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12 **SUPERIOR COURT OF CALIFORNIA**
13 **FOR THE COUNTY OF SACRAMENTO**

14 CECILIA LOMELI, individually and on behalf
15 of all other similarly situated employees,

16 Plaintiff,

17 vs.

18 KPB IMMIGRATION LAW FIRM PC, a
California Corporation ; and DOES 1 to 100,
19 inclusive,

20 Defendant.
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Case No.: 23CV001689

**JOINT STIPULATION REGARDING CLASS
ACTION AND PAGA SETTLEMENT AND
RELEASE**

Filed: May 15, 2023
FAC Filed: March 26, 2024
Trial Date: None Set

1 This Joint Stipulation Regarding Class Action and PAGA Settlement and Release is made and
2 entered into between the Plaintiff Cecilia Lomeli (“Plaintiff”), on behalf of herself, the Labor and
3 Workforce Development Agency, Class Members, and Aggrieved Employees and Defendant KPB
4 Immigration Law Firm PC, (“Defendant”). This Agreement is subject to the terms and conditions set forth
5 below and the approval of the Court.

6 **1. DEFINITIONS**

7 The following terms, when used in this Agreement, have the following meanings:

8 1.1 “Action” means the above stated lawsuit, *Lomeli v. KPB Immigration Law Firm PC*,
9 Sacramento County Superior Court, Case No. 23CV001689, filed May 15, 2023.

10 1.2 “Aggrieved Employee(s)” means all employees who have worked, or continue to work, for
11 Defendant and/or its predecessor entity in California as non-exempt employees, including any employees
12 working as a legal assistant and/or case manager (whether classified as exempt or non-exempt) from May
13 12, 2022, up to either (1) the Preliminary Approval Date, or (2) August 17, 2024, whichever is earlier. The
14 estimated number of Aggrieved Employees is 69 as of June 1, 2024.

15 1.3 “Agreement” or “Settlement” or “Settlement Agreement” means this Joint Stipulation
16 Regarding Class Action and PAGA Settlement and Release.

17 1.4 “Class Counsel” means Galen T. Shimoda, Justin P. Rodriguez and Renald Konini of
18 Shimoda & Rodriguez Law, PC.

19 1.5 “Class Member(s)” means all employees who have worked, or continue to work, for
20 Defendant and/or its predecessor entity in California as non-exempt employees, including any employees
21 working as a legal assistant and/or case manager (whether classified as exempt or non-exempt) from May
22 15, 2019, up to either (1) the Preliminary Approval Date, or (2) August 17, 2024, whichever is earlier. The
23 estimated number of Class Members is 112 as of June 1, 2024.

24 1.6 “Class Period” means May 15, 2019, up to either (1) the Preliminary Approval Date, or (2)
25 August 17, 2024, whichever is earlier.

26 1.7 “Class Representative” means Plaintiff Cecilia Lomeli.

27 1.8 “Complaint” means the operative Complaint on file in the Action with the Court.

28 1.9 “Court” means the Sacramento County Superior Court.

1 1.10 “Defendant” means KPB Immigration Law Firm PC.

2 1.11 “Defendant’s Counsel” means Jamie N. Stein and Chancellor D. Nobles of LightGabler
3 LLP.

4 1.12 “Enhancement Payment” means the amount approved by the Court to be paid to the Class
5 Representative in recognition of the time and effort expended on behalf of Class Members for the benefit
6 of Class Members, which is in addition to any Individual Settlement Amount paid to the Class
7 Representative as a Participating Class Member.

8 1.13 “Effective Date” means the Final Approval Date unless there is a timely objection lodged
9 that has not later been withdrawn, in which case the Effective Date will be either (a) the 60th calendar day
10 after a signed order approving this settlement has been filed provided no appellate proceeding having been
11 filed, or has been filed and withdrawn; or (b) seventh (7th) calendar day after any appellate proceeding
12 opposing the settlement has been finally dismissed with no material change to the terms of this settlement
13 and there is no right to pursue further remedies or relief, whichever is later.

14 1.14 “Final Approval Date” means the date a signed order granting final approval of this
15 Agreement is filed with the Court.

16 1.15 “Gross Settlement Amount” is the sum of One Hundred Seventy Seven Thousand And Five
17 Hundred Dollars (\$177,500).

18 1.16 “Individual Settlement Amount” means an individual Class Member’s and Aggrieved
19 Employee’s allocation of the Net Settlement Amount and PAGA Payment respectively, as defined in
20 Sections 1.18, 1.22, 5.5, and 5.8.

21 1.17 “LWDA” means the California Labor and Workforce Development Agency.

22 1.18 “Net Settlement Amount” is the portion of the Gross Settlement Amount available for
23 distribution to Class Members, as described in this Agreement, after deduction of Class Counsel’s
24 attorneys’ fees and litigation costs, Settlement Administrator Costs, the PAGA Payment, and Enhancement
25 Payment to the Class Representative.

26 1.19 “Notice of Settlement” means the document substantially in the form attached hereto as
27 Exhibit 1.

1 1.20 “Notice Period” means sixty (60) calendar days from the initial mailing of the Notice of
2 Settlement to Class Members and Aggrieved Employees.

3 1.21 “PAGA” means Private Attorneys General Act of 2004, California Labor Code §§ 2698 *et*
4 *seq.*

5 1.22 “PAGA Payment” means the amount allocated from the Gross Settlement Amount towards
6 resolving claims under PAGA.

7 1.23 “PAGA Claim Period” means from May 12, 2022, up to (1) the day of preliminary approval
8 or (2) August 17, 2024, whichever is earlier.

9 1.24 “Parties” means Defendant and Plaintiff, collectively.

10 1.25 “Participating Class Member” means any and all Class Members who have not made any
11 timely request to opt-out of the Agreement.

12 1.26 “Preliminary Approval Date” means the date a signed order granting preliminary approval
13 of this Agreement is filed with the Court.

14 1.27 “QSF” means a Qualified Settlement Fund set up by the Settlement Administrator for the
15 benefit of the Participating Class Members and/or Aggrieved Employees and from which the payments
16 under this Agreement shall be made. Any amounts Defendant has agreed to pay under this Agreement shall
17 remain the property of Defendant until the payments required under the Agreement are made.

18 1.28 “Qualifying Workweeks” are weeks worked by Class Members and/or Aggrieved
19 Employees during the Class Period and/or PAGA Claim Period, respectively, in California. For Class
20 Members, workweeks shall be defined as the total length of service (in days) in California during the Class
21 Period divided by seven. For Aggrieved Employees workweeks shall be defined as the total length of
22 service (in days) in California during the PAGA Claim Period divided by seven. The calculation of a Class
23 Member’s and/or Aggrieved Employee’s workweeks and a determination as to whether a Class Member
24 and/or Aggrieved Employee was actively employed in California in a particular workweek shall be
25 construed from Defendant’s records.

26 1.29 “Released Class Claims” means any and all claims that are alleged in the Complaint, and
27 any additional wage and hour claims that could have been brought based on the facts alleged in the
28 Complaint, through the Class Period, including, but not limited to, a) failure to pay overtime wages, b)

1 failure to pay minimum wages, c) failure to provide meal periods or pay premiums in lieu thereof, d) failure
2 to provide rest periods or pay premiums in leu thereof, e) failure to provide accurate wage statements, f)
3 failure to pay final wages, g) failure to pay reimbursements for business expenses, h) failure to maintain
4 accurate records, and i) claims for unfair competition and/or under the Industrial Welfare Commission
5 Wage Orders based thereon. This release expressly includes all claims that could have been raised
6 regarding the alleged misclassification of Class Members as salaried exempt based on the facts alleged.
7 This release excludes the release of claims not permitted by law. The Released Class Claims exclude
8 claims for workers' compensation or unemployment insurance benefits. This release will cover all Class
9 Members who do not opt out.

10 1.30 "Released PAGA Claims" means any and all claims that were brought under the Private
11 Attorneys General Act, Labor Code §§ 2698 *et seq.*, contained in Plaintiff's notice letter to the LWDA and
12 any additional wage and hour PAGA claims that could have been brought based on the facts alleged in
13 Plaintiff's notice letter to the LWDA during the PAGA Claim Period, including, but not limited to, a)
14 failure to pay overtime wages, b) failure to pay minimum wages, c) failure to provide meal periods or pay
15 premiums in lieu thereof, d) failure to provide rest periods or pay premiums in leu thereof, e) failure to
16 provide accurate wage statements, f) failure to pay final wages, g) failure to pay reimbursements for
17 business expenses, and h) failure to maintain accurate records. This release expressly includes all claims
18 that could have been raised regarding the alleged misclassification of Aggrieved Employees based on the
19 facts alleged. Aggrieved Employees cannot opt out of this waiver of claims.

20 1.31 "Released Parties" means Defendant, as well as Defendant's current and former owners,
21 partners, officers, shareholders, directors, agents, employees, attorneys, and insurers, as well as the current
22 and former owners, officers, shareholders, directors, agents, employees, attorneys and insurers of its
23 predecessor entity.

24 1.32 "Settlement Administrator" means and refers to ILYM Group, Inc., the third-party entity
25 that will administer the Agreement as outlined in Sections 4 and 7, or any other third-party administrator
26 agreed to by the Parties and approved by the Court for the purposes of administering this Agreement. The
27 Parties each represent that they do not have any financial interest in the Settlement Administrator.
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1.33 “Settlement Administrator Costs” means the fees and expenses reasonably incurred by the Settlement Administrator as a result of the procedures and processes expressly required by this Agreement, and shall include all costs of administering the Agreement, including, but not limited to, all tax document preparation, custodial fees, and accounting fees incurred by the Settlement Administrator; all costs and fees associated with preparing, issuing and mailing any and all notices and other correspondence to Class Members and/or Aggrieved Employees; all costs and fees associated with communicating with Class Members and/or Aggrieved Employees, Class Counsel, and Defendant’s Counsel; all costs and fees associated with computing, processing, reviewing, and paying the Individual Settlement Amounts, and resolving disputes; all costs and fees associated with calculating tax withholdings and payroll taxes, if any, making related payment to federal and state tax authorities, if any, and issuing tax forms relating to payments made under the Agreement; all costs and fees associated with preparing any tax returns and any other filings required by any governmental taxing authority or agency; all costs and fees associated with preparing any other notices, reports, or filings to be prepared in the course of administering Individual Settlement Amounts; and any other costs and fees incurred and/or charged by the Settlement Administrator in connection with the execution of its duties under this Agreement.

2. DESCRIPTION OF THE LITIGATION

2.1 On or about May 12, 2023, Plaintiff sent notice to the LWDA to exhaust administrative remedies under the PAGA for (1) Failure to Pay Overtime Wages, (2) Failure to Pay Minimum Wages, (3) Failure to Provide Meal Periods or Pay Premiums in Lieu Thereof, (4) Failure to Provide Rest Periods or Pay Premiums in Lieu Thereof, (5) Failure to Provide Accurate Wage statements, (6) Failure to Pay Final Wages, (7) Failure to Pay Reimbursement for Expenses, (8) Violation of Labor Code §§ 558, 558.1 (Provisions Regulating Hours and Days of Work in Any Industrial Welfare Commission Order), and (9) Failure To Maintain Accurate Wage Records. The LWDA did not respond to the notice within the statutorily required time frame and, as such, Plaintiff became authorized to act as a Private Attorneys General on all alleged PAGA claims.

