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 on behalf of herself and all others similarly situated

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 LA FINANCIAL CREDIT UNION

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
 FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE**

PAULA MARTINEZ, on behalf of herself
 and all others similarly situated,

Plaintiffs,

v.

LA FINANCIAL CREDIT UNION, a
 California entity, form unknown; and DOES
 1 to 10, inclusive,

Defendants.

CLASS ACTION

Case No.: 23STCV22040

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

Honorable Maren Nelson
 Department 17

Action filed: September 13, 2023
 Trial date: None Set

JOINT STIPULATION OF CLASS ACTION

AND PAGA SETTLEMENT AND RELEASE

IT IS HEREBY STIPULATED, by and between the parties in the civil action filed by Plaintiff Paula Martinez, individually and on behalf of all others similarly situated (hereinafter "Plaintiff"), against Defendant LA Financial Credit Union (hereinafter "Defendant"), and subject to the approval of the Court, that the Action is hereby compromised and settled under the terms and conditions set forth in this Joint Stipulation of Class Action and PAGA Settlement and Release (hereinafter "Agreement," "Settlement," or "Stipulation of Settlement") and that the Court shall make and enter judgment, subject to the continuing jurisdiction of the Court as set forth below, and subject to the definitions, recitals, and terms set forth herein, which, by this reference, become an integral part of this Stipulation of Settlement.

DEFINITIONS

1. "Action" means the putative class and representative action entitled *Paula Martinez v. LA Financial Credit Union*, Los Angeles County Superior Court Case No. 23STCV22040.

2. "Class Counsel" means Emil Davtyan, Esq., Gregg Lander, Esq., Vanessa M. Ruggles, Esq., Guido Toscano, Esq., and Taylor Keaster, Esq. of D.Law, Inc.

3. "Class Counsel Award" means the Court-approved attorneys' fees for Class Counsel's litigation and resolution of the Action (not to exceed one-third of the Maximum Settlement Amount, or \$130,000) and the Court-approved costs incurred by Class Counsel in connection with this Action (not to exceed \$19,000).

4. "Class Information" or "Class List" means information regarding Class Members that Defendant shall in good faith compile from its records and shall be authorized by the Court to transmit in a secured manner to the Settlement Administrator. Class Information shall be transmitted in Microsoft Excel format and shall include each Class Member's: (i) full name; (ii) last known address; (iii) Social Security number; and (iv) number of Workweeks worked for Defendant in California as a non-exempt employee during the Class Period.

5. "Class Members" or "Settlement Class" means all person employed by Defendant

1 in California as non-exempt employees during the Class Period (as defined below). It shall be an
2 opt-out class.

3 6. "Class Period" means the period of March 18, 2019, through September 13, 2024.

4 7. "Class Representative Service Award" means the Court-approved amount to be
5 paid to Plaintiff Paula Martinez (not to exceed \$10,000) and in addition to Plaintiff's Individual
6 Settlement Award, in recognition of Plaintiff's efforts and risks in prosecuting the Action.

7 8. "Defendant" means Defendant LA Financial Credit Union.

8 9. "Defense Counsel" means Connie L. Chen, Esq., and Jennell K. Shannon, Esq., of
9 Jackson Lewis P.C.

10 10. "Effective Date" means the later of the following: (a) the date the Final Order and
11 Judgment is signed if no objections are made to the Settlement, or if objections are made and
12 withdrawn; (b) five (5) days after the deadline to appeal the Final Order has expired without a
13 timely appeal or request for review being filed if objections are filed and overruled; or (c) ten
14 (10) days after any appeal is withdrawn or after an appellate decision affirming the Final Order
15 without material modification becomes final if objections are filed and overruled and an appeal is
16 taken of the Final Order and Judgment.

17 11. "Employer's Share of Payroll Taxes" means Defendant's portion of payroll taxes,
18 including but not limited to FICA and FUTA, on the portion of the Individual Settlement Awards
19 that has been allocated towards alleged unpaid wages.

20 12. "Final Approval Hearing" means the hearing to be conducted by the Court
21 following (a) the Court issuing the Preliminary Approval Order as defined in paragraph 28
22 below, (b) appropriate notice to Class Members giving Class Members an opportunity to request
23 exclusion from the Settlement Class and Settlement and to object to the Settlement, and (c) the
24 filing by Plaintiff of an appropriate motion for final approval of the Settlement, at which Final
25 Approval Hearing Plaintiff shall request that the Court finally approve the Settlement, enter the
26 Final Order and Judgment, and take other appropriate action.

27 13. "Final Order and Judgment" means the order and judgment to be entered by the
28 Court upon granting final approval of the Settlement and this Stipulation of Settlement as binding

1 upon the Parties and Participating Class Members. A proposed Final Order and Judgment shall be
2 mutually agreed upon by the Parties and submitted to the Court concurrently with Plaintiff's
3 Motion for Final Approval of the Settlement.

4 14. "Final Report" means the report to be prepared by the Settlement Administrator
5 (after the expiration of the 180-day period in which Participating Class Members must
6 cash/deposit their Individual Settlement Award payment checks) regarding the distribution of the
7 Maximum Settlement Amount, including the total amount that was cashed/deposited by
8 Participating Class Members and the total amount of any unpaid residue or unclaimed or
9 abandoned funds under California Code of Civil Procedure section 384.

10 15. "Individual PAGA Payment" means the amount payable from the PAGA Payment
11 to each PAGA Group Member.

12 16. "Individual Settlement Award" means the amount payable from the Net
13 Settlement Amount to each Participating Class Member.

14 17. "Maximum Settlement Amount" means the maximum amount Defendant shall
15 have to pay in connection with this Settlement, by way of a common fund, which shall be
16 inclusive of all Individual Settlement Awards to Participating Class Members, the Class Counsel
17 Award, the Class Representative Service Awards, PAGA Payment, and Settlement
18 Administration Costs. Subject to Court approval and the terms of this Stipulation of Settlement,
19 the Maximum Settlement Amount Defendant shall be required to pay is \$390,000, subject to
20 paragraph 39, infra.

21 18. "Net Settlement Amount" means the Maximum Settlement Amount, less the
22 Class Counsel Award, Class Representative Service Award, PAGA Payment, and Settlement
23 Administration Costs.

24 19. "Notice of Objection" means a Class Member's valid and timely submission of a
25 written objection to the Settlement to the Settlement Administrator within the Response Deadline.
26 An objection should include: (a) the objector's full name, signature, address, telephone number,
27 and the last four digits of his/her Social Security number, (b) a written statement of all grounds for
28 the objection accompanied by any legal support for such objection, (c) copies of any papers, briefs,

1 or other documents upon which the objection is based; (d) identification of the objector's attorney
2 (if any); (e) a statement of whether the objector or a legal representative intends to appear at the
3 Final Settlement Approval Hearing; and (f) the case name and number. Objecting Class
4 Members may appear at the Final Approval Hearing either in person or through counsel retained
5 at Class Member's own expense, to have their objection heard, whether or not they had
6 submitted a prior written objection as specified in this section. The Court will rule on any
7 objections to the settlement at the Final Approval Hearing. An objection may be withdrawn at
8 any time. The Settlement Administrator shall provide objections, if any, to Class Counsel and
9 Defense Counsel via email within three calendar days of receipt, and the Settlement
10 Administrator shall attach any objections to its declaration of due diligence, which is to be filed
11 with the Court prior to the Final Approval Hearing. Any Participating Class Member who files
12 an objection remains eligible to receive monetary compensation from the Settlement.

13 20. "PAGA Group Members" means all Class Members employed by Defendant at
14 any time during the PAGA Period.

