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19
20 SUPERIOR COURT OF THE STATE OF CALIFORNIA
21 COUNTY OF SANTA CLARA

22 MARISSA BROWN, on behalf of herself and
23 others similarly situated,

24 Plaintiff,

25 vs.

26 JAZZ PHARMACEUTICALS, INC., a
27 Delaware Corporation; and DOES 1 through
28 50, inclusive,

Case No. 23CV422390

**STIPULATION OF CLASS AND PAGA
REPRESENTATIVE ACTION
SETTLEMENT**

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Defendants.

1 This Stipulation of Settlement (“Stipulation” or “Settlement”) is made and entered into, as
2 of the date set forth below, between Plaintiff Marissa Brown, as an individual, as a representative
3 of the proposed Class described herein and as representative of the State of California
4 (“Plaintiff”), and Defendant Jazz Pharmaceuticals, Inc. (“Defendant”), who are parties to the
5 above-captioned litigation (together, the “Parties”).

6 **1. DEFINITIONS**

7 1.1 “Action” means the above-captioned action, *Marissa Brown v. Jazz*
8 *Pharmaceuticals, Inc.*, Santa Clara County Superior Court Case No. 23CV422390.

9 1.2 “Class Counsel” means David Yeremian of David Yeremian & Associates, Inc.,
10 Emil Davtyan, Roman Shkodnik, and Amanda Fazio of D.Law, Inc..

11 1.3 “Class Data” means a confidential spreadsheet that includes, for each Settlement
12 Class Member, their name, last known address, social security number, and number of Eligible
13 Workweeks and Eligible Pay Periods or data sufficient for the Settlement Administrator to
14 determine Eligible Workweeks and Eligible Pay Periods. The Class Data shall be based on
15 Defendant’s personnel and payroll records and provided in a format acceptable to the Settlement
16 Administrator.

17 1.4 “Class Settlement Period” means the time period from September 13, 2019,
18 through November 3, 2024, subject to the escalator/truncator clause., subject to section 3.3.2
19 below.

20 1.5 “Class Representative” or “Plaintiff” means Plaintiff Marissa Brown.

21 1.6 “Class Representative’s Released Claims” means any and all claims, obligations,
22 demands, actions, rights, causes of action, and liabilities against the Released Parties, of whatever
23 kind and nature, character, and description, whether in law or equity, whether sounding in tort,
24 contract, federal, state and/or local law, statute, ordinance, regulation, common law, or other
25 source of law or contract, whether known or unknown, and whether anticipated or unanticipated,
26 including all unknown claims covered by California Civil Code Section 1542, by the Class
27 Representative, arising at any time up to and including the date on which the Court enters the
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1 Order of Final Approval, for any type of relief, including without limitation claims for wages,
2 premium and other forms of pay, unpaid/unreimbursed costs, penalties (including waiting time
3 penalties), general damages, compensatory damages, liquidated damages, punitive damages,
4 interest, attorneys' fees, litigation and other costs, expenses, restitution, and equitable and
5 declaratory relief. The Class Representative's Released Claims also include, but are not limited
6 to, the Released Claims as well as any other claims under any provision of the Fair Labor
7 Standards Act ("FLSA"), the California Labor Code, any applicable California Industrial Welfare
8 Commission Wage Orders, any city or county Living Wage Ordinances, and claims under state or
9 federal discrimination statutes, including, without limitation, the California Government Code;
10 the Unruh Civil Rights Act, California Civil Code; the California Constitution; the California
11 Business and Professions Code, including but not limited to Sections 17200 *et seq.*; the United
12 States Constitution; the Age Discrimination in Employment Act ("ADEA") and the Older
13 Workers Benefit Protection Act; the Uniformed Services Employment and Reemployment Rights
14 Act, Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000 *et seq.*; the Civil Rights Act of
15 1991; the Family and Medical Leave Act, to the extent not prohibited by law; the Americans with
16 Disabilities Act, 42 U.S.C. § 12101 *et seq.*; the Employee Retirement Income Security Act of
17 1974, 29 U.S.C. § 1001 *et seq.*; the Equal Pay Act; the Fair Credit Reporting Act; the Employee
18 Retirement Income Security Act of 1974; the Worker Adjustment and Retraining Notification
19 Act; the Sarbanes-Oxley Act of 2002; the California Family Rights Act; and all of their
20 implementing regulations and interpretive guidelines; any and all claims for monetary recovery
21 and personal or individual relief, except as prohibited by law; and any premiums, penalties,
22 interest, punitive damages, costs, attorneys' fees, injunctive relief, declaratory relief, or
23 accounting based on any of the foregoing claims. For the avoidance of doubt, this is a complete
24 and general release to the maximum extent by law. Notwithstanding the foregoing, the release of
25 the Class Representative's Released Claims do not include any claim or right that is not waivable
26 as a matter of law.

27 1.7 "Court" means the Santa Clara County Superior Court.

1 1.8 “Defendant’s Counsel” means Sarah Zenewicz of Morgan, Lewis & Bockius LLP.

2 1.9 “Effective Date” means the latest of: (i) provided that no appeal from the Final
3 Approval Order is filed, the day after the deadline for any appeals expires; (ii) if an appeal from
4 the Final Approval Order is filed, and the appeal is finally disposed of by ruling, dismissal,
5 denial, or otherwise, the day after the last date for filing a request for further review of the Court
6 of Appeal’s decision passes, and no further review is requested; and (iii) if an appeal of the Final
7 Approval Order is filed and there is a final disposition by ruling, dismissal, denial, or otherwise
8 by the Court of Appeal, and review of the Court of Appeal’s decision is requested, the day after
9 the request for review is denied with prejudice and/or no further review of the Final Approval
10 Order can be requested.

11 1.10 “Eligible Workweeks” shall mean the workweeks that each Settlement Class
12 Member worked for Defendant in California during the Class Settlement Period.

13 1.11 “Eligible Pay Periods” shall mean the pay periods that each PAGA Member
14 worked for Defendant in California during the PAGA Settlement Period.

15 1.12 “Enhancement Award” means the amount approved by the Court to be paid to the
16 Class Representative, in recognition of her efforts in coming forward as Class Representative and
17 as consideration for a full, general, and comprehensive release of the Class Representative’s
18 Released Claims, which shall be in addition to her portion of the Net Settlement Amount.

19 1.13 “Final Approval Date” means the date on which the Court enters the Order of
20 Final Approval.

21 1.14 “Final Approval Hearing” means a hearing set by the Court, to take place on a date
22 established by the Court, for the purpose of (i) determining the fairness, adequacy, and
23 reasonableness of the Stipulation terms and associated Settlement pursuant to class action
24 procedures and requirements; (ii) determining the amount of the award of attorneys’ fees and
25 costs to Class Counsel; (iii) determining the amounts of the Enhancement Award to the Class
26 Representative; and (iv) entering the Judgment.

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1.15 “Gross Settlement Amount” shall mean the amount that Defendant will pay in settlement of this matter, subject to section 3.3.2 below. The Gross Settlement Amount includes all awards of attorneys’ fees and costs to Class Counsel, Settlement Administration Costs, Enhancement Award, the PAGA Settlement Payment (paid to the PAGA Members and the LWDA), and payments to the Participating Class Members.

1.16 “Individual PAGA Payment” means the individual amounts paid from the PAGA Payment to the individual PAGA Members for settlement of claims for civil penalties under PAGA.

1.17 “Individual Settlement Payment” means the settlement amount due each Participating Class Member from the Net Settlement Amount.

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

1.19 “LWDA PAGA Payment” means the payment to the LWDA from the PAGA Payment for settlement of claims for civil penalties under PAGA.

1.20 “Net Settlement Amount” is the portion of the Gross Settlement Amount available for distribution to the Participating Class Members, which shall equal the Gross Settlement Amount less PAGA Payment, Court-approved attorneys’ fees and costs award to Class Counsel, Settlement Administration Costs, and the Enhancement Award.

1.21 “Notice of Settlement” means the document provided to Settlement Class Members to notify them of the settlement, a copy of which is attached hereto as **Exhibit 1**.

1.22 “PAGA Members” means Settlement Class Members who worked in any pay period during the PAGA Settlement Period.

1.23 “PAGA Payment” means the payment in settlement of all claims for PAGA penalties, 75% of which will be distributed as the LWDA PAGA Payment and 25% of which will be distributed as Individual PAGA Payments to the PAGA Members.

1.24 “PAGA Settlement Period” means all means the period from September 13, 2022, through the end of the Class Settlement Period.

1 1.25 “Participating Class Members” means the Settlement Class Members who do not
2 timely request to be excluded from the class portion of the settlement. No claim form is required
3 for a Settlement Class Member to become a Participating Class Member.

4 1.26 “Preliminary Approval Date” means the date the Court enters the Order
5 preliminary approving the Stipulation of Settlement and setting the Final Approval Hearing.