2.2 On or about May 15, 2023, Plaintiff filed a class action Complaint in Sacramento County Superior Court on behalf of herself and Class Members alleging claims for (1) Failure to Pay Overtime Wages, (2) Failure to Pay Minimum Wages, (3) Failure to Provide Meal Periods or Pay Premiums in Lieu

1 Thereof, (4) Failure to Provide Rest Periods or Pay Premium in Lieu Thereof, (5) Wage Statement
2 Violations, (6) Failure to Pay Final Wages, (7) Failure to Reimburse Expenses, and (8) Unfair Competition.
3 On September 20, 2023, Plaintiff filed a separate lawsuit asserting a single cause of action under the PAGA
4 in Sacramento County Superior Court on behalf of herself and PAGA Members based on the violations
5 alleged in the May 12, 2023 notice to the LWDA. Plaintiff filed a First Amended Complaint on
6 approximately March 26, 2024, consolidating all allegations and claims from the separate PAGA lawsuit
7 into this Action, adding a PAGA cause of action based on the violations alleged in the May 12, 2023 notice
8 to the LWDA on behalf of herself and Aggrieved Employees. On April 10, 2024, Plaintiff dismissed
9 without prejudice the separate PAGA lawsuit that was filed on September 20, 2023.

10 2.3 Through informal discovery, Defendant and Defendant's Counsel provided Class Counsel
11 with copies of all applicable versions of its policies and procedures, employee handbooks, information on
12 Class Members including, but not limited to, Class Members' workweeks, dates of employment, total
13 number of Class Members, their rates of pay, and pay periods as well as timecard data and payroll reports
14 for a randomly selected sample of Class Members.

15 2.4 After Class Counsel received the data, the Parties engaged in informal settlement
16 negotiations, but were not able to come to a resolution. On June 18, 2024, the Parties participated in a
17 lengthy mediation with private mediator Craig J. Ackerman, an experienced mediator in class and PAGA
18 cases. At the conclusion of the mediation, the Parties were able to come to a resolution. At all times, the
19 Parties' settlement negotiations have been non-collusive, adversarial, and at arm's length.

20 2.5 Discussions between Plaintiff and Class Counsel, between counsel for the Parties, document
21 productions, extensive legal analysis, the provision of information by Defendant to Plaintiff and the
22 detailed analysis of the records, including expert analysis, have permitted each side to assess the relative
23 merits of the claims and the defenses to those claims.

24 2.6 In the Action, Plaintiff contends that Defendant violated California law by 1) Defendant
25 required Plaintiff and similarly situated employees to assist other employees and respond to clients after
26 working hours but failed to pay Plaintiff and similarly situated employees for working off the clock during
27 such hours, 2) Defendant failed to pay Plaintiff and similarly situated employees for all overtime hours
28 worked because Defendant's policy would not pay overtime for employees who had not asked for

1 permission to work overtime at least 24 hours in advance and 48 hours in advance of the pay period, 3)
2 Defendant's Human Resources employee would change the hours in the timecards to remove overtime
3 hours worked for Plaintiff and similarly situated employees, 4) Defendant misclassified Plaintiff and
4 similarly situated employees as salary exempt after Defendant and similarly situated employees had worked
5 in the same positions and performed the same non-exempt tasks for more than 50% of the time in order to
6 not pay Plaintiff and similarly situated employees overtime, 5) Defendant failed to provide Plaintiff and
7 similarly situated employees with compliant uninterrupted meal and rest periods, 6) Defendant stopped
8 keeping records of Plaintiff's and similarly situated employees' hours worked and meal periods after
9 misclassifying Plaintiff and similarly situated employees, 7) Defendant required Plaintiff and similarly
10 situated employees to use their personal cell phones for work purposes and communicated to clients but
11 did failed to reimburse Plaintiff and similarly situated employees for the use of their cell phones for work
12 purposes, 8) Defendant failed to reimburse Plaintiff and similarly situated employees during the COVID
13 pandemic for using their own paper, ink, printers and cell phones for work purposes, and 9) Defendant
14 failed to pay employees for all hours worked by unlawfully rounding employees' hours where it had the
15 ability to track all actual hours worked and ultimately rounded hours worked in a way that systematically
16 benefited Defendant. Defendant denies each of Plaintiff's claims and allegations in the PAGA notice and
17 all Complaints filed in the Action and contends that this Action is not suitable for class certification or
18 representative treatment for anything other than settlement purposes. Nothing in this Agreement is intended
19 or will be construed as an admission by Defendant that the claims in the Action have merit or that Defendant
20 bears any liability to Plaintiff, the Class Members or the Nothing in this Agreement is intended or will be
21 construed as an admission by Defendant that the claims in the Action have merit or that Defendant bears
22 any liability to Plaintiff, the Settlement Class Members or the Aggrieved Employees on those claims or
23 any other claims. Aggrieved Employees on those claims or any other claims. The agreed upon Gross
24 Settlement Amount was reached after evaluating the Parties' theories of potential exposure for the
25 underlying claims and the class data supporting these claims. The Parties, with the assistance of the
26 mediator, also assessed appropriate discounts to the potential liability based on Defendant's factual and
27 legal contentions and defenses.

1 2.7 The Parties agree that the above-described investigation and evaluation, as well as discovery
2 and the information exchanged to date, are more than sufficient to assess the merits of the respective
3 Parties' positions and to compromise the issues on a fair and equitable basis. Plaintiff, Class Counsel,
4 Defendant, and Defendant's Counsel have concluded that it is desirable that the Action be settled in a
5 manner and upon such terms and conditions set forth herein in order to avoid further expense,
6 inconvenience and distraction of further legal proceedings, and the risk of an adverse outcome each of the
7 Parties potentially face in the Action. Therefore, the Parties desire to resolve the claims in the Action.
8 Plaintiff, Class Counsel, Defendant, and Defendant's Counsel are of the opinion that the Agreement for the
9 consideration and terms set forth herein is fair, reasonable, and adequate in light of all known facts and
10 circumstances.

11 **3. THE CONDITIONAL NATURE OF THIS AGREEMENT**

12 3.1 This Agreement and all associated exhibits or attachments are made for the sole purpose of
13 settling the Action. This Agreement and the settlement it evidences are made in compromise of disputed
14 claims. Because the Action was pled as a class action, this Agreement must receive preliminary and final
15 approval by the Court. Accordingly, the Parties enter into this Agreement and associated settlement on a
16 conditional basis. If the Effective Date does not occur, or if the Court's approval of the settlement is
17 reversed or materially modified on appellate review, this Agreement shall be deemed null and void; it shall
18 be of no force or effect whatsoever; it shall not be referred to or utilized for any purpose whatsoever; and
19 the negotiation, terms and entry of the Agreement shall remain subject to the provisions of California
20 Evidence Code Sections 1119 and 1152, Federal Rule of Evidence 408, and any other analogous rules of
21 evidence that may be applicable.

22 3.2 Defendant has denied all claims as to liability, damages, liquidated damages, penalties,
23 interest, fees, restitution, injunctive relief and all other forms of relief asserted in the Action. Defendant
24 has agreed to resolve the Action via this Agreement, but to the extent this Agreement is deemed void or
25 the Effective Date does not occur, Defendant does not waive, but rather expressly reserves, all rights to
26 challenge all such claims and allegations in the Action upon all procedural and factual grounds, including,
27 without limitation, the ability to challenge class or collective treatment on any grounds, as well as to assert
28 any and all other potential defenses or privileges.

1 **4. SCOPE OF THE CLASS**

2 4.1 The scope of the class of individuals encompassed under the Agreement and subject to all
3 obligations and duties required under the Agreement, shall include all Class Members as defined in Section
4 1.5 and all Aggrieved Employees as defined in Section 1.2. However, it shall not include any Class
5 Members who submit valid and timely requests to opt-out of the Agreement and settlement, as set forth in
6 Section 7.5.1.

7 4.2 Only Participating Class Members and Aggrieved Employees are entitled to recover under
8 this Agreement.

9 4.3 Any person who believes that he or she is a Class Member or Aggrieved Employee and
10 wishes to participate in the Agreement, but did not receive a Notice of Settlement because his or her name
11 did not appear on the class list provided to the Settlement Administrator prior to mailing, may submit a
12 data request to the Settlement Administrator. The data request must contain all of the following
13 information: (a) the full name and, if applicable, Social Security Number of the individual making the
14 request; (b) the name used by such employee as of the time his or her employment with Defendant ended;
15 (c) the individual's dates of employment with Defendant; and (d) a return address to which a response may
16 be sent. Every data request must be postmarked on or before the conclusion of the Notice Period or
17 otherwise submitted to the Settlement Administrator such that it is received before the conclusion of the
18 Notice Period. Upon receipt of any data requests, the Settlement Administrator shall promptly (in no event
19 more than two business days) transmit the data requests to Defendant's Counsel and request that Defendant
20 review its records.

21 4.4 If Defendant agrees that the person listed in a data request is a Class Member and/or
22 Aggrieved Employee, the Settlement Administrator shall promptly mail a Notice of Settlement to the
23 person who submitted the data request, at the address designated for that purpose in the data request. All
24 provisions of this Agreement relating to the Notice of Settlement shall apply to Notice of Settlements sent
25 in response to data requests, and any person who submits a data request and is sent a Notice of Settlement
26 in response shall be treated by the Settlement Administrator as a Class Member and/or Aggrieved
27 Employee for all other purposes.

1 4.5 If Defendant does not agree that the person listed in a data request is a Class Member and/or
2 Aggrieved Employee, Defendant's Counsel and Class Counsel shall attempt to resolve any such dispute in
3 good faith within seven (7) calendar days of Class Counsel being advised in writing of the data request
4 dispute. Defendant's records shall control unless the individual submitting the data request provides
5 persuasive evidence to doubt the accuracy of those records. Each data request dispute that Defendant's
6 Counsel and Class Counsel cannot timely resolve shall be resolved by the Settlement Administrator. The
7 Settlement Administrator must accept and weigh all the evidence provided in a good faith attempt to resolve
8 the dispute. The Settlement Administrator must resolve any dispute submitted to it within seven (7)
9 calendar days after Defendant's Counsel and Class Counsel submit the dispute to the Settlement
10 Administrator. The decision by the Settlement Administrator shall be final as between the parties, subject
11 to Court review.

12 **5. TERMS OF THE SETTLEMENT**

13 The Parties agree as follows:

14 5.1 Gross Settlement Amount: In consideration and exchange for the releases described in
15 Section 6, Defendant shall pay the Gross Settlement Amount (\$177,500). Prior to the disbursement of any
16 funds, the Settlement Administrator will provide a disbursement summary of the calculations for the
17 payments described above for review and approval by Class Counsel and Defense Counsel. Approval of
18 the disbursement summary and calculations by Class Counsel and Defense Counsel as well as funding of
19 the Gross Settlement Amount shall occur within 21 calendar days after the Effective Date to be held in
20 trust in a QSF by the Settlement Administrator. The Gross Settlement Amount includes payments to
21 Participating Class Members, Aggrieved Employees, all attorneys' fees, costs and litigation expenses
22 related to the Action incurred to date, as well as all such fees and costs incurred in documenting the
23 Agreement, administering the Agreement (including Settlement Administrator Costs), and obtaining final
24 approval of the Agreement, the Enhancement Payment to the Class Representative and the PAGA Payment.
25 Any monies necessary to satisfy Defendant's tax obligations (*e.g.* employer FICA, FUTA and SDI
26 contributions on wage payments) on any monies distributed to Participating Class Members will be paid
27 in addition to the Gross Settlement Amount.