15 21. "PAGA Notice" means the September 13, 2023 letter that Class Counsel sent to
16 the LWDA under Labor Code § 2699.3(a)/(c) exhausting Plaintiff's administrative remedies
17 under the California Private Attorneys General Act ("PAGA"), California Labor Code §§ 2698,
18 *et seq.*, and s alleging claims including but not limited to that Defendant failed to pay all wages,
19 failed to pay all overtime wages, failed to pay all overtime wages at the legal overtime pay rate,
20 failed to provide all meal periods, failed to authorize and permit all paid rest periods, failed to
21 premium wages at the legal pay rate, failed to fully reimburse work expenses, independently and
22 derivatively failed to provide accurate itemized wage statements, failed to timely pay final
23 wages, failed to comply with Labor Code § 246(l), and owes statutory and/or civil penalties
24 under the Labor Code.

25 22. "PAGA Payment" means the amount of \$20,000, subject to Court approval, to be
26 paid from the Maximum Settlement Amount for satisfaction of Plaintiff's and Class Members'
27 claims under PAGA. Under PAGA, 75% or \$15,000 of the PAGA Payment will be paid to the
28 LWDA and 25% or \$5,000 of the PAGA Payment will be distributed as the Individual PAGA

1 Payments to Class Members.

2 23. "PAGA Period" means the period of September 13, 2022, through September 13,
3 2024.

4 24. "PAGA Release" or "PAGA Released Claims" means the release by all PAGA
5 Group Members for all claims for penalties under PAGA that arise out of or relate to California
6 Labor Code sections 201-204, 218, 218.5, 218.6, 226, 226.3, 226.7, 246, 450, 510, 512, 516,
7 558, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2802, 2804, 2698 et seq.; Civil Code section
8 3287; California Business and Professions Code section 17200 and the applicable Industrial
9 Wage Order, as pled or arising out of or related to the facts pled in the PAGA Notice and
10 operative complaint, during the PAGA Period. The Parties acknowledge and agree there is no
11 right for alleged aggrieved employees to opt out of the release of claims asserted under PAGA.

12 25. "Participating Class Members" means Plaintiff and all other Class Members who
13 do not submit a valid and timely Request for Exclusion.

14 26. "Parties" means Plaintiff and Defendant.

15 27. "Plaintiff," "Class Representative," or "PAGA Representative" means Plaintiff
16 Paula Martinez for purposes of settlement only.

17 28. "Preliminary Approval Order" means the order to be issued by the Court
18 approving and authorizing the mailing of the Settlement Notice by the Settlement Administrator,
19 setting the date of the Final Approval Hearing and granting preliminary approval of the
20 Settlement set forth in this Stipulation of Settlement, among other things. A proposed
21 Preliminary Approval Order shall be mutually agreed upon by the Parties and submitted to the
22 Court concurrently with Plaintiff's Motion for Preliminary Approval of the Settlement.

23 29. "Released Claims" means all claims that were alleged, or reasonably could have
24 been alleged, based on the facts stated in the operative complaint, including but not limited to all
25 claims under California Labor Code sections 201-204, 218, 218.5, 218.6, 226, 226.3, 226.7, 246,
26 450, 510, 512, 516, 558, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2802, 2804, 2698 et seq.;
27 Civil Code section 3287; California Business and Professions Code section 17200 based on
28 violations of the preceding statutes and the applicable Industrial Wage Order based on violations

1 of the preceding statutes, including claims for injunctive relief, liquidated damages, interest, fees,
2 and costs.

3 30. "Released Parties" means Defendant and its past, present, and future respective
4 subsidiaries, dba's, related and affiliated entities, joint ventures, parents, divisions, ownership
5 entities, insurers and reinsurers, successors, predecessors in interest, and each of their past and
6 present board members, officers, directors, shareholders, employees, agents, members, managing
7 entities, joint employers, integrated enterprises, principals, heirs, representatives, accountants,
8 auditors, consultants, attorneys, administrators, fiduciaries, trustees, agents, anyone acting for
9 any of them.

10 31. "Request for Exclusion" means a written statement submitted by a Class Member
11 indicating a request to be excluded from the Settlement. The Request for Exclusion must be in
12 writing and should: (i) be signed by the Class Member; (ii) contain the full name, address,
13 telephone number, and the last four digits of the Social Security number of the Class Member
14 requesting exclusion; (iii) include the case name and number; (iv) clearly state that the Class
15 Member does not wish to be included in the Settlement; (v) be returned by fax or mail to the
16 Settlement Administrator at the specific address and/or facsimile number; and (vi) be postmarked
17 or faxed on or before the Response Deadline. The date of the fax or postmark on the return mailing
18 envelope will be the exclusive means to determine whether a Request for Exclusion has been
19 timely submitted. A Class Member who does not request exclusion from the Settlement will be
20 deemed a "Participating Class Member" and will be bound by all terms of the Settlement, if the
21 Settlement is granted final approval by the Court. Any Class Member who validly requests to be
22 excluded from the Settlement will no longer be a member of the Settlement Class and will not have
23 any right to object, appeal, or comment on the Settlement, but will remain as a Participating PAGA
24 Member and will receive an Individual PAGA Payment for the PAGA Released Claims. The
25 Settlement Administrator shall immediately provide copies of all Requests for Exclusion to
26 Defense Counsel (including the mailing envelope evidencing the postmark date), and shall report
27 the number of Requests for Exclusions that it receives to all counsel in weekly reports, and to the
28 Court in its declaration to be provided in advance of the Final Approval Hearing. It shall be

1 presumed that, if a Request for Exclusion is not postmarked or faxed before the Response
2 Deadline, the Class Member did not timely submit the form. Any Class Member who timely and
3 validly requests exclusion from the Class and this Settlement will not be entitled to any
4 Individual Settlement Payment, will not be bound by the Released Claims by Class Members,
5 and will not have any right to object, appeal, or comment thereon. Any Class Member who fails
6 to timely submit a request for exclusion shall automatically be deemed a Participating Class
7 Member whose rights and claims with respect to the issues raised in the Action are determined
8 by the Court's Final Order Approving Settlement of Class Action. Thus, said Class Member's
9 rights to pursue any claims covered by the Action and/or released in this Agreement will be
10 extinguished.

11 32. "Response Deadline" means the deadline by which Class Members must
12 postmark or fax to the Settlement Administrator a valid Request for Exclusion, objection, or
13 workweeks dispute. The Response Deadline will be 30 calendar days from the initial mailing of
14 the Settlement Notices by the Settlement Administrator unless the 30th day falls on a Sunday or
15 Federal holiday, in which case the Response Deadline will be extended to the next day on which
16 the U.S. Postal Service is open. The Response Deadline may also be extended by express
17 agreement between Class Counsel and Defendant. Under no circumstances, however, will the
18 Administrator have the authority to extend the deadline for Class Members to submit a Request
19 for Exclusion, objection, or workweeks dispute to the settlement.

20 33. "Settlement Administrator" or "Administrator" means Simpluris, Inc. or any other
21 third-party action settlement administrator agreed to by the Parties and approved by the Court for
22 purposes of administering this settlement. The Parties each represent that they will not have any
23 financial interest in the Settlement Administrator or otherwise have a relationship with the
24 Settlement Administrator that could create a conflict of interest.

