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18 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
19 **FOR THE COUNTY OF ALAMEDA**

20 MICHAEL EVANS, as an individual and on
21 behalf of others similarly situated,

22 Plaintiff,

23 v.

24 TLG SECURITY, an unknown business entity;
25 TLG, INC., a California corporation; THE
26 LANCASHIRE GROUP, INC., a California
27 corporation; and DOES 1 through 100,
28 inclusive,

Defendants.

CASE NO.: 23CV039533

[Hon. Somnath Raj Chatterjee, Dept. 21]

**JOINT STIPULATION RE: CLASS AND
REPRESENTATIVE ACTION
SETTLEMENT**

Complaint filed: July 27, 2023
Trial date: None set

1 This Joint Stipulation Re: Class and Representative Action Settlement (“Settlement” or
2 “Settlement Agreement”) is made and entered into between Plaintiff Michael Evans (“Plaintiff”) on
3 the one hand, and Defendant The Lancashire Group, Inc. (“Defendant”) on the other hand
4 (collectively, the “Parties”).

5 **1. DEFINITIONS.**

6 The following terms, when used in Settlement, have the following meanings:

7 **A.** “Action” or “Instant Action” means the civil action titled *Michael Evans v. TLG*
8 *Security, et al.*, filed in the Superior Court for the State of California, County of Alameda, Case No.
9 BC699625.

10 **B.** “Aggrieved Employees” means any and all person who have been employed by
11 Defendant as hourly, non-exempt employees in California at any time during the PAGA Period.

12 **C.** “Agreement,” “Settlement,” “Settlement Agreement,” or “Stipulation” means this
13 Stipulation and Settlement of the Action.

14 **D.** “Class Member” or “Settlement Class” means any and all persons who have been
15 employed by Defendant as hourly, non-exempt employees in California at any time during the Class
16 Period.¹

17 **E.** “Class Counsel” means Peter M. Hart of the Law Offices of Peter M. Hart.

18 **F.** “Class Notice” means the Notice of Class Action Settlement substantially in the form
19 attached as **Exhibit 1** hereto, and approved by the Court.

20 **G.** “Class Period” means July 27, 2019 through December 6, 2024.

21 **H.** “Class Representative” means Plaintiff, Michael Evans.

22 **I.** “Complaint” means the operative complaint, which is the First Amended Class and
23 Representative Action Complaint that will be filed in the Action (as detailed at Paragraph 2.F).

24 **J.** “Court” means the California Superior Court for the County of Alameda.
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27 ¹ The Settlement Class is estimated to consist of 145 persons, who worked approximately 38,800 shifts during the Class
28 Period. If the actual number of Shifts worked by the Settlement Class increases by more than 10% of 38,800, the Gross
Settlement Amount shall increase proportionally by the number of Shifts worked in excess of 42,680 as detailed in
Paragraph 12 herein.

1 **K.** “Defendant” means Defendant The Lancashire Group, Inc.

2 **L.** “Defense Counsel” means Karin M. Cogbill of Jackson Lewis, P.C.

3 **M.** “Effective Date” means the latest of the following: (i) sixty (60) calendar days
4 following the date the Court enters the Final Approval Order and Judgment; or (ii) if an appeal is taken
5 from the Final Approval Order and Judgment, then the date of final resolution of that appeal
6 (including any requests for rehearing and/or petitions for *certiorari*), resulting in final and complete
7 judicial approval of the Settlement in its entirety, with no further challenge to the Settlement being
8 possible.

9 **N.** “Final Approval Hearing” means the hearing set by the Court to (a) review the
10 Settlement and determine whether the Court should give final approval to this Settlement, (b) consider
11 any timely objections made pursuant to this Settlement, and all responses by the Parties, (c) consider
12 the request for Class Counsel’s Fee and Costs Award, (d) consider the Settlement Administrator’s
13 costs, and (e) consider the Class Representative’s application for a Class Representative’s Service
14 Payment.

15 **O.** “Final Judgment” shall mean the Order Granting Final Approval of the Settlement and
16 Judgment entered by the Court.

17 **P.** “Fee and Costs Award” shall mean Class Counsel’s attorneys’ fees and actual costs for
18 litigation and resolution of this Action, which shall be awarded by the Court upon Class Counsel’s
19 motion/application for attorneys’ fees and costs, and which shall be paid from the Gross Settlement
20 Amount.

21 **Q.** “Individual PAGA Payment” means an individual Aggrieved Employee’s potential
22 allocation of the Aggrieved Employees’ 35% share of the PAGA Payment, as described in Paragraph
23 1.U.

24 **R.** “Individual Settlement Payment” means an individual Class Member’s potential
25 allocation of the Net Settlement Amount based on the number of Shifts worked during the Class
26 Period.
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1 **S.** “Gross Settlement Amount” or “GSA” refers to the maximum total payment Defendant
2 shall be obligated to make in the amount of One Hundred Sixty-Seven Thousand Five Hundred
3 Dollars (\$167,500.00), unless the same is escalated pursuant to Paragraph 12 of this Agreement. The
4 following payments shall be made from the GSA: (a) Class Counsel’s attorney fees not to exceed 30%
5 of the GSA, or \$50,250.00, (b) Class Counsel’s actual litigation costs submitted for proof, (c)
6 reasonable Settlement Administration costs, estimated not to exceed \$5,000.00, (d) a Service Payment
7 to the Class Representative in the amount of \$7,500.00, and (e) the PAGA Payment of \$20,000, of
8 which 65% (or \$13,000.00) shall be paid to the Labor Workforce Development Agency and 35% (or
9 \$7,000.00) shall be paid to Aggrieved Employees, based on a *pro rata* share of Pay Periods worked
10 during the PAGA Period. Defendant’s share of any employer-payroll taxes attributed to Individual
11 Settlement Payments shall be paid separately and in addition to the Gross Settlement Amount, and
12 shall be determined by the Settlement Administrator.