6 1.27 “Qualified Settlement Fund” means the Qualified Settlement Fund (“QSF”)
7 created under Internal Revenue Code Section 468B, to be overseen by the Settlement
8 Administrator.

9 1.28 “Released Class Claims” means any and all federal, state and local law claims,
10 rights, demands, liabilities, and causes of action, that were alleged, or reasonably could have been
11 alleged, based on facts alleged in the operative First Amended Complaint and ascertained in the
12 course of the Action and that arose or accrued during the Class Settlement Period including
13 causes of action for (1) failure to pay minimum wage; (2) failure to pay overtime wage; (3) meal
14 period violations; (4) rest break violations; (5) failure to pay vacation wages; (6) failure to
15 provide sick leave; (7) failure to indemnify reasonable and necessary business expenses; (8)
16 failure to provide accurate wage statements; (9) recordkeeping violations; (10) waiting time
17 penalties; and (11) violation of the California unfair competition law (“UCL”) based on the same
18 alleged Labor Code violations; and (12) all claims for interest, penalties, attorneys’ fees, costs and
19 any other monetary relief based upon the claims described above and including, but not limited
20 to, pursuant to any Wage Orders, Labor Code §§ 210, 218.5, 218.6, Code of Civil Procedure
21 §1021.5.

22 1.29 “Released PAGA Claims” means claims for civil penalties under PAGA that were
23 alleged, or reasonably could have been alleged, based on the allegations in the operative First
24 Amended Complaint, the PAGA Notices, and ascertained in the course of the Action and that
25 arose or accrued during the PAGA Settlement Period, including but not limited to claims for
26 violations of the California Labor Code for (1) failure to pay minimum wage; (2) failure to pay
27 overtime wage; (3) meal period violations; (4) rest break violations; (5) failure to pay vacation
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1 wages; (6) failure to provide sick leave; (7) failure to indemnify reasonable and necessary
 2 business expenses; (8) failure to provide accurate wage statements; (9) recordkeeping violations;
 3 (10) waiting time penalties; and (11) violations of or claims for civil penalties under Labor Code
 4 sections 201, 202, 203, 204, 218.5, 218.6, 226, 226.4, 226.7, 227.3, 245, *et seq.*, 510, 512, 558,
 5 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2 1197, 1199, 2699, *et seq.*, and 2802.

6 1.30 “Released Parties” means Defendant and any parent, subsidiary, affiliated or
 7 related entities (including any companies, corporations, partnerships, alter egos, joint venturers,
 8 and actual or alleged joint employers), and each of their respective past, present and future agents,
 9 employees, servants, officers, directors, partners, members, trustees, fiduciaries, representatives,
 10 shareholders, stockholders, attorneys, equity sponsors (defined as a company/corporation and/or
 11 partnership that is, directly or indirectly, under common control with that Defendant or any of its
 12 parents and/or affiliates), divisions, assigns, predecessors, successors, insurers, and consultants.

13 1.31 “Response Deadline” means sixty (60) days after the Settlement Administrator
 14 mails the Notice of Settlement to Settlement Class Members. It shall be the last date on which
 15 Settlement Class Members may: (a) postmark any Opt-Out Request from the class portion of the
 16 Settlement, (b) postmark any written objection to the Settlement, and (c) postmark any Eligible
 17 Workweek or Eligible Pay Period Dispute. The Response Deadline for Settlement Class
 18 Members to whom the Notice of Settlement is remailed after having been returned as
 19 undeliverable to the Settlement Administrator shall be fifty-five (55) calendar days after the
 20 Settlement Administrator’s initial mailing of the Notice of Settlement to Settlement Class
 21 Members, or fourteen (14) days after the re-mailing, whichever is later.

22 1.32 “Settlement Administration Costs” means the costs payable from the Gross
 23 Settlement Amount to the Settlement Administrator for administering this Settlement in
 24 accordance with the Settlement Administrator’s responsibilities outlined in this Stipulation.

25 1.33 “Settlement Administrator” means Apex Class Action LLC, who shall be
 26 responsible for the administration of the Settlement, distribution of any amounts owed under this
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1 Settlement, and matters necessarily related thereto, pursuant to the terms of this Settlement, and
2 subject to appointment by the Court.

3 1.34 “Settlement Class” or “Settlement Class Members” means all current and former
4 California non-exempt employees of Defendant during the Class Settlement Period.

5 **2. RECITALS**

6 **2.1 Background and Procedural History**

7 2.1.1 On September 13, 2023, Plaintiff filed Class Action Complaint in Santa
8 Clara Superior Court alleging causes of action for (1) failure to pay minimum wage; (2) failure to
9 pay overtime wage; (3) meal period violations; (4) rest break violations; (5) failure to pay
10 vacation wages; (6) failure to provide sick leave; (7) failure to indemnify reasonable and
11 necessary business expenses; (8) failure to provide accurate wage statements; (9) recordkeeping
12 violations; (10) waiting time penalties; and (11) violation of the California unfair competition law
13 (“UCL”) based on the same alleged Labor Code violations. In her original Complaint, Plaintiff
14 sought to represent a putative class of all California non-exempt employees.

15 2.1.2 On November 17, 2023 Plaintiff filed a First Amended Complaint to add a
16 claim for civil penalties under PAGA.

17 2.1.3 After exchanging documents, the Parties entered arms-length negotiations
18 to reach a settlement in principle. On September 4, 2024, the Parties attended a confidential
19 mediation. Following mediation, the Parties entered into a Memorandum of Understanding to
20 memorialize this settlement on September 13, 2024.

21 **2.2 Benefits of Settlement**

22 2.2.1 Based on their own independent investigations and evaluations, Class
23 Counsel is of the opinion that the Settlement with Defendant for the consideration and terms set
24 forth herein, considering the representative and class claims, and the risk of loss, is fair,
25 reasonable, and adequate in light of all known facts and circumstances, and is in the best interests
26 of the Settlement Class. Class Counsel is also of the opinion that the total consideration and
27 payment set forth in this Stipulation of Settlement is adequate in light of the uncertainties
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1 surrounding the risk of further litigation, the possibility of losing class certification, that the
2 PAGA claim could be deemed unmanageable, and the defenses that Defendant has asserted
3 and/or could assert as to the substantive merit of the claims.

4 2.2.2 Class Counsel has weighed the monetary benefit under the Settlement to
5 the Settlement Class against the expenses and length of continued proceedings that would be
6 necessary to prosecute the Action against Defendant through class certification, through
7 manageability motions, summary judgment, trial and possible appeals. Class Counsel has also
8 taken into account the uncertain outcome and risk of any litigation, especially in complex actions
9 such as class and representative actions, as well as the difficulties and delay inherent in such
10 litigation. As a result, Class Counsel has determined that the settlement set forth in this
11 Stipulation of Settlement is in the best interests of the Settlement Class.

12 2.2.3 Defendant and the Released Parties specifically and generally deny any and
13 all liability or wrongdoing of any sort with regard to the claims alleged, make no concessions or
14 admissions of liability of any sort, and contend that for any purpose other than Settlement, the
15 Action is not appropriate for class or representative action treatment. Nonetheless, Defendant has
16 concluded that further conduct of the Action would be protracted, distracting, and expensive, and
17 that it is desirable that the Action be fully and finally settled in the manner and upon the terms
18 and conditions set forth in this Stipulation. Defendant has also taken into account the uncertainty
19 and risks inherent in any litigation. Defendant has therefore determined that it is desirable and
20 beneficial to it to settle the Action in the manner and upon the terms and conditions set forth in
21 this Stipulation.

22 2.2.4 Neither this Stipulation of Settlement, nor any document referred to in it,
23 nor any actions taken pursuant to this Stipulation of Settlement, is or should be construed as an
24 admission by Defendant of any fault, wrongdoing, or liability whatsoever. Nor should the
25 Stipulation of Settlement be construed as an admission that Plaintiff could meet any of the class
26 action requirements or that any PAGA claim would be manageable. There has been no final
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determination by any court as to the merits of the claims asserted by Plaintiff against Defendant, as to whether a class action should be certified, or that any PAGA claim is manageable.

3. SETTLEMENT TERMS

3.1 Conditional Class Certification. The Parties stipulate, for settlement purposes only, to the certification by the Court of the Settlement Class. If, for any reason, the Court does not approve this Stipulation, fails to enter the Judgment, or if this Stipulation is terminated for any other reason, the Settlement Class will be decertified and Defendant shall, and hereby does, retain the right to dispute the appropriateness of class certification.

3.2 Gross Settlement Amount

3.2.1 Gross Settlement Amount: Defendant shall pay a non-reversionary amount not to exceed Ninety Thousand Dollars and Zero Cents (\$90,000) as the Gross Settlement Amount to resolve the Action on a class and representative basis, subject to section 3.3.2. The Gross Settlement Amount shall be used to pay, as approved by the Court, Class Counsel's attorneys' fees and costs, Enhancement Award, Settlement Administration Costs; the PAGA Payment to the LWDA and the PAGA Members, and the Individual Settlement Payments to the Participating Class Members. Notwithstanding the foregoing, in addition to the Gross Settlement Amount, Defendant will pay the employer's portion of payroll taxes, including FICA and FUTA, on the portion of each Individual Settlement Payment allocated as unpaid wages.