25 34. "Settlement Administration Costs" means the reasonable costs and fees of
26 administering the Settlement to be paid from the Maximum Settlement Amount, not to exceed
27 \$5,216, including, but not limited to: (i) printing, mailing and re-mailing (if necessary) of
28 Settlement Notices to Class Members; (ii) preparing and submitting to Class Members and

1 government entities all appropriate tax filings and forms; (iii) computing the amount of and
2 distributing Individual Settlement Awards, the Class Representative Service Awards, Class
3 Counsel Award; (iv) processing and validating Requests for Exclusion; (v) establishing a Qualified
4 Settlement Fund, as defined by the Internal Revenue Code; (vi) calculating and remitting to the
5 appropriate government agencies all employer and employee payroll tax obligations arising from
6 the Settlement and preparing and submitting filings required by law in connection with the
7 payments required by the Settlement; and (vii) transmitting uncashed Individual Settlement Award
8 payments to California Controller's Office Unclaimed Property Division, with an identification of
9 the Participating Class Member to whom the funds belong to be held on behalf of the Class
10 Member.

11 35. "Settlement Notice" means the Notice of Class Action Settlement, substantially in
12 the form attached as **Exhibit A**, which shall be subject to Court approval and which the Settlement
13 Administrator shall mail to each Class Member.

14 36. "Workweeks" means the number of workweeks worked by each Class Member
15 for Defendant as a non-exempt employee during the Class Period. Workweek is defined as any
16 regular workweek in which the Class Member-Claimant worked on three or more calendar days.

17 37. "Workweek Dispute" means a written statement that a Class Member disputes
18 the number of Workweeks listed on his/her Settlement Notice. Any such Workweek Dispute
19 must be faxed or mailed to the Settlement Administrator by the Response Deadline. The date of
20 the fax or postmark on the written statement will be the exclusive means to determine whether a
21 Workweek Dispute has been timely submitted. A valid Workweek Dispute must be in writing and
22 should contain: (i) the Class Member's full name, signature, address, telephone number, and the last
23 four digits of his/her Social Security number; (ii) the number of Workweeks the Class Member
24 contends is correct; and (iii) any evidence supporting his/her contention. The dates of employment
25 identified for each Class Member in the applicable Class List will be presumed to be correct, unless
26 a particular Class Member proves otherwise to the Settlement Administrator by credible evidence.
27 The Settlement Administrator shall immediately contact Defense Counsel regarding the dispute
28 and Defense Counsel will work in good faith with the Settlement Administrator to resolve it. If

1 the dispute remains unresolved, the Settlement Administrator will be the final arbiter of the
2 number of Workweeks for the Class Member and the Settlement Administrator's decision will be
3 final and non-appealable. All disputes shall be resolved before the Settlement Administrator
4 provides its declaration regarding the completion of the notice process.

5 38. "Workweek Value" means the value of each compensable Workweek, as
6 determined by the formula set forth herein.

7 39. "Workweek Verification" means Defendant certifies that the number of
8 workweeks for all class members from March 18, 2019 to September 13, 2024 is approximately
9 13,811 ("Certified Workweeks Amount"). If the number of workweeks for all Class Members
10 for that time frame should exceed the Certified Workweek Amount by more than ten percent
11 (10%), i.e., is more than 15,193 workweeks, the Maximum Settlement Amount shall be
12 increased by the percentage difference between 15,193 workweeks and the actual number of
13 workweeks that accrued for all class members from March 18, 2019, to September 13, 2024. In
14 the event this escalator clause is triggered, Defendant shall have the option to shorten the
15 Settlement Period such that the number of workweeks subject to release is not above 15,193
16 workweeks, which option must be exercised before notices of settlement are mailed to Class
17 Members.

18 **RECITALS**

19 40. Procedural History.

20 a. On September 13, 2023, Plaintiff Paula Martinez submitted a notice to
21 California's Labor and Workforce Development Agency under California's Private Attorney
22 General Act ("PAGA") ("PAGA Notice") for the purpose of complying with Labor Code section
23 2699.3's notice requirement, giving notice of Plaintiff's intentions to file the Action.

24 b. On September 13, 2023, Plaintiff Paula Martinez filed the Action alleging:
25 (1) Failure To Pay All Wages; (2) Failure To Pay All Overtime Wages; (3) Failure To Pay All
26 Overtime Wages At The Legal Overtime Pay Rate; (4) Failure To Provide All Meal Periods; (5)
27 Failure to Authorize and Permit All Rest Periods; (6) Failure To Pay Premium Wages At The Legal
28 Pay Rate; (7) Failure to Fully Reimburse Work Expenses; (8) Independent Failure To Timely

1 Furnish Accurate Itemized Wage Statements; (9) Derivative Failure To Timely Furnish Accurate
2 Itemized Wage Statements; (10) Violations of Labor Code §§ 201-202; and (11) Unfair Business
3 Practices. Plaintiff filed a First Amended Complaint on December 22, 2023, adding a claim for
4 Penalties Under Labor Code §§ 2699.

5 c. On June 13, 2024, the Parties participated in a full-day mediation before
6 Steve Pearl, Esq. Although the matter did not settle at the mediation, the parties continued
7 settlement communications through the mediator and the parties ultimately reached an agreement
8 to settle the case.

9 d. On August 9, 2024, the Parties entered into a fully-executed Memorandum
10 of Understanding confirming the key terms of the Settlement, which have been incorporated
11 herein.

12 e. The Parties shall seek approval of this Agreement by filing motions for
13 preliminary and final approval with the Court.

14 41. Benefits of Settlement to Plaintiff and the Class Members. Plaintiff and Class
15 Counsel recognize the expense and length of continued proceedings necessary to litigate
16 Plaintiff's disputes in the Action through trial and through any possible appeals. Plaintiff also has
17 taken into account the uncertainty and risks of the outcome of further litigation, and the
18 difficulties and delays inherent in such litigation. Plaintiff and Class Counsel are also aware of
19 the burdens of proof necessary to obtain class certification and establish liability for the claims
20 asserted in the Action, both generally and in response to Defendant's defenses thereto, and the
21 difficulties in establishing damages, penalties, restitution and other relief sought in the Action.
22 Plaintiff and Class Counsel also have taken into account Defendant's agreement to enter into a
23 settlement that confers substantial benefits upon the Class Members. Based on the foregoing,
24 Plaintiff and Class Counsel have determined that the Settlement set forth in this Stipulation of
25 Settlement is fair, adequate, and reasonable and is in the best interests of all Class Members.

26 42. Defendant's Reasons for Settlement. Defendant has concluded that further defense
27 of the Action would be protracted and expensive. Substantial amounts of Defendant's time, energy,
28 and resources have been, and unless this Settlement is completed, shall continue to be, devoted to

1 the defense of the claims asserted by Plaintiff. Defendant has also taken into account the risks of
2 further litigation in reaching its decision to enter into this Settlement. Although Defendant disputes
3 the allegations in the Action and denies any wrongdoing of any sort and further denies any
4 liability to Plaintiffs and the putative Class with respect to any claims or allegations asserted in
5 the Action, Defendant, nonetheless, has agreed to settle in the manner and upon the terms set forth
6 in this Stipulation of Settlement and to fully and finally put to rest the claims alleged in this Action.
7 Defendant has asserted and continues to assert that the claims alleged by Plaintiff have no merit and
8 do not give rise to any liability, damages, restitution, penalties or other payments. This Agreement
9 is entered into solely for the purpose of settling highly disputed claims. Nothing contained in this
10 Stipulation of Settlement, no documents referred to herein, and no action taken to carry out this
11 Stipulation of Settlement, shall be construed or used as an admission by or against Defendant as to
12 the merits or lack thereof of the claims asserted in the Action. Defendant contends that it has
13 complied with all applicable state, federal and local laws and regulations. In the event this
14 Settlement does not obtain final approval, Defendant does not waive and retains all rights it has to
15 defend itself in this matter and to take any actions in defense of itself that are available to it.