13 **T.** “Net Settlement Amount” is the remainder of the Gross Settlement Amount after
14 deduction of Class Counsel’s court-approved attorneys’ fees and costs, the Settlement Administration
15 Costs, the PAGA Payment of \$20,000.00 (with 65% distributed to the Labor Workforce Development
16 Agency and 35% distributed to Aggrieved Employees), and the Class Representative’s Service
17 Payment. The Net Settlement Amount (less applicable withholdings attributed to the portion of
18 Individual Payment Amounts designated as wages) will be distributed to Settlement Class Members.

19 **U.** “PAGA Payment” shall mean the \$20,000 the Parties have allocated for payment of
20 PAGA penalties, of which 65% (or \$13,000.00) shall be paid to the Labor Workforce Development
21 Agency and 35% (or \$7,000.00) shall be paid to Aggrieved Employees, based on a *pro rata* share of
22 Pay Periods worked during the PAGA Period.

23 **V.** “PAGA Period” means July 19, 2022 through December 6, 2024.

24 **W.** “Pay Period” means the number of actual pay periods that an Aggrieved Employee
25 worked for Defendant in a hourly, non-exempt position during the PAGA Period in California, based
26 on hire dates, re-hire dates (as applicable) and termination dates (as applicable).
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1 **X.** “PAGA Released Claims” means all claims, rights, demands, damages, liabilities and
2 causes of action under PAGA, whether known or unknown, contingent or vested, arising at any time
3 during the PAGA Period alleged in the PAGA Notice or that could have been alleged based on the
4 facts stated therein.

5 **Y.** “Plaintiff” means Michael Evans.

6 **Z.** “Plaintiff’s Released Claims” means all claims, obligations, demands, actions, rights,
7 causes of action, and liabilities against the Released Parties (as defined in Paragraph 1.DD), whether in
8 law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance,
9 regulation, common law, or other source of law, whether known or unknown, and whether anticipated
10 or unanticipated, including unknown claims covered by Civil Code § 1542 by Plaintiff, arising during
11 Plaintiff’s employment with Defendant and through the date of this Agreement, for any type of relief,
12 including, without limitation, claims for wages, damages, unpaid costs, penalties (including civil and
13 waiting time penalties), liquidated damages, punitive damages, interest, attorneys’ fees, litigation
14 costs, restitution, or equitable relief with the sole exception of any claims which cannot be released as
15 a matter of law. Plaintiff’s Released Claims include, but are not limited to, the Released Claims (as
16 defined in Paragraph 1.CC) as well as any other claims under any provision of the Fair Labor
17 Standards Act, the California Labor Code (including § § 132a, 4553 *et seq.*) or any applicable
18 California Industrial Welfare Commission Wage Orders, and claims under state or federal
19 discrimination statutes, including, without limitation, the California Fair Employment and Housing
20 Act, California Government Code § 12940 *et seq.*; the Unruh Civil Rights Act, California Civil Code §
21 51 *et seq.*; the California Constitution; Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000 *et*
22 *seq.*; the Americans with Disabilities Act, 42 U.S.C. § 12101 *et seq.*; the Employee Retirement Income
23 Security Act of 1974, 29 U.S.C. § 1001 *et seq.*; and all of their implementing regulations and
24 interpretive guidelines. Plaintiff’s Released Claims exclude any claims for workers’ compensation or
25 unemployment insurance benefits.

26 **AA.** “Preliminary Approval” means the Court Order granting preliminary approval of the
27 Settlement.
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1 **BB.** “QSF” means the Qualified Settlement Fund set up by the Settlement Administrator for
2 the benefit of the Settlement Class Members and from which the Settlement payments shall be made.

3 **CC.** “Released Claims” means all claims, rights, demands, damages, liabilities and causes of
4 action, whether known or unknown, contingent or vested, state or federal, in law or in equity, arising
5 at any time during the Class Period alleged in the Complaint or that could have been alleged based on
6 the facts pleaded, along with related claims and all associated penalties.

7 **DD.** “Released Parties” means Defendant and any and all of its affiliated companies and its
8 respective parent companies, subsidiaries, affiliates, shareholders, members, agents (including,
9 without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys and any past,
10 present or future officers, directors and employees) predecessors, successors, and assigns.

11 **EE.** “Response Deadline” shall mean forty-five (45) calendar days from the initial mailing
12 of the Class Notice to Class Members.

13 **FF.** “Service Payment” means the amount approved by the Court to be paid to the Class
14 Representative, not to exceed \$7,500.00, for the time and work he performed in this Action. The Class
15 Representative’s Service Payment amount shall be separate from and in addition to his Individual
16 Settlement Payment as a Class Member and Individual PAGA Payment as an Aggrieved Employee.
17 The Class Representative’s Service Payment shall be considered non-wages, for which an appropriate
18 IRS Form 1099 will be issued to the Class Representative.

19 **GG.** “Settlement Administration Costs” means the fees and expenses reasonably incurred by
20 the Settlement Administrator as a result of the procedures and processes expressly required by this
21 Stipulation and which are estimated not to exceed \$5,000.00, and shall include all costs of
22 administering the Settlement, including, but not limited to, all tax document preparation, custodial
23 fees, and accounting fees incurred by the Settlement Administrator; all costs and fees associated with
24 preparing, issuing and mailing any and all Class Notices; all costs and fees associated with
25 communicating with Class Members, Class Counsel, and Defense Counsel regarding settlement; all
26 costs and fees associated with computing, processing, reviewing, and paying the Individual Settlement
27 Payments and Individual PAGA Payments, and resolving disputed claims; all costs and fees associated
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1 with calculating tax withholdings and payroll taxes, making related payment to federal and state tax
2 authorities, and issuing tax forms relating to payments made under the Settlement; all costs and fees
3 associated with preparing any tax returns and any other filings required by any governmental taxing
4 authority or agency; all costs and fees associated with preparing any other notices, reports, or filings to
5 be prepared in the course of administering Individual Settlement Payments and Individual PAGA
6 Payments; and any other reasonable costs and fees incurred and/or charged by the Settlement
7 Administrator in connection with the execution of its duties under this Stipulation. In the event that the
8 Court does not grant final approval of this Settlement and does not enter final judgment thereon, the
9 Parties agree to share the Settlement Administration Costs actually incurred to date on a 50/50 basis.

