released PAGA Claims:** Providing there is final approval of this Settlement, then
26 as of the Release Effective Date, Plaintiffs on behalf of themselves as private attorneys general
27 and on behalf of the State of California, individually and on behalf of their respective successors,
28 assigns, agents, attorneys, executors, heirs and personal representatives, shall fully and finally

1 release and discharge the Released Parties, and each of them from the Released PAGA Claims.

2 The Released PAGA Claims with respect to PAGA Employees means all claims, rights, demands,

3 liabilities, statutory causes of action, and theories of liability of every nature and description under

4 the California Labor Code Private Attorneys General Act of 2004, Labor Code Sections 2698, *et*

5 *seq.*, that were alleged in the operative Complaints or PAGA Letters, or arising out of the facts and

6 claims alleged in the operative Complaints and/or PAGA Letters against Defendants or any of the

7 Released Parties, including, but not limited to, failure to pay wages including, but not limited to,

8 overtime wages and minimum wages, failure to provide meal and rest periods, unpaid

9 compensation or premium pay arising out of missed, late, on-duty and/or short meal and/or rest

10 periods and/or off the clock work, failure to pay wages semi-monthly at designated times, failure

11 to reimburse for business expenses, failure to pay wages upon termination, failure to provide

12 accurate itemized wage statements, failure to reimburse for business expenses, failure to provide

13 all paid sick leave and failure to provide written notice of paid sick leave, failure to maintain

14 records, credit check related claims, background check/criminal history related claims, failure to

15 pay sick wages at the regular rate, failure to provide supplemental paid sick leave, failure to pay

16 vacation wages, failure to provide suitable resting facilities, failure to provide suitable seating,

17 OSHA and Cal/OSHA violations, and penalties, interest, costs or attorneys' fees, to the extent

18 necessary to effect a full and complete release of the Released PAGA Claims. This release shall

19 extend to all such claims accrued during the PAGA Period. This release shall be binding on all

20 PAGA Employees regardless of whether they submit a valid Opt Out from the Class. The release

21 of the Released PAGA Claims will be given the full preclusive effect allowed by California law in

22 accordance with *Arias v. Superior Court*, 46 Cal. 4th 969 (2009). In particular, and in line with the

23 understanding of *Arias*, because any Aggrieved Employee's action under PAGA functions as a

24 substitute for an action by the government itself, a judgment is binding not only on the Plaintiff

25 but also on government agencies and *any other Aggrieved Employee not a party to the proceeding*.

26 Thus, nonparty employees *cannot* sue to recover additional *civil penalties* for the same Labor

27 Code violations released (but may sue for damages or other remedies for the same violations).

28

1 95. **Release by Plaintiffs.** Upon final approval of the Settlement, Plaintiffs for
2 themselves, their successors, assigns, agents, executors, heirs and personal representatives, spouse
3 and attorneys, and any and all of them, voluntarily and with the advice of counsel, waive and
4 release any and all claims, obligations, demands, actions, rights, causes of action, and liabilities
5 against any of the Released Parties of whatever kind and nature, character, and description,
6 whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute,
7 ordinance, regulation, constitution, common law, or other source of law or contract, whether
8 known or unknown, and whether anticipated or unanticipated, including all claims arising from or
9 relating to any and all acts, events and omissions occurring prior to the date of final approval of
10 this Agreement including, but not limited to, all claims which relate in any way to their
11 employment with or the termination of their employment with the Released Parties and/or their
12 provision of services to the Released Parties at any of Defendants' locations during the Class
13 Period. Plaintiffs further release all unknown claims against any of the Released Parties, covered
14 by California Civil Code Section 1542, which states: "**A general release does not extend to**
15 **claims that the creditor or releasing party does not know or suspect to exist in his or her**
16 **favor at the time of executing the release and that, if known by him or her, would have**
17 **materially affected his or her settlement with the debtor or released party.**" Notwithstanding
18 the provisions of section 1542, and for the purpose of implementing a full and complete release
19 and discharge of all of his Released Claims, Plaintiffs expressly acknowledge that this Settlement
20 is intended to include in its effect, without limitation, all Released Claims which Plaintiffs do not
21 know or suspect to exist in their favor at the time of execution hereof, and that the Settlement
22 contemplates the extinguishment of all such Released Claims.