3.2.2 Escalation of Gross Settlement Amount or Truncation of Class Settlement Period: Defendant identified approximately 5,650 workweeks in the Class Settlement Period from the start of the Settlement Class Period until the mediation. In the event that the actual number of workweeks in the Class Settlement Period exceeds 5,650 by more than 10% (*i.e.*, more than 6,215 total workweeks), then at Defendant's option in its sole discretion, either (a) the Gross Settlement Amount shall increase by the same number of percentage points above 10% the actual number of workweeks exceeds the 5,650 estimate (*e.g.*, if the actual workweeks during the Class Settlement Period are 6,328, which is 12% greater than the estimated number of workweeks, then the Gross Settlement Amount increases by 2% to \$91,800); or (b) the Class Settlement Period

1 shall end as of the date the workweeks during the Class Settlement Period reach 6,215
2 workweeks. If the escalator provision is triggered and elected, the Parties agree that the portion of
3 the Gross Settlement Amount allocated to attorneys' fees will increase proportionally such that
4 the total amount of attorneys' fees remains one-third of the Gross Settlement Amount after the
5 upward adjustment required by this provision is implemented.

6 3.3 Allocation of Gross Settlement Amount

7 3.3.1 Class Representative Enhancement Award: The Class Representative's
8 Enhancement Award, which is in addition to the Class Representative's Individual Settlement
9 Payment from the Net Settlement Amount and Individual PAGA Payment, will, subject to Court
10 approval, be paid out of the Gross Settlement Amount and will not exceed \$3,000 for her service
11 and assistance to the Class. Any amount of the Class Representative's Enhancement Award that
12 is not awarded by the Court shall be added to the Net Settlement Amount.

13 3.3.2 Attorneys' Fees and Costs: Class Counsel may apply to the Court for an
14 award of reasonable attorneys' fees not to exceed one third of the Gross Settlement Amount,
15 \$30,000.00 and will seek an award of costs for reimbursement of Class Counsel's out-of-pocket
16 costs incurred in the Action up to an additional \$ 20,000 to be paid out of the Gross Settlement
17 Amount. Defendant reserves the right to challenge Class Counsel's request for fees and costs if
18 the requests exceed the parameters established by this Stipulation. The Settlement Administrator
19 shall issue IRS Forms 1099 to Class Counsel for the payments made pursuant to this section.
20 Class Counsel shall be solely and legally responsible for paying any and all applicable taxes on
21 the fees and costs award. Any amount of Class Counsel's requested fees and costs that is not
22 awarded by the Court shall be added to the Net Settlement Amount. Neither Class Counsel nor
23 any other attorneys acting for, or purporting to act for, the Settlement Class, Settlement Class
24 Members, or Plaintiff, may recover or seek to recover any amounts for fees, costs, or
25 disbursements from the Defendant or the Released Parties except as expressly provided herein.

26 3.3.3 Settlement Administrator Costs: The Settlement Administration Costs
27 incurred by the Settlement Administrator as a result of the procedures and processes expressly
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required by this Stipulation shall be paid out of the Gross Settlement Amount and are estimated not to exceed \$4,940. Under no circumstances will Defendant be required to contribute additional funds, above and in addition to the Gross Settlement Amount, to cover any unexpected Settlement Administration Costs. The Settlement Administration Costs shall include: all costs of administering the Settlement, including all tax document preparation, custodial fees, and accounting fees incurred by the Settlement Administrator; all costs and fees associated with establishing and maintaining a Qualified Settlement Fund; all costs and fees associated with preparing, issuing and mailing the Notice of Settlement and other correspondence to Settlement Class Members; all costs and fees associated with communicating with Settlement Class Members, Class Counsel, and Defendant's Counsel; all costs and fees associated with computing, processing, reviewing, and paying the payments due under this Stipulation, and resolving disputed claims; all costs and fees associated with calculating tax withholdings and payroll taxes, making related payment to federal and state tax authorities, and issuing tax forms relating to payments made under the Settlement; 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 payments due under this Stipulation; and any other costs and fees incurred and/or charged by the Settlement Administrator in connection with the execution of its duties under this Stipulation. Any amount of Settlement Administration Costs that is not awarded by the Court shall be added to the Net Settlement Amount.

3.3.4 Individual Settlement Payments to Participating Class Members: Each Participating Class Member will be entitled to receive an Individual Settlement Payment, which will be paid out of the Net Settlement Amount. The amount of each Individual Settlement Payment will be calculated on a pro rata basis, based on the Eligible Workweeks each Participating Class Member worked during the Class Settlement Period. There is no need for a Participating Settlement Class Member to submit a claim form in order to be eligible for and to receive an Individual Settlement Payment. To determine each Settlement Class Member's

estimated “Individual Settlement Payment,” the Settlement Administrator will use the following formula: estimated Individual Settlement Payment = individual Eligible Workweeks ÷ all Settlement Class Member Eligible Workweeks × Net Settlement Amount. The Parties recognize that the Individual Settlement Payments to be paid to Participating Class Members reflect settlement of a dispute over claimed wages, interest, penalties, and other alleged damages.

3.3.5 PAGA Payment: A total amount of \$5,000 from the Gross Settlement Amount will be allocated as the PAGA Payment to be paid as penalties under PAGA, seventy-five percent (75%) of this amount (\$3,750) will be the LWDA PAGA Payment to paid to the LWDA and the remaining twenty-five (25%) of this amount (\$1,250) shall be distributed to the PAGA Members as Individual PAGA Payments. Any portion of the PAGA Payment not approved by the Court shall be added to the Net Settlement Amount and any additional amount ordered by the Court shall be paid from the Gross Settlement Amount. The 25% of the PAGA Payment to be distributed to the PAGA Members as Individual PAGA Payments and shall be distributed based on a pro rata share based on the number of Eligible Pay Periods each PAGA Member worked during the PAGA Settlement Period.

3.4 **Taxation**

3.4.1 Tax Treatment of Individual Settlement Payments. All Individual Settlement Payments to Participating Class Members shall be allocated as follows for tax purposes: 33% of each Individual Settlement Payment reflects compromise of claims for alleged unpaid wages; 67% of each Individual Settlement Payment reflects compromise of a claim for interest, penalties and expense reimbursements. The portion of the Individual Settlement Payment attributable to unpaid wages will be subject to regular and/or applicable payroll and income tax withholdings (for the employee portion only), and will be reported on an IRS Form W-2. The Settlement Administrator shall make appropriate tax withholdings from the portion of each Individual Settlement Payment designated as unpaid wages, and shall pay the employer portion of payroll taxes with funds separate from the Gross Settlement Amount to be furnished by Defendant. Participating Class Members will be responsible for paying all other taxes due on

1 their Individual Settlement Payments. Other than as set forth above, the Settlement Administrator
2 will not make any deductions, withholdings, or additional payments, including without limitation,
3 medical or other insurance payments or premiums, employee 401(k) contributions or matching
4 employer contributions, wage garnishments to the extent permitted by law, or charity
5 withholdings, from or with respect to the Individual Settlement Payments, and entry of the Order
6 of Final Approval by the Court shall be deemed authority not to make any such deductions,
7 withholdings, or additional payments.

8 3.4.2 Tax Treatment of Individual PAGA Payments: All Individual PAGA
9 Payments shall be allocated as 100% penalties, for which a 1099 will be issued if required.
10 PAGA Members will be responsible for paying all other taxes due on their Individual PAGA
11 Payments. PAGA Members will be responsible for paying all taxes due on their Individual
12 PAGA Payments. The Settlement Administrator will not make any deductions, withholdings, or
13 additional payments, including without limitation, medical or other insurance payments or
14 premiums, employee 401(k) contributions or matching employer contributions, wage
15 garnishments to the extent permitted by law, or charity withholdings, from or with respect to the
16 Individual PAGA Payments.

17 3.4.3 Circular 230 Disclaimer: Each Party to this Stipulation (for purposes of
18 this section, the “acknowledging party” and each Party to this Stipulation other than the
19 acknowledging party, an “other party”) acknowledges and agrees that (1) no provision of this
20 Stipulation, and no written communication or disclosure between or among the Parties or their
21 attorneys and other advisers, is or was intended to be, nor shall any such communication or
22 disclosure constitute or be construed or be relied upon as, tax advice within the meaning of
23 United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the
24 acknowledging party (a) has relied exclusively upon his, her, or its own, independent legal and
25 tax counsel for advice (including tax advice) in connection with this Stipulation, (b) has not
26 entered into this Stipulation based upon the recommendation of any other party or any attorney or
27 advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by
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any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the acknowledging party; and (3) no attorney or adviser to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Stipulation.