10 **HH.** “Settlement Administrator” shall mean Apex Class Action, LLC, the entity that will be
11 responsible for the administration of the Settlement and related matters as described in this Settlement.

12 **II.** “Settlement Class Member” means any and all Class Members who have not timely
13 submitted a valid request for exclusion as set forth in this Settlement.

14 **JJ.** “Shifts” means the number of shifts that a Class Member worked for Defendant in a
15 hourly, non-exempt position during the Class Period in California, based on hire dates, re-hire dates
16 (as applicable) and termination dates (as applicable).

17 **2. DESCRIPTION OF THE LITIGATION**

18 **A.** Plaintiff is a former hourly, non-exempt employee who worked for Defendant in
19 California doing the work of a security guard from approximately September 2022 through June 23,
20 2023.

21 **B.** On or about July 19, 2023, Plaintiff filed with the LWDA and served on Defendant a
22 notice under Labor Code section 2699.3 (the “PAGA Notice”) stating Plaintiff intended to serve as a
23 proxy of the LWDA to recover civil penalties for Aggrieved Employees. The PAGA Notice alleged
24 various violations of the Labor Code.

25 **C.** On or about July 27, 2023, Plaintiff filed a putative class action complaint in the Action
26 alleging, inter alia, that Defendant failed to provide meal periods, failed to provide rest periods, failure
27 to pay minimum and overtime wages, failed to reimburse work-related expenses, violated Labor Code
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1 section 227.3, waiting time penalties, wage statement violations, and engaged in unfair competition
2 based on the alleged Labor Code violations.

3 **D.** In or around January 2024, the Parties agreed to attend mediation. In advance of
4 mediation, Defendant agreed to informally produce handbooks and policy documents, Plaintiff's time
5 and payroll records, the number of current and former employees in the Class Period, and the number
6 of current and former employees in the PAGA Period. At mediation, Defendant also provided data
7 regarding shifts worked during the Class Period.

8 **E.** On October 7, 2024, the Parties attended a half-day mediation session with Hon. Carl J.
9 West (Ret.), an experienced class action mediator. At this mediation, the Parties discussed Plaintiff's
10 claims, theories for class certification, and Defendant's defenses thereto. The Parties also analyzed
11 Defendant's potential exposure on Plaintiff's claims, including Defendants' potential liability for
12 penalties and interest, as well as potential risks that Plaintiff would face in litigating this Action through
13 a contested class certification, trial, and potential appeal(s). The mediation allowed the Parties to better
14 understand each other's respective positions as to the claims, defenses, Defendant's exposure and
15 discounts to such exposure/liability. With the aid of the mediator's evaluation, the mediation resulted in
16 the preparation of a Memorandum of Understanding and agreement to resolve the Action based on the
17 terms set forth herein.

18 **F.** As detailed in the Memorandum of Understanding, the Parties agree that they shall
19 stipulate to Plaintiff filing a First Amended Complaint to add his claims under the Private Attorneys'
20 General Act of 2004, codified at Labor Code section 2698, *et seq.*, as detailed in the PAGA Notice
21 dated July 19, 2023, to the Action for settlement purposes.

22 **G.** Class Counsel and Defense Counsel have thoroughly investigated the claims and facts
23 alleged in this Action and have made a thorough study of the legal principles applicable to the claims
24 asserted against Defendant.

25 **H.** Defense Counsel has explained to Class Counsel that it believes Defendant: (1) has
26 substantial factual and legal defenses to the claims asserted in the Action, which render the outcome of
27 the Action substantially uncertain; and (2) believe that class certification would not be granted. Class
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1 Counsel has explained to Defense Counsel that it believes: (1) certification would be proper, (2)
2 decertification will not happen, and that (3) Plaintiff will prevail on summary judgment or at trial on all
3 claims certified by the Court. The proposed Settlement provides expeditious relief and benefits to Class
4 Members (much sooner than would be possible than if the Parties' disputed positions were to be
5 litigated in continued and ongoing litigation though trial and appeal).

6 **I.** Taking into account all relevant factors, present and potential, the Parties believe that
7 this Settlement is a fair, adequate, and reasonable settlement of this Action and have arrived at this
8 Settlement after extensive arms-length negotiations.

9 **3. LIMITATION ON EFFECT OF SETTLEMENT**

10 **A.** In the event that this Settlement is terminated or cancelled pursuant to its terms, the
11 Parties shall be deemed to have reverted to their respective status as of the date and time immediately
12 prior to the execution of the Settlement.

13 **B.** This Settlement shall not constitute, in this or any other proceeding, an admission of
14 any kind by Defendant, including without limitation, that certification of a class is appropriate or
15 proper or that Plaintiff could establish any of the requisite elements for class treatment of any of the
16 claims in the Action. In the event that the Settlement is not finally approved, or the Settlement is
17 otherwise terminated, Defendant expressly reserves all rights to challenge this Action and the
18 propriety of class certification on all available grounds.