23 **LIMITATIONS ON USE OF THIS SETTLEMENT**

24 **Notice to LWDA**

25 96. Notification to LWDA of PAGA Claims and Settlement. Class Counsel shall be
26 responsible for notifying the LWDA, via its online Proposed Settlement of PAGA Case interactive
27 form, of: (i) the pending settlement, (ii) the release of PAGA claims herein, (iii) the amount of the
28 PAGA Allocation, (iv) the preliminary and final approval hearings, (v) a copy of the proposed

1 settlement provided to the Court; and (vi) any other information required by the LWDA's online
2 proposed settlement reporting platform accessible at [https://www.dir.ca.gov/Private-Attorneys-](https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html)
3 [General-Act/Private-Attorneys-General-Act.html](https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html). Notice of the proposed settlement shall be
4 provided to the LWDA at the same time that this Stipulation is submitted to the Court.

5 **No Admission**

6 97. Neither the acceptance nor the performance by Defendants of the terms of this
7 Agreement nor any of the related negotiations or proceedings are or shall be claimed to be,
8 construed as, or deemed a precedent or an admission by Defendants of the truth of any allegations
9 in the Complaint or the PAGA Letter.

10 **Non-Evidentiary Use**

11 98. Defendants deny that they have failed to comply with the law in any respect, or
12 have any liability to anyone based on the claims asserted in the Civil Actions. Plaintiffs expressly
13 acknowledge that this Agreement is entered into for the purpose of compromising highly disputed
14 claims and that nothing herein is an admission of liability, wrongdoing, or the propriety of class or
15 representative treatment by Defendants. Neither the Agreement nor any document prepared in
16 connection with the Settlement may be admitted in any proceeding as an admission by
17 Defendants. Notwithstanding this paragraph, any and all provisions of this Agreement may be
18 admitted in evidence and used in any proceeding to enforce the terms of this Agreement, or in
19 defense of any claims released or barred by this Agreement.

20 99. This Agreement, the Settlement, and any proceedings or actions or negotiations in
21 connection therewith shall be deemed settlement communications covered by California Evidence
22 Code Sections 1152 and 1154, Federal Rule of Evidence 408, and any other similar provisions or
23 law, and shall not be construed as an admission of truth of any allegation or the validity of any
24 cause of action or claim asserted or of any liability therein.

25 **Nullification**

26 100. If the Court for any reason does not approve this Settlement, this Agreement shall
27 be considered null and void and the Parties to this Agreement shall stand in the same position,
28 without prejudice, as if the Agreement had been neither entered into nor filed with the Court.

1 101. Invalidation of any material portion of this Agreement shall invalidate this
2 Agreement in its entirety unless the Parties agree in writing that the remaining provisions shall
3 remain in full force and effect.

4 **MISCELLANEOUS PROVISIONS**

5 **No Inducements**

6 102. Plaintiffs and Defendants acknowledge that they are entering into this Settlement as
7 a free and voluntary act without duress or undue pressure or influence of any kind or nature
8 whatsoever, and that neither Plaintiffs nor Defendants have relied on any promises, representations
9 or warranties regarding the subject matter hereof other than as set forth in this Agreement.

10 **No Prior Assignment**

11 103. The Parties represent, covenant, and warrant that they have not directly or
12 indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any
13 person or entity any portion of any liability, claim, demand, action, cause of action or rights herein
14 released and discharged except as set forth herein.

15 **Construction**

16 104. The Parties agree that the terms and conditions of this Agreement are the result of
17 lengthy, intensive arm's-length negotiations between the Parties and their counsel, and this
18 Agreement shall not be construed in favor of or against any Party by reason of the extent to which
19 any Party or his or its counsel participated in the drafting of this Agreement.