1 5.2 Attorneys' Fees and Costs: Class Counsel will apply to the Court for attorney's fees of 35%
2 of the Gross Settlement Amount, which shall be paid from the Gross Settlement Amount. Defendant has
3 agreed to not oppose Class Counsel's application for attorneys' fees so long as it does not exceed the 35%
4 threshold. Class Counsel will also be entitled to reimbursement for advanced litigation expenses not to
5 exceed \$10,000, which shall be paid from the Gross Settlement Amount. Defendant has agreed to not
6 oppose Class Counsel's request for reimbursement for advanced litigation expenses so long as they do not
7 exceed the \$10,000 threshold. The Settlement Administrator will issue Class Counsel an IRS Form 1099
8 for the attorneys' fees and costs paid under this Agreement. In the event that the Court awards less than
9 the requested attorney's fees and/or costs, the portion of the requested amounts not awarded to Class
10 Counsel shall be added to the Net Settlement Amount to be distributed to Participating Class Members on
11 a pro rata basis.

12 5.3 Deadline for Cashing Settlement Checks: Participating Class Members and Aggrieved
13 Employees shall have one hundred eighty (180) calendar days after mailing by the Settlement
14 Administrator to cash their settlement checks. If any Participating Class Member or Aggrieved Employee's
15 check is not cashed within that period, the check will be void and a stop-payment will be issued. All
16 unclaimed funds shall be distributed pursuant to Section 5.7. The release will be binding upon all
17 Participating Class Members who do not cash their checks within the 180-day period. In the event that any
18 settlement check is returned to the Settlement Administrator within one hundred eighty (180) days of
19 mailing, the Settlement Administrator will, within five (5) business days of receipt of the returned
20 settlement check, perform a skip trace to locate the individual. If a new address is located by these means,
21 the Settlement Administrator will have ten (10) business days to re-issue the check and will notify Defense
22 Counsel and Class Counsel that a re-issued check has been sent. Neither Defendant, Defense Counsel,
23 Class Counsel, Plaintiff, nor the Settlement Administrator will have any liability for lost or stolen
24 settlement checks, forged signatures on settlement checks, or unauthorized negotiation of settlement
25 checks. Without limiting the foregoing, in the event a Participating Class Member notifies the Settlement
26 Administrator that they believe that a settlement check has been lost or stolen, the Settlement Administrator
27 shall immediately stop payment on such check. If the check in question has not been negotiated prior to
28 the stop payment order, the Settlement Administrator will issue a replacement check.

1 5.4 Settlement Administrator Costs: The Settlement Administrator Costs shall be paid from the
2 Gross Settlement Amount and shall not exceed \$8,500. The difference between any actual costs and the
3 allocated \$8,500 shall be added to the Net Settlement Amount to be distributed to Participating Class
4 Members on a pro rata basis.

5 5.5 Enhancement Payment: Class Counsel, on behalf of Plaintiff, shall apply to the Court for
6 an Enhancement Payment to the Class Representative in an amount not to exceed Ten Thousand Dollars
7 (\$10,000) to compensate for the risks, time, and expense of her involvement in the Action and securing the
8 benefits of this Agreement for Class Members. The Enhancement Payment is in addition to the Individual
9 Settlement Amount Plaintiff would otherwise be due under the Agreement as a Participating Class Member.
10 Defendant has agreed to not oppose Class Counsel's request for an Enhancement Payment to Plaintiff so
11 long as it does not exceed the amount stated herein. The Enhancement Payment will be designated as a
12 non-wage payment and reported on an IRS Form 1099-MISC. In the event that the Court awards less than
13 the Enhancement Payment amount requested, then any portion of the requested amount not awarded to the
14 Class Representative shall be added to the Net Settlement Amount to be distributed to Participating Class
15 Members on a pro rata basis.

16 5.6 PAGA Payment: Twenty Thousand Dollars (\$20,000) of the Gross Settlement Amount
17 shall be allocated to resolving claims under the PAGA. Seventy-Five percent (75%) of the PAGA Payment
18 will be paid to the LWDA and Twenty-Five percent (25%) will be paid to Aggrieved Employees on a pro
19 rata basis as described below in Section 5.8. Any amount not approved by the Court for the allocated
20 PAGA Payment shall be added to the Net Settlement Amount to be distributed to Participating Class
21 Members on a pro rata basis.

22 5.7 Treatment of Residue and Cy Pres: For any portion of the Net Settlement Amount or PAGA
23 Payment allocated to Participating Class Members and/or Aggrieved Employees that were not claimed by
24 cashing their respective settlement checks before the deadline to do so, that remaining amount shall be
25 donated equally, *i.e.* 50/50, to Capital Pro Bono, Inc., and the Center for Workers' Rights under the doctrine
26 of *cy pres*. No portion of the Gross Settlement Amount will revert to Defendant for any reason.

27 5.8 No Additional Benefits Contributions: All Individual Settlement Amounts paid to
28 Participating Class Members and Aggrieved Employees shall be deemed to be income solely in the year in

1 which such amounts were actually received. It is expressly understood and agreed that the receipt of such
2 Individual Settlement Amounts will not entitle any Participating Class Member or Aggrieved Employee to
3 any new or additional compensation or benefits under any company bonus or other compensation or benefit
4 plan or agreement in place during the period covered by the Agreement, nor will it entitle any Participating
5 Class Member Aggrieved Employee to any increased retirement, 401(k) and/or 403(b) benefits or matching
6 benefits, or deferred compensation benefits. It is the intent of this Agreement that the Individual Settlement
7 Amounts provided for in this Agreement are the sole payments to be made by Defendant to the Participating
8 Class Members and Aggrieved Employees in connection with this Agreement (notwithstanding any
9 contrary language or agreement in any benefit or compensation plan document that might have been in
10 effect during the period covered by this Agreement).

11 5.9 Pro Rata Distribution Formula: Payment to Participating Class Members and Aggrieved
12 Employees of their Individual Settlement Amount will not require the submission of a claim form. A Net
13 Settlement Amount will be determined by subtracting from the Gross Settlement Amount any amounts for
14 approved attorneys' fees and costs, any Enhancement Payment to the Class Representative, the Settlement
15 Administrator Costs, and the PAGA Payment. Each Class Member's share will be initially determined by
16 dividing their total Qualifying Workweeks within the Class Period by the total Qualifying Workweeks of
17 all Class Members. That fraction will then be multiplied by the Net Settlement Amount to arrive at the
18 Class Member's individual share of the Net Settlement Amount. Any funds allocated to Class Members
19 under this formula who timely opt out of the Settlement will be redistributed to Participating Class
20 Members on a pro rata basis, *i.e.* each Participating Class Member's share will be determined by dividing
21 their total Qualifying Workweeks within the Class Period by the total Qualifying Workweeks of all
22 Participating Class Members and that fraction will then be multiplied by the Net Settlement Amount to
23 arrive at the Participating Class Member's individual share of the Net Settlement Amount. Each Aggrieved
24 Employee's share of the 25% portion of the PAGA Payment will be determined by dividing their total
25 Qualifying Workweeks within the PAGA Claim Period by the total Qualifying Workweeks by all
26 Aggrieved Employees within the PAGA Claim Period. That fraction will then be multiplied by the 25%
27 portion of the PAGA Payment to arrive at the Aggrieved Employee's individual share.

1 5.10 Tax Allocation: The Parties recognize that the Individual Settlement Amounts to be paid to
2 Participating Class Members and/or Aggrieved Employees reflect a settlement of a dispute over claimed
3 penalties and wages. The Settlement Administrator shall calculate the employer's share of payroll taxes
4 on the amounts paid to Participating Class Members as wages as well as calculating all required
5 withholdings and deductions from said wage payments. The characterization of Individual Settlement
6 Amounts to Participating Class Members and Aggrieved Employees are as follows:

7 5.10.1 One Third (1/3) of each Participating Class Members' share of the Net Settlement
8 Amount shall be allocated for payment of disputed wages and shall be subject to required employer taxes.
9 Participating Class Members shall receive an IRS Form W-2 for reporting of this portion of their Individual
10 Settlement Amount.

11 5.10.2 Two/Thirds (2/3) of each Participating Class Members' share of the Net Settlement
12 Amount shall be allocated for disputed statutory penalties and interest, and no amount shall be deducted
13 for any taxes. This portion of the Individual Settlement Amount consists of other income, not wages, for
14 which the Participating Class Members shall receive IRS Forms 1099-MISC and 1099-INT and this
15 payment shall be divided equally among the 1099-MISC and 1099-INT designations.

16 5.10.3 The entirety (100%) of each Aggrieved Employee's share of the 25% portion of the
17 PAGA Payment shall be allocated for payment of disputed civil penalties, and no amount shall be deducted
18 for any taxes. This portion of the Individual Settlement Amount consists of other income, not wages, for
19 which the Aggrieved Employees shall receive an IRS Form 1099-MISC.

20 5.11 Participating Class Members and Aggrieved Employees shall be solely responsible for the
21 reporting and payment of their share of any federal, state and/or municipal income or other taxes on
22 payments made pursuant to this Agreement, and shall hold the Parties, Class Counsel, and Defendant's
23 Counsel free and harmless from any claims resulting from treatment of such payments as non-taxable,
24 including the treatment of such payments as not subject to withholding or deduction for payroll and
25 employment taxes. No party has made any representation to any of the other Parties as to the taxability of
26 any payments pursuant to this Agreement, including the payments to Participating Class Members, the
27 payments to Aggrieved Employees, the payments to Class Counsel, the payments to the Class
28 Representative, the payroll tax liability of Defendant, or the allocation of the Net Settlement Amount or

PAGA Payment to wage and non-wage income as provided in this Section, or otherwise as to tax implications of any provision of this Agreement.

5.12 No Additional Contribution by Defendant: Defendant's monetary obligation under this Agreement is limited to the Gross Settlement Amount and any employer side payroll taxes owed on amounts characterized as wages under this Agreement. All other costs and expenses arising out of or in connection with the performance of this Agreement shall be paid from the Gross Settlement Amount, unless expressly provided otherwise herein. However, in the event this agreement is deemed null and void as described in Section 3 because the Court, in its independent determination, finds that the Agreement does not meet the standards for settlement approval, then Defendant and Plaintiff shall be equally responsible for the costs of the Settlement Administrator incurred between the date the Agreement was executed and the date of such event.

5.13 Certification For Settlement Purposes: The Parties agree that, for purposes of settlement only, certification of the class as defined in Section 1.5 and 4.1 is appropriate and the requisites for establishing class certification have been met and are met.

5.14 Adequacy of Class Counsel and Class Representative: The Parties agree that, for purposes of settlement only, Class Counsel and Plaintiff are adequate representatives for Class Members and Aggrieved Employees.

6. RELEASE

6.1 Release of Claims by Participating Class Members: Upon the Effective Date, all Participating Class Members will be deemed to fully, finally and forever release, for themselves and for their respective agents, spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, predecessors, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives, the Released Class Claims as to all Released Parties. In addition, on the Effective Date, all Participating Class Members and their successors in interest will be permanently enjoined and forever barred from prosecuting any of Released Class Claims against any of the Released Parties. Each Class Member will be deemed to have made the foregoing Release as if by manually signing it.