19 **C.** Defendant specifically and generally denies any and all liability or wrongdoing of any
20 sort with regard to any of the claims alleged, and makes no concessions or admissions of liability of
21 any sort. Nonetheless, Defendant has concluded that further conduct of the Action would be
22 undesirable, and Defendant wants the Action to be fully and finally settled in the manner and upon the
23 terms and conditions set forth in this Settlement.

24 **4. APPROVAL OF THE SETTLEMENT**

25 **A.** The Parties will cooperate in obtaining an order from the Court approving the
26 Settlement. The Parties agree to use their best efforts to expedite the preparation and submission of
27 the Settlement and related documents. The Parties further agree to fully cooperate in the drafting
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1 and/or filing of any further documents or filings reasonably necessary to be prepared or filed, shall
2 take all steps that may be requested by the Court or that are otherwise necessary to the approval and
3 implementation of this Settlement, and shall otherwise use their respective best efforts to obtain Court
4 approval of this Settlement.

5 **B.** Plaintiff will seek to obtain the Court's preliminary approval of the Settlement as
6 directed by the Court. Plaintiff will submit this Settlement to the Court for preliminary approval of its
7 terms and for approval of the steps to be taken to obtain final approval of the Settlement.

8 **C.** If this Stipulation is terminated or canceled pursuant to its terms, the Parties shall be
9 released from all remaining obligations under the terms of the Stipulation. In such an event, the
10 Parties agree to share all costs incurred from carrying out the terms of the Stipulation, prior to its
11 termination or cancellation, including but not limited to any Settlement Administration Costs on a
12 50/50 basis.

13 **5. NOTICE, DISUTE, OBJECTION, AND EXCLUSION PROCESS**

14 **A. Notice to the Settlement Class.**

15 (1) The Settlement Administrator shall disseminate the Notice Packet in the manner
16 described below, with the Settlement Administration Costs being paid from the Gross Settlement
17 Amount.

18 (2) No later than fifteen (15) calendar days after the entry of the Preliminary Approval
19 Order, Defendant shall provide the Settlement Administrator with the following information for each
20 Class Member: name, last known mailing address, last known telephone number, social security
21 number, and the total number of Shifts worked in California during the Class Period (the "Class
22 Data").

23 (3) No later than five (5) business days after receipt of such Class Member information, the
24 Settlement Administrator will perform a national change of address ("NCOA") search, update the
25 addresses per the results of the NCOA search, and then mail the Class Notice (as defined in Paragraph
26 1.F) to each Class Member by first-class mail, postage prepaid.

1 (4) In the event that a Class Notice sent by mail is returned as undeliverable, the Settlement
2 Administrator will make reasonable efforts to obtain a valid mailing address by using the Social
3 Security number of the Class Member and standard skip tracing devices to conduct a search for a
4 correct mailing address and by contacting Class Counsel and Defense Counsel. Following each search
5 that results in a corrected address, the Settlement Administrator shall promptly resend the Class Notice
6 to the Class Member by first-class mail, postage prepaid. Following each search that results in no
7 corrected address, the Settlement Administrator shall resend the Class Notice to the Class Member,
8 postage prepaid, to the original address; only one (1) such re-mailing to the same address shall ever
9 occur, per address. The Settlement Administrator shall make one (1) attempt to re-mail the Class
10 Notice within ten (10) business days from the date of the return of the Class Notice. In any event,
11 such efforts must be completed no less than fifteen (15) business days before the date of the Final
12 Approval Hearing.

13 (5) If Defendant and the Settlement Administrator determine, based upon further review of
14 available data, that a person previously identified as being a Class Member should not be so included
15 or identify a person who should have been included as a Class Member but was not so included,
16 Defendant and the Settlement Administrator shall promptly delete or add such person as appropriate
17 and immediately notify Class Counsel prior to such deletions or additions (and the reasons thereof).

18 (6) If any individual whose name does not appear on the Class Data provided to the
19 Settlement Administrator believes that he or she is a member of the Class, he or she shall have the
20 opportunity to dispute his or her exclusion from the Class. If an individual believes he or she is a
21 member of the Class, he or she must notify the Settlement Administrator in writing no later than the
22 Response Deadline. The Parties will meet and confer regarding any such individual(s) in an attempt to
23 reach an agreement as to whether any such individual(s) should be regarded as a member of the Class.
24 If the Parties so agree, the Settlement Administrator will mail a Class Notice to the individual(s), and
25 treat the individual(s) as a member of the Class for all other purposes. Such an individual will have all
26 of the same rights as any other member of the Class under this Agreement, and shall have up until the
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1 latter of ten (10) business days from the mailing of the Class Notice or the Response Deadline in
2 which to submit any Request for Exclusion, Objection, or to dispute the total number of Shifts worked.

3 (7) The Settlement Administrator shall maintain an internal web page at its website (such
4 as <http://www.apexclassaction.com/TLGSecurity/>) dedicated to providing Class Members pertinent
5 information regarding this Settlement, including, without limitation, the following: (i) the name of the
6 lawsuit; (ii) the name of the Court; (iii) Settlement Administrator's name and contact information; and
7 (iv) Class Counsel's names and contact information. Also, available on the website will be the
8 following documents in PDF-format for download: Complaint, Joint Stipulation of Settlement and
9 Release, Notice of Settlement, and Preliminary Approval Order.

10 (8) No later than the filing of Plaintiff's Motion for Final Approval of Class Action
11 Settlement, the Settlement Administrator shall enable Class Counsel to file a declaration under penalty
12 of perjury advising the Court that the requirements of this Settlement have been fulfilled.

13 (9) Compliance with these procedures shall constitute due and sufficient notice to Class
14 Members of this Settlement and shall satisfy the requirement of due process. Nothing else shall be
15 required of, or done by, the Parties, Class Counsel, and Defense Counsel to provide notice of the
16 proposed Settlement.