3.5 No Effect on Employee Benefits. Neither the Settlement nor any amounts paid under the Settlement will modify any previously credited hours or service under any employee benefit plan, policy, or bonus program sponsored by the Released Parties. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under the Released Parties' sponsored benefit plans, policies, or bonus programs. The payments made under the terms of this Stipulation shall not be applied retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of the Released Parties' benefit plans, policies, or bonus programs. The Released Parties retain the right to modify the language of their benefit plans, policies and bonus programs to effectuate this intent, and to make clear that any amounts paid pursuant to this Settlement are not for "hours worked," "hours paid," "hours of service," or any similar measuring term as defined by applicable plans, policies and bonus programs for purposes of eligibility, vesting, benefit accrual, or any other purpose, and that additional contributions or benefits are not required by this Stipulation of Settlement.

3.6 Releases

3.6.1 Class Representative's Release. Upon Final Approval, the Class Representative shall be deemed to have fully, finally, and forever released the Released Parties from all Class Representative's Released Claims through the Final Approval Date. The Class Representative may hereafter discover claims or facts in addition to, or different from, those which he now knows or believes to exist, but Class Representative expressly agrees to fully, finally and forever settle and release any and all claims against the Released Parties, known or

1 unknown, suspected or unsuspected, which exist or may exist on behalf of or against the other at
2 the time of execution of this Stipulation. The Class Representative shall be deemed to have
3 expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights,
4 and benefits he may otherwise have had relating to the Class Representative's Released Claims
5 pursuant to Section 1542 of the California Civil Code, which provides as follows:

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

9 Notwithstanding the foregoing, Class Representative does not waive or release any claim which
10 cannot be waived or released by private agreement or law. Further, nothing in this Stipulation
11 shall prevent Class Representative from filing a charge or complaint with, or from participating
12 in, an investigation or proceeding conducted by the SEC, OSHA, EEOC, DFEH, NLRB or any
13 other federal, state or local agency charged with the enforcement of any employment or other
14 applicable laws. Class Representative, however, understand that by signing this Stipulation, he
15 waives the right to recover any damages or to receive other relief in any claim or suit brought by
16 or through the EEOC, the DFEH or any other state or local deferral agency on their behalf to the
17 fullest extent permitted by law, but expressly excluding any monetary award or other relief
18 available from the SEC/OSHA, including an SEC/OSHA whistleblower award, or other awards
19 or relief that may not lawfully be waived.

20 3.6.2 Participating Class Member Release. As of the Effective Date, all
21 Participating Class Members fully and finally release the Released Parties from the Released
22 Claims that arose during the Class Settlement Period.

23 3.6.3 PAGA Member Release. As of the date of the Effective Date, Plaintiff, as
24 representative of the State of California and on behalf of the LWDA and as representatives of the
25 PAGA Members, fully and finally release the Released Parties from the PAGA Released Claims
26 for the PAGA Settlement Period.

27 **4. APPROVAL OF SETTLEMENT, NOTICE TO CLASS AND ADMINISTRATION**

1 **4.1 Preliminary Approval**

2 4.1.1 Class Counsel shall submit to the Court this Stipulation of Settlement and
3 exhibits thereto for preliminary approval by the Court. Class Counsel will prepare and file the
4 motion for preliminary approval and supporting papers for the Court, subject to Defendant's prior
5 review and approval. Plaintiff will provide the motion for preliminary approval to Defendant for
6 its review and approval at least seven (7) days before filing.

7 4.1.2 Pursuant to California Labor Code § 2699(l), concurrently with the filing
8 of the motion for preliminary approval, Plaintiff will provide notice of the proposed Settlement to
9 the LWDA.

10 4.1.3 Within ten (10) days of Plaintiff's filing of the Motion for Preliminary
11 Approval, Defendants shall send notices of settlement pursuant to 15 U.S.C. § 1715.

12 4.1.4 The Court's preliminary approval of this Settlement shall be embodied in
13 an order certifying the Class for settlement purposes only, preliminarily approving the Settlement
14 and providing for Notice of Settlement to be mailed to the Class in materially the same format
15 attached hereto as Exhibit 1, and which will also set the date for the Final Approval Hearing. The
16 Notice of Settlement shall advise Settlement Class Members of their options, which include filing
17 an Opt-Out Request to the class settlement; filing an objection to the Settlement and receiving an
18 Individual Settlement Payment and an Individual PAGA Payment (if applicable); or taking no
19 action and receiving an Individual Settlement Payment and an Individual PAGA Payment (if
20 applicable).

21 **4.2 Notice**

22 4.2.1 Delivery of Class Data: No later than twenty-one (21) calendar days after
23 the Preliminary Approval Date, Defendant shall provide the Class Data to the Settlement
24 Administrator. The Settlement Administrator shall maintain the Class Data, and all data
25 contained within the Class Data, as private and confidential and shall not disclose such data to
26 any persons or entities, unless otherwise required by law. The information in the Class Data is
27 being supplied solely for purposes of the administration of the settlement and cannot be used by
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1 the Settlement Administrator or any agent or representative of the Settlement Administrator for
2 any other purpose. Upon receipt of the Class Data, the Settlement Administrator shall check with
3 the U.S. Postal Service National Change of Address Database and update any addresses for the
4 Settlement Class Members.

5 4.2.2 Notice By First-Class Mail. Within twenty-one (21) calendar days of the
6 receipt of the Class Data, the Settlement Administrator will send via United States first class mail
7 the Notice of Settlement to the Settlement Class Members. If any Notice of Settlement is
8 returned to the Settlement Administrator as undeliverable, the Settlement Administrator shall run
9 a skip-trace using that Settlement Class Member's social security number in an effort to attempt
10 to ascertain the current address of the Settlement Class Member. If such an address(es) is
11 ascertained, the Settlement Administrator shall re-mail the Notice of Settlement within ten (10)
12 calendar days. If alternative addresses are obtained for a Settlement Class Member, the
13 Settlement Administrator shall send the Notice of Settlement to up to two (2) alternative
14 addresses.

15 4.3 **Opt-Out Requests**

16 4.3.1 Settlement Class Members, except for the Class Representative, will have
17 until the Response Deadline within which to opt out of the class portion of this Settlement;
18 however, exercising this option has no effect on the PAGA portion of this settlement, PAGA
19 Members will be mailed an Individual PAGA Payment and be bound by the release of the
20 Released PAGA Claims regardless of whether they opt out of the class settlement. Settlement
21 Class Members who want to opt out must timely submit a signed and dated written request to be
22 excluded from the class portion of the Settlement to the Settlement Administrator ("Opt-Out
23 Request"). The Opt-Out Request must be postmarked on or before the Response Deadline,
24 include the case name and number, the Settlement Class Member's name, address, and last four
25 of their social security number, must be signed by the Settlement Class Member, and must
26 reasonably communicate the Settlement Class Member's election to be excluded from the class
27 Settlement.

1 4.3.2 Settlement Class Members who do not timely submit an executed Opt-Out
2 Request shall be deemed a Participating Class Member and bound by this Settlement including
3 the Participating Class Member Release. Settlement Class Members who timely submit an
4 executed Opt-Out Request will not be bound by the Participating Class Member Release and will
5 not receive an Individual Settlement Payment. The Notice of Settlement shall advise Settlement
6 Class Members of their ability to opt-out of the class portion of the Settlement and of the
7 consequences thereof, and further inform them that they cannot opt out of the PAGA settlement.
8 Neither the Parties nor any of their counsel will solicit any Settlement Class Member to submit an
9 Opt-Out Request.

10 4.3.3 If a Settlement Class Member submits both an Opt-Out Request and an
11 Objection within the Response Deadline, then the Opt-Out Request will be deemed valid and the
12 Objection invalid and the individual will not be deemed a Participating Class Member.

13 4.4 **Objections.** Participating Class Members, except for the Class Representative,
14 may object to the Settlement in person at the Final Approval Hearing and/or in writing.
15 Participating Class Members, except for the Class Representative, will have until the Response
16 Deadline to file a written objection to the Court. Only Settlement Class Members who have not
17 filed an Opt-Out Request (i.e., Participating Class Members) may object to the Settlement. The
18 written objection should be mailed or filed with the Court, include the case number and name of
19 this case, should state the Participating Class Member's name and address and describe the
20 reason(s) why the Participating Class Member objects to the Settlement and include or attach any
21 documents upon which the objection is based. The Parties and their counsel agree that they will
22 not solicit, encourage, counsel or advise any individual to object to the Settlement.

23 4.5 **Eligible Workweek and Eligible Pay Period Disputes.** Participating Class
24 Members and PAGA Members may dispute their Eligible Workweeks and Eligible Pay Periods if
25 they believe they worked for more Eligible Workweeks or Eligible Pay Periods in the Class
26 Settlement Period or PAGA Settlement Period than stated on their Notice of Settlement.
27 Participating Class Members and PAGA Members may do this by submitting information to the
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1 Settlement Administrator in writing no later than the Response Deadline. The Settlement
2 Administrator will jointly work with Class Counsel and Defendant's Counsel to resolve the
3 dispute in good faith. If the Parties cannot agree on the Eligible Workweeks or Eligible Pay
4 Periods to be credited to that Participating Class Member or PAGA Member, the Court shall
5 make the final decision based on the information presented by the individual and the Parties.