1 6.2 Release of Claims by Aggrieved Employees: Upon the Effective Date, all Aggrieved
2 Employees will be deemed to fully, finally and forever release for themselves and for their respective
3 agents, spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs,
4 predecessors, successors, beneficiaries, devisees, legatees, executors, administrators, trustees,
5 conservators, guardians, assigns, and representatives, the Released PAGA Claims as to all Released
6 Parties. In addition, on the Effective Date, all Aggrieved Employees and their successors in interest will
7 be permanently enjoined and forever barred from prosecuting any of the Released PAGA Claims against
8 any of the Released Parties. Each Aggrieved Employee and the LWDA will be deemed to have made the
9 foregoing Release as if by manually signing it.

10 6.3 Release by Plaintiff: As a material inducement to Defendant to enter into this Settlement
11 Agreement, in addition to Plaintiff's release of the Released Class Claims and Released PAGA Claims,
12 Upon the Effective Date, Plaintiff will, for herself and for her respective agents, spouses, domestic partners,
13 marital community, children, estates, trusts, attorneys, heirs, predecessors, successors, beneficiaries,
14 devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and
15 representatives, forever completely release and discharge the Released Parties from any and all charges,
16 complaints, claims, liabilities, obligations, promises, agreements, contracts, controversies, damages,
17 actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including for back
18 wages, meal and rest break premium pay, statutory penalties, civil penalties, liquidated damages,
19 exemplary damages, interest, attorneys' fees, and costs) of any nature whatsoever, from the beginning of
20 time through the execution of this Settlement Agreement, whether known or unknown, suspected or
21 unsuspected, concealed or hidden, including but not limited to all claims arising out of, based upon, or
22 relating to Class Representative's employment with Defendant or the remuneration for or termination of
23 such employment (collectively, the "Class Representative's Claims").

24 6.4 Further Enumerated Release by Plaintiff: Without limiting the generality of the foregoing
25 Release by Plaintiff, Plaintiff also expressly releases all claims or rights against Released Parties arising
26 out of or relating to alleged violations of any contracts, express or implied (including but not limited to any
27 contract of employment); any contract or covenant of good faith and fair dealing (express or implied); any
28 tort, including but not limited to, negligence, fraud, misrepresentation and violation of California Labor

Code Section 970, negligent infliction of emotional distress, intentional infliction of emotional distress, defamation, “retaliation” claims and claims for violation of public policy, any claim for improper or unauthorized wage deductions, failure to pay the applicable wage, unpaid wages, unpaid vacation benefits, penalties, liquidated damages, other damages, overtime, and alleged “off the clock” work under federal and state law, including, but not limited to, California Labor Code Sections 204 and 558, waiting time penalties pursuant to California Labor Code Section 203, damages, or penalties pursuant to California Labor Code Section 226, meal period and rest break payments and penalties pursuant to California Labor Code Sections 226.7 and 512, failure to provide itemized wage statements pursuant to California Labor Code Section 226, statutory or civil penalties pursuant to California Labor Code Section 210, failure to indemnify for business expenses pursuant to Labor Code Section 2802, failure to provide one day of rest in seven pursuant to California Labor Code Sections 551 and 552, unfair competition and unfair business practices pursuant to Business and Professions Code Section 17200, *et seq.*, interest and costs pursuant to California Civil Code Section 3287 and California Labor Code Section 218.6, statutory or common law rights to attorneys’ fees and costs, including those pursuant to California Labor Code Section 1194 *et seq.*; and the alleged violation or breach of any other state or federal statute, rule, and or regulation or local ordinance; including all applicable Industrial Welfare Commission Wage Orders, and all similar causes of action, including but not limited to, any claim for restitution, equitable relief, interest, penalties, costs, or attorneys’ fees in connection with any of the foregoing, negligent infliction of emotional distress, intentional infliction of emotional distress, and defamation; any “wrongful discharge,” “constructive discharge,” and “retaliation” claims; any claims relating to any breach of public policy; any legal restrictions on Defendant’s right to discharge employees; and any federal, state, or other governmental statute, regulation, or ordinance, including, without limitation: (1) Title VII of the Civil Rights Act of 1964 (race, color, religion, sex, and national origin discrimination or harassment, including retaliation for reporting discrimination or harassment); (2) 42 U.S.C. Section 1981 (discrimination); (3) Equal Pay Act, 29 U.S.C. Section 209(d)(1) and California Labor Code Section 1197.5 (equal pay); (4) Americans with Disabilities Act, 42 U.S.C. Section 12100, *et seq.* (disability discrimination); (5) Family and Medical Leave Act, 29 U.S.C. Section 2601, *et seq.* (family/medical leave); (6) California Fair Employment and Housing Act, Cal. Government Code Section 12900, *et seq.* (discrimination or harassment in employment and/or

1 housing, including discrimination or harassment based on race, religious creed, color, national origin,
2 ancestry, disability, marital status, sex (including pregnancy), age, or any other protected characteristic,
3 including retaliation for reporting discrimination or harassment); (7) California Family Rights Act, Cal.
4 Government Code Section 12945.1, *et seq.* (family/medical leave); (8) California Labor Code, including
5 but not limited to, Section 1720 *et seq.*, or any Industrial Welfare Commission Wage Order; (9) Executive
6 Order 11246 (race, color, religion, sex, and national origin discrimination or harassment); (10) Executive
7 Order 11141 (age discrimination); (11) Sections 503 and 504 of the Rehabilitation Act of 1973 (handicap
8 discrimination); (12) the Fair Labor Standards Act; (13) Employee Retirement Income Security Act, 29
9 U.S.C. § 1000 *et seq.* (employee benefits); (14) the California Civil Code; (15) the California Labor Code;
10 (16) the California Constitution; (17) the National Labor Relations Act; (18) the Americans with
11 Disabilities Act of 1990; (19) the Occupational Safety and Health Act; (20) the Consolidated Omnibus
12 Budget Reconciliation Act of 1985; (21) the Worker Adjustment and Retraining Notification Act
13 (“WARN”); (22) the Employee Retirement Income Security Act of 1974; (23) the Rehabilitation Act of
14 1973; (23) the Internal Revenue Code of 1986, as amended; (24) the California Government Code; (25)
15 the California Constitution; (26) the Families First Coronavirus Response Act; (27) the California Healthy
16 Workplace Healthy Family Act; and (28) any other federal, state, or local statute or legislation. Further,
17 Plaintiff agrees to the fullest extent permitted by law, that other than this Action, Plaintiff will not pursue
18 any putative class action, collective action, or representative action against the Released Parties, or any of
19 them, and that if such action is filed by any other person, Plaintiff will withdraw as a participant.

20 6.5 Plaintiff’s Civil Code Section 1542 Waiver: Upon the Effective Date, Plaintiff expressly
21 waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of the State of
22 California and does so understanding and acknowledging the significance of the waiver of Section 1542.
23 Section 1542 of the Civil Code of the State of California states:

24 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**
25 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO**
26 **EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE**
27 **AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY**
28

1 **AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED**
2 **PARTY.**

3 Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and
4 complete release and discharge of all Released Parties, Plaintiff, and Class Counsel expressly acknowledge
5 that this Settlement Agreement is intended to include in its effect, without limitation, all claims that Plaintiff
6 knew of, as well as all claims that they do not know or suspect to exist in their favor against the Released
7 Parties, or any of them, for the time period from the beginning of time to the execution of this Agreement,
8 and that this Agreement contemplates the extinguishment of any and all such Plaintiff's claims.

9 6.6 Upon the Effective Date, Plaintiff and Defendant will be deemed to fully, finally and forever
10 release all claims arising from, that could have been asserted, or related in any way, to Plaintiff's
11 employment with Defendant and/or its predecessor entities, under federal, state, or local laws, and/or
12 ordinances, or tort or contract theories, whether known or unknown, and whether anticipated or
13 unanticipated, including without limitation, statutory, constitutional, contractual or common law claims for
14 lost wages, unpaid wages, emotional distress, punitive damages, special damages, damages, unpaid costs,
15 penalties, liquidated damages, interest, attorneys' fees, litigation costs, restitution, equitable relief or other
16 relief or claims. This release shall also be binding on the Parties' heirs, agents, assigns, officers,
17 shareholders, directors, or others that may attempt to assert any of the released claims on the Parties behalf.
18 This release shall only exclude claims that cannot be released as a matter of law. With respect to this
19 general release of the Parties' individual claims, they also agree to waive the protections of California Civil
20 Procedure Code section 1542, which provides as follows:

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

24 **7. SETTLEMENT ADMINISTRATION**

25 7.1 Duties of Settlement Administrator: The Settlement Administrator shall be responsible for:
26 1) receiving Class Member and Aggrieved Employee contact information and confirming addresses are
27 valid; 2) calculating estimated Individual Settlement Amounts and any and all taxes associated with the
28 Individual Settlement Amounts, including employer taxes; 3) taking appropriate steps to trace and locate

any individual Class Members and Aggrieved Employee whose address or contact information as provided to the Settlement Administrator is inaccurate or outdated and mailing the Notice of Settlement to Class Members; 4) providing notification to the appropriate state and federal officials of this Agreement as required under the law; 5) receiving, independently reviewing, and resolving any challenges (in consultation with Class Counsel and Defendant's Counsel) from Class Members or Aggrieved Employees, including any associated documentation, regarding their Qualified Workweek calculations; 6) receiving and serving on Class Counsel, Defendant's Counsel, and the Court, copies of any written objections, and/or any opt out statements; 7) establishing a toll free telephone line and responding to inquiries and requests for information or assistance from Class Members and/or Aggrieved Employees; 8) maintaining a QSF; 9) determining and paying the final amounts due to be paid under the Agreement after resolution of all challenges, disputes, opt-outs, awarded attorneys' fees and costs, Settlement Administrator Costs, PAGA Payment, taxes, any Enhancement Payments, and for funds that cannot be distributed due to the inability to locate Class Members or Aggrieved Employees; 10) determining the validity of any disputes or late opt-outs by previously unidentified Class Members or Aggrieved Employees; 11) paying any residual funds from uncashed checks; 12) reporting to Class Counsel and Defendant's Counsel regarding the statistics of the administration, including (a) the number of initial Notice of Settlements mailed; (b) the number of forwarded Notice of Settlements; (c) the number of re-mailed Notice of Settlements; (d) the number of total undeliverable Notice of Settlements; (e) the number of address traces performed for undeliverable Notice of Settlements; (f) the number of Notice of Settlements undeliverable from traced addresses; (g) the number of total objections received; (h) the number of opt-out requests received; (i) the number of disputes received; (j) the number of disputes resolved; 13) providing a declaration to the Court regarding the final statistics of the administration and compliance with all payment obligations under the Agreement; 14) completing all necessary tax reporting on the QSF and payment of the Individual Settlement Amounts to Participating Class Members and Aggrieved Employees; and 15) carrying out other related tasks as necessary to effectuate the terms of this Agreement and any Order of the Court. The Settlement Administrator shall also be responsible for issuing to Plaintiff, Participating Class Members, and Class Counsel any Forms W-2, Forms 1099, or other Tax Forms as may be required by law for all amounts paid pursuant to this Agreement. The Settlement Administrator shall also be responsible for setting up all

1 necessary tax accounts and forwarding all payroll taxes and penalties to the appropriate government
2 authorities. All disputes relating to the Settlement Administrator's ability and need to perform its duties
3 shall be referred to the Court, if necessary, which will have continuing jurisdiction over the terms and
4 conditions of this Agreement, until all payments and obligations contemplated by the Agreement have been
5 fully executed.