17 **B. Response Deadline For Re-Mailed Notice.**

18 For Class Members who are re-mailed the Class Notice due to it being undeliverable, the
19 deadline by which to object, request exclusion, or dispute the number of Shifts worked will be the later
20 of: (a) ten (10) business days from the date the Class Notice was re-mailed; or (b) the Response
21 Deadline.

22 **C. Requests for Exclusion.**

23 Class Members, with the exception of the Class Representative, may opt-out of the Settlement.
24 Class Members who wish to exercise this option must mail a written request to be excluded from the
25 Settlement ("Request for Exclusion"), postmarked on or before the Response Deadline. The Request
26 for Exclusion must include the following to be valid: (1) the Class Member's name; (2) the last four
27 digits of the Class Member's Social Security Number; (3) the Class Member's signature; and (4) the
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1 following statement or something to its effect: “Please exclude me from the Settlement Class in the
2 *Michael Evans v. TLG Security, et al.* matter” or any statement standing for the proposition that the
3 Class Member does not wish to participate in the Settlement. Members will have until the Response
4 Deadline within which to complete and postmark their Request for Exclusion to the Settlement
5 Administrator. The date of the postmark on the return-mailing envelope shall be the exclusive means
6 used to determine whether a Request for Exclusion has been timely submitted, if the post mark on the
7 return-mailing envelope is legible. If the post mark on the return-mailing envelope is not legible, then
8 the date the return-mailing envelope is received by the Settlement Administrator shall be the exclusive
9 means to determine whether a Request for Exclusion Form has been timely submitted.

10 By submitting a Request for Exclusion, a Class Member shall be deemed to have exercised his
11 or her option to opt-out of the Released Claims portion of this Agreement. Any member of the Class
12 who requests exclusion from the Settlement will not be entitled to any Individual Settlement Payment,
13 will not be bound by the Released Claims, and will not have any right to object, appeal or comment
14 thereon. If the individual is also an Aggrieved Employee, he or she will still receive an Individual
15 PAGA Payment and be subject to the PAGA Released Claims. Class Members who fail to submit a
16 valid and timely Request for Exclusion shall be bound by all terms of the Settlement and the Final
17 Judgment entered in this Action, regardless of whether they otherwise have requested exclusion from
18 the Settlement. The Settlement Administrator shall forward all Requests for Exclusion received to
19 Class Counsel and Defense Counsel within one (1) business day of receipt. Also, not later than the
20 filing of Plaintiff’s Motion for Final Approval of Class Action Settlement, the Settlement
21 Administrator shall enable Class Counsel to file the declaration of the Settlement Administrator
22 advising the Court of a complete list of all members of the Class who have timely requested exclusion
23 from the Settlement, and which shall authenticate all Requests for Exclusion received.

24 **D. Objections.**

25 Any person or entity who does not request exclusion but who wishes to object to this
26 Settlement must submit a written objection (“Notice of Objection”) to the Settlement Administrator,
27 postmarked on or before the response deadline. The Notice of Objection should set forth in writing:
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1 (1) the Objector's name; (2) the Objector's address; (3) the last four digits of the Objector's Social
2 Security Number; (4) the Objector's signature; (5) a statement of whether the Objector plans to appear
3 at the Final Approval Hearing; and (6) the reason(s) for the Objection, along with whatever legal
4 authority, if any, the Objector asserts in support of the Objection. Class Members will have until the
5 Response Deadline within which to complete and postmark their Notice of Objection. If the post mark
6 on the return-mailing envelope is not legible, then the date the return-mailing envelope is received by
7 the Settlement Administrator shall be the exclusive means to determine whether the Objection has
8 been timely submitted received.

9 Any person or entity who fails to submit such a timely written Notice of Objection shall be
10 deemed as having waived his/her objection, unless otherwise ordered by the Court, but shall not be
11 precluded from appearing at the Final Approval and Fairness Hearing should s/he wish to appear.
12 Either of the Parties may file a responsive document to the Notice of Objection with the Court no later
13 than five (5) calendar days before the Final Approval and Fairness Hearing. The Settlement
14 Administrator shall forward Class and Defense Counsel copies of all Notices of Objection, within one
15 (1) business day of receipt. Also, not later than the filing of Plaintiff's Motion for Final Approval of
16 Class Action Settlement, the Settlement Administrator shall enable Class Counsel to file a declaration
17 under penalty of perjury advising the Court with a complete list of all members of the Class who have
18 submitted Notices of Objection and shall authenticate all Notices of Objection received. The
19 Settlement Administrator's declaration shall also include all Notices of Objection received as exhibits
20 to the declaration.

21 **E. Option to Void Settlement.**

22 (1) If ten percent (10%) or more of the total number of Class Members submit timely valid
23 Request for Exclusions, then Defendant shall have the option to void the Settlement. Defendant must
24 notify Plaintiff of its decision to exercise this option within five (5) business days of receiving a report
25 from the Settlement Administrator after the close of the Response Deadline, which shows that the total
26 number of timely and valid requests for exclusion is at least or exceeds ten percent (10%) of the total
27 Class Members.
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(2) Neither the Parties nor their respective counsel will solicit or otherwise encourage any Class Member, directly or indirectly, to request exclusion from the Settlement or object to the Settlement.

F. Data Dispute Procedures.

(1) Any Settlement Class Member who disputes the total number of Shifts worked for Defendant in California during the Class Period as identified in the Settlement Class Member's Notice of Settlement shall notify the Settlement Administrator and provide any supporting information or documentation by the Response Deadline, identifying the total number of Shifts worked that the Settlement Class Member contends s/he worked during the Class Period. If a Settlement Class Member does not timely dispute the information contained in the Settlement Class Member's Notice of Settlement, the information contained in the Notice of Settlement mailed to the Settlement Class Member shall govern the calculation of his or her Individual Payment Amount.