6 **4.6 Certification Reports by the Settlement Administrator.** The Settlement
7 Administrator will, on a weekly basis during and for a reasonable period following distribution of
8 the Notice of Settlement, provide updates to Class Counsel and Defendant's Counsel as to the
9 number of persons in the Settlement Class who submitted (i) valid Opt-Out Requests; (ii) written
10 Objections, and (iii) Eligible Workweeks or Eligible Pay Period disputes. All written objections
11 shall be provided to the Parties' counsel within two (2) days of receipt by the Settlement
12 Administrator. To the extent practicable, the weekly updates shall also provide updated data on
13 the extent of Notices of Settlement that are returned undeliverable and any re-mailing efforts.

14 **4.7 Nullification of Settlement.** Defendant shall have the sole right to void and
15 withdraw from this Settlement if at any time prior to the Final Approval Date: (a) three percent
16 (3%) or more of all Settlement Class Members submit timely and valid Opt-Out Requests; or (b)
17 the Settlement is construed in such a fashion that Defendant would be required to pay more than
18 the Gross Settlement Amount, exclusive of Defendant's share of the employer payroll taxes,
19 subject to section 3.3.2; or (c) the Court does not certify the Settlement Class, or does not certify a
20 class releasing all of the Released Class Claims defined in this Stipulation, or does not approve
21 the PAGA settlement including the release of the Released PAGA Claims, or otherwise makes an
22 order inconsistent with any of the material terms (as determined by Defendant) of this Settlement;
23 (d) any pending litigation or litigation filed prior to the Final Approval Date in any way prevents
24 the Settlement from being preliminarily or finally approved by the Court; or (e) Plaintiff or Class
25 Counsel materially breach the Settlement.

26 **4.8 Final Approval and Entry of Final Judgment**
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1 4.8.1 Prior to the Final Approval Hearing, Plaintiff will move the Court for entry
2 of an “Order of Final Approval” and associated entry of Judgment: (a) certifying the Settlement
3 Class for Settlement purposes only, (b) finding the Settlement fair, reasonable, adequate, and in
4 the best interests of the Participating Class Members, (c) approving the PAGA Payment to the
5 LWDA and the PAGA Members; (d) approving Class Counsel’s application for an award of
6 attorneys’ fees and costs, (e) approving the Class Representative’s application for an
7 Enhancement Award, (f) approving the payment of reasonable Settlement Administration Costs,
8 and (g) releasing and barring any further Released Class Claims by Participating Class Members
9 and Released PAGA Claims by or on behalf of the PAGA Members. Plaintiff will provide the
10 motion for final approval to Defendant for its review and approval at least seven days before
11 filing. The Parties and their respective counsel shall make all reasonable efforts to secure entry of
12 the Order of Final Approval. The proposed Order of Final Approval and the associated proposed
13 Judgment shall be filed with the Court with the motion for final approval, or as otherwise directed
14 by the Court.

15 4.8.2 Class Representative and Class Counsel shall be responsible for justifying
16 the amount of the Enhancement Award and attorneys’ fees and costs to the Court, and they agree
17 to submit, as appropriate, the necessary materials to justify these payments. If the Court (or any
18 appellate court) awards less than the amount requested for attorneys’ fees and/or costs, or less
19 than the amount requested for the Enhancement Award for the Class Representative, only the
20 awarded amounts shall be paid and shall constitute satisfaction of the obligations of Defendant
21 under this Stipulation.

22 4.8.3 If an appeal results in an order materially modifying, setting aside, or
23 vacating any portion of the Stipulation, with the exception of any modification of the amount of
24 attorneys’ fees or costs to be paid to Class Counsel, or the amount of the Enhancement Award
25 paid to the Class Representative, each party adversely impacted by the order shall have the right
26 to treat such order as an event preventing Final Approval. To exercise this right, the party must
27 inform the other party and the Settlement Administrator, in writing, of the exercise of this right,
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within ten (10) calendar days of receiving notice of any order modifying, setting aside, or vacating any portion of the Stipulation. Before any Party elects to exercise its right to treat such order as an event permanently preventing Final Approval, that Party must meet and confer in good faith with the other Party to determine if an agreement can be reached modifying this Settlement to the mutual satisfaction of the Parties.

4.8.4 If the Final Approval does not occur, or if this Stipulation is terminated or canceled pursuant to its terms, the Parties to this Stipulation shall be deemed to have reverted to their respective status as of the date and time immediately prior to the execution of this Stipulation. In such an event, if the Stipulation is not approved by the Court substantially in the form agreed to by the Parties, or if the Settlement set forth in the Stipulation is terminated, cancelled, declared void, or fails to become effective in accordance with its terms, or if the Judgment does not become a Final Judgment, or if the Final Approval Date does not occur, this Stipulation (except for those provisions relating to non-admission, denial of liability set forth herein, and the confidentiality agreements entered into by the Parties) shall be deemed null and void, its terms and provisions shall have no further force and effect and shall not be used in this Action or in any other proceeding for any purpose, and any Judgment or order entered by the Court in accordance with the terms of the Stipulation shall be treated as vacated, *nunc pro tunc*. Notwithstanding any other provision of this Stipulation, no order of the Court, or modification or reversal on appeal of any order of the Court, reducing the amount of any attorneys' fees or costs to be paid by Defendant to Class Counsel, or reducing the amount of the Enhancement Award paid to the Class Representative, shall constitute grounds for cancellation or termination of the Stipulation, or grounds for limiting any other provision of the Judgment.

4.9 Funding and Distribution of the Settlement Proceeds

4.9.1 Within twenty-one (21) calendar days after the Effective Date or within seven (7) days of the Settlement Administrator providing all information necessary for Defendant to transfer funds to the Qualified Settlement Fund, whichever is later, Defendant shall pay the

1 Gross Settlement Amount into the Qualified Settlement Fund set up, held, and controlled by the
2 Settlement Administrator.

3 4.9.2 Within fifteen (15) calendar days after Defendant funds the Qualified
4 Settlement Fund, the Settlement Administrator shall issue Individual Settlement Payments to
5 Participating Class Members, Individual PAGA Payments to the PAGA Members, the LWDA
6 PAGA Payment to the LWDA, the Court-approved attorneys' fees and costs to Class Counsel,
7 and the court-approved Enhancement Award to the Class Representative.

8 4.9.3 The Settlement Administrator shall keep counsel for the Parties apprised of
9 all distributions from the Qualified Settlement Account and upon completion of administration of
10 that portion of the Settlement, the Settlement Administrator shall provide written certification,
11 under penalty of perjury, of such completion to the Court and counsel for all Parties.

12 4.9.4 Upon completion of administration of the Settlement, the Settlement
13 Administrator shall provide written certification, under penalty of perjury, of such completion to
14 the Court, Class Counsel and Defendant's Counsel.

15 4.10 **Uncashed Checks.** After one hundred and eighty (180) calendar days of issuance,
16 funds from undeposited Individual Settlement Payment and Individual PAGA Payment checks
17 will be held by the Settlement Administrator. Even if a Participating Class Member or PAGA
18 Member does not cash or deposit his or her settlement payment check(s) within one-hundred
19 eighty (180) calendar days of issuance, the Stipulation of Settlement, including its release, will be
20 binding on that Participating Class Member or PAGA Member. After 180 days, any uncashed
21 checks for the PAGA Settlement shall be tendered to the State Controller's Office, Unclaimed
22 Property Division in the name of the recipient. After 180 days, any uncashed checks for the Class
23 Settlement will be distributed to the Law Foundation of Silicon Valley, a *cy pres* pursuant to
24 California Code of Civil Procedure Section 384, with the funds to be used in support of the
25 LACY (Legal Advocates for Children) Program, or if necessary and in the alternative, to Child
26 Advocates of Silicon Valley.

27 5. MISCELLANEOUS PROVISIONS

1 **5.1 This Settlement is Fair, Adequate and Reasonable.** The Parties believe this
2 Settlement is a fair, adequate and reasonable settlement of the Action and have arrived at this
3 Settlement in arms-length negotiations, taking into account all relevant factors, present and
4 potential.

5 **5.2 Invalidity of Any Provision.** Before declaring any provision of this Stipulation
6 invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible
7 consistent with applicable precedents so as to define all provisions of this Stipulation valid and
8 enforceable. Should the Court deem any clause or provision of this Stipulation be invalid, illegal,
9 or unenforceable, it shall first attempt to modify or reform it as minimally necessary to be valid,
10 lawful, and enforceable.