20 **California Law**

21 105. All terms of this Agreement and its exhibits shall be governed and interpreted by
22 and according to the laws of the State of California, without giving effect to any conflict of law
23 principles or choice of law principles.

24 **Captions and Interpretations**

25 106. Paragraph titles or captions contained herein are inserted as a matter of convenience
26 and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or
27 any provision hereof.

1 **Incorporation of Exhibits**

2 107. All exhibits to this Agreement are incorporated by reference and are a material part
3 of this Agreement. Any notice, order, judgment, or other exhibit that requires approval of the
4 Court must be approved without material alteration from its current form in order for this
5 Agreement to be enforceable.

6 **Modification**

7 108. This Agreement may not be changed, altered, or modified, except in a writing
8 signed by the Parties, and approved by the Court. This Agreement may not be discharged except
9 by performance in accordance with its terms or by a writing signed by the Parties.

10 **Reasonableness of Settlement**

11 109. Plaintiffs represent that this is a fair, reasonable, and adequate settlement and the
12 Parties have arrived at this settlement through arms-length negotiations, taking into account all
13 relevant factors, present and potential.

14 **Integration Clause**

15 110. This Agreement contains the entire agreement between the Parties relating to the
16 Settlement and transaction contemplated hereby, and all prior or contemporaneous agreements,
17 understandings, representations, and statements, whether oral or written and whether by a party or
18 such party's legal counsel, are merged herein. No rights hereunder may be waived except in
19 writing.

20 **Binding On Assigns**

21 111. This Agreement shall be binding upon and inure to the benefit of the Parties and
22 their respective heirs, trustees, executors, administrators, successors and assigns.

23 **No Prevailing Party**

24 112. No Party shall be considered a prevailing party for any purpose. Except as
25 otherwise provided for in this Agreement, each Party shall bear its or his own attorney fees and
26 costs.

27 **Class Counsel Signatories**

28 113. It is agreed that because the members of the Class are numerous, it is impossible or

1 impractical to have each member of the Class execute this Agreement. The Notice of Class
2 Action and PAGA Settlement shall advise all Class Members of the binding nature of the
3 Agreement, and the Agreement shall have the same force and effect as if this Agreement were
4 executed by each member of the Class.

5 **Counterparts**

6 114. This Agreement, and any amendments hereto, may be executed in any number of
7 counterparts, each of which when executed and delivered shall be deemed to be an original and all
8 of which taken together shall constitute but one and the same instrument. Fax and pdf signatures
9 shall be as valid as original signatures.

10 **Waiver of Right to Object**

11 115. By signing this Agreement, Plaintiffs, on behalf of the Class and allegedly
12 aggrieved employees, agree to be bound by its terms. Plaintiffs further agree not to request to be
13 excluded from the Class or Settlement and agree not to object to any of the terms of the
14 Agreement. Any request for exclusion from the Settlement by Plaintiffs or any Objection by
15 Plaintiffs shall be void and of no force and effect. Likewise, Defendants agree to be bound by the
16 terms of this Settlement and agree not to object to any of the terms of the Agreement.

17 **Administration Costs if Settlement Fails**

18 116. If the Settlement is not finally approved by the Court, voided or rescinded, any
19 costs incurred by the Settlement Administrator shall be paid equally by the Parties (half by
20 Plaintiffs and/or Class Counsel and half by Defendants).

21 **Final Order and Judgment**

22 117. Upon final approval of the Settlement, a Final Order and Judgment shall be entered
23 by the Court which shall, among other things:

- 24 (i) Grant final approval to the Settlement as fair, reasonable, adequate, in good
25 faith and in the best interests of the Class as a whole, and order the Parties
26 to carry out the provisions of this Agreement.