16 **CLASS CERTIFICATION**

17 43. Solely for purposes of settling the Action, and not for purposes of class
18 certification should the Settlement not be approved or for any other reason, the Parties stipulate
19 and agree that the requisites for establishing class certification with respect to the Settlement
20 Class have been met and are met. More specifically, for purposes of settlement only, the Parties
21 stipulate and agree that:

22 a. The Settlement Class is ascertainable and so numerous as to make it
23 unfeasible and impractical to join all Class Members;

24 b. There are common questions of law and fact including, but not limited to,
25 the following:

- 26 i) Whether Defendant paid the legal and appropriate straight time pay,
27 minimum wage pay and/or overtime pay for all work hours to Class
28 Members;

- ii) Whether Defendant paid the appropriate overtime wages to Class Members;
 - iii) Whether Defendant paid all overtime wages owed to the Class Members at the appropriate overtime pay rate;
 - iv) Whether Defendant failed to provide legally-required meal periods to Class Members in violation of the Labor Code and Section 11 of the IWC Wage Orders;
 - v) Whether Defendant failed to authorize and permit paid legally-required rest periods to Class Members in violation of the Labor Code and Section 12 of the IWC Wage Orders;
 - vi) Whether Defendant paid the legal and appropriate pay rate for meal and/or rest period penalty premium wages to Class Members;
 - vii) Whether Defendant failed to fully reimburse for all work-related expenses incurred by Class Members;
 - viii) Whether Defendant independently failed to timely furnish accurate, itemized and legal wage statements to the Class Members;
 - ix) Whether Defendant derivatively failed to timely furnish accurate, itemized and legal wage statements to Class Members;
 - x) Whether Defendant is liable under Labor Code § 203 to Class Members;
 - xi) Whether Defendant's conduct constitutes unfair business practices within the meaning of Business & Professions Code §§ 17200, et seq.;
 - xii) Whether Class Members are entitled to compensatory damages, and if so, the means of measuring such damages;
 - xiii) Whether Class Members are entitled to injunctive relief;
 - xiv) Whether Class Members of the Classes are entitled to restitution; and
 - xv) Whether Defendant is liable for attorneys' fees and costs.
- c. Class Representative's claims are typical of the claims of the Settlement

1 Class;

2 d. Class Representative and Class Counsel will fairly and adequately
3 protect the interests of the Settlement Class;

4 e. The prosecution of separate actions by individual members of the
5 Settlement Class would create the risk of inconsistent or varying adjudications, which would
6 establish incompatible standards of conduct; and

7 f. Questions of law and fact common to the members of the Settlement
8 Class predominate over any questions affecting any individual Class Member, and a class
9 action is superior to other available means for the fair and efficient adjudication of the
10 controversy.

11 44. If any court does not grant the motion for preliminary approval and/or the motion
12 for final approval or does not approve any other request necessary to fully implement this
13 Settlement, the Parties agree to meet and confer to address the court's concerns. Should this
14 Settlement not be approved or be terminated, all stipulations set forth in the immediately
15 preceding paragraph shall be null and void and shall not be admissible for any purpose
16 whatsoever. Defendants do not consent to certification of the Class for any purpose other than to
17 effectuate settlement of the Actions.

18 **TERMS OF SETTLEMENT**

19 NOW THEREFORE, in consideration of the mutual covenants, promises, and
20 agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

21 45. Binding Settlement. This Settlement shall bind the Parties and all Participating
22 Class Members and PAGA Group Members subject to the terms and conditions herein and the
23 Court's approval.

24 47. Tax Liability. The Parties make no representations as to the tax treatment or legal
25 effect of the payments specified herein, and Class Members are not relying on any statement or
26 representation by the Parties, Class Counsel or Defense Counsel in this regard. Participating Class
27 Members, PAGA Group Members, and Class Counsel understand and agree that they shall be
28 solely and legally responsible for the payment of all applicable taxes and penalties assessed on the

1 payments specified herein.

2 48. Circular 230 Disclaimer. The Parties acknowledge and agree that (i) no provision
3 of this Stipulation of Settlement, and no written communication or disclosure between or among
4 the Parties, Class Counsel, or Defense Counsel and other advisers, is or was intended to be, nor
5 shall any such communication or disclosure constitute or be construed or be relied upon as, tax
6 advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part
7 10, as amended); (ii) the acknowledging party (a) has relied exclusively upon his, her, or its own,
8 independent legal and tax counsel for advice (including tax advice) in connection with this
9 Stipulation of Settlement, (b) has not entered into this Stipulation of Settlement based upon the
10 recommendation of any other party or any attorney or advisor to any other party, and (c) is not
11 entitled to rely upon any communication or disclosure by any attorney or adviser to any other
12 party to avoid any tax penalty that may be imposed on the acknowledging party; and (iii) no
13 attorney or adviser to any other party has imposed any limitation that protects the confidentiality
14 of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally
15 binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any
16 transaction, including any transaction contemplated by this Stipulation of Settlement.

17 49. Preliminary Approval of Settlement. Class Counsel will reserve a hearing on
18 Plaintiff's Motion for Preliminary Approval to take place at a date and time mutually agreed to by
19 the Parties so that the Parties may request provisional certification of the Settlement Class for
20 settlement purposes only, preliminary approval of the Settlement, and the setting of a Final
21 Approval Hearing date. The Parties agree to work diligently and cooperatively to have this
22 Settlement presented to the Court for preliminary approval.

23 50. Release by All Participating Class Members. All Participating Class Members,
24 including Plaintiff, shall be deemed to have released their respective Released Claims against the
25 Released Parties on the date on which the payment of the Maximum Settlement Amount is made
26 by Defendant as provided in paragraph 54 below. Plaintiff and Participating Class Members will be
27 deemed to have fully, finally, and forever released, settled, compromised, relinquished, and
28 discharged with respect to all of the Released Parties for any and all Released Claims that accrued

1 during the Class Period.

2 51. PAGA Release by All Class Members. Plaintiff and all PAGA Group Members
3 shall be deemed to have released their respective PAGA Released Claims against the Released
4 Parties on the date on which the payment of the Maximum Settlement Amount is made by
5 Defendant, as provided in paragraph 54 below. The Parties acknowledge and agree there is no
6 right for alleged aggrieved employees to opt out of the release of claims asserted under PAGA.
7 Further, the Class Members are bound by the PAGA Release regardless of whether they cash
8 and/or otherwise negotiate their Individual PAGA Payment.

9 52. Non-Monetary Relief. Defendant agrees it will continue to maintain policies and
10 practices that comply with applicable federal, state, and local laws and regulations.

11 53. Settlement Administration.

12 a. Within thirty (30) calendar days of entry of the Preliminary Approval
13 Order, Defendant shall provide the Settlement Administrator with the Class List for purposes of
14 mailing the Settlement Notices to Class Members. The Settlement Administrator shall not be
15 permitted to share any Class Information included in the Class List with Plaintiff or Class
16 Counsel absent express approval by Defendant or Defense Counsel.

17 i. Notice by First Class U.S. Mail. Upon receipt of the Class List, the
18 Settlement Administrator shall perform a search based on the National Change of Address Database
19 maintained by the United States Postal Service to update and correct any known or identifiable
20 address changes. Within twenty-one (21) calendar days after receiving the Class List from Defendant
21 as provided herein, the Settlement Administrator shall mail copies of the Settlement Notice to all
22 Class Members via regular First-Class U.S. Mail. The Settlement Administrator shall exercise its best
23 judgment to determine the current mailing address for each Class Member. The address identified by
24 the Settlement Administrator as the current mailing address shall be presumed to be the most current
25 mailing address for each Class Member. The Parties agree that this procedure for notice provides
26 the best notice practicable to Class Members and fully complies with due process.