6 7.2 Notice to Class Members and Aggrieved Employees: Defendant represents and warrants
7 that Class Members and Aggrieved Employees are able to read and write in English such that no translation
8 of the Notice of Settlement into another language is necessary. The Notice of Settlement will provide Class
9 Members and Aggrieved Employees with a summary of the terms and conditions of the Agreement, how
10 to participate in the settlement, how to object to the Agreement, how to dispute the individual's Qualifying
11 Workweeks, and how to opt-out from the Agreement. The Notice of Settlement will also inform Class
12 Members and Aggrieved Employees of the Gross Settlement Amount, Net Settlement Amount, proposed
13 attorneys' fees and costs allocations, any proposed Enhancement Payments, proposed Settlement
14 Administrator Cost allocations, proposed PAGA Payment allocations, the scope of the class, the nature and
15 extent of the released claims, dates set for a fairness hearing and hearing on Class Counsels' motion for
16 attorneys' fees and costs. The Notice of Settlement shall include information regarding Class Member's
17 and Aggrieved Employee's estimated Individual Settlement Amount. The Notice of Settlement will
18 provide information on how to access electronic copies online of the Notice of Settlement, any motions for
19 approval of the Agreement, any motions for approval of attorneys' fees and costs, and any other documents
20 as the Court directs.

21 7.3 Class Member Data and Mailing: No later than twenty-one (21) calendar days after the
22 Preliminary Approval Date, Defendant shall provide the Settlement Administrator with the first and last
23 name, last known mailing address, last known telephone number, Social Security Number, start and end
24 date (if any) of employment of each Class Member and Aggrieved Employee, and any other information
25 the Settlement Administrator needs to effectuate notice to Class Members and Aggrieved Employees as
26 outlined herein. The Settlement Administrator shall review the data to determine the number of Qualifying
27 Workweeks for each Class Member and Aggrieved Employee. No later than fourteen (14) calendar days
28 after receipt of such address information, the Settlement Administrator will perform a national change of

1 address (“NCOA”) search, update the addresses per the results of the NCOA search, and then mail the
2 Notice of Settlement, substantially in the form attached as Exhibit 1, to each Class Member and Aggrieved
3 Employee by first-class mail, postage prepaid. The Settlement Administrator shall maintain all information
4 received from Defendant confidential to itself, and Defendant’s Counsel. However, Class Counsel shall
5 be able to review the breakdown of Qualified Workweeks and estimated Individual Settlement Amounts
6 for Class Members and Aggrieved Employees prior to mailing for quality assurance provided the personal
7 identifying information is redacted and/or omitted.

8 7.4 Returned and/or Re-mailed Notice of Settlements: In the event that a Notice of Settlement
9 is returned to the Settlement Administrator as undeliverable on or before the conclusion of the Notice
10 Period, the Notice of Settlement shall be sent to the forwarding address affixed thereto within five (5)
11 calendar days. If no forwarding address is provided, then the Settlement Administrator shall promptly
12 attempt to determine a correct address using a skip-trace, computer or other search using the name, address
13 and/or Social Security number of the individual involved, and shall then perform a single re-mailing within
14 five (5) calendar days to any more recent address found as a result of the search. Following each search
15 that does not result in a corrected address, for those Class Members who appear to be current employees
16 of Defendant at the time of the Preliminary Approval Date, the Settlement Administrator shall contact
17 Defendant’s Counsel for assistance and Defendant shall cooperate in good faith with the Settlement
18 Administrator’s reasonable efforts to obtain valid mailing addresses for Class Members to the extent they
19 are active employees of Defendant. In the event the Notice of Settlement is forwarded to a new address
20 and/or re-mailed to a Class Member, the deadline for the Class Member to submit any request to opt-out,
21 a dispute, or an objection shall be the end of the Notice Period or 10 days from the date of the re-
22 mailing/forwarding to a new address, whichever is later. In the event the procedures in this Section are
23 followed and the Class Member does not timely and properly request to opt-out, the Class Member shall
24 be bound by all terms of the Agreement, including the releases contained in Section 6.

25 7.5 Responses to Notice of Settlement:

26 7.5.1 *Opt-Outs:* The Notice of Settlement shall provide that Class Members who wish to
27 exclude themselves from the Agreement must submit a request to opt-out as provided in this Section. The
28 request to opt-out must (a) state the Class Member’s full name and date of birth; (b) a statement that he or

1 she does not want to be a Class Member, does not want to participate in the settlement, and/or wants to be
2 excluded from the settlement; (c) identify the case name and number (*i.e. Lomeli v. KPB Immigration Law*
3 *Firm PC*, Case No. 23CV001689); (d) be signed; and (e) be post-marked no later than the conclusion of
4 the Notice Period or the re-mailing timeline stated in Section 7.4. The Class Member must personally sign
5 the request to opt-out. No request to opt-out may be made on behalf of a group of Class Members. The
6 date of the postmark on the return-mailing envelope shall be the exclusive means used to determine whether
7 a request to opt-out has been timely submitted. Any Class Member who requests to opt-out of the
8 Agreement will not be entitled to any portion of the Net Settlement Amount nor will they have any right
9 to object, appeal or comment thereon. The name of any Class Member who submits a valid and timely opt
10 out request will be specifically identified in any proposed order granting final approval. Class Members
11 who fail to submit a valid and timely request to opt-out shall be bound by all terms of the Agreement and
12 any order or final judgment thereon. Regardless of whether an Aggrieved Employee opts out of being a
13 Class Member, they will still receive their share of the PAGA Payment as Aggrieved Employees cannot
14 opt out of this Agreement as it relates to the PAGA Payment or Released PAGA Claims.

15 7.5.2 *Objection Procedures:* Any Class Member who does not opt-out, but who wishes
16 to object to this Agreement or otherwise to be heard concerning this Agreement, may submit a written
17 objection to the Settlement Administrator, who will promptly provide copies of the objection to Class
18 Counsel and Defendant's Counsel. The Notice of Settlement shall make clear that the Court can only
19 approve or deny the Agreement, not change the terms of the Agreement. The written objection should (a)
20 state the Class Member's full name and date of birth; (b) provide evidence that the individual is, in fact, a
21 Class Member; (c) state the reasons for the objection(s), including any supporting documentation; (d)
22 identify the case name and number (*i.e. Lomeli v. KPB Immigration Law Firm PC*, Case No. 23CV001689);
23 (e) be signed; and (f) be post-marked no later than the conclusion of the Notice Period or the re-mailing
24 timeline stated in Section 7.4. Additionally, or in the alternative to sending a written objection to the
25 Settlement Administrator, any Class Member may appear at the final approval hearing to state their
26 objection.

1 7.5.3 *Dispute Procedures:* Any Class Member who disputes the number of Qualifying
2 Workweeks on the Notice of Settlement shall contact the Settlement Administrator. The dispute must (a)
3 identify the nature of the dispute; (b) provide any information or documentation supporting the dispute; (c)
4 be signed; and (d) be post-marked no later than the conclusion of the Notice Period or the re-mailing
5 timeline stated in Section 7.4. The Settlement Administrator shall promptly (in no event more than two
6 business days) forward all such disputes to Defendant's Counsel and request that Defendant review the
7 dispute. Defendant's records shall presumptively control unless the Class Member can produce
8 documentation evidencing other periods of employment worked. If Defendant agrees with submitted
9 information, the Class Member shall be credited or subtracted Qualifying Workweeks in accordance with
10 their submitted dispute and that final number of Qualified Workweeks shall govern the calculation of that
11 Class Member's Individual Settlement Amount. If Defendant disagrees with the submitted information,
12 Defendant's Counsel will promptly advise Class Counsel of the dispute, which includes turning over any
13 documentation submitted by the Class Member as part of the dispute. Defendant's Counsel and Class
14 Counsel shall attempt in good faith to resolve any such dispute within five (5) calendar days of Class
15 Counsel being advised of the dispute. Each dispute that Defendant's Counsel and Class Counsel cannot
16 timely resolve shall be resolved by the Settlement Administrator, subject to Court review.

17 7.5.4 *Deficient Opt-Outs, Objections, or Disputes:* In the event that a deficient opt-out,
18 objection, or dispute is received on or before the conclusion of the Notice Period, the Settlement
19 Administrator shall mail a letter to the Class Member within five (5) calendar days informing them of the
20 deficiency. If a deficiency letter is mailed to a Class Member, the deadline for the Class Member to cure
21 the deficiency shall be the end of the Notice Period or 10 calendar days from the date of the deficiency
22 letter, whichever is later.

23 7.6 Due Process Acknowledgement: Compliance with the procedures set forth in Sections 7.1
24 to 7.5.4 shall constitute due and sufficient notice to Class Members of the Action and the Agreement and
25 shall satisfy Class Members' due process rights. Nothing else shall be required of the Parties, Class
26 Counsel or Defendant's Counsel to provide notice of the proposed Agreement.

27 7.7 Settlement Administrator Declaration Regarding Notice Period: Within fourteen (14)
28 calendar days after the conclusion of the Notice Period, the Settlement Administrator shall provide Class

Counsel and Defendant's Counsel with a signed declaration under penalty of perjury providing a complete and detailed report regarding the statistics and responses of settlement administration to date and all the Settlement Administrators' obligations under Sections 5.8 to 5.9.3 and 7.1 to 7.5.4.

7.8 Settlement Administrator Payments to Participating Class Members, Class Counsel and Plaintiff: Within seven (7) calendar days after the Effective Date and the Court's determination of the amount of attorneys' fees and costs payable to Class Counsel, the Enhancement Payment payable to Plaintiff, the PAGA Payment, and Settlement Administrator Costs, the Settlement Administrator shall calculate the final Net Settlement Amount, the final Individual Settlement Amounts for Participating Class Members and/or Aggrieved Employees, any applicable taxes thereon, and report the results of these calculations Class Counsel and Defendant's Counsel. Defendant shall wire the Gross Settlement Amount and applicable taxes necessary to fund the Settlement as described in Section 5.1 to the Settlement Administrator within twenty-one (21) calendar days after the Effective Date to be to be held in trust in a QSF. Within seven (7) calendar days after Defendant fund the settlement, the Settlement Administrator shall deliver payment of Class Counsels' attorney's fees and costs, the Enhancement Payment payable to Plaintiff, the 75% portion of the PAGA Payment payable to the LWDA, Settlement Administrator Costs, and payment to Participating Class Members and/or Aggrieved Employees as required under this Agreement and approved by Court.

7.8.1 The Settlement Administrator shall wire the Court-approved attorneys' fees and costs to Class Counsel unless another method is requested by Class Counsel. Class Counsel shall provide the Settlement Administrator with the pertinent taxpayer identification number and payment instructions after the Final Approval Date.

7.8.2 The Settlement Administrator shall send a check by mail for the Court-approved Enhancement Payment to the Class Representative, care of Class Counsel unless another method is requested by Class Counsel.

7.8.3 Only Participating Class Members and Aggrieved Employees will receive their Individual Settlement Amount.

7.8.4 The Settlement Administrator shall remit and report the applicable portions of the payroll tax payment to the appropriate taxing authorities on a timely basis pursuant to its duties under this

Agreement. Defendant agrees to reasonably cooperate with the Settlement Administrator to the extent necessary to determine the amount of the payroll tax payment required.

7.9 Settlement Check Expiration and Uncashed Checks: The Settlement Administrator shall issue Individual Settlement Amounts to Participating Class Members and Aggrieved Employees in the form of a check, which shall become null and void if not deposited within one hundred eighty (180) calendar days of issuance. After one hundred eighty (180) calendar days of issuance, the checks shall be voided and funds from all uncashed checks shall be transmitted in accordance with Section 5.6. The Settlement Administrator shall deliver these funds within fourteen (14) calendar days after the check cashing deadline.