(2) To the extent a Settlement Class Member disputes the number of Shifts contained in their Notice of Settlement, the Settlement Class Member may produce evidence to the Settlement Administrator showing that the Shift count is inaccurate. Absent evidence rebutting Defendant's records, Defendant's records will be presumed determinative. However, if a Settlement Class Member produces evidence contrary to Defendant's records, the Settlement Administrator will evaluate that evidence and make the final determination as to the number of Shifts that should be applied. Any such disputes must be resolved within five (5) business days after the Response Deadline.

6. INDIVIDUAL SETTLEMENT PAYMENTS AND INDIVIDUAL PAGA PAYMENTS

A. All Settlement Class Members will receive their Individual Settlement Payment without the need to complete or submit claim forms. All Aggrieved Employees will receive their Individual PAGA Payment without the need to complete or submit claim forms.

B. Individual Settlement Payments and Individual PAGA Payments shall be paid to Settlement Class Members and/or Aggrieved Employees by way of check. When a Settlement Class Member is also an Aggrieved Employee, one check may be issued that aggregates both the Individual Settlement Payment and the Individual PAGA Payment.

1 **C. Individual Settlement Payments.**

2 (1) Each Settlement Class Member's Individual Settlement Payment shall be calculated as
3 described in Paragraph 6.C.(2). The Individual Settlement Payment shall be determined from the Net
4 Settlement Amount.

5 (2) Each Settlement Class Member's Individual Settlement Payment shall be determined
6 by dividing the Settlement Class Member's total number of Shifts worked during the Class Period by
7 the total number of Shifts worked by all Class Members during the Class Period, resulting in that
8 Settlement Class Member's *pro rata* share. Then each Settlement Class Member's Individual
9 Settlement Payment will be calculated by multiplying each individual Class Member's *pro rata* share
10 by the Net Settlement Amount. The calculation of a Settlement Class Member's total Shifts worked in
11 California shall be construed from Defendant's records. Each Settlement Class Member's Individual
12 Settlement Payment shall be distributed to that Settlement Class Member, less applicable withholdings
13 attributed to the portion of Individual Settlement Payments designated as wages.

14 (3) For each Class Member who submits a valid and timely Request for Exclusion, the
15 Settlement Administrator shall proportionally increase the payments to each participating Class
16 Member such that the total Settlement payout equals one hundred percent (100%) of the Net
17 Settlement Amount.

18 **D. Individual PAGA Payments.**

19 Each Aggrieved Employee's Individual PAGA Payment shall be determined by dividing the
20 Aggrieved Employee's total number of Pay Periods worked during the PAGA Period by the total
21 number of Pay Periods worked by all Aggrieved Employees during the PAGA Period, resulting in that
22 Aggrieved Employee's *pro rata* share. Then each Aggrieved Employee's Individual PAGA Payment
23 will be calculated by multiplying each individual Aggrieved Employee's *pro rata* share by the \$7,000
24 portion of the PAGA Payment to be allocated to Aggrieved Employees. The calculation of an
25 Aggrieved Employee's total Pay Periods worked in California shall be construed from Defendant's
26 records.

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E. Taxation and Allocation.

(1) The Parties recognize that the Individual Settlement Payments to be paid to Class Members reflect settlement of a dispute over claimed wages, interest, penalties. All Individual Payment Amounts to Settlement Class Members are allocated as follows: (a) 20% of the Individual Settlement Payments shall be allocated for payment of disputed wages for which Settlement Class Members shall receive a W-2 form; and (b) 80% of the Individual Settlement Payments shall be allocated for disputed penalties and interest, for which Settlement Class Members shall receive a 1099 form as and if required by law.

(2) The Individual PAGA Payments shall be allocated 100% as penalties, for which Aggrieved Employees shall receive a 1099 form as and if required by law.

(3) The employers' share of payroll taxes attributed to the wage portion of the Individual Settlement Payments shall be paid by Defendant separately and in addition to the Gross Settlement Amount.

(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 and undertakings set forth in this Agreement. The Settlement Administrator shall furnish its own Employer ID Number and calculate all settlement checks and payroll deductions based on the information that will be provided by Defendant.

(5) Other than the withholding and reporting requirements set forth herein, Settlement Class Members shall be solely responsible for the reporting and payment of their share of any federal, state and/or municipal income or other taxes on payments made pursuant to this Settlement. No party has made any representation to any of the other Parties as to the taxability of any payments pursuant to this Settlement, including the payments to Class Members, the payments to Class Counsel, the payment to the Class Representative, the payroll tax liability of Defendant, or the allocation of Settlement proceeds to wage and non-wage income, or otherwise as to the tax implications of any provision of this Settlement.

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1 **7. ATTORNEYS' FEES AND COSTS**

2 Class Counsel shall apply to the Court for the Fee and Costs Award as defined in paragraph
3 1.P. Class Counsel shall request an award of attorneys' fees for an amount not to 30% of the Gross
4 Settlement Agreement, or Fifty Thousand Two Hundred Fifty U.S. Dollars (\$50,250.00), and litigation
5 costs actually incurred as supported by declaration to be paid from the Gross Settlement Amount.
6 Defendant agrees not to oppose this request.

7 **8. CLASS REPRESENTATIVE'S SERVICE PAYMENT**

8 Class Counsel, on behalf of the Class Representative, shall apply to the Court for the Class
9 Representative's Service Payment (as defined in paragraph 1.FF) for an amount not to exceed Seven
10 Thousand Five Hundred U.S. Dollars (\$7,500.00) to be paid from the Gross Settlement Amount.
11 Defendant agrees not to oppose this request.

12 **9. FINAL APPROVAL HEARING**

13 **A.** On the date set forth in the Preliminary Approval Order and Notice of Settlement, the
14 Court shall hold the Final Approval Hearing where objections, if any, may be heard.