27 ii. Undeliverable Settlement Notices. Any Settlement Notice returned
28 to the Settlement Administrator as non-deliverable on or before the Response Deadline shall be

1 re-mailed to the forwarding address affixed thereto within five (5) calendar days of receipt of the
2 returned Settlement Notice by the Settlement Administrator. If no forwarding address is provided,
3 the Settlement Administrator shall attempt to determine a correct address by the use of skip-
4 tracing, or other type of automated search, using the name, address and/or Social Security number
5 of the Class Member involved, and shall then perform a re-mailing to the Class Member whose
6 Settlement Notice was returned as non-deliverable within five calendar days of receipt of the
7 returned Settlement Notice by the Settlement Administrator, assuming another mailing address is
8 identified by the Settlement Administrator. Class Members who are sent a re-mailed Settlement
9 Notice shall have their Response Deadline extended by ten (10) calendar days from the date the
10 Settlement Administrator re-mails the Settlement Notice. If these procedures are followed, notice
11 to Class Members shall be deemed to have been fully satisfied, and if the intended recipient of the
12 Settlement Notice does not receive the Settlement Notice, the intended recipient shall nevertheless
13 remain a Class Member and shall be bound by all terms of the Settlement and the Final Order and
14 Judgment.

15 iii. Determination of Individual Settlement Awards and Individual
16 PAGA Payments. The Settlement Administrator shall determine the eligibility for, and the amounts
17 of, each Individual Settlement Award and Individual PAGA Payment under the terms of this
18 Stipulation of Settlement. The Settlement Administrator's determination of the eligibility for and
19 amount of each Individual Settlement Award and Individual PAGA Payment shall be binding upon
20 the Class Members and the Parties. In the absence of fraud or gross negligence, Defendant's
21 Workweek estimates shall be presumed accurate. Within fifteen (15) days of receiving the Class
22 List from Defendant, the Settlement Administrator will provide their calculations of anticipated
23 Individual Settlement Payments and Individual PAGA Payments to counsel for the Parties for
24 review and approval.

25 iv. Disputes Regarding Administration of Settlement. Any dispute not
26 resolved by the Settlement Administrator concerning the administration of the Settlement shall
27 be resolved by the Court.

28 b. Monitoring and Reviewing Settlement Administration. The Parties have

the right to monitor and review the administration of the Settlement to verify that the monies allocated under the Settlement are distributed in the correct amount, as provided for in this Stipulation of Settlement.

c. Certification Reports Regarding Individual Settlement Award Calculations.

The Settlement Administrator will provide Defense Counsel and Class Counsel a weekly report that certifies: (i) the number of Class Members who have submitted valid Requests for Exclusion or objections; and (ii) whether any Class Member has submitted a challenge to any information contained in their Settlement Notice, including but not limited to the number of Class Members from the Settlement Class who have submitted a dispute of Workweeks. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested.

d. Best Efforts. The Parties agree to use their best efforts and act in good faith to carry out the terms of this Settlement.

54. Funding and Allocation of Maximum Settlement Amount. The Maximum Settlement Amount shall be paid by Defendant in one lump sum payment within thirty (30) calendar days after the Effective Date. Defendants shall transfer the Maximum Settlement Amount into a QSF established by the Settlement Administrator, either directly or by sending the funds to the Settlement Administrator to be deposited and distributed.

a. Payments to the Settlement Class. Class Members shall not be required to submit a claim in order to receive a share of the Net Settlement Amount, and no portion of the Maximum Settlement Amount shall revert to Defendant or result in an unpaid residue. The Settlement Administrator shall first compute the Net Settlement Amount by deducting from the Maximum Settlement Amount the payments approved by the Court for the Class Counsel Award, Class Representative Service Award, PAGA Payment, and Settlement Administration Costs. To the extent the Court does not approve the full requested attorneys' fees, litigation costs, service award, or settlement administration costs, the Net Settlement Amount will increase accordingly, by the difference between the request amount and the amount awarded by the Court.

i. Individual Settlement Award: From the Net Settlement Amount,

1 the Settlement Administrator will calculate each Individual Settlement Award by dividing the
2 Net Settlement Amount by the total number of Workweeks resulting in the Workweek Value and
3 then multiplying the Workweek Value by the number of Workweeks worked by each
4 Participating Class Member. All Participating Class Members will be entitled to payment for at
5 least one Workweek.

6 ii. Individual PAGA Payment: The Settlement Administrator will
7 calculate each PAGA Group Member's Individual PAGA Payment by dividing the 25% of the
8 PAGA Payment to be distributed to all PAGA Group Members, i.e., \$5,000 by the total number
9 of Pay Periods for all PAGA Group Members, resulting in the PAGA Pay Period Value; and then
10 multiplying the PAGA Pay Period Value by the number of Pay Periods worked by each PAGA
11 Group Member. All PAGA Group Members will be entitled to payment for at least one Pay
12 Period.

13 iii. Each Participating Class Member's Individual Settlement Award
14 and each PAGA Group Member's Individual PAGA Payment shall be calculated solely by the
15 Settlement Administrator using Defendant's Workweek and Pay Period data. Defendant's
16 Workweek and Pay Period data will be presumed to be correct, unless a particular Class Member
17 proves otherwise to the Settlement Administrator by credible evidence consistent with
18 mechanism set forth in paragraph 37 above.

19 iv. Promptly after receipt of the Maximum Settlement Amount, but no
20 later than ten (10) calendar days of receipt of each payment, the Settlement Administrator will
21 pay: (1) the awarded Class Counsel Award to Plaintiff's Counsel; (2) the awarded Settlement
22 Administrator Costs to the Settlement Administrator; (3) the Service Award to Plaintiff; (4)
23 seventy-five percent (75%) of the PAGA Payment to the LWDA; and (5) the Individual
24 Settlement Awards and Individual PAGA Payments to the Class Members.

25 v. Prior to mailing the Individual Settlement Awards and the
26 Individual PAGA Payments, the Settlement Administrator shall perform a search based on the
27 National Change of Address Database maintained by the United States Postal Service to update
28 and correct any known or identifiable address changes.

vi. Should any of the following occur, the Settlement Administrator will proportionately increase the estimated Individual Settlement Award of each Participating Class Member to ensure that the entire Net Settlement Amount is distributed to Participating Class Members: (1) any Class Members submit timely and valid, or otherwise accepted, Requests for Exclusion; (2) the Court approves the Class Representative Service Award in an amount less than those requested by Plaintiff, as detailed herein; (3) the Court approves a Class Counsel Award in an amount less than that requested by Plaintiff, as detailed herein; and/or (4) the Court approves Settlement Administration Costs in an amount less than that requested by Plaintiff, as detailed herein.

vii. Individual Settlement Award payments and Individual PAGA Payments shall be made by check and shall be made payable to each Participating Class Member and each PAGA Group Member as set forth in this Stipulation of Settlement.

viii. Individual Settlement Awards shall be allocated as follows: 15% as unpaid wages subject to all applicable tax withholdings; and 85% as unpaid interest and unpaid penalties. The Settlement Administrator shall issue an IRS Form W-2 to each Participating Class Member for the portion of each Individual Settlement Award payment allocated as alleged unpaid wages and subject to all applicable tax withholdings. The Settlement Administrator shall issue an IRS Form 1099 to each Class Member for the portion of each Individual Settlement Award allocated as alleged unpaid non-wage penalties and interest and not subject to payroll tax withholdings, and for the Individual PAGA Payment. The Settlement Administrator shall calculate the amount of the Employer's Share of Payroll Taxes and shall remit and report the applicable portions of the payroll tax payment to the appropriate taxing authorities in a timely manner. Defendant will be responsible for paying the Employer's Share of Payroll Taxes and this amount will not be deducted from the Maximum or Net Settlement Amount.

ix. Checks for the Individual Settlement Award payments and Individual PAGA Payments shall expire after 180 days. After the expiration of the 180-day period, the Settlement Administrator will prepare the Final Report regarding the distribution of the Maximum Settlement Amount, including the total amount that was cashed/deposited by

1 Participating Class Members and the total amount of any uncashed settlement checks under
2 California Code of Civil Procedure section 384. After the Final Report is filed, the total amount
3 of any uncashed settlement checks will be transmitted by the Settlement Administrator to the
4 California Controller's Office Unclaimed Property Division, with an identification of the
5 Participating Class Member to whom the funds belong, in accordance with California Code of
6 Civil Procedure section 384.