7.10 Settlement Administrator Declaration Regarding Compliance and Settlement Administration: Within twenty-one (21) calendar days after the last day for Participating Class Members and Aggrieved Employees to cash their settlement checks, the Settlement Administrator shall provide Class Counsel and Defendant's Counsel with a signed declaration under penalty of perjury providing a complete and detailed report regarding the settlement administration documenting that all payments under the Agreement have been made, that the Court's final approval order has been complied with, and that all the obligations of the Settlement Administrator have been completed.

8. PRELIMINARY SETTLEMENT ADMINISTRATION SCHEDULE

8.1 The schedule may be modified depending on whether and when the Court grants necessary approvals, orders notice to Class Members and Aggrieved Employees, and sets further hearings. The schedule may also be modified to correct clerical errors and to reflect the provisions in the Agreement as described above. In the event of such modification, the Parties shall cooperate to complete the settlement procedures as expeditiously as reasonably practicable. The preliminary schedule for notice, approval, and payment procedures carrying out the Agreement is as follows:

Last day for Defendant to provide Settlement Administrator with Class Member and Aggrieved Employee information	Within 21 calendar days after the Preliminary Approval Date
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Last day for Settlement Administrator to complete NCOA search, update Class Member and Aggrieved Employee mailing information, and mail Notice of Settlement	Within 14 calendar days after the Settlement Administrators' receipt of Class Members' information from Defendant
Last day for Class Members to opt-out, submit disputes, submit objections, and submit data requests	60 calendar days after mailing of Notice of Settlement or within 10 days after Notice of Settlement is re-mailed, whichever is later
Last day for Settlement Administrator to provide Parties with signed declaration reporting on settlement administration statistics	Within 14 calendar days after end of the Notice Period
Last day for Settlement Administrator to calculate the final Net Settlement Amount, the final Individual Settlement Amounts for Participating Class Members and/or Aggrieved Employees, any applicable taxes thereon, and report the results of these calculations to Class Counsel and Defendant's Counsel	Within 7 calendar days after the Effective Date
Last day for Defendant to fund settlement	Within 21 calendar days after the Effective Date
Last day for Settlement Administrator to deliver payment of Class Counsel's attorney's fees and costs, Enhancement Payments, PAGA Payment, Settlement Administrator Costs, payment to Participating Class Members, and payment to Aggrieved Employees	Within 7 calendar days after Defendant has funded the settlement
Last day for Participating Class Members and Aggrieved Employees to cash settlement checks	180 calendar days after issuance of checks to Participating Class Members and Aggrieved Employees
Last day for Settlement Administrator to deliver value of uncashed settlement checks to <i>cy pres</i> beneficiaries	Within 14 calendar days after settlement check cashing deadline
Last day for Settlement Administrator to provide Parties with compliance declaration	Within 21 calendar days after settlement check cashing deadline

1 **9. DUTIES OF THE PARTIES**

2 9.1 Preliminary Approval: The Parties will cooperate in obtaining, through an unopposed
3 motion to be filed as soon as reasonably practicable, an order from the Court preliminarily approving this
4 Agreement at the earliest possible date concurrently with the Court's certification of the Action as a class
5 action for settlement purposes. The Parties further agree to fully cooperate in the drafting and/or filing of
6 any further documents or filings reasonably necessary to be prepared or filed, shall take all steps that may
7 be requested by the Court relating to, or that are otherwise necessary to the approval and implementation
8 of this Agreement and shall otherwise use their respective best efforts to obtain certification for settlement
9 purposes, approval of, and implementation of this Agreement. The Parties will submit this Agreement to
10 the Court for preliminary approval of its terms and for approval of the steps to be taken to obtain its final
11 approval. Within one week of signing this Agreement Class Counsel shall provide a draft of the
12 Preliminary Approval Motion to Defendant's Counsel. Defendant's Counsel will provide comments and/or
13 proposed revisions within two weeks after receipt of the draft Preliminary Approval Motion from Class
14 Counsel. With regard to the final approval documents, a similar one-week maximum review and response
15 time shall be observed by the Parties. The Parties will request that the Court's preliminary approval of this
16 Agreement be embodied in an Order Granting Preliminary Approval of Class Action and PAGA
17 Settlement.

18 9.1.1 Plaintiff's motion shall seek an order: 1) Preliminarily approving the Agreement; 2)
19 Approving as to form and content the proposed Notice of Settlement; 3) Directing the mailing of the Notice
20 of Settlement by first class mail to Class Members and Aggrieved Employees; 4) Preliminarily appointing
21 Plaintiff and Class Counsel as representatives of Class Members; 5) Preliminarily approving settlement
22 administration services to be provided by the Settlement Administrator; 6) Preliminarily approving the
23 proposed Enhancement Payment to Plaintiff; 7) Preliminarily approving the application for payment of
24 reasonable attorneys' fees and reimbursement of litigation-related expenses to Class Counsel; and 8)
25 Scheduling a fairness hearing on the question of whether the proposed Agreement should be finally
26 approved as fair, reasonable and adequate as to the Class Members.

27 9.1.2 Defendant shall not oppose Plaintiff's motion for approval of the proposed
28 Agreement.

1 9.1.3 The Parties shall cooperate with each other and the Settlement Administrator during
2 the process of giving Class Members notice and opportunity to object to the Agreement, as necessary and
3 appropriate to assure effective communication to individual Class Members of information about their
4 rights and obligations under this Agreement. This shall include Class Counsel providing Defense Counsel
5 with drafts of the Motion for Preliminary Approval, proposed Preliminary Approval Order, Motion for
6 Final Approval and proposed Final Approval Order and/or Judgment for review and comment within a
7 reasonable time before the aforementioned documents are filed or submitted to the Court. Class Counsel
8 and Defense Counsel will meet and confer regarding any proposed revisions to the foregoing documents
9 in advance of the documents being submitted to the Court.

10 9.2 Final Approval and Fairness Hearing: On a date approved by the Court and set forth in the
11 Notice of Settlement, the Court shall hold the Final Approval and Fairness Hearing where objections, if
12 any, may be heard. Class Counsel shall provide the Court as part of the motion for final approval of the
13 Agreement, a declaration by the Settlement Administrator of due diligence and proof of mailing of the
14 Notice of Settlement required to be mailed to Class Members by this Agreement, and of the delivery results
15 of the Settlement Administrator's mailings including tracing and re-mailing efforts. The Settlement
16 Administrator declaration shall identify, by name, any Class Member who submitted a timely and valid
17 request to opt out during the Notice Period.

18 9.2.1 Class Counsel and Defendant shall work in good faith to draft a mutually agreeable
19 Proposed Order Granting Final Approval of Class Action and PAGA Settlement and Final Judgment. The
20 Proposed Order Granting Final Approval of Class Action and PAGA Settlement and Final Judgment shall
21 include findings and orders: 1) Approving the Agreement, adjudging the terms thereof to be fair, reasonable
22 and adequate, and directing that its terms and provisions be carried out; 2) Approving the payment of an
23 Enhancement Payment to the Class Representative; 3) Approving Class Counsel's application for an award
24 of attorneys' fees and reimbursement of out-of-pocket litigation expenses; 4) Approving the Settlement
25 Administrator Costs; and 5) Providing that the Court will retain jurisdiction to oversee administration and
26 enforcement of the terms of the Agreement and the Court's orders.

27 9.2.2 Following entry of the Court's order granting final approval of the Agreement, the
28 Parties will each act to ensure the fulfillment of all its provisions, including but not limited to the following:

1) Should an appeal be taken from the final approval of the Agreement or motion to set aside the judgement be filed, the Parties will support the final approval order on appeal or otherwise; 2) Class Counsel will assist the Settlement Administrator as needed or requested in the process of identifying and locating Participating Class Members and Aggrieved Employees entitled to payments under the Agreement and assuring delivery of such payments; 3) Class Counsel and Defendant's Counsel will cooperate with each other and assist the Settlement Administrator as needed or requested in completing the distribution of any residual amounts, as specified above, to the *cy pres* beneficiaries; 4) Class Counsel, in conjunction with the Settlement Administrator, will certify to the Court completion of all payments required to be made by this Agreement.

9.3 Final Judgment: If the Court approves this Agreement at the final approval and fairness hearing, the Parties will request that the Court enter an Order Granting Final Approval of Class Action and PAGA Settlement and Final Judgment.

9.4 Notice to LWDA: Plaintiff will provide notice to the Labor and Workforce Development Agency ("LWDA") of this settlement in accordance with Labor Code § 2699(1)(2).

10. MISCELLANEOUS TERMS

10.1 Defendant's Right to Withdraw Based on Opt-Outs: If, prior to the Final Approval Date, 10% or more of the Class Members have submitted proper and timely requests to opt-out in accordance with the provisions of the Agreement, Defendant may rescind the Agreement and all actions taken in its furtherance will be thereby null and void. Defendant must exercise this right of rescission, in writing, to Class Counsel, within ten (10) calendar days after the Settlement Administrator notifies the Parties of the total number of opt-outs. If the option to rescind is exercised, then Defendant shall be relieved of any obligation to pay the Gross Settlement Amount or any other obligations from the Settlement. If Defendant exercises this option, Defendant shall be solely responsible for Settlement Administrator Costs up to the date Defendant exercises its option. Defendant has represented that there are no more than 7,907 workweeks between May 15, 2019, to June 12, 2024. In the event the number of workweeks during this period is more than 8,697.7 (*i.e.*, greater than 10% more than 7,907), then the Gross Settlement Amount shall be increased proportionally by the workweeks in excess of 7,907, multiplied by the workweek value. For example, if there were 11,900 workweeks represented to exist during the period between May

1 15, 2019, to June 12, 2024, but there are actually 15,000 workweeks in this period, and the actual
2 workweek value is \$5.00 per workweek, Defendant would have to increase the Gross Settlement Amount
3 by \$15,500.00 (15,000 workweeks – 11,900 workweeks = 3,100 workweeks x \$5.00/workweek).

4 10.2 Circular 230 Disclaimer: EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF
5 THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS AGREEMENT
6 OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND
7 AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN
8 COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR
9 ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH
10 COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON
11 AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT
12 CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS
13 RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX
14 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS
15 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE
16 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY
17 OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR
18 DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX
19 PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO
20 ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT
21 PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX
22 STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
23 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
24 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY
25 THIS AGREEMENT.

26 10.3 No Prior Assignments: The Parties represent, covenant, and warrant that they have not
27 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to
28

any person or entity any portion of any liability, claim, demand, action, cause of action or right released and discharged in this Agreement.

10.4 Waiver of Appeal and Ability to Opt Out: To the extent permitted by applicable law, by signing this Agreement Defendant is waiving any rights to appeal from the Court's approval of the settlement unless the Court materially modifies the settlement. Furthermore, by signing this Agreement Plaintiff is waiving any right or ability to opt out of this Agreement during the Notice Period or otherwise.

10.5 Exhibits Incorporated by Reference: The terms of this Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth in this Agreement. Any Exhibits to this Agreement are an integral part of the Settlement.

10.6 Judgment and Retention of Jurisdiction to Enforce: Upon the Effective Date, judgment will be entered according to this Agreement. The Parties stipulate and agree that the Sacramento County Superior Court shall have continuing jurisdiction to enforce the terms of the Agreement pursuant to Civil Procedure Code section 664.6 and that the prevailing party any action necessary to enforce the terms of the Agreement after default by the other party may recover reasonable attorney's fees and costs related thereto.