11 **5.3 No Admission.** Neither the acceptance nor the performance by Defendant of the
12 terms of this Stipulation, nor any of the related negotiations or proceedings, is or shall be claimed
13 to be, construed as, or deemed to be, an admission by Defendant of the truth of any of the
14 allegations in the Complaint, the representative character of the Action, the validity of any of the
15 claims that were or could have been asserted by Plaintiff, Settlement Class Members and/or
16 PAGA Members in the Action, or of any liability or guilt of Defendant or the Released Parties in
17 the Action. Nothing in this Stipulation shall be construed to be or deemed an admission by
18 Defendant of any liability, culpability, negligence, or wrongdoing toward Plaintiff, the Settlement
19 Class Members, or any other person, and Defendant specifically disclaims any liability,
20 culpability, negligence, or wrongdoing toward Plaintiff, the Settlement Class Members, PAGA
21 Members and any other person. Each of the Parties has entered into this Stipulation with the
22 intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and
23 contingencies.

24 **5.4 Cooperation.** The Parties agree to cooperate fully with one another to accomplish
25 and implement the terms of this Settlement. Such cooperation shall include, but not be limited to,
26 execution of such other documents and the taking of such other action as may reasonably be
27 necessary to fulfill the terms of this Settlement. The Parties to this Settlement shall exercise
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reasonable efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by Court order, or otherwise, to effectuate this Settlement and the terms set forth herein.

5.5 Privacy of Documents and Information. Plaintiff and Class Counsel agree that none of the documents and information provided to them by Defendant in connection with the Action and this Settlement shall be used for any purpose (including in any other litigation) other than this Settlement of the Action.

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

To the Class Counsel:

Emil Davtyan
Roman Shkodnik
Amanda Fazio
D.Law, Inc.
450 N. Brand Blvd. Suite 840
Glendale, CA 91203

David Yeremian
David Yeremian & Associates, Inc.
450 N. Brand Blvd. Suite 840
Glendale, CA 91203

To Defendant:

Sarah Zenewicz
Morgan, Lewis & Bockius LLP
One Market, Spear Street Tower
San Francisco, California 94105-1126

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

1 **5.8 Publicity.** Neither Plaintiff nor Plaintiff's counsel shall issue any press release or
2 announcement of any kind related in any way to the Settlement. Plaintiff and Plaintiff's counsel
3 agree that, prior to filing a motion for preliminary approval of the settlement, they will keep the
4 terms of the settlement confidential except for purposes of communicating with Plaintiff only.
5 Plaintiff understands that prior to the filing of a motion for preliminary approval, the Settlement is
6 confidential and agrees to keep it confidential. From and after preliminary approval of the
7 settlement, Plaintiff and Plaintiff's counsel may: (1) as required by law; (2) as required under the
8 terms of the settlement; or (3) as required under counsel's duties and responsibilities as class
9 counsel, communicate regarding the specific terms of the settlement. In all other cases, Plaintiff
10 and Plaintiff's counsel agrees to limit their statements regarding the terms of the settlement,
11 whether oral, written or electronic (including the world wide web), to say the Class Action has
12 been resolved and that Plaintiff and Plaintiff's counsel are satisfied with the settlement terms.
13 Nothing in this Paragraph is intended to interfere with Plaintiff's counsel's duties and obligations
14 to faithfully discharge their duties as class counsel, including but not limited to, communicating
15 with Settlement Class Members regarding the settlement, and nothing shall prohibit Plaintiff's
16 counsel from referring to the settlement in adequacy of counsel declarations or related court
17 filings.

18 **5.9 No Exclusion by Class Representative.** The Class Representative, by signing
19 this Stipulation, is bound by the terms herein and further agrees not to request to be excluded
20 from the Settlement and not to object to any terms of this Stipulation. Any such request for
21 exclusion or objection shall therefore be void and of no force or effect. Defendant, Class
22 Counsel, and the Class Representative waive their rights to file an appeal, writ, or any challenge
23 whatsoever to an Order of Final Approval or Judgment or to the terms of this Stipulation, and
24 such waiver includes the right to appeal any award or reduction in the awards of attorneys' fees,
25 costs or the Enhancement Award. However, either Party may appeal in the event an objector's
26 objection is upheld by the trial court.

1 **5.10 Computation of Time.** If the prescribed time period in which to complete the
2 required or permitted action expires on a Saturday, Sunday or legal holiday, such time period
3 shall be continued to the following business day.

4 **5.11 Modification.** This Stipulation may not be changed, altered, or modified, except
5 in writing signed by the Parties hereto and approved by the Court. This Stipulation may not be
6 discharged except by performance in accordance with its terms or by a writing used by the Parties
7 hereto.

8 **5.12 Binding on Successors.** This Stipulation shall be binding upon and inure to the
9 benefit of the Parties hereto and their respective heirs, trustees, executors, administrators,
10 successors, and assigns.

11 **5.13 Execution in Counterparts.** This Stipulation shall become effective upon its
12 execution by all of the undersigned. The Parties may execute this Stipulation in counterparts, and
13 execution of counterparts shall have the same force and effect as if all Parties had signed the same
14 instrument.

15 **5.14 Jurisdiction.** The Court shall retain jurisdiction with respect to the
16 implementation and enforcement of the terms of the Stipulation, and all Parties hereto submit to
17 the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied
18 in the Stipulation. Any action to enforce this Stipulation shall be commenced and maintained
19 only in the Court.

20 **5.15 Headings.** Paragraph titles or captions contained in the Stipulation are inserted as
21 a matter of convenience and for reference, and in no way define, limit, extend, or describe the
22 scope of this Stipulation, or any provision thereof.

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

25 **AGREED AND UNDERSTOOD.**
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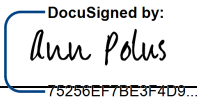
MARISSA BROWN

Dated: _____, 2025

By: _____
Marissa Brown

JAZZ PHARMACEUTICALS, INC.

Dated: March 19, 2025, 2025

By:  _____
Ann Polus
Assistant General Counsel, Employment Law

APPROVED AS TO FORM:

DAVID YEREMIAN & ASSOCIATES, INC.

Dated: _____, 2025

By: _____
David Yeremian
Counsel for Plaintiff

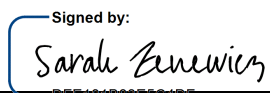
D. LAW, INC.

Dated: _____, 2025

By: _____
Emil Davtyan
Roman Shkodnik
Amanda Fazio
Counsel for Plaintiff

MORGAN, LEWIS & BOCKIUS LLP

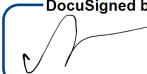
Dated: March 19, 2025, 2025

By:  _____
Sarah Zenewicz
Attorney for Defendant
JAZZ PHARMACEUTICALS, INC.

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MARISSA BROWN

Dated: March 19, 2025

DocuSigned by:

By: A2662180654F43E...
Marissa Brown

JAZZ PHARMACEUTICALS, INC.

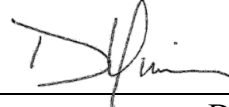
Dated: _____, 2025

By: _____
Ann Polus
Assistant General Counsel, Employment Law

APPROVED AS TO FORM:

DAVID YEREMIAN & ASSOCIATES, INC.

Dated: April 8, 2025

By: 
David Yeremian
Counsel for Plaintiff

D. LAW, INC.

Dated: April 8, 2025

By: 
Emil Davtyan
Roman Shkodnik
Amanda Fazio
Counsel for Plaintiff

MORGAN, LEWIS & BOCKIUS LLP

Dated: _____, 2025

By: _____
Sarah Zenewicz
Attorney for Defendant
JAZZ PHARMACEUTICALS, INC.

EXHIBIT 1

Marissa Brown v. Jazz Pharmaceuticals, Inc.
Santa Clara County Superior Court Case No. 23CV422390

*A court has authorized this notice. This is not a solicitation.
This is not a lawsuit against you and you are not being sued.
Your legal rights are affected whether you act or do not act.*

NOTICE OF SETTLEMENT

To: Current and former employees for Jazz Pharmaceuticals, Inc. in non-exempt positions in California during the Class Settlement Period, at any time period from September 13, 2019, through November 3, 2024 (the “Settlement Class”).

SETTLEMENT CLASS MEMBERS ARE ELIGIBLE TO RECEIVE PAYMENT FROM THE CLASS SETTLEMENT AND MAY ALSO BE ELIGIBLE TO RECEIVE PAYMENT FROM THE PAGA SETTLEMENT DESCRIBED IN THIS NOTICE.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	To receive a settlement payment, you do not need to do anything. Your payment will be mailed to you, automatically, after the Court grants final approval to the settlement. <i>You must, however, keep a current address on file with the Settlement Administrator to ensure receipt of your check.</i>
CHANGE CONTACT AND ADDRESS INFORMATION	Update your address with the Administrator to ensure your check is sent to the correct address.
EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT	If you do not want to participate in the class settlement, you may exclude yourself (“opt out”) of the class portion of the settlement. If you exclude yourself from the class settlement, then you will not receive any payment from the Net Settlement Amount (defined below). This is the only option that allows you to pursue your own claims (in your own lawsuit) against Defendant about the legal claims in this case. However, if you are a PAGA Member (defined below), then even if you exclude yourself from the class settlement, you will still receive a portion of the PAGA settlement and will be bound by the release of PAGA claims.
OBJECT IN WRITING OR AT THE HEARING	Write to the Court if you think the settlement is not fair or appear at the Final Approval hearing to speak to the Court about why you think the settlement is not fair.