- 1 (ii) Adjudge that the Settlement Class Members of the Settlement are
2 conclusively deemed to have released the Released Parties from the
3 applicable Released Class Claims, as more specifically set forth above.
- 4 (iii) Adjudge that the PAGA Employees of the Settlement are conclusively
5 deemed to have released the Released Parties from the Released PAGA
6 Claims, as more specifically set forth above.
- 7 (iv) Prohibit and permanently enjoin each Settlement Class Member of the
8 Settlement from pursuing in any fashion against any of the Released Parties
9 any and all of the applicable Released Class Claims.
- 10 (v) Prohibit and permanently enjoin each PAGA Employee of the Settlement
11 from pursuing in any fashion against any of the Released Parties any and all
12 of the Released PAGA Claims.
- 13 (vi) Reserve continuing jurisdiction as provided herein.

14 **Limitations on Disclosure**

15 118. Plaintiffs and their counsel agree to keep the fact and terms of this settlement
16 confidential until preliminary approval of the settlement is sought from the Court, and, thereafter
17 to the fullest extent possible. They also agree not to make or offer to make any disclosures other
18 than what is necessary and consistent with the need for judicial approval of the settlement and
19 notice to the class. Plaintiffs and their counsel agree that any public references to the defendants
20 in this action shall be limited to the named defendants only, Matthews International Corporation,
21 The York Group, Inc and Sannipoli Corporation.

22
23 IN WITNESS WHEREOF, this Agreement is executed by the Parties and their duly authorized
24 attorneys, as of the day and year herein set forth.

25
26 DATED: 07 / 29 / 2024


PEDRO CEDENO

27
28 DATED: Jul 24, 2024



Santos Martinez padilla (Jul 24, 2024 16:48 PDT)

SANTOS MARTINEZ PADILLA

DATED: _____

MATTHEWS INTERNATIONAL CORPORATION

By: _____

DATED: _____

THE YORK GROUP, INC.

By: _____

DATED: _____

SANNIPOLI CORPORATION

By: _____

APPROVED AS TO FORM AND CONTENT:

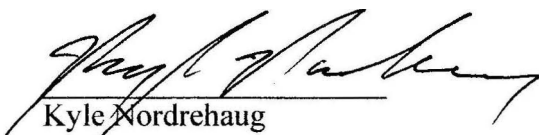
DATED: 7/29/24

CROSNER LEGAL, P.C.

By 
Chad Saunders
Attorneys for Plaintiff PEDRO CEDENO

DATED: 7/25/24

BLUMENTHAL NORDREHAUG BHOWMIK DE
BLOUW LLP

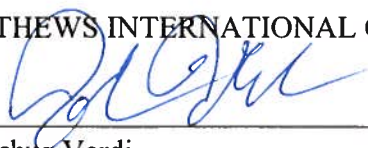
By 
Kyle Nordrehaug
Attorneys for Plaintiff SANTOS MARTINEZ
PADILLA

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SANTOS MARTINEZ PADILLA

DATED: 8/1/2024

MATTHEWS INTERNATIONAL CORPORATION

By 
Joshua Verdi
Sr Corporate Counsel, Labor & Employment

DATED: 8/1/2024

THE YORK GROUP, INC.

By 
Joshua Verdi
Sr Corporate Counsel, Labor & Employment

DATED: 8/1/2024

SANNIPOLI CORPORATION

By 
Joshua Verdi
Sr Corporate Counsel, Labor & Employment

APPROVED AS TO FORM AND CONTENT:

DATED: _____

CROSNER LEGAL, P.C.

By _____
Chad Saunders
Attorneys for Plaintiff PEDRO CEDENO

DATED: _____

BLUMENTHAL NORDREHAUG BHOWMIK DE
BLOUW LLP

By _____
AJ Bhowmik
Attorneys for Plaintiff SANTOS MARTINEZ
PADILLA

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DATED: 8/1/2024

REED SMITH LLP

By Jennifer C. Terry
Jennifer C. Terry

Attorneys for Defendants MATTHEWS
INTERNATIONAL CORPORATION, THE YORK
GROUP, INC., and SANNIPOLI CORPORATION