7 x. In the event a Participating Class Member and/or PAGA Group
8 Member fails to cash/deposit his or her Individual Settlement Award check and/or Individual
9 PAGA Payment check, the Participating Class Member and/or PAGA Group Member shall
10 nevertheless remain bound by the Settlement.

11 xi. All monies received by Participating Class Members and PAGA
12 Group Members under the Settlement shall be deemed paid solely in the year in which such monies
13 actually are received. It is expressly understood and agreed that the receipt of Individual Settlement
14 Awards and Individual PAGA Payments shall not entitle any Participating Class Member or PAGA
15 Group Member to additional compensation or benefits under any collective bargaining agreement or
16 under any bonus, contest or other compensation or benefit plan or agreement in place during the
17 period covered by the Settlement under which any Participating Class Members or PAGA Group
18 members may be eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k)
19 plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit
20 plan, nor shall it entitle any Class Member to any increased pension and/or retirement, or other
21 deferred compensation benefits. It is the intent of the Parties that the Individual Settlement Awards
22 and Individual PAGA Payments provided for in this Stipulation of Settlement are the sole payments
23 to be made by Defendant to Class Members and PAGA Group Members in connection with this
24 Settlement, with the exception of Plaintiff, and that the Participating Class Members and PAGA
25 Group Members are not entitled to any new or additional compensation or benefits as a result of
26 having received the Individual Settlement Awards and/or and Individual PAGA Payments.
27 Furthermore, the receipt of Individual Settlement Awards and Individual PAGA Payments by
28 Participating Class Members and PAGA Group Employees shall not, and does not, establish any

1 general, special, or joint employment relationship between and among the Class Member(s) and
2 Defendant.

3 b. Class Representative Service Award. For the purposes of this Settlement
4 only, the Parties agree to the designation of Plaintiff Paula Martinez as the Class/PAGA
5 Representative. In recognition of her time and effort in bringing and presenting the Action and
6 for releasing her Released Claims, Plaintiff shall request Class Representative Service Award not
7 to exceed \$10,000. Plaintiff's request for such Class Representative Service Award shall be
8 subject to approval from the Court. Defendant agrees not to oppose or object to Plaintiff's
9 request for Class Representative Service Award in an amount not to exceed this amount. The
10 Class Representative Service Award will be in addition to Plaintiff's Individual Settlement
11 Award paid under the Settlement. The Settlement Administrator shall issue an IRS Form 1099 to
12 Plaintiff for her Class Representative Service Award. Plaintiff shall be solely and legally
13 responsible to pay any and all applicable taxes on this Class Representative Service Award. Any
14 amount requested by Plaintiff for the Class Representative Service Award and not awarded by
15 the Court shall become part of the Net Settlement Amount and shall be distributed to
16 Participating Class Members as part of their Individual Settlement Awards.

17 c. Class Counsel Award. Class Counsel shall be entitled to request attorneys'
18 fees in an amount not to exceed one-third (33.33%) of the Maximum Settlement Amount, which
19 amounts to \$130,000. In addition, Class Counsel shall also be entitled to request an award of costs
20 associated with Class Counsel's prosecution of the Action not to exceed \$19,000. Class Counsel's
21 request for such attorneys' fees and costs shall be subject to approval from the Court. Defendant
22 agrees not to oppose or object to Class Counsel's request for attorneys' fees or to Counsel's request
23 for attorneys' costs. In the event the Court awards Class Counsel less than \$130,000 in attorneys'
24 fees and/or less than \$19,000 in costs, the difference shall become part of the Net Settlement
25 Amount and shall be distributed to Participating Class Members and PAGA Group Members as
26 part of their Individual Settlement Awards and Individual PAGA Payments. Class Counsel shall be
27 solely and legally responsible to pay all applicable taxes on the Class Counsel Award. Class
28 Counsel shall provide the Settlement Administrator with properly completed and signed copies of

1 IRS Form W-9 in order for the Settlement Administrator to process the Class Counsel Award
2 approved by the Court. The Settlement Administrator shall issue an IRS Form 1099 to Class
3 Counsel for the Class Counsel Award. The Court's adjustment, if any, of the amount allocated to
4 the Class Counsel Award shall not invalidate this Agreement.

5 55. Settlement Administration Costs. The Settlement Administration fees and
6 expenses, which are estimated not to exceed \$5,216, shall be paid from the Maximum Settlement
7 Amount. Prior to Plaintiff filing a Motion for Final Approval of the Settlement, the Settlement
8 Administrator shall provide the Parties with a statement detailing the Settlement Administration
9 Costs to date. The Parties agree to cooperate in the Settlement Administration process and to
10 make all reasonable good faith efforts to control and minimize Settlement Administration Costs.

11 a. The Parties each represent they do not have any financial interest in the
12 Settlement Administrator or otherwise have a relationship with the Settlement Administrator that
13 could create a conflict of interest.

14 b. The Settlement Administrator shall keep the Parties timely apprised of the
15 performance of all Settlement Administrator responsibilities required by the Settlement. The
16 Settlement Administrator shall be authorized to establish a Qualified Settlement Fund ("QSF")
17 under IRS rules and regulations in which the Maximum Settlement Amount shall be placed and
18 from which payments required by the Settlement shall be made.

19 56. Payroll Taxes. In accordance with this Settlement and to the fullest extent
20 possible, the Maximum Settlement Amount shall resolve, satisfy and completely extinguish all
21 of Defendant's liability with respect to the Class Members, except that the Defendant shall
22 solely be responsible for the employer portion of the payroll taxes on the portion of the
23 Individual Settlement Awards that constitutes wages and these taxes shall be paid by the
24 Defendant in addition to the Maximum Settlement Amount. Upon the transfer of the Maximum
25 Settlement Amount and the employer portion of payroll taxes on the portion of the Individual
26 Settlement Awards that constitutes wages, Defendant shall have no further payment or defense
27 obligation whatsoever with respect to any claims covered by this Settlement made or asserted
28 by any person or entity anywhere in the world in connection with the Class Members.

1 57. Final Settlement Approval Hearing and Entry of Final Order and Judgment.

2 Following expiration of the Response Deadline, a Final Approval Hearing shall be conducted by
3 the Court for the Court to determine whether to grant final approval of the Settlement, including
4 determining the amounts properly payable for: (i) the Class Counsel Award;(ii) the Class
5 Representative Service Award; and (iii) the Settlement Administration Costs. At least sixteen (16)
6 court days prior to the Final Approval Hearing, the Settlement Administrator shall provide a
7 written report or declaration to the Parties describing the process and results of the administration
8 of the Settlement to date, which report or declaration shall be filed by Plaintiff with the Court prior
9 to the Final Approval Hearing. The Parties agree to work diligently and cooperatively in good faith
10 to have this Settlement presented to the Court for final approval.

11 58. Duties of the Parties Prior to Court Approval. Plaintiff shall promptly submit this
12 Settlement Agreement to the Court in support of Plaintiff's Motion for Preliminary Approval and
13 determination by the Court as to its fairness, adequacy, and reasonableness. Promptly upon
14 execution of this Settlement Agreement, Plaintiff shall apply to the Court for the entry of an order
15 scheduling a fairness hearing on the question of whether the proposed settlement, including
16 payment of attorneys' fees and costs, the Class Representative's Service Award payment, the
17 Settlement Administration Costs, and the PAGA Payment, should be finally approved as fair,
18 reasonable and adequate as to the members of the Settlement Class. As part of Plaintiff's Motion
19 for Preliminary Approval, Plaintiff shall also apply to the Court for the entry of an Order as
20 follows:

- 21 a. Certifying the Settlement Class for settlement purposes only;
- 22 b. Approving, as to form and content, the proposed Settlement Notice;
- 23 c. Approving the manner and method for Class Members to object to or
24 request exclusion from the Settlement, as contained herein and within the Settlement Notice;
- 25 d. Directing the mailing of the Settlement Notices to Class Members, by first
26 class mail;
- 27 e. Preliminarily approving the Settlement subject only to the objections of
28 Class Members and final review by the Court; and

1 f. Setting a Final Approval Hearing.

2 59. Duties of the Parties Following Final Approval. Following final approval by the
3 Court of the Settlement provided for in this Settlement Agreement, Class Counsel will submit a
4 proposed Final Order of Approval and Judgment:

5 a. Approving the Settlement, adjudging the terms thereof to be fair,
6 reasonable and adequate, and directing consummation of its terms and provisions;

7 b. Approving Class Counsel's application for an award of attorneys' fees
8 and costs;

9 c. Approving the Class Representative Service Award payment to Plaintiff;

10 d. Approving the Settlement Administration Costs;

11 e. Setting a date when the Parties shall submit the Final Report regarding the
12 distribution of the Maximum Settlement Amount under California Code of Civil Procedure section
13 384, and, if necessary a date for a final accounting hearing following its receipt of the Final
14 Report;

15 f. Entering judgment in this Action barring and enjoining all members of the
16 Settlement Class from prosecuting against any of the Released Parties any claims released herein
17 under the Settlement Agreement, upon satisfaction of all payments and obligations hereunder.

18 60. Revocation of Settlement by Defendant. If ten percent (10%) or more of Class
19 members request to be excluded from the Settlement, Defendant shall have the sole and absolute
20 discretion to rescind/void the Settlement Agreement within twenty-one (21) days after receiving
21 from the Settlement Administrator the final list of requests for exclusion. Defendant agrees to
22 meet and confer in good faith with Class Counsel before rescinding or voiding the Settlement
23 Agreement. In the event that Defendant elects to rescind/void the Settlement Agreement, it shall
24 provide written notice of such rescission to Class Counsel. Such rescission shall have the same
25 effect as a termination of this Settlement Agreement for failure to satisfy a condition of
26 settlement, and the Settlement Agreement shall become null and void and have no further force
27 or effect, and the Settlement Class certified under this Settlement Agreement will be decertified
28 for all purposes. If Defendant chooses to terminate this Settlement Agreement under this

1 provision, it shall be responsible to pay the Settlement Administrator's fees and costs incurred to
2 that point but shall not be obligated to pay any amounts that otherwise would have been owed
3 under this Agreement. If Defendant elects to revoke the Settlement under this paragraph, the
4 Parties shall be returned to their respective statuses as of the date and time immediately prior to
5 the execution of this Stipulation of Settlement, and the Parties shall proceed in all respects as if
6 this Stipulation of Settlement had not been executed. No Party will encourage any Class
7 Member to opt out of the Settlement.

8 61. Nullification of Settlement. In the event: (i) the Court does not enter the
9 Preliminary Approval Order; (ii) the Court does not grant final approval of the Settlement;
10 (iii) the Court does not enter the Final Order and Judgment; (iv) the Settlement does not become
11 final for any other reason; or (v) the Court should for any reason fail to dispose of the Action its
12 entirety, then (a) this Stipulation of Settlement shall be rendered null and void, (b) any order or
13 judgment entered by the Court in furtherance of this Settlement shall be treated as void from the
14 beginning, (c) neither this Agreement nor any of the related negotiations or proceedings shall be
15 of any force or effect, (d) all Parties to this Agreement shall stand in the same position, without
16 prejudice, as if the Agreement had been neither entered into nor filed with the Court and (e) this
17 Stipulation of Settlement and any documents related to it shall be inadmissible and shall not be
18 used by Plaintiff, any Class Member or Class Counsel to support any claim or request for class
19 certification in the Action, which Defendant expressly reserves the right to oppose, and shall not
20 be used in any other civil, criminal, or administrative action against Defendant or any of the
21 other Released Parties. In the event the Settlement does not become final for any reason, any
22 Settlement Administration Costs already incurred by the Settlement Administrator shall be split
23 evenly amongst the Parties. In the event an appeal is filed from the Court's Final Order and
24 Judgment, or any other appellate review is sought, administration of the Settlement shall be
25 stayed pending final resolution of the appeal or other appellate review and the stay shall only be
26 lifted if the end result of the appeal or other proceeding is that the terms of this settlement
27 agreement are upheld.

28 62. Plaintiff's Waiver of Right to Be Excluded. Plaintiff agrees that by signing this

1 Settlement Agreement, she will be bound by the terms herein. For good and valuable
2 consideration, Plaintiff further agrees that, upon signing this Settlement Agreement, she will not
3 request to be excluded from this Settlement, object to any terms herein, or appeal the Final
4 Approval Order. Any such request for exclusion, objection, or appeal by Plaintiff will be void
5 and of no force or effect.

6 63. No Encouragement of Class Members. At no time shall Plaintiff or Class Counsel
7 directly or indirectly seek to solicit or otherwise encourage Class Members to opt out of or object
8 to the Settlement, or to appeal the Court's Final Approval Order. Class Counsel may respond to
9 inquiries directly received from Class Members.

10 64. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to
11 class certification for purposes of this Settlement only, and either party may appeal any court
12 order that materially alters the Settlement Agreement's terms. Nothing in this Settlement
13 Agreement shall preclude Plaintiff from appealing from a court order denying or failing to grant
14 in full their requests for attorneys' fees, costs, or service award.

15 65. No Admission by Defendant. Defendant disputes all claims alleged in this Action
16 and denies all wrongdoing whatsoever by Defendant. Defendant further denies any liability to
17 Plaintiffs and the putative Class with respect to any claims or allegations asserted in the Actions.
18 This Agreement is entered into solely for the purpose of settling highly disputed claims. Neither
19 this Stipulation of Settlement, nor any of its terms and conditions, nor any of the negotiations
20 connected with it, is a concession or admission, and none shall be used against Defendant as an
21 admission or indication of liability with respect to any claim of any fault, concession, or omission
22 by Defendant or that class certification is proper under the standard applied to contested
23 certification motions. The Parties stipulate and agree to the certification of the proposed class for
24 settlement purposes only. The Parties further agree that this Stipulation of Settlement will not be
25 admissible in this or any other proceeding as evidence that either (i) a class action should be
26 certified or (ii) Defendant is liable to Plaintiff or any Class Member, other than according to the
27 terms of this Stipulation of Settlement.

28 ///

1 66. Publicity Prior to the Filing of Plaintiff's Motion for Preliminary Approval.

2 Plaintiff and Class Counsel shall not make any public disclosures or issue any press release,
3 contact the press, respond to any press inquiry or have any communication with the press about
4 the fact, amount, or terms of this Settlement. Plaintiff and Class Counsel shall not engage in any
5 advertising or marketing relating to the settlement of this Action in any manner that identifies or
6 that is suggestive of Defendant, including but not limited to any postings on any websites
7 maintained by Class Counsel, or attempt to influence Defendant's business relationships.
8 However, Class Counsel may identify this Settlement in court filings in other matters to
9 demonstrate their adequacy as counsel in connection with the prosecution or settlement of other
10 class actions. Notwithstanding the foregoing, the Parties hereby expressly agree that this
11 Agreement shall remain confidential until a motion for preliminary approval is filed with the
12 Court. Nothing in this Section is intended to interfere with Class Counsel's duties and
13 obligations to faithfully discharge their duties as Class Counsel, including but not limited to,
14 communicating with Class Members regarding the Settlement.

15 67. Waiver. No waiver of any condition or covenant contained in this Settlement
16 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered
17 to imply or constitute a further waiver by such party of the same or any other condition,
18 covenant, right or remedy.

19 68. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by
20 the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the
21 Judgment to the Court for its approval, under Rule 3.770 of the California Rules of Court. After
22 entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of
23 addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement
24 administration matters, and (iii) such post-Judgment matters as may be appropriate under court
25 rules or as set forth in this Agreement

26 69. Exhibits and Headings. The terms of this Stipulation of Settlement include the
27 terms set forth in any attached Exhibits, which are incorporated by this reference as though fully
28 set forth herein. The Exhibits to this Stipulation of Settlement are an integral part of the Settlement.

1 The descriptive headings of any paragraphs or sections of this Stipulation of Settlement are
2 inserted for convenience of reference only.

3 70. Amendment or Modification. Except for the mutually agreeable extension of
4 deadlines and dates necessary to implement the Settlement, this Stipulation of Settlement may be
5 amended or modified only by a written instrument signed by counsel for all Parties (or their
6 successors-in-interest) or their counsel, and approved by the Court.

7 71. Entire Agreement. This Stipulation of Settlement and any attached Exhibits
8 constitute the entire agreement between the Parties, and no oral or written representations,
9 warranties, or inducements have been made to Plaintiff or Defendant concerning this Stipulation
10 of Settlement or its Exhibits other than the representations, warranties, and covenants contained
11 and memorialized in this Stipulation of Settlement and its Exhibits. No other prior or
12 contemporaneous written or oral agreements may be deemed binding on the Parties.

13 72. Authorization to Enter Into Settlement Agreement. Class Counsel and Defense
14 Counsel warrant and represent they are expressly authorized by the Parties whom they represent to
15 negotiate this Stipulation of Settlement and to take all appropriate actions required or permitted to
16 be taken by such Parties under this Stipulation of Settlement to effectuate its terms, and to execute
17 any other documents required to effectuate the terms of this Stipulation of Settlement. The Parties,
18 Class Counsel and Defense Counsel shall cooperate with each other and use their best efforts to
19 effect the implementation of the Settlement. In the event the Parties are unable to reach agreement
20 on the form or content of any document needed to implement the Settlement, or on any
21 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the
22 Parties may seek the assistance of the Court to resolve such disagreement. The person signing this
23 Stipulation of Settlement on behalf of Defendant represents and warrants that s/he is authorized to
24 sign this Stipulation of Settlement on behalf of Defendant. Plaintiff represents and warrants that
25 she is authorized to sign this Stipulation of Settlement and that she has not assigned any claim, or
26 part of a claim, covered by this Settlement of Settlement to a third party. The Parties have
27 cooperated in the drafting and preparation of this Stipulation of Settlement. Hence, in any
28 construction made of this Stipulation of Settlement, the same shall not be construed against any of

1 the Parties.

2 73. Binding on Successors and Assigns. This Stipulation of Settlement shall be
3 binding upon, and inure to the benefit of, the successors and assigns of the Parties.

4 74. California Law Governs. All terms of this Stipulation of Settlement and the
5 Exhibits hereto shall be governed by and interpreted according to the laws of the State of
6 California, without giving effect to any law that would cause the laws of any jurisdiction other
7 than the State of California to be applied.

8 75. Counterparts. This Stipulation of Settlement may be executed in one or more
9 counterparts. All executed counterparts and each of them shall be deemed to be one and the same
10 instrument.

11 76. This Settlement is Fair, Adequate, and Reasonable. Plaintiff represents that this
12 Settlement is a fair, adequate, and reasonable settlement of the Action and she has arrived at this
13 Settlement after extensive arm's-length negotiations, taking into account all relevant factors,
14 present and potential.

15 77. Jurisdiction of the Court. Following entry of the Final Order and Judgment, the
16 Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement
17 of the terms of this Stipulation of Settlement and all orders and judgments entered in connection
18 therewith, and the Parties, Class Counsel and Defense Counsel submit to the jurisdiction of the
19 Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this
20 Stipulation of Settlement and all orders and judgments entered in connection therewith.

21 78. Invalidity of Any Provision. Before declaring any term or provision of this
22 Stipulation of Settlement invalid, the Parties request that the Court first attempt to construe the
23 terms or provisions valid to the fullest extent possible consistent with applicable precedents so as
24 to define all provisions of this Stipulation of Settlement as valid and enforceable. In the event the
25 Court declares any material provision of this Stipulation of Settlement invalid, the Stipulation of
26 Settlement will be void and its terms will be of no force and effect, except as otherwise agreed to
27 by the Parties in writing.

28 79. Binding Nature of Notice of Class Action Settlement. It is agreed that, because

the Class Members are so numerous, it is impossible or impractical to have each Class Member execute the Stipulation of Settlement. The Class Notice shall advise all Class Members of the binding nature of the Settlement, and the release of Released Claims and shall have the same force and effect as if this Stipulation of Settlement were executed by each Participating Class Member.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiff, on the one hand, and Defendant, on the other hand, as of the date(s) set forth below:

Dated: 12 / 23 / 2024

Paula Martinez

Plaintiff Paula Martinez

Dated: 12/20/2024

Carol Galizia

Defendant LA Financial Credit Union

Carol Galizia

Print Name of Authorized Signatory

APPROVED AS TO FORM

D. LAW, INC.

Dated: 12/23/24

[Signature]

Emil Davtyan, Esq.
Gregg Lander, Esq.
Vanessa M. Ruggles, Esq.
Attorneys for Plaintiff Paula Martinez

JACKSON LEWIS P.C.

Dated: 12/20/2024

[Signature]

Connie L. Chen, Esq.
Jennell K. Shannon, Esq.
Attorneys for Defendant

Title	Exh. 1 - LAFINANCIAL - Long Form Settlement Agreement - D's...
File name	Exh.%201%20-%20LA...%20Signatures.pdf
Document ID	3758072aad9979ad7cfe635d037c252b509c5b16
Audit trail date format	MM / DD / YYYY
Status	● Signed

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12 / 23 / 2024

17:31:25 UTC

Sent for signature to Paula Martinez

(paulamartinez911@yahoo.com) from vanessa@davtyanlaw.com

IP: 72.132.189.191



VIEWED

12 / 23 / 2024

19:00:40 UTC

Viewed by Paula Martinez (paulamartinez911@yahoo.com)

IP: 172.56.235.205



SIGNED

12 / 23 / 2024

19:02:22 UTC

Signed by Paula Martinez (paulamartinez911@yahoo.com)

IP: 172.56.234.9



COMPLETED

12 / 23 / 2024

19:02:22 UTC

The document has been completed.