10.7 Mutual Cooperation: The Parties agree to cooperate fully with one another to accomplish and implement the terms of this Agreement. Such cooperation shall include, but not be limited to, execution of such other documents and the taking of such other action as may reasonably be necessary to fulfill the terms of this Agreement. The Parties to this Agreement shall use their best efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by Court order, or otherwise, to effectuate this Agreement and the terms set forth herein.

10.8 No Admission of Liability: Neither the acceptance nor the performance by Defendant of the terms of this Agreement, nor any of the related negotiations or proceedings, is or shall be claimed to be, construed as, or deemed to be, an admission by Defendant of the truth of any of the allegations in the Complaint, the representative character of the Action, the validity of any of the claims that were or could have been asserted by Plaintiff and/or Class Members in the Action, or of any liability or guilt of Defendant in the Action. Nothing in this Agreement shall be construed to be or deemed an admission by Defendant of any liability, culpability, negligence, or wrongdoing toward Plaintiff, the Class Members, or any other person, and Defendant specifically disclaim any liability, culpability, negligence, or wrongdoing toward

1 Plaintiff, the Class Members, or any other person. Each of the Parties has entered into this Stipulation with
2 the intention to avoid further disputes and litigation.

3 10.9 Notices: Unless otherwise specifically provided herein, all notices, demands, or other
4 communications given hereunder shall be in writing and shall be deemed to have been duly given as of the
5 third business day after mailing by United States certified mail, return receipt requested, addressed as
6 follows:

7 To Plaintiff and the Class:

8 Galen T. Shimoda, Justin P. Rodriguez and Renald Konini
9 Shimoda & Rodriguez Law, PC
10 9401 East Stockton Blvd., Suite 120
11 Elk Grove, CA 95624

12 To Defendant:

13 Jamie N. Stein
14 Chancellor D. Nobles
15 LightGabler LLP
16 760 Paseo Camarillo, Suite 300
17 Camarillo, CA 93010

18 10.10 Mutual Drafting of Agreement: The Parties hereto agree that the terms and conditions of
19 this Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that
20 this Agreement shall not be construed in favor of or against any party by reason of the extent to which any
21 party or its counsel participated in the drafting of this Agreement.

22 10.11 Attorneys' Fees and Costs Limitations: Neither Class Counsel nor any other attorneys
23 acting for, or purporting to act for, the Class, Class Members, or Plaintiff, may recover or seek to recover
24 any amounts for fees, costs, or disbursements from the Releasees or the Gross Settlement Amount except
25 as expressly provided in this Agreement.

26 10.12 No Modifications: This Agreement may be amended or modified only by a written
27 instrument signed by counsel for all Parties or their successors-in-interest. This Agreement may not be
28 discharged except by performance in accordance with its terms.

10.13 Authorization to Enter Into Settlement Agreement: Counsel for all Parties warrant and
represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement and
to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement

1 to effectuate its terms and to execute any other documents required to effectuate the terms of this
2 Agreement.

3 10.14 Class Member Signatories: Because the Action has not yet been certified, and the Class
4 Members are so numerous, the Parties agree that it is impossible or impractical to have each Class Member
5 sign this Agreement. It is agreed that, for purposes of seeking approval of the Agreement, this Agreement
6 may be executed on behalf of all Class Members by the Class Representative.

7 10.15 Counterparts: This Agreement shall become effective upon its execution by all of the
8 undersigned. Plaintiff, Class Counsel, Defendant and Defendant's Counsel may execute this Agreement
9 in counterparts, and execution of counterparts shall have the same force and effect as if each had signed
10 the same instrument. Facsimile, electronic, and/or scanned copies of signatures shall have the same force
11 and effect of originals.

12 10.16 Choice of Law: The Agreement and any exhibits hereto shall be considered to have been
13 negotiated, executed, and delivered, and to have been wholly performed, in the State of California, and the
14 rights and obligations of the Parties to the Agreement shall be construed and enforced in accordance with,
15 and governed by, the substantive laws of the State of California without giving effect to that State's choice
16 of law principles.

17 10.17 Headings and Captions: Section titles or captions contained in the Agreement are inserted
18 as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of
19 this Agreement, or any provision thereof.

20 10.18 Publicity: Plaintiff and Class Counsel agree that they will not issue any press releases,
21 initiate any contact with the press, respond to any press inquiry, post any new material on any internet
22 websites, or have any communication with the press about the Lawsuit, and/or the fact, amount, or terms
23 of the Settlement. Plaintiff and Class Counsel will not initiate any contact with the Class Members or
24 anyone else about the Settlement, except as necessary to effectuate the Settlement and notice to Class
25 Members. Plaintiff, if contacted by a Settlement Class Member or Aggrieved Employee, may respond only
26 that the Settlement Class Member or Aggrieved Employee should contact Class Counsel. Nothing in this
27 paragraph shall prevent Class Counsel and Plaintiff from undertaking all required submissions to the
28 LWDA as required by the PAGA statute in connection with this Settlement. Class Counsel and Plaintiff

1 will also provide Defendant's Counsel with a copy of the papers submitted to the LWDA, either prior to or
2 on the same day as the submission to the LWDA.

3 10.19 No Retaliation or Discouragement: The Parties agree they will take no action that could be
4 construed as retaliation against any Class Members for participating or seeking to participate in this class
5 action settlement. The Parties will not discourage any class member from participating or seeking to
6 participate in this class action settlement. This is a material term of the Agreement and non-breaching
7 Parties will seek court intervention if this provision is breached.

8 10.20 Integrated Agreement: This Agreement sets forth the entire understanding between the
9 Parties and supersedes any and all prior agreements, oral or written, pertaining to the subject matter hereof.
10 Each party acknowledges that there is no representation, inducement, promise or agreement which has been
11 made, orally or otherwise, by the other party, concerning the terms or conditions of this Agreement, which
12 is not expressly embodied in this Agreement. In entering into this Agreement, the Parties represent that the
13 terms of this Agreement are fully understood and voluntarily accepted by the Parties.

14 10.21 Binding on Successors and Assigns: This Agreement will be binding upon, and inure to the
15 benefit of, the successors or assigns of the Parties to this Agreement, as previously defined.

16 10.22 Invalidity of Any Provision: Before declaring any provision of this Agreement invalid, the
17 Court will first attempt to construe the provision as valid to the fullest extent possible consistent with
18 applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

19 10.23 Waiver of Compliance: No waiver of any condition or covenant contained in this
20 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply
21 or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

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

For Plaintiff:

Date: 10/02/2024

Cecilia Lomeli
Cecilia Lomeli (Oct 2, 2024 09:08 PDT)

FOR Defendant:

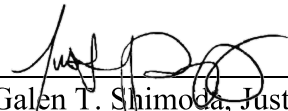
Date: _____

By: _____
For KPB Immigration Law Firm PC

APPROVED AS TO FORM

Shimoda & Rodriguez Law, PC

Dated: 10-02-2024

By: 
Galen T. Shimoda, Justin P. Rodriguez and
Renald Konini
Attorney for Plaintiff and Aggrieved
Employees

APPROVED AS TO FORM

LIGHTGABLER LLP

Dated: _____

By: _____
Jamie N. Stein
Chancellor D. Nobles
Attorney for Defendant

For Plaintiff:

Date: 10/02/2024

Cecilia Lomeli

Cecilia Lomeli (Oct 2, 2024 09:08 PDT)

FOR Defendant:

Date: 10/04/2024

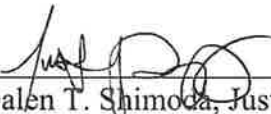


By: **Wilson Purves, Principal Attorney**
For KPB Immigration Law Firm PC

APPROVED AS TO FORM

Shimoda & Rodriguez Law, PC

Dated: 10-02-2024

By: 
Galen T. Shimoda, Justin P. Rodriguez and
Renald Konini
Attorney for Plaintiff and Aggrieved
Employees

APPROVED AS TO FORM

LIGHTGABLER LLP

Dated: 10/17/2024

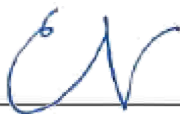
By: 
Jamie N. Stein
Chancellor D. Nobles
Attorney for Defendant

Exhibit 1

CALIFORNIA SUPERIOR COURT
FOR THE COUNTY OF SACRAMENTO

CECILIA LOMELI, individually and on behalf of all other
similarly situated employees,

Plaintiff,

vs.

KPB IMMIGRATION LAW FIRM PC, a California
Corporation; and DOES 1 to 100, inclusive,

Defendant.

Case No. 23CV001689

**NOTICE OF PROPOSED CLASS ACTION AND
PAGA SETTLEMENT, AND HEARING DATE FOR
FINAL COURT APPROVAL OF SETTLEMENT**

ATTENTION: All employees who have worked, or continue to work, for Defendant and/or its predecessor entity in California as non-exempt employees, including without limitation any employees working as a legal assistant and/or case manager (whether classified as exempt or non-exempt) from May 15, 2019, up to [REDACTED] (the “Class Members”).

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF CLASS ACTION LITIGATION AND POTENTIAL DISBURSEMENT OF SETTLEMENT FUNDS TO YOU. IF YOU ARE A CLASS MEMBER, IT CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHT TO PARTICIPATE IN OR OPT OUT OF THE SETTLEMENT ACCORDING TO THE PROCEDURES DESCRIBED BELOW.

You are receiving this notice pursuant to an order from the Sacramento County Superior Court (“Court”) granting Plaintiff’s motion for preliminary approval of a Joint Stipulation Regarding Class Action and PAGA Settlement and Release (“Agreement” or “Settlement”) as fair, reasonable, and adequate. The Settlement was entered into between Plaintiff Cecilia Lomeli (“Plaintiff” or “Class Representative”), and Defendant KPB Immigration Law Firm PC (“Defendant”) on behalf of Class Members as defined above. The terms of the Settlement are outlined herein. You are receiving this notice because Defendant’s records indicate you fall within the definition of “Class Member.” Defendant’s records also indicate that you worked [REDACTED] weeks during the applicable Class Period (as defined below), which means your total share of the settlement proceeds is estimated to be [REDACTED]. Your actual share of the settlement proceeds will vary depending on the total number of Class Members that participate and the total number of workweeks, should that change, as described in this notice.

The terms of the Agreement and a description of the case are identified in this notice. Pursuant to the Court’s order, YOU ARE HEREBY FURTHER NOTIFIED AS FOLLOWS:

I. BACKGROUND OF THE CASE

On May 15, 2023, Plaintiff filed a Complaint against Defendant in the Sacramento County Superior Court of California on behalf of herself and Class Members. The term “Action” means this putative class action pending in Sacramento County Superior Court, Case No. 23CV001689. The Class Period is from May 15, 2019, up to [REDACTED] (the “Class Period”).

In the Action, Plaintiff sought to obtain unpaid wages, interest, statutory penalties, civil penalties, fees, and costs on behalf of herself, Class Members, and Aggrieved Employees. Plaintiff alleged that Defendant violated California law by 1) failing to pay overtime wages, 2) failing to pay minimum wages, 3) failing to provide meal periods or pay premiums in lieu thereof, 4) failing to provide rest periods or pay premiums in lieu thereof, 5) failing to provide accurate wage statements, 6) failing to pay final wages, 7) failing to pay reimbursement for expenses, and 8) failing to maintain accurate records. Plaintiff has also alleged that Defendant engaged in unfair competition and violated the Private Attorneys General Act (“PAGA”) based on these alleged violations.