15 **B.** If the Court approves this Settlement at the Final Approval Hearing, the Parties request
16 that the Court enter the Final Judgment after the Gross Settlement Amount is fully funded.

17 **10. FUNDING AND DISTRIBUTION**

18 **A.** Within ten (10) business days after the Effective Date, Defendant shall deliver the
19 Settlement Proceeds, as well as the estimated amount for employer-related payroll taxes by wiring the
20 funds into the QSF, set up and controlled by the Settlement Administrator.

21 **B.** The QSF shall be an interest-bearing account(s) at a federally-insured bank(s) that is
22 mutually acceptable to the Parties and the Settlement Administrator that is FDIC insured for the full
23 amount deposited. The Parties agree that the QSF shall be a non-reversionary fund and that under no
24 circumstance will there be any reversion to Defendant of any of the funds from the Settlement
25 Proceeds or the QSF.

26 **C.** The payment of the Class Counsel's Fee and Costs Award and Class Representative's
27 Service Payment approved by the Court in the Final Approval Order shall be paid five (5) business
28

1 days after Defendant wires the Settlement Proceeds into the QSF. The payment of \$13,000.00 to the
2 Labor Workforce Development Agency, representing their 65% portion of the PAGA Payment, shall
3 be paid within five (5) business days after Defendant wires the Settlement Proceeds into the QSF.

4 **D.** The Settlement Administrator shall distribute checks via first-class mail to Settlement
5 Class Members for their respective Individual Payment Amounts and to Aggrieved Employees for the
6 Individual PAGA Payments no later than ten (10) business days after Defendant wires the Settlement
7 Proceeds into the QSF.

8 **E.** After ninety (90) days of issuance, funds from undeposited checks will be held by the
9 Settlement Administrator. If the Class Member or Aggrieved Employee to whom the undeposited
10 check is issued does not contact Class Counsel or the Settlement Administrator concerning his or her
11 Individual Settlement Payment or Individual PAGA Payment within one-hundred eighty (180)
12 calendar days of issuance, that payment shall be canceled and funds associated with such checks shall
13 be considered unpaid, unclaimed or abandoned cash residue pursuant to Code of Civil Procedure
14 section 384 (“Unpaid Residue”). The Unpaid Residue plus accrued interest, if any, as provided in
15 Code of Civil Procedure section 384, shall be transmitted to the *cy pres* beneficiary, designated as the
16 Katherine and George Alexander Community Law Center. The failure to claim or deposit any check
17 issued by the Settlement Administrator shall have no effect on that Class Member’s release of all
18 Released Claims or Aggrieved Employee’s Release of PAGA claims. The Settlement Administrator
19 shall also enable Class Counsel to file a declaration attesting the distribution of the Gross Settlement
20 Amount and the distribution of any “residual” funds in accordance with Cal. Code Civ. P. § 384, and
21 as further ordered by the Court.

22 **F.** The Settlement Administrator shall also remit all amounts withheld from Individual
23 Payment Amounts attributed to the wage portion of the payments and all employer-related payroll
24 taxes to the Internal Revenue Service and California E.D.D., and/or any other proper entity to whom
25 withholdings and employer-related payroll taxes attributed to Individual Payment Amounts are due, no
26 later than one hundred and eighty (180) days after issuance of Individual Settlement Payments. In the
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1 event that the estimated amount of Defendant's employer-related payroll taxes exceeds the amount
2 wired to the QSF, any excess monies shall revert to Defendant.

3 **G.** No person shall have any claim against the Settlement Administrator, Defendant or any
4 of the Releasees, the Class Representative, the Class Members, Aggrieved Employees or Class
5 Counsel based on payments made substantially in accordance with this Settlement, or further Orders
6 of this Court.

7 **11. RELEASE OF CLAIMS**

8 **A.** Upon the Effective Date and full and final payment by Defendant of the Gross
9 Settlement Amount, the Class Representative and each Settlement Class Member shall be deemed to
10 have fully, finally, and forever released the Released Parties from all Released Claims, as defined in
11 Paragraph 1.CC.

12 **B.** Upon the Effective Date and full and final payment by Defendant of the Gross
13 Settlement Amount, the Class Representative and each Aggrieved Employee shall be deemed to have
14 fully, finally, and forever released the Released Parties from all PAGA Released Claims, as defined in
15 Paragraph 1.X.

16 **C.** Upon the Effective Date and full and final payment by Defendant of the Gross
17 Settlement Amount, Plaintiff shall additionally be deemed to have fully, finally, and forever released
18 the Released Parties from Plaintiff's Released Claims, as defined in Paragraph 1.Z.

19 **D.** With respect to Plaintiff's Released Claims *only*, Plaintiff shall be deemed to have
20 expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and
21 benefits he may otherwise have had pursuant to Paragraph 1542 of the California Civil Code, which
22 provides as follows:

23
24 A general release does not extend to claims which the creditor does not know or
25 suspect to exist in his or her favor at the time of executing the release, which if known
26 to him or her must have materially affected his or her settlement with the debtor.

27 **12. INCREASE IN SHIFTS**

28 Defendant represents that as of mediation on October 7, 2024, the Settlement Class consists
of an estimated 145 persons, who worked approximately 38,800 Shifts during the Class Period. If

1 the actual number of Shifts worked by the Settlement Class increases by more than 10% of 38,800
2 (i.e., if the total number of Shifts is more than 42,680 as of December 6, 2024), the Gross Settlement
3 Amount shall increase proportionally by the number of Shifts worked in excess of 42,680 multiplied
4 by the Shift Value. The Shift Value shall be calculated by dividing the Gross Settlement Amount by
5 38,800. The Parties agree that the Shift Value amounts to \$4.32 per Shift (\$167,500 / 38,800 Shifts).
6 Thus, for example, should there be 44,000 Shifts in the Class Period, then the Gross Settlement
7 Amount shall be increased by \$5,702.40(44,000 Shifts – 42,680 Shifts x \$4.32/Shift).