- **YOUR RIGHTS AND OPTIONS – AND THE DEADLINES TO EXERCISE THEM – ARE EXPLAINED IN THIS NOTICE.**
- **DEFENDANT WILL NOT RETALIATE IN ANY MANNER AGAINST ANY SETTLEMENT CLASS MEMBER FOR PARTICIPATING OR NOT PARTICIPATING IN THIS SETTLEMENT.**

BACKGROUND ON THE LAWSUIT

1. What is this Class and PAGA Action and Settlement about?

On September 13, 2023, Plaintiff Marissa Brown filed this “Action” in Superior Court in Santa Clara County. In her operative First Amended Complaint, she alleges causes of action for (1) failure to pay minimum wage; (2) failure to pay overtime wage; (3) meal period violations; (4) rest break violations; (5) failure to pay vacation wages; (6) failure to provide sick leave; (7) failure to indemnify reasonable and necessary business expenses; (8) failure to provide accurate wage statements; (9) recordkeeping violations; (10) waiting time penalties; (11) violation of the California unfair competition law (“UCL”) based on the same alleged Labor Code violations; and (12) for civil penalties under PAGA.

Defendant denies all allegations in the Action and contends that it has fully complied with federal, state and local wage and hour laws. The settlement is not an admission of any wrongdoing by Defendant or an indication that any law was violated or that this case was suitable for class, collective or representative treatment. Through arms-length negotiations with an experienced wage and hour mediator, the Parties reached a class, collective and PAGA settlement subject to Court approval, which is summarized in this Notice.

2. Why did I get this notice?

You received this Notice because records identify you as a California non-exempt employee of Defendant at some time during the period from September 13, 2019 through November 3, 2024 (the “Class Settlement Period”). The settlement will resolve Settlement Class Members’ claims, summarized above, during the Class Settlement Period. The Settlement will also resolve claims for civil penalties under the California Private Attorneys’ General Act (“PAGA”). You may also be a “PAGA Member” if you worked for Defendant during the period from September 13, 2022, to November 3, 2024 (the “PAGA Settlement Period”).

The purpose of this notice is to explain the Action, the pending Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the Santa Clara County Superior Court, and the case is known as *Brown v. Jazz Pharmaceuticals, Inc.* Case No. 23CV422390. The Court held a hearing on [REDACTED], 2025, and Hon. Theodore C. Zayner preliminarily approved this Settlement and directed that you receive this Notice. The Court will hold a Final Approval hearing concerning the Settlement on [REDACTED], 2025 at [REDACTED], in Department 19, 191 North First Street San Jose, CA 95113. The Final Approval Hearing may be continued to another date without further notice.

3. Why is there a settlement?

The Court has not decided in favor of Plaintiff or Defendant or made any decision as to whether this case could proceed on a class, collective or representative basis. There was no trial. Instead, both sides agreed to a no-fault settlement of the Action.

4. Who are the Attorneys for the Settlement Class and the PAGA Members?

The Court has appointed Class Counsel to represent the Settlement Class and the PAGA Members in connection with this Settlement, David Yeremian of David Yeremian & Associates, Inc. and Emil Davtyan, Roman Shkodnik, and Amanda Fazio of D.Law Inc., 450 N Brand Avenue Suite 840 Glendale, CA 91203, (818) 962-6465.

THE TERMS OF THE SETTLEMENT

5. What is the Settlement Amount?

The proposed Settlement provides for a maximum payment of \$90,000.00 (referred to as the “Gross Settlement Amount”). From the Gross Settlement Amount, Class Counsel will apply to the Court for: attorneys’ fees of \$30,000.00 and up to \$20,000 in recoverable costs incurred in this Action; Class Representative Enhancement Award of \$3,000 to Plaintiff for her work and efforts prosecuting this case, for undertaking the risks of payment of costs (in the event of an unsuccessful outcome of this Action) and for signing a general release of any claims they may have against Defendant; a \$5,000 payment as settlement for claims for civil penalties under PAGA (the “PAGA Payment”), of which 75% will go to the California Labor Workforce Development Agency (“LWDA”) and 25% will be divided among the PAGA Members as described below; and Settlement Administration Costs to Apex Class Action LLC, estimated at \$4,940. The exact amount of the attorneys’ fees, litigation costs, Class Representative Enhancement Award, and Settlement Administration Costs will be determined by the Court at the Final Approval hearing. The remaining portion of the Gross Settlement Amount is the “Net Settlement Amount,” which is currently estimated to be approximately \$ [REDACTED]. The Net Settlement Amount will be apportioned and paid out as Individual Settlement Payments to the Participating Class Members, who are the Settlement Class Members who do not request to be excluded (“opt out”) of the settlement.

6. How will the Individual Settlement Payments to Participating Class Members be calculated?

Participating Class Members will receive Individual Settlement Payments from the Net Settlement Amount. **A claim form is not required to become a Participating Class Member.** Settlement Class Members who opt out of the class settlement will not become Participating Class Members and will not receive Individual Settlement Payments and will not be bound by the class portion of this Settlement.

Each Participating Class Member’s Individual Settlement Payment will be a pro rata share of the Net Settlement Amount based on the number of workweeks that each Participating Class Member worked for Defendant during the Class Settlement Period (September 13, 2019, through November 3, 2024 (“Eligible Workweeks”)) as a proportion of all Eligible Workweeks for all Participating Class Members.

All Individual Settlement Payments to Participating Class Members shall be allocated as follows for tax purposes: 45% of each Individual Settlement Payment reflects a compromise of claims for alleged unpaid wages; 55% of each Individual Settlement Payment reflects a compromise of claims for alleged interest and penalties. The portion of the Individual Settlement Payment attributable to unpaid wages will be subject to regular and/or applicable payroll and income tax withholdings and will be reported on an IRS Form W-2. Participating Class Members will receive an IRS Form 1099 for the portion of the Individual Settlement Payment attributable to alleged interest and penalties if required by law. Participating Class Members will be responsible for correctly characterizing the Individual Settlement Payment for tax purposes and paying taxes due, if any.

Your total estimated Eligible Workweeks is [REDACTED]. Based on that, your anticipated approximate Individual Settlement Payment is [REDACTED].

7. How will the PAGA Payment be allocated to the LWDA and PAGA Members?

The Parties will ask the Court to approve the \$5,000 PAGA Payment in settlement of claims for civil penalties under PAGA. As required under PAGA, 75% of the PAGA Payment, or \$3,750, will be paid to the LWDA. The remaining 25% of the PAGA Payment, or \$1,250, will be distributed to the PAGA Members as Individual PAGA Payments.

Not all Settlement Class Members are PAGA Members who are entitled to an Individual PAGA Payment. If you are a PAGA Member, you are entitled to receive an Individual PAGA Payment; no claim form is required. Because PAGA Members cannot opt out of the PAGA settlement, if you are a PAGA Member and you opt out of the class settlement, you will still receive an Individual PAGA Payment and be bound by the PAGA settlement.

Each PAGA Member's Individual PAGA Payment will be a pro rata share of the 25% of the PAGA Payment to be distributed to PAGA Members. It will be based on the number of pay periods that each PAGA Member worked for Defendant during the PAGA Period (September 13, 2022, through November 3, 2024) ("Eligible Pay Periods") as a proportion of all Eligible Pay Periods for all PAGA Members. For tax purposes, 100% of the Individual PAGA Payments will be allocated as penalties for which an IRS Form 1099, if required by law.

Your total estimated Eligible Pay Periods is [REDACTED]. Based on that, your anticipated approximate Individual PAGA Payment is [REDACTED].

HOW TO GET A PAYMENT

8. How can I get a settlement payment?

If you do nothing, you will automatically receive your Individual Settlement Payment and Individual PAGA Payment (if any) after the Court approves the Settlement at a Final Approval Hearing. You must notify the Settlement Administrator of any change in your name, mailing address and/or telephone number if the information shown on this is not correct. **It is your responsibility to keep the Settlement Administrator informed of any change in your address. Settlement payments will be mailed to the last known address the Settlement Administrator has on file for you.** You can contact the Settlement Administrator by U.S. Mail, email or phone at [REDACTED] if you need to update contact information.

9. What do I do if I believe my Eligible Workweeks or Eligible Pay Periods are incorrect?

If you believe the Eligible Workweeks and Eligible Pay Periods above are not correct, you may send a letter to the Settlement Administrator indicating what you believe to be the correct information. Your letter must be postmarked on or before [REDACTED], 2025. [60 days within mailing of Notice]. You should include any documents or other information which supports what you believe support that you worked a different number of Eligible Workweeks or Eligible Pay Periods.