Defendant denied all of Plaintiff’s allegations, and maintained that it paid all Class Members and Aggrieved Employees properly at all times. The Action has been actively litigated. There have been on-going investigations, and there has been an exchange of extensive documentation and information. Furthermore, the Parties have participated in a full day mediation facilitated by a neutral third party. Based upon the negotiations, and all known facts and circumstances, including the various risks and uncertainties related to legal actions and the time and costs to litigate, the Parties reached a class-wide settlement. By settling, the Parties will avoid the risks associated with a lengthy litigation process. Despite agreeing to and supporting the Agreement, Defendant continues to deny all

allegations and claims, and maintain it paid and pays its former and current employees in compliance with California law. Defendant has entered into this Settlement to fully, finally, and forever resolve this Action, based on the terms set forth in the Agreement, in order to avoid the burden and expense associated with ongoing litigation.

The Agreement applies to any and all Class Members, as defined above. The Agreement also applies to Aggrieved Employees, which are defined as all employees who have worked, or continue to work, for Defendant and/or its predecessor entity in California as non-exempt employees, including any employees working as a legal assistant and/or case manager (whether classified as exempt or non-exempt), from May 12, 2022, up to [REDACTED]. If you are a Class Member, you have the opportunity to participate in the Settlement and receive compensation, or to exclude yourself ("opt out") from the Settlement. This notice is to advise Class Members of how they can either participate in the Settlement and receive their compensation, or be excluded from the Settlement. As set forth below, Aggrieved Employees cannot opt out of this Agreement as it relates to the PAGA Payment or Released PAGA Claims regardless of whether they opt out of being a Class Member. Aggrieved Employees will receive their share of the PAGA Payment regardless of whether they opt out of being a Class Member.

II. SUMMARY OF THE PROPOSED SETTLEMENT

A. The Amount of the Settlement

Under the terms of the Agreement, Defendant has agreed to pay a total sum of One Hundred Seventy-Seven Thousand and Five Hundred Dollars (\$177,500) ("Gross Settlement Amount"). Deducted from this Gross Settlement Amount will be sums approved by the Court for attorney's fees not to exceed 35% of the Gross Settlement Amount, attorney's costs not to exceed \$10,000, Settlement Administrator Costs not to exceed \$8,500, an Enhancement Payment to the Class Representative of \$10,000, and \$20,000 for alleged PAGA penalties (the "PAGA Payment"), which will result in a "Net Settlement Amount" for distribution to all Class Members. Any employer side taxes attributable to payments allocated as wages will be paid by Defendant in addition to the Gross Settlement Amount. As explained further below, the amount of each Class Member's share of the Net Settlement Amount will depend on the number of weeks worked by participating Class Members during the Class Period. Of the \$20,000 allocated to resolving the PAGA claims, 75% of the PAGA Payment will be paid to the State of California Labor and Workforce Development Agency and 25% of the PAGA Payment will be divided among Aggrieved Employees.

The number of weeks you worked during the Class Period and your estimated total share of the Net Settlement Amount and PAGA Payment ("Individual Settlement Amount") is stated on the first page of this notice. The actual amount received may be more or less than the amount stated, depending on whether the actual number of weeks worked by Participating Class Members (i.e., those who do not opt out of the Settlement), should that change, and on the distributions finally approved and allocated by the Court. However, whether Class Members opt out will have no effect on Aggrieved Employees' allocations for the PAGA claim.

B. Individual Settlement Amounts and Allocation Between Class Members and Aggrieved Employees

Defendant will pay Individual Settlement Amounts through the Settlement Administrator, as described below, to each Participating Class Member and to Aggrieved Employees. All Individual Settlement Amounts will be subject to appropriate taxation. The Parties have agreed, based on the allegations in the Action that the amount payable to eligible Class Members from the Net Settlement Amount will be allocated and paid as 2/3 for disputed interest, statutory penalties, and other non-wage damages for which an IRS Forms 1099-MISC and 1099-INT will issue and 1/3 for disputed wages for which IRS Forms W-2 will issue. The PAGA Payment to Aggrieved employees will be paid as 100% for civil penalties.

Payment to Participating Class Members and Aggrieved Employees will not require the Class Members to submit a claim form. Each Participating Class Member's share will be determined by dividing their total weeks worked within the Class Period by the total weeks worked by all Participating Class Members within the Class Period. That fraction will then be multiplied by the Net Settlement Amount to arrive at the Class Member's individual share of the Net Settlement Amount. Each Aggrieved Employee's share of the 25% portion of the PAGA Payment will be determined by dividing their total weeks worked within the PAGA Claim Period by the total weeks worked by all Aggrieved Employees within the PAGA Claim Period. That fraction will then be multiplied by the 25% portion of the PAGA Payment to arrive at the Aggrieved Employee's individual share. The PAGA Claim Period is defined as from May 12, 2022, up to [REDACTED]. Defendant's records indicate that you worked [REDACTED] weeks during the applicable PAGA Claim Period, which means your share of the PAGA Payment is estimated to be [REDACTED]. This amount is included in your estimated Individual Settlement Amount stated on the first page of this notice, not in addition to it. You will still receive your share of the PAGA Payment even if you opt out of being a Class Member. Receipt of the Individual Settlement Amounts will not entitle any Class Member or Aggrieved Employee to additional compensation or benefits under any compensation, retirement or benefit plan or agreement in place during the period covered

by the Settlement.

C. Calculations to Be Based on Defendant's Records and Resolution of any Workweek Disputes

For each Class Member, the amount payable will be calculated by the Settlement Administrator from Defendant's records. Defendant's records will be presumed correct unless evidence to the contrary is provided to the Settlement Administrator and determined to be accurate after investigation of this evidence. Defendant's records and any additional evidence will be reviewed by the Settlement Administrator in the event of a dispute about the number of workweeks worked by an individual Class Member. If a Class Member disputes the accuracy of Defendant's records, all supporting documents evidencing additional workweeks must be submitted by the Class Member. The dispute must (a) identify the nature of the dispute; (b) provide any information or documentation supporting the dispute; (c) be signed; and (d) be post-marked no later than [redacted]. The dispute will be resolved by the Settlement Administrator based on the records and evidence provided.

D. Release of Claims

For those Class Members who do not opt out, and Aggrieved Employees, the Agreement contains the following releases:

Class members who do not opt out will be deemed to have released [1.29 text].

Aggrieved Employees will be deemed to have released [1.30 text].

The individuals released ("Released Parties") include [1.31 text].

III. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER

A. Participating in the Settlement as a Class Member

If you wish to be a Participating Class Member and do not dispute the calculation of your workweek information a, **you do not need to take any further action.** Payment will be automatically made to you consistent with the terms of the Agreement and Court Order. If you believe your workweek calculation is inaccurate and you wish to dispute the workweek calculation, you may follow the procedures outlined in Section II.C above. California law protects Class Members from retaliation based on their decision to participate in the Settlement.

B. Excluding Yourself from the Settlement as a Class Member

The Court will exclude you from being a Class Member if you request this by [redacted]. If you do not wish to be bound by the Settlement as a Class Member and receive payment equal to your share of the Net Settlement Amount payment, you may request to be excluded (i.e., "opt out") by submitting a timely written request to the Settlement Administrator. The request to opt-out must (a) state your full name and date of birth; (b) a statement that you do not want to be a Class Member, do not want to participate in the Settlement, and/or wants to be excluded from this Settlement; (c) identify the case name and number (i.e. *Lomeli v. KPB Immigration Law Firm PC*, 23CV001689); (d) be signed; and (e) be post-marked no later than [redacted]. The request to opt out must be mailed by First Class U.S. Mail, or the equivalent, to:

[admin info]

If you submit a request to opt out which is not postmarked by [redacted], your request to opt out will be rejected, and you will be bound by the release and all other terms of the Agreement. Do not use a postage meter as that may not result in a postmark appearing on the envelope containing your request to opt out. Any Class Member who submits a complete and timely request to opt out shall, upon receipt by the Settlement Administrator, no longer be a Class Member and not receive their share of the Net Settlement Amount. Aggrieved Employees cannot opt out of this Agreement and will receive their share of the PAGA Payment regardless of whether they opt out of being a Class Member.

C. Objection to Settlement

If you do not opt out of the Settlement, you can object to the terms of the Settlement. However, if the Court rejects your objection,

you will still be bound by the terms of the Settlement. You can ask the Court to deny approval by submitting an objection. You cannot ask the Court to order a larger settlement; the Court can only approve or deny the settlement as to all Class Members. If the Court denies approval, no settlement payments will be sent out to any Class Members and the lawsuit will continue. You may submit a written objection, which should (a) state your full name and date of birth; (b) provide evidence that you are, in fact, a Class Member; (c) state the reasons for the objection(s), including supporting documentation; (d) identify the case name and number (*i.e. Lomeli v. KPB Immigration Law Firm PC*, 23CV001689); (e) be signed; and (f) be post-marked no later than [REDACTED]. Written objections must be sent to the Settlement Administrator at the address identified in Section III.B.

Additionally, or in the alternative to sending a written objection to the Settlement Administrator, you may appear at the final approval hearing to state your objection. Any Class Member who does not request exclusion may, if the Class Member so desires, enter an appearance through an attorney. If you appear through your own attorney, you are responsible for paying that attorney.

IV. EFFECT OF THE SETTLEMENT: RELEASED RIGHTS AND CLAIMS

If the Court grants final approval of the Settlement, the Court will make and enter judgment consistent therewith. A notice of entry of judgment will be filed with the Court and available online at <https://prod-portal-sacramento-ca.journaltech.com/public-portal/>. The judgment, whether favorable or not, will bind all Class Members who do not request exclusion. After final approval, each and every Class Member who does not opt out of the Settlement and Aggrieved Employee, will release Defendant and the Released Parties from the Released Class Claims and the Released PAGA Claims described above. In other words, if you were employed as a Class Member by Defendant in California during the Class Period, and you do not exclude yourself from the Settlement, you will be deemed to have entered into these releases and to have released the above-described claims. In addition, you will be barred from ever suing Defendant and the Released Parties with respect to the claims covered by this Settlement. If the Settlement is not approved by the Court or does not become final for some other reason, the litigation will continue.

V. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a hearing in Department 22, 720 9th Street, Sacramento, California 95814, on [REDACTED] at 9:00 a.m. ____, to determine whether the Agreement should be finally approved as fair, reasonable and adequate. To join by Zoom: <https://saccourt-ca.gov.zoomgov.com/my/sscdept22>. To join by phone: (833) 568-8864 / ID 16184738886. The Court will also be asked to approve Class Counsel's request for attorneys' fees and costs, the Settlement Administrator Costs, and the Class Representative's Enhancement Payment. The hearing may be continued without further notice. It is not necessary for you to appear at this hearing.

VI. ADDITIONAL INFORMATION

You may access the Complaint, Class Counsel's motion for preliminary approval, the Agreement, and any other documents required by the Court at <https://prod-portal-sacramento-ca.journaltech.com/public-portal/>. You can also contact Class Counsel or Defendant's Counsel as follows:

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On behalf of Plaintiff

Jamie N. Stein
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Telephone: (805) 248-7208
Facsimile: (805) 248-7209
On behalf of Defendant

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS. IF YOU HAVE ANY QUESTIONS, CALL [number]
BY ORDER OF THE COURT