8 **13. MISCELLANEOUS PROVISIONS**

9 **A.** Unless otherwise specifically provided herein, all notices, demands, or other
10 communications given hereunder shall be in writing and shall be addressed as follows:

11 To the Plaintiffs and the Class:

12 Peter M. Hart
13 Ashlie E. Fox
14 Law Offices of Peter M. Hart
15 12121 Wilshire Boulevard, Suite 525
16 Los Angeles, California 90025

17 To Defendant:

18 Karin M. Cogbill, Esq.
19 Jackson Lewis, P.C.
20 160 W. Santa Clara Street, Suite 400
21 San Jose, CA 95110

22 **B.** Defendant shall not take any adverse action against any Class Member because of the
23 Action or because of the existence of, and/or participation in, the Settlement, or because they choose
24 to benefit from the Settlement or to object to the Settlement. Neither Party shall take any action to
25 discourage Class Members from participating in the Settlement.

26 **C.** Each of the Parties has cooperated in the drafting and preparation of this Settlement.
27 Hence, in any construction made to this Settlement, the same shall not be construed against any of the
28 Parties.

D. The Class Representative, by signing this Settlement, is bound by the terms herein and
further agrees not to request to be excluded from the Settlement and not to object to any terms of this
Settlement. Any such request for exclusion or objection shall therefore be void and of no force or
effect. Defendant, Class Counsel, and the Class Representative waive their rights to file an appeal,
writ, or any challenge whatsoever to the terms of this Settlement.

1 **E.** Neither Class Counsel nor any other attorneys acting for, or purporting to act for, the
2 Class, Class Members, or Class Representatives, may recover or seek to recover any amounts for fees,
3 costs, or disbursements from the Released Parties or the Settlement except as expressly provided
4 herein.

5 **F.** This Settlement may not be changed, altered, or modified, except in writing signed by
6 the Parties hereto and approved by the Court. This Settlement may not be discharged except by
7 performance in accordance with its terms or by a writing used by the Parties hereto.

8 **G.** This Agreement, including Exhibits, constitutes the full, complete and entire
9 understanding, agreement and arrangement between Plaintiff on the one hand, and Defendant on the
10 other hand, with respect to the settlement of the Action and Released Claims against Defendant.
11 Except those set forth expressly in the Agreement, there are no other agreements, covenants, promises,
12 representations or arrangements between the Parties with respect to the Settlement of the Action and
13 the Released Claims against Defendant.

14 **H.** This Settlement shall be binding upon and inure to the benefit of the Parties hereto and
15 their respective heirs, trustees, executors, successors, and assigns.

16 **I.** This Settlement may be executed in one or more counterparts, including by electronic
17 signature. All executed counterparts and each of them shall be deemed to be one and the same
18 instrument.

19 **J.** In the event that one or more of the Parties to this Settlement institutes any legal action,
20 arbitration, or other proceeding to enforce the provisions of this Settlement or to declare rights and/or
21 obligations under this Settlement, the successful party or parties shall be entitled to recover from the
22 unsuccessful party or parties reasonable attorneys' fees and costs. Notwithstanding the entry of Final
23 Judgment, the Court shall retain jurisdiction of this matter solely for the purposes of interpreting and
24 enforcing the terms of this Agreement and the Judgment.

25 **K.** This Settlement and the Exhibits hereto shall be considered to have been negotiated,
26 executed, and delivered, and to have been wholly performed, in the State of California, and the rights
27 and obligations of the Parties to the Settlement shall be construed and enforced in accordance with,
28 and governed by, the substantive laws of the State of California (including Cal. Code Civ. P. § 664.6)
without giving effect to that State's choice of law principles.

L. Paragraph titles or captions contained in the Settlement are inserted as a matter of
convenience and for reference, and in no way define, limit, extend, or describe the scope of this
Settlement, or any provision thereof.

1 **M.** Before declaring any provision of this Settlement invalid, the Court shall first attempt
2 to construe the provisions valid to the fullest extent possible consistent with applicable precedents so
3 as to define all provisions of this Settlement valid and enforceable.

4 **N.** The Parties agree to the Court staying and holding all proceedings in the Action, except
5 such proceedings necessary to implement and complete the Settlement, in abeyance pending the
6 settlement hearings to be conducted by the Court.

7 **O.** The Parties agree to keep the Settlement confidential through Preliminary Approval.
8 Thereafter, the Parties agree that they will make no comments to the media or other publicize the
9 terms of the Settlement. Class Counsel and Defense Counsel agree to make no reference to the
10 Settlement on their respective websites and/or on their respective social media.

11 **P.** All terms of this Agreement and the Exhibits thereto shall be governed by and
12 interpreted according to the law of the State of California.

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17 **SIGNATURES FOLLOW ON NEXT PAGE**
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1 IN WITNESS WHEREOF, this Settlement is executed by the Parties and their duly authorized
2 attorneys, as of the day and year herein set forth.

3
4 Dated: _____, 2025

By: _____
MICHAEL EVANS
Plaintiff

6
7 Dated: _____, 2025

By: _____
THE LANCASHIRE GROUP, INC.
By: _____
Its: _____
Defendant

10
11 APPROVED AS TO FORM AND CONTENT:

12
13 LAW OFFICES OF PETER M. HART

14
15 Dated: _____, 2025

By: _____
PETER M. HART
Attorney for Plaintiff and the Class

17
18 JACKSON LEWIS, P.C.

19
20
21 Dated: _____, 2025

By: _____
KARIN COGBILL
Attorneys for Defendant The Lancashire Group,
Inc.