Settlement checks should be cashed promptly upon receipt. If your settlement check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement. Proceeds of checks for Individual Settlement Payments for the class settlement that remain uncashed after 180 days from the date of issuance will be distributed to the Law Foundation of Silicon Valley, a *cy pres* pursuant to California Code of Civil Procedure Section 384, with funds to be used in support of the LACY (Legal Advocates for Children and Youth) Program. Proceeds from any Individual PAGA Payments issued to PAGA Members that remain uncashed after 180 days from the date of issuance will be forwarded to the State of California Unclaimed Property Fund in the name of each PAGA Member who did not cash his or her settlement check.

WHAT HAPPENS IF THE COURT APPROVES THE SETTLEMENT

10. What am I giving up to get an Individual Settlement Payment?

If the Court approves this Settlement, and unless you exclude yourself, you will become a Participating Class Member, and that means that you cannot sue, continue to sue, or be a part of any other lawsuit against Defendant concerning the legal claims being resolved in this Settlement. Specifically, you will be giving up or “releasing” the claims described below:

Released Class Claims: As of the Effective Date of the Settlement, the Participating Class Members who do not timely opt out of the Class Settlement will release Jazz Pharmaceuticals, Inc. and any parent, subsidiary, affiliated or related entities (including any companies, corporations, partnerships, alter egos, joint venturers, and actual or alleged joint employers), and each of their respective past, present and future agents, employees, servants, officers, directors, partners, members, trustees, fiduciaries, representatives, shareholders, stockholders, attorneys, equity sponsors (defined as a company/corporation and/or partnership that is, directly or indirectly, under common control with that Defendant or any of its parents and/or affiliates), divisions, assigns, predecessors, successors, insurers, and consultants (the “Released Parties”), from means any and all federal, state and local law claims, rights, demands, liabilities, and causes of action, that were alleged, or reasonably could have been alleged, based on facts alleged in the operative First Amended Complaint and ascertained in the course of the Action and that arose or accrued during the Class Settlement Period including causes of action for (1) failure to pay minimum wage; (2) failure to pay overtime wage; (3) meal period violations; (4) rest break violations; (5) failure to pay vacation wages; (6) failure to provide sick leave; (7) failure to indemnify reasonable and necessary business expenses; (8) failure to provide accurate wage statements; (9) recordkeeping violations; (10) waiting time penalties; and (11) violation of the California unfair competition law (“UCL”) based on the same alleged Labor Code violations; and (12) all claims for interest, penalties, attorneys’ fees, costs and any other monetary relief based upon the claims described above and including, but not limited to, pursuant to any Wage Orders, Labor Code §§ 210, 218.5, 218.6, Code of Civil Procedure §1021.5.

11. What PAGA Claims are released by this Settlement?

If the Court approves this Settlement, then, as of the date of the Effective Date, Plaintiff, as representative of the State of California and on behalf of the LWDA and as representatives of the PAGA Members, fully and finally release the Released Parties from claims for civil penalties under PAGA that were alleged, or reasonably could have been alleged, based on the allegations in the operative First Amended Complaint, the PAGA Notices, and ascertained in the course of the Action and that arose or accrued during the PAGA Settlement Period, including but not limited to claims for violations of the California Labor Code for (1) failure to pay minimum wage; (2) failure to pay overtime wage; (3) meal period violations; (4) rest break violations; (5) failure to pay vacation wages; (6) failure to provide sick leave; (7) failure to indemnify reasonable and necessary business expenses; (8) failure to provide accurate wage statements; (9) recordkeeping violations; (10) waiting time penalties; and (11) violations of or claims for civil penalties under Labor Code sections 201, 202, 203, 204, 218.5, 218.6, 226, 226.4, 226.7, 227.3, 245, *et seq.*, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2 1197, 1199, 2699, *et seq.*, and 2802.

EXCLUDING YOURSELF FROM THE CLASS SETTLEMENT

12. How do I exclude myself (“opt out”) of the class settlement?

If you wish to pursue your own separate lawsuit against any of the Released Parties for the claims asserted in the Action on behalf of the Settlement Class, or if you otherwise wish not to participate in the class settlement for whatever reason, you should exclude yourself from the class settlement (that is, “opt out” of the class portion of the Settlement). However, you cannot opt out of the PAGA portion of the settlement. Those who opt out of this Settlement and who are also PAGA Members will still be bound by the release of PAGA in this Settlement and will receive an Individual PAGA Payment.

To opt out of the class portion of the Settlement and the Released Class Claims, you must provide a signed and dated letter to the Settlement Administrator requesting to be excluded. The letter must include the case name and number, your name, address, and last four of your social security number, must be signed by you, and must reasonably communicate your election to be excluded from the class Settlement. The letter must be postmarked and mailed to the Settlement Administrator at the following address (or in the enclosed envelope) on or before [redacted], 2025. [60 days within mailing of Notice] Opt-out requests postmarked after the deadline will be invalid.

[Settlement Admin address]

13. If I don't exclude myself from the class settlement, can I sue Defendant for the same thing?

No. Unless you exclude yourself, you give up any right to sue the Released Parties for the Released Class Claims. If you have a claim or lawsuit already filed against Defendant or any of the Released Parties, you should speak to your lawyer in that case immediately.

You cannot exclude yourself from the PAGA portion of the Settlement and you cannot sue the Released Parties for the Released PAGA Claims later if this Settlement is approved.

OBJECTING TO THE SETTLEMENT

14. How do I tell the Court that I do not agree with the Settlement or believe it is not fair?

You can ask the Court to deny approval by making an objection. You can't ask the Court to order a different settlement; the Court can only approve or reject the settlement. If the Court denies approval, no settlement payments will be sent out, and the Action will continue. If that is what you want to happen, you should object. Even if you object, if the Court approves the Settlement, then you will still receive the Individual Settlement Payments unless you opt-out of the Class Settlement and you will be bound by the releases in this Settlement. You can either object to the Settlement in person at the Final Approval Hearing, or you can submit a written objection.

You may object to the proposed settlement in writing. You may also appear at the Final Approval Hearing at your expense, either in person, telephonically, or through an attorney, provided you notify the Court of your intention to do so. All written objections, supporting papers and/or notices of intent to appear at the Final Approval Hearing must (a) clearly identify the case name and number *Marissa Brown v. Jazz Pharmaceuticals, Inc.*, Case No. 23CV422390), (b) be submitted to the Court either by mailing the objection to: Clerk of the Court, Superior Court of California, County of Santa Clara, 191 N. 1st Street, San Jose, California 95113, or by filing in person at the same location; (c) also be mailed to the law firms identified below and (d) be filed or postmarked on or before _____, 2025. [60 days within mailing of Notice].

To Plaintiff: Emil Davtyan Roman Shkodnik Amanda Fazio D.Law, Inc. 450 N Brand Ave Suite 840 Glendale, CA 91203	To Defendant: Sarah Zenewicz Morgan, Lewis & Bockius LLP One Market, Spear Street Tower San Francisco, California 94105-1126
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David Yeremian David Yeremian & Associates, Inc. 450 N Brand Ave Suite 840 Glendale, CA 91203	
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THE FINAL APPROVAL HEARING WITH THE COURT

15. When and where will the Court decide whether to grant final approve the settlement?

The Court will hold a Final Approval hearing concerning the Settlement on [REDACTED], 2025 at [REDACTED], in Department 19, 191 North First Street San Jose, CA 95113. At this hearing the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve Class Counsel's request for attorneys' fees and costs, the Class Representative's Enhancement Award, and the Settlement Administrator's fees and expenses.

The Court may reschedule the Final Approval hearing without further notice to Settlement Class Members. You should check the Santa Clara County Superior Court website (<https://www.santaclara.courts.ca.gov/>) or you can contact Class Counsel to verify the date and time of the Final Approval hearing.

16. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Judge may have. But you are welcome to come at your own expense. If you timely submit a written objection, you don't have to come to Court to talk about it. You may also hire and pay your own lawyer to attend if you so desire.

GETTING MORE INFORMATION

17. Whom may I contact if I have questions about the settlement?

You may contact Class Counsel at the contact information listed above in Paragraph 4 if you have any questions about the Settlement. You may also contact the court-appointed Settlement Administrator, _____ by calling toll free 1-800-[REDACTED], or you can write to [Admin Address].

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you are referred to the detailed Settlement Agreement, which is on file with the Clerk of the Court. The pleadings and other records in this litigation, including the Settlement Agreement, may be examined (a) online on the Superior Court of California, County of Santa Clara's Electronic Filing and Service Website at www.sceffiling.org, or (b) in person at Records, Superior Court of California, County of Santa Clara, 191 N. 1st Street, San Jose, California 95113, between the hours of 8:30 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays and closures, or you may contact Class Counsel or the Settlement Administrator.

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANT'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS.