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as an aggrieved employee, and on behalf of all other
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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF TULARE**

JULISSA LENAY HALEY, as an aggrieved
employee, and on behalf of all other
aggrieved employees under the Labor Code
Private Attorneys' General Act of 2004,

Plaintiff,

v.

MWI VETERINARY SUPPLY CO., an
Idaho corporation; JEFF SMITH, an
individual; and DOES 1 through 100,
inclusive,

Defendants.

Case No.: VCU305462

*[Assigned to the Hon. Bret D. Hillman,
Dept. 2]*

**STIPULATION OF CLASS AND
REPRESENTATIVE ACTION
SETTLEMENT**

Action Filed: January 25, 2024
Trial Date: Not Set

1 **CLASS ACTION AND PAGA SETTLEMENT AGREEMENT**

2 This Class Action and PAGA Settlement Agreement (“Settlement Agreement,”
3 “Settlement,” or “Agreement”) is made and entered into, as of the date set forth below, between
4 Plaintiff Julissa Lenay Haley (“Plaintiff”), as an individual and representative of the proposed Class
5 described herein and as a representative of the State of California with respect to the PAGA
6 Members described herein, and MWI Veterinary Supply Co. (“MWI” or “Defendant”) (together,
7 Plaintiff and Defendant are referred to as the “Parties”).

8 1. **THE CONDITIONAL NATURE OF THIS SETTLEMENT**

9 1.1 This Settlement and all associated exhibits or attachments are made for the sole
10 purpose of settling the Action. This Settlement is made in compromise of disputed claims. Because
11 the Action is being settled as a class and representative action, this Settlement must receive
12 preliminary and final approval by the Court. Accordingly, the Parties enter into this Settlement on
13 a conditional basis. If the Court does not enter the Final Approval Order and Judgment, the
14 proposed Final Approval Order and Judgment does not become Final for any reason, and/or the
15 Effective Date does not occur, this Settlement shall be deemed null and void *ab initio*; it shall be
16 of no force or effect whatsoever; it shall not be referred to or utilized for any purpose whatsoever;
17 and the negotiation, terms, and entry of the Settlement and associated pleadings shall remain subject
18 to the provisions of California Evidence Code sections 1119 and 1152, Federal Rule of Evidence
19 408, and any other analogous rules of evidence that are applicable. The Parties agree to amend this
20 agreement as is mutually acceptable to the Parties to address any Court concerns and cooperate in
21 obtaining final approval.

22 1.2 Defendant denies all claims as to liability, damages, penalties, interest, fees,
23 restitution, injunctive relief, and all other forms of relief, as well as denies the class and
24 representative action allegations asserted in the Action, as those terms are defined below.
25 Defendant has agreed to resolve the Action via this Settlement, but to the extent this Settlement is
26 deemed void or the Effective Date does not occur, Defendant does not waive, but rather expressly
27 reserves, all rights to challenge all such claims and allegations in the Action upon all procedural,
28 merit, and factual grounds, including, without limitation, the ability to challenge class and

1 representative action treatment on any grounds, as well as asserting any and all other privileges and
2 potential defenses. Plaintiff and Class Counsel (as defined below) agree that Defendant retains and
3 reserves these rights, and Plaintiff and Class Counsel agree not to argue or present any argument,
4 and hereby waive any argument, that based on this Settlement, Defendant cannot contest class
5 certification or representative action treatment on any grounds whatsoever, or assert any and all
6 other privileges or potential defenses if the Action were to proceed.

7 2. DEFINITIONS

8 The following terms, when used in this Settlement, shall have the following meanings:

9 2.1 “Action” means the action entitled *Julissa Lenay Haley, et al. v. MWI Veterinary*
10 *Supply Co.*, Tulare County Superior Court, Case No. VCU305462.

11 2.2 “Attorneys’ Fees and Costs” means attorneys’ fees for Class Counsel’s litigation
12 and resolution of the Action and all actual costs incurred and to be incurred by Class Counsel in
13 the Action, as set forth in Section 6.4 below.

14 2.3 “Class” or “Class Members” means all current and former non-exempt employees
15 employed by Defendant within the State of California at any time during the Class Period.

16 2.4 “Class Counsel” means David D. Bibiyan and Vedang J. Patel, of Bibiyan Law
17 Group, PC.

18 2.5 “Class Period” means the time period from October 31, 2019 through December 9,
19 2024, subject to Section 6.2.2 below.

20 2.6 “Class Representative” or “Plaintiff” means Plaintiff Julissa Lenay Haley.

21 2.7 “Class Representative’s Released Claims” means any and all claims, obligations,
22 demands, actions, rights, causes of action, and liabilities against the Releasees, of whatever kind
23 and nature, character, and description, whether in law or equity, whether sounding in tort, contract,
24 federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law
25 or contract, whether known or unknown, and whether anticipated or unanticipated, including all
26 unknown claims covered by California Civil Code Section 1542, as quoted below, by the Class
27 Representative, arising at any time up to and including the date of execution of this Agreement, for
28 any type of relief, including without limitation claims for wages, premium and other forms of pay,

1 unpaid/unreimbursed costs, penalties (including waiting time penalties), general damages,
2 compensatory damages, liquidated damages, punitive damages, interest, attorneys' fees, litigation
3 and other costs, expenses, restitution, and equitable and declaratory relief. The Class
4 Representative's Released Claims also include, but are not limited to, the Released Class Claims
5 and Released PAGA Claims as well as any other claims under any provision of the Fair Labor
6 Standards Act ("FLSA"), the California Labor Code, any applicable California Industrial Welfare
7 Commission Wage Orders, any city or county Living Wage Ordinances, and claims under state or
8 federal discrimination statutes, including, without limitation, the California Government Code; the
9 Unruh Civil Rights Act, California Civil Code; the California Constitution; the California Business
10 and Professions Code, including but not limited to Sections 17200 *et seq.*; the United States
11 Constitution; the Age Discrimination in Employment Act ("ADEA") and the Older Workers
12 Benefit Protection Act; the Uniformed Services Employment and Reemployment Rights Act, Title
13 VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000 *et seq.*; the Civil Rights Act of 1991; the
14 Family and Medical Leave Act, to the extent not prohibited by law; the Americans with Disabilities
15 Act, 42 U.S.C. § 12101 *et seq.*; the Employee Retirement Income Security Act of 1974, 29 U.S.C.
16 § 1001 *et seq.*; the Equal Pay Act; the Fair Credit Reporting Act; the Employee Retirement Income
17 Security Act of 1974; the Worker Adjustment and Retraining Notification Act; the Sarbanes-Oxley
18 Act of 2002; the California Family Rights Act; and all of their implementing regulations and
19 interpretive guidelines; any and all claims for monetary recovery and personal or individual relief,
20 except as prohibited by law; and any premiums, penalties, interest, punitive damages, costs,
21 attorneys' fees, injunctive relief, declaratory relief, or accounting based on any of the foregoing
22 claims. For the avoidance of doubt, this is a complete and general release to the maximum extent
23 permitted by law. Notwithstanding the foregoing, the release of the Class Representative's
24 Released Claims does not include (i) any claim or right for workers' compensation benefits; or (ii)
25 any claim or right that is not waivable as a matter of law.

26 2.8 "Class Settlement" means the settlement and resolution of the Released Class
27 Claims.

28 2.9 "Court" means the Superior Court of the State of California, County of Tulare.

2.10 “Database” or “Class Data” means the following Class Member identifying information in Defendant’s custody, possession, or control: (1) name; (2) last known address(es); (3) last known telephone number(s); (4) Social Security Number(s); (5) the dates for each week worked during the Class Period (i.e., workweek dates); and (6) the dates for each pay period worked during the PAGA period (i.e., pay period dates).

2.11 “Defendant’s Counsel” means the attorneys of Morgan, Lewis & Bockius LLP.

2.12 “Effective Date” means the date when the Court enters a Judgment on its Order Granting Final Approval of the Settlement and the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

2.13 “Eligible Workweeks” means the workweeks that each Class Member worked in California during the Class Period for Defendant based on the Class Data.

2.14 “Eligible Pay Periods” means the pay periods that each PAGA Member worked in California during the PAGA Period for Defendant based on the Class Data.

2.15 “Final Approval Date” means the date on which the Court enters the Final Approval Order and Judgment.

2.16 “Final Approval Hearing” means a hearing set by the Court, to take place on a date established by the Court, for the purpose of determining the fairness, adequacy, and reasonableness of the Settlement pursuant to class action procedures and requirements, and entry of the Final Approval Order and Judgment based thereon.

2.17 “Final Approval Order and Judgment” means the Court’s order determining that the Settlement is fair, reasonable, and adequate, granting final approval of the Settlement, and entry of judgment based thereon.

2.18 “Individual PAGA Payment” means a PAGA Member’s *pro rata* share of the PAGA Employee Amount that a PAGA Member is eligible to receive for the PAGA Settlement.

2.19 “Individual Settlement Payment” means the net payment of each Settlement Class Member’s Individual Settlement Share, after reduction for the employee’s and employer’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share.

2.20 “Individual Settlement Share” means the *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive for the Class Settlement.

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

2.22 “LWDA Payment” means the seventy-five percent (75%) portion of the PAGA Allocation, or Sixty Thousand Dollars and No Cents (\$60,000.00) that the Parties have agreed to pay to the LWDA for the PAGA Settlement.

2.23 “Maximum Settlement Amount” or “Gross Settlement Amount” means the total maximum amount payable under the terms of this Agreement by Defendant, which is the gross sum of One Million Six Hundred Twenty Thousand Dollars and No Cents (\$1,620,000.00). The Maximum Settlement Amount, as approved by the Court, is inclusive of the Attorneys’ Fees and Costs, Service Payment, Settlement Administration Costs, PAGA Allocation, the Individual Settlement Shares, and all taxes except for Defendant’s share of payroll taxes with respect to the wage portions of the Individual Settlement Shares. Defendant shall not be required to pay anything above or beyond the Maximum Settlement Amount, under any circumstance, as a result of this Settlement, except as provided for in Section 6.2.2.

2.24 “Net Settlement Amount” means the portion of the Maximum Settlement Amount that is available for distribution to Settlement Class Members, which is the Maximum Settlement Amount less the Court-approved Attorneys’ Fees and Costs, Service Payment, Settlement Administration Costs, and PAGA Allocation.

2.25 “Notice of Class Action Settlement” means the document provided to Class Members to notify them of the Settlement, substantially in the form attached as **Exhibit 1**, subject to Court approval.

2.26 “Objection” means a Settlement Class Member’s written objection to the Class Settlement, which must: (a) contain the case name and number of the Action; (b) contain the objector’s full name, signature, mailing address, telephone number, and last four digits of Social

1 Security number; (c) contain a written statement of all grounds for the objection accompanied by
2 any legal support for such objection; (d) contain copies of any papers, briefs, or other documents
3 upon which the objection is based; and (e) be submitted by mail to the Settlement Administrator at
4 the specified address, postmarked on or before the Response Deadline.

5 2.27 “Operative Complaint” or “First Amended Complaint” means the proposed First
6 Amended Class Action Complaint for Damages & Enforcement Under the Private Attorneys
7 General Act, California Labor Code § 2698, *Et Seq.*, attached as **Exhibit 2**, which, *inter alia*, (1)
8 adds all putative class claims pled in the original class action complaint filed by Plaintiff on October
9 31, 2023; (2) adds claims for alleged expense reimbursement under Labor Code Section 2802,
10 including reimbursement for alleged use of personal cell phones for work purposes; and (3) adds
11 the same claims alleged in the Action that are otherwise not alleged in the original class action.

12 2.28 “Opt-Out Request” means a timely and valid letter submitted by a Class Member
13 indicating a request to be excluded from the Class Settlement. The Opt-Out Request must: (a)
14 contain the case name and number of the Action; (b) contain the full name, signature, mailing
15 address, telephone number, and the last four digits of the Social Security number of the Class
16 Member requesting exclusion; (c) clearly state that the Class Member does not wish to be included
17 in the Class Settlement; and (d) be submitted by mail to the Settlement Administrator at the
18 specified address, postmarked on or before the Response Deadline.

19 2.29 “PAGA” means the California Labor Code’s Private Attorneys General Act.

20 2.30 “PAGA Allocation” means the allocation of Eighty Thousand Dollars and No Cents
21 (\$80,000.00) from the Maximum Settlement Amount for the settlement and resolution of the
22 Released PAGA Claims. Pursuant to PAGA, seventy-five percent (75%) of the PAGA Allocation,
23 or Sixty Thousand Dollars and No Cents (\$60,000.00) (i.e., the LWDA Payment), will be paid to
24 the LWDA, and the remaining twenty-five percent (25%), or Twenty Thousand Dollars and No
25 Cents (\$20,000.00) (i.e., PAGA Member Amount), will be distributed to PAGA Members on a *pro*
26 *rata* basis based on their Eligible Pay Periods during the PAGA Period.

27 2.31 “PAGA Member Amount” means the twenty-five percent (25%) portion of the
28 PAGA Allocation, or Twenty Thousand Dollars and No Cents (\$20,000.00), to be distributed to

PAGA Members on a *pro rata* basis based on their Eligible Pay Periods during the PAGA Period.

2.32 “PAGA Members” means all current and former non-exempt employees employed by Defendant within the State of California at any time during the PAGA Period.

2.33 “PAGA Period” means the period from October 31, 2022 through December 9, 2024, subject to Section 6.2.2.

2.34 “Parties” means Defendant and Plaintiff, collectively, and “Party” means either Plaintiff or Defendant.

2.35 “Preliminary Approval Date” means the date the Court enters the Preliminary Approval Order.

2.36 “Preliminary Approval Order” means the order from the Court granting preliminary approval of the Settlement.

2.37 “Qualified Settlement Fund” means the account or trust established by the Settlement Administrator to handle and administer the funding and payments related to the Settlement.

2.38 “Released Class Claims” means all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint, arising during the Class Period, including but, not limited to, claims based on the failure to provide compliant meal periods and associated premium pay, failure to provide compliant rest periods and associated premium pay, failure to pay wages, including minimum wages, straight time wages, overtime wages, wages for vested vacation time, sick pay, and premium pay, failure to include all remuneration into the calculation of the regular rate of pay, failure to provide compliant wage statements, failure to timely pay wages during employment, failure to timely pay wages upon termination of employment, failure to reimburse for necessary business-related expenses, unfair or unlawful business practices pursuant to California Business and Professions Code §§ 17200, *et seq.* and 17203 based on the aforementioned, any violation of the California Labor Code based on the aforementioned, including, but not limited to, California Labor Code sections 201, 202, 203, 204, 210, 226, 226.7, 227.3, 245, 510, 512, 1194, 1194.2, 1197, 1199, and 2802, and any violation of the Industrial Welfare Commission Wage Orders based on the aforementioned.

2.39 “Released PAGA Claims” means all claims for PAGA civil penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and/or the PAGA Notice, arising during the PAGA Period, including, but not limited to, claims based on the failure to provide compliant meal periods and associated premium pay, failure to provide compliant rest periods and associated premium pay, failure to pay wages, including minimum wages, straight time wages, overtime wages, wages for vested vacation time, sick pay, and premium pay, failure to include all renumeration into the calculation of the regular rate of pay, failure to provide compliant wage statements, failure to timely pay wages during employment, failure to timely pay wages upon termination of employment, failure to maintain requisite payroll records, failure to reimburse for necessary business-related expenses, any violation of the California Labor Code based on the aforementioned, including, but not limited to, California Labor Code sections 201, 202, 203, 204, 210, 218.6, 226, 226.3, 226.7, 227.3, 245, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 2802, and 2810.5, and any violation of the Industrial Welfare Commission Wage Orders based on the aforementioned.

2.40 “Releasees” means Defendant and its parents, subsidiaries, affiliates, owners, predecessors, successors, and associated organizations, past and present, and each of their respective trustees, directors, officers, agents, joint employers, attorneys, managing agents, management-level employees, contractors, insurers, representatives, assigns, all persons acting by, through, under, or in concert with any of them, and/or all persons acting on behalf of them.

2.41 “Response Deadline” means the deadline by which Class Members must submit an Opt-Out Request, Objection, and/or dispute of the Eligible Workweeks and/or Eligible Pay Periods credited to them, which shall be the date that is forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. In the event that a Class Notice is re-mailed to a Class Member, the Response Deadline for that Class Member shall be extended by fifteen (15) calendar days from the original Response Deadline.

2.42 “Service Payment” means the amount approved by the Court to be paid to the Class

1 Representative, in recognition of her efforts in coming forward as the Class Representative and as
2 consideration for a full, general, and comprehensive release of the Class Representative's Released
3 Claims, which shall be in addition to her individual settlement payment.

4 2.43 "Settlement Administration Costs" means the costs payable from the Maximum
5 Settlement Amount to the Settlement Administrator for administering this Settlement in accordance
6 with the Settlement Administrator's responsibilities outlined in this Settlement Agreement as set
7 forth in Section 6.5 below.

8 2.44 "Settlement Administrator" means ILYM Group, Inc. who shall be responsible for
9 the administration of the Settlement, distribution of any amounts owed under this Settlement, and
10 matters necessarily related thereto, pursuant to the terms of this Settlement, and subject to
11 appointment by the Court. The Parties and their counsel each represent that they do not have any
12 financial interest in the Settlement Administrator or otherwise have a relationship with the
13 Settlement Administrator that could create a conflict of interest.

14 2.45 "Settlement Class" or "Settlement Class Members" means all Class Members who
15 do not timely submit a timely and valid Opt-Out Request.

16 3. DESCRIPTION OF THE LITIGATION

17 3.1 On October 31, 2023, Plaintiff Julissa Lenay Haley filed an unverified class action
18 complaint against Defendant in the California Superior Court, County of Tulare, captioned *Julissa*
19 *Lenay Haley v. MWI Veterinary Supply Co.*, Tulare Superior Court, Case No. VCU303095. The
20 Original Complaint alleged nine causes of action on behalf of Plaintiff and a putative class for
21 alleged violations of the California Labor Code, applicable Industrial Welfare Commission Wage
22 Orders, and California Business and Professions Code §§ 17200, *et seq.* and 17203 for: (1) failure
23 to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal periods; (4)
24 failure to provide rest periods; (5) waiting time penalties; (6) failure to provide accurate wage
25 statements; (7) failure to timely pay all wages; (8) failure to pay vested vacation time at the final
26 rate of pay; and (9) violation of the Unfair Competition Law. On January 10, 2024, Defendant filed
27 its Answer to the Original Complaint, which included a general denial and affirmative defenses.
28 On January 12, 2024, Defendant removed the class action to the United States District Court for

1 the Eastern District of California, captioned *Lenay Haley v. MWI Veterinary Supply Co.*, TEastern
2 District of California, Case No. 1:24-cv-00060-KES-HBK.

3 3.2 On January 25, 2024, Plaintiff Julissa Lenay Haley filed a complaint for
4 Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq.
5 (“PAGA Complaint”) against Defendant in the California Superior Court, County of Tulare,
6 captioned *Julissa Lenay Haley v. MWI Veterinary Supply Co.*, Tulare Superior Court, Case No.
7 VCU305462. The PAGA Complaint alleged a single cause of action for civil penalties under
8 PAGA on behalf of herself and other allegedly similarly aggrieved employees for alleged violations
9 of the California Labor Code and applicable Industrial Welfare Commission Wage Orders.

10 3.3 Through substantial and extensive informal discovery, Defendant provided
11 Plaintiff’s counsel with company documents and records, data, and written policies reflecting and
12 relating to employees’ time worked, rates of pay, workweeks, wages paid, and meal and rest break
13 premiums paid during the Class Period, among other records.

14 3.4 The Parties had numerous discussions and negotiations regarding the claims and
15 defenses in the case. On September 10, 2024, the Parties attended a full-day mediation conducted
16 by an experienced wage and hour mediator, Jeff Ross, Esq., and eventually reached an agreement
17 on settlement. At all times, the Parties’ settlement negotiations have been non-collusive,
18 adversarial, and at arm’s length.

19 3.5 Discussions between counsel for the Parties, informal discovery, as well as the
20 respective investigation and evaluation of Plaintiff’s claims by the Parties, have permitted each side
21 to assess the relative merits of the claims and the defenses to those claims. The Parties agree that
22 the above-described investigation and evaluation, as well as informal discovery and the information
23 exchanged during the settlement negotiations, are sufficient to assess the merits of the respective
24 Parties’ positions and to compromise the issues on a fair and equitable basis.

25 4. **BENEFITS OF THE SETTLEMENT TO THE PARTIES**

26 4.1 Class Counsel have conducted significant investigation of the law and facts relating
27 to the claims asserted in the Action and the PAGA Notice, and have concluded that the Settlement
28 set forth herein is fair, reasonable, adequate and in the best interests of the Settlement Class, taking

1 into account the sharply contested issues involved, the expense and time necessary to litigate the
2 Action through trial and any appeals, the risks and costs of further litigation of the Action, the risk
3 of an adverse outcome, the uncertainties of complex litigation, the information learned through
4 discovery regarding Plaintiff's allegations, and the substantial benefits to be received by Settlement
5 Class Members.

6 **5. DEFENDANT'S POSITION**

7 5.1 Defendant and the Releasees specifically and generally deny any and all liability or
8 wrongdoing of any sort with regard to the claims alleged, make no concessions or admissions of
9 liability of any sort, and contend that for any purpose other than Settlement, the Action is not
10 appropriate for class or representative action treatment. Nonetheless, Defendant has concluded that
11 further conduct of the Action would be protracted, distracting, and expensive, and that it is desirable
12 that the Action be fully and finally settled in the manner and upon the terms and conditions set forth
13 in this Settlement. Defendant has also taken into account the uncertainty and risks inherent in any
14 litigation. Defendant has therefore determined that it is desirable and beneficial to it to settle the
15 Action in the manner and upon the terms and conditions set forth in this Settlement.

16 5.2 Neither this Settlement, nor any document referred to in it, nor any actions taken
17 pursuant to this Settlement, is or should be construed as an admission by Defendant of any fault,
18 wrongdoing, or liability whatsoever. Nor should the Settlement be construed as an admission that
19 Plaintiff could meet any of the class action requirements or that any PAGA claim would be
20 manageable. There has been no final determination by any court as to the merits of the claims
21 asserted by Plaintiff against Defendant, as to whether a class action should be certified, or that any
22 PAGA claim is manageable.

23 5.3 Defendant has concluded that it is desirable that the Action be settled in a manner
24 and upon such terms and conditions set forth herein in order to avoid further expense,
25 inconvenience and distraction of further legal proceedings, and the risk of the outcome of the
26 Action. Therefore, Defendant has determined that it is desirable and beneficial to resolve the claims
27 in the Action.

6. **OPERATIVE TERMS OF SETTLEMENT**

The Parties agree as follows:

6.1 Conditional Class Certification

6.1.1 The Parties stipulate, for settlement purposes only, to the certification by the Court of the Class.

6.1.2 If, for any reason, the Court does not approve this Settlement, fails to enter the Final Approval Order and Judgment, or if this Settlement is terminated for any other reason, the Class will be decertified and Defendant shall, and hereby does, retain the right to dispute the appropriateness of class certification.

6.2 Maximum Settlement Amount

6.2.1 Defendant shall pay a non-reversionary amount not to exceed One Million Six Hundred Twenty Thousand Dollars and No Cents (\$1,620,000.00) as the Maximum Settlement Amount to resolve the Action on a class and representative basis, subject to Section 6.2.2 below. The Maximum Settlement Amount, as approved by the Court, is inclusive of the Attorneys' Fees and Costs, Service Payment, Settlement Administration Costs, PAGA Allocation, the Individual Settlement Shares, and all taxes except for Defendant's share of payroll taxes with respect to the wage portions of the Individual Settlement Shares.

6.2.2 This Settlement is based on an estimated count of approximately 36,000 Eligible Workweeks by Class Members from October 31, 2019, through September 10, 2024. If the total number of Eligible Workweeks of Class Members during the Class Period exceeds ten percent (10%) (*i.e.*, 39,600 Eligible Workweeks), then Defendant will have the choice to either (a) increase the Maximum Settlement Amount on a *pro rata* basis equal to a percentage in the number of Eligible Workweeks worked in excess of 39,600; or (b) cut off the Class Period and PAGA Period as of the last date that the total number of Eligible Workweeks does not exceed 39,600. With respect to option (a) and for illustrative purposes only, if the number of Eligible Workweeks increases by 11% to 39,960 Eligible Workweeks, the Maximum Settlement Amount will increase by one percent (1%). Defendant shall make its election no later than 7 days after receiving sufficient information from the Settlement Administrator that the number of Eligible Workweeks has

1 exceeded 39,600.

2 6.3 Service Payment

3 6.3.1 The Class Representative's Service Payment, which is in addition to her
4 individual settlement payment, and subject to Court approval, is to be paid out of the Maximum
5 Settlement Amount and will not exceed Ten Thousand Dollars and No Cents (\$10,000.00) for her
6 services and assistance in the Action. For purposes of tax withholding, the Service Payment will
7 be reported on an IRS Form 1099. The Class Representative shall be solely and legally responsible
8 for paying any and all applicable taxes on her Service Payment and shall indemnify, defend, and
9 hold Releasees harmless from any claim or liability for taxes, penalties or interest arising as a result
10 of the Service Payment. Neither Class Counsel nor the Class Representative can rescind or back
11 out of the Settlement if the Court awards less than the requested Service Payment. Any amount of
12 the Service Payment that is not awarded by the Court shall revert to the Net Settlement Amount for
13 the benefit of the Settlement Class Members.

14 6.4 Attorneys' Fees and Costs

15 6.4.1 Class Counsel shall apply to the Court for an award of reasonable attorneys'
16 fees not to exceed 35% of the Maximum Settlement Amount, which is an amount of Five Hundred
17 Sixty Seven Thousand Dollars and No Cents (\$567,000.00), and will seek an award of costs for
18 reimbursement of Class Counsel's out-of-pocket costs and expenses incurred in the Action up to
19 an additional estimated amount of \$40,000.00, to be paid out of the Maximum Settlement Amount.
20 Defendant will not oppose requests for these payments provided that they do not exceed these
21 amounts. Plaintiff and/or Class Counsel will endeavor to file a motion for Class Counsel Fees
22 Payment and Class Litigation Expenses Payment prior to the Final Approval Hearing. If the Court
23 approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less
24 than the amounts requested, the Settlement Administrator will allocate the remainder to the Net
25 Settlement Amount. Releasees shall have no liability to Class Counsel or any other Plaintiff's
26 Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class
27 Counsel Litigation Expenses Payment. The Settlement Administrator will pay the Class Counsel
28 Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class

Counsel assume full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Releasees harmless, and indemnifies Releasees, from any dispute or controversy regarding any division or sharing of any of these Payments. There will be no additional charge of any kind to either the Settlement Class Members or request for additional consideration from Defendant for such work unless, Defendant materially breaches this Agreement, including any term regarding funding, and further efforts are necessary from Class Counsel to remedy said breach, including, without limitation, moving the Court to enforce the Agreement. Should the Court approve attorneys' fees and/or litigation costs and expenses in amounts that are less than the amounts provided for herein, then the unapproved portion(s) shall be a part of the Net Settlement Amount.

6.5 Settlement Administrator

6.5.1 The Settlement Administration Costs incurred by the Settlement Administrator as a result of the procedures and processes expressly required by this Settlement shall be paid out of the Maximum Settlement Amount and are estimated not to exceed \$9,950.00. In the event that the Settlement Administration Costs exceed this estimated amount, any additional Settlement Administration Costs will be paid from the Maximum Settlement Amount. Under no circumstances will Defendant be required to contribute additional funds, above and in addition to the Maximum Settlement Amount, to cover any additional Settlement Administration Costs. However, if Defendant provides inaccurate Class Data to the Settlement Administrator, which causes Settlement Administration Costs to increase materially above the Administrator's budgetary estimate, then the Parties will meet and confer about how these increased Settlement Administration Costs will be covered. 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 Class Notice and other correspondence to Class Members; all costs and fees associated with communicating with Class Members, Class Counsel, and Defendant's Counsel; all costs and fees associated with computing, processing, reviewing, and

1 paying the payments due under this Settlement, and resolving disputed claims; all costs and fees
2 associated with calculating tax withholdings and payroll taxes, making related payment to federal
3 and state tax authorities, and issuing tax forms relating to payments made under the Settlement; all
4 costs and fees associated with preparing any tax returns and any other filings required by any
5 governmental taxing authority or agency; all costs and fees associated with preparing any other
6 notices, reports, or filings to be prepared in the course of administering payments due under this
7 Settlement; and any other costs and fees incurred and/or charged by the Settlement Administrator
8 in connection with the execution of its duties under this Settlement. The Settlement Administrator
9 will also post the Settlement Agreement (and any amendment(s) thereto), Preliminary Approval
10 Order, Final Approval Order and Judgment, and a copy of the Class Notice to its website. The
11 Settlement Administrator will keep the Final Approval Order and Judgment on its website for sixty
12 (60) calendar days after the Effective Date at which time it will be taken down. No individualized
13 notice of the Final Approval Order and Judgment, to the Class, will be required.

14 6.5.2 The actions of the Settlement Administrator shall be governed by the terms
15 of this Settlement and any orders from the Court and any agreement by Class Counsel and
16 Defendant's Counsel regarding communications with the Settlement Administrator. The Parties
17 agree that communications to and from the Settlement Administrator will include both Class
18 Counsel and Defendant's Counsel.

19 6.5.3 In the event that either Defendant's Counsel or Class Counsel take the
20 position that the Settlement Administrator is not acting in accordance with the terms of the
21 Settlement, Defendant's Counsel and Class Counsel shall meet and confer first, and then, if
22 necessary, with the Settlement Administrator or the Court to attempt to resolve the issue.

23 6.6 Calculation of Individual Settlement Shares

24 6.6.1 There is no need for a Settlement Class Member to submit a claim form in
25 order to be eligible for and be issued an Individual Settlement Payment.

26 6.6.2 To determine each Class Member's estimated Individual Settlement Share,
27 the Settlement Administrator will multiply the Net Settlement Amount by a fraction, the numerator
28 of which is the Class Member's individual number of Eligible Workweeks, and the denominator of

1 which is the total number of Eligible Workweeks of all Class Members.

2 6.6.3 All Individual Settlement Shares shall be allocated as follows: one-third (1/3)
3 as wages, to be reported on an IRS Form W-2, and two-thirds (2/3) as interest, penalties, and non-
4 wage damages, to be reported on an IRS Form 1099 (if applicable). The Settlement Administrator
5 will withhold (and remit to the appropriate taxing authorities) the employee's and employer's share
6 of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares,
7 and issue checks to Settlement Class Members for their Individual Settlement Payment (i.e.,
8 payment of their Individual Settlement Share net of these taxes and withholdings). Settlement Class
9 Members will each indemnify and hold Releasees harmless for any taxes due or owing by them
10 with respect to such payments and/or any penalties and interest owed by Releasees for the failure
11 to withhold with respect to such payments. Other than as set forth above, the Settlement
12 Administrator will not make any deductions, withholdings, or additional payments, including
13 without limitation, medical or other insurance payments or premiums, employee 401(k)
14 contributions or matching employer contributions, wage garnishments to the extent permitted by
15 law, or charity withholdings, from or with respect to the Individual Settlement Shares.

16 6.7 PAGA Allocation

17 6.7.1 A total amount of Eighty Thousand Dollars and No Cents (\$80,000.00) from
18 the Maximum Settlement Amount will be allocated as the PAGA Allocation to be paid as penalties
19 under PAGA, of which seventy-five percent (75%), or \$60,000.00, will be distributed to the LWDA
20 (i.e., LWDA Payment) and the remaining twenty-five (25%), or \$20,000.00, will be distributed to
21 the PAGA Members (i.e., PAGA Member Amount) on a *pro rata* basis based on their Eligible Pay
22 Periods during the PAGA Period (i.e., Individual PAGA Payment). Any portion of the PAGA
23 Allocation not approved by the Court shall revert to the Net Settlement Amount for the benefit of
24 the Settlement Class Members.

25 6.7.2 To determine each PAGA Member's Individual PAGA Payment, the
26 Settlement Administrator will multiply the PAGA Member Amount by a fraction, the numerator of
27 which is the PAGA Member's individual number of Eligible Pay Periods, and the denominator of
28 which is the total number of Eligible Pay Periods of all PAGA Members.

1 6.7.3 All Individual PAGA Payments shall be allocated as one hundred percent
2 (100%) penalties, to be reported on an IRS 1099 (if applicable). PAGA Members will be
3 responsible for paying all taxes due on their Individual PAGA Payments. The Settlement
4 Administrator will not make any deductions, withholdings, or additional payments, including
5 without limitation, medical or other insurance payments or premiums, employee 401(k)
6 contributions or matching employer contributions, wage garnishments to the extent permitted by
7 law, or charity withholdings, from or with respect to the Individual PAGA Payments.

8 6.7.4 At the same time as they submit this Settlement to the Court for preliminary
9 approval, Class Counsel shall submit a copy of this Settlement to the LWDA, as required by
10 California Labor Code § 2699(l)(2).

11 6.7.5 Within ten (10) calendar days of the Final Approval Date, Class Counsel shall
12 submit a copy of the Final Approval Order and Judgment entered by the Court to the LWDA, as
13 required by California Labor Code § 2699(l)(3).

14 6.8 Circular 230 Disclaimer

15 6.8.1 Each Party to this Settlement (for purposes of this Section, the
16 “acknowledging party” and each Party to this Settlement other than the acknowledging party, an
17 “other party”) acknowledges and agrees that (1) no provision of this Settlement, and no written
18 communication or disclosure between or among the Parties or their attorneys and other advisers, is
19 or was intended to be, nor shall any such communication or disclosure constitute or be construed
20 or be relied upon as, tax advice within the meaning of United States Treasury Department Circular
21 230 (31 CFR Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his,
22 her, or its own, independent legal and tax counsel for advice (including tax advice) in connection
23 with this Agreement, (b) has not entered into this Settlement based upon the recommendation of
24 any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any
25 communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty
26 that may be imposed on the acknowledging party; and (3) no attorney or adviser to any other party
27 has imposed any limitation that protects the confidentiality of any such attorney’s or adviser’s tax
28 strategies (regardless of whether such limitation is legally binding) upon disclosure by the

1 acknowledging party of the tax treatment or tax structure of any transaction, including any
2 transaction contemplated by this Settlement.

3 6.9 No Effect on Employee Benefits

4 6.9.1 Neither the Settlement nor any amounts paid under the Settlement will modify
5 any previously credited hours or service under any employee benefit plan, policy, or bonus program
6 sponsored by Releasees. Such amounts will not form the basis for additional contributions to,
7 benefits under, or any other monetary entitlement under Releasees' sponsored benefit plans,
8 policies, or bonus programs. The payments made under the terms of this Settlement shall not be
9 applied retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other
10 form of compensation for the purposes of the Releasees' benefit plans, policies, or bonus programs.
11 The Releasees retain the right to modify the language of their benefit plans, policies, and bonus
12 programs to effectuate such intent.

13 6.10 First Amended Complaint

14 6.10.1 Before or at the same time as Plaintiff files her Motion for Preliminary
15 Approval, Class Counsel will seek leave to file the First Amended Complaint, by stipulation or
16 noticed motion, to (1) add all putative class claims pled in the original class action complaint filed
17 by Plaintiff on October 31, 2023; (2) add claims for alleged expense reimbursement under Labor
18 Code Section 2802, including reimbursement for alleged use of personal cell phones for work
19 purposes; and (3) add the same claims alleged in the Action that are otherwise not alleged in the
20 original class action. The First Amended Complaint will be the pleading through which the Parties
21 effectuate the Settlement with the Court. Class Counsel will provide Defendant's Counsel with a
22 draft of the proposed First Amended Complaint before seeking leave to file it with the Court and
23 will provide Defendant with five (5) business days to review the draft complaint and comment upon
24 it. If there is any disagreement about the scope and/or contents of the proposed First Amended
25 Complaint and whether it is consistent with this Settlement, the Parties will endeavor to resolve the
26 dispute through meet and confer efforts. If those meet-and-confer efforts are unsuccessful, then
27 the Parties will consult mediator Jeff Ross, Esq.

28 6.11 Releases

6.11.1 Class Representative Release. Upon the Effective Date, the Class Representative shall be deemed to have fully, finally, and forever released the Releasees from all Class Representative's Released Claims through the date of execution of this Agreement. The Class Representative may hereafter discover claims or facts in addition to, or different from, those which she 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 Releasees, known or unknown, suspected or unsuspected, which exist or may exist on behalf of or against the other at the time of execution of this Agreement. The Class Representative shall be deemed to have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits she may otherwise have had relating to the Class Representative's Released Claims pursuant to Section 1542 of the California Civil Code, which provides as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor 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.

6.11.2 Class Settlement Release. Upon the Effective Date, the Settlement Class Members shall be deemed to have fully, finally, and forever released the Releasees from the Released Class Claims.

6.11.3 PAGA Settlement Release. Upon the Effective Date, the State of California on behalf of all PAGA Members and all PAGA Members shall be deemed to have fully, finally, and forever released the Releasees from the Released PAGA Claims.

7. SETTLEMENT TIMELINE

7.1 Preliminary Approval

7.1.1 Class Counsel and Defendant's Counsel shall jointly submit to the Court this Settlement and exhibits thereto for preliminary approval by the Court. Class Counsel will prepare and file the motion for preliminary approval and supporting papers for the Court. Class Counsel will provide copies of all documents to be filed with the Court to Defendant's counsel at least four (4) business days before the documents are filed, for review and comment by Defendant. The

1 Court's preliminary approval of this Settlement shall be embodied in an order certifying the Class
2 for settlement purposes only, preliminarily approving the Settlement, and providing for the Class
3 Notice to be mailed to the Class in materially the same format attached as **Exhibit 1**, and which
4 will also set the date for the Final Approval Hearing (i.e., Preliminary Approval Order).

5 7.2 Notice

6 7.2.1 Within thirty (30) calendar days of the Preliminary Approval Date, Defendant
7 shall provide the Database to the Settlement Administrator in electronic form. The Database shall
8 be based on Defendant's personnel, payroll, and/or other business records and provided in a format
9 acceptable to the Settlement Administrator. The Settlement Administrator shall maintain the
10 Database, and all data contained within the Database, as private and confidential and shall not
11 disclose such data to any persons or entities other than counsel for Defendant, unless otherwise
12 required by law. To the extent the Settlement Administrator receives inquiries from individual
13 Class Members, the Settlement Administrator will apprise Class Counsel and Defendant's Counsel
14 of the fact of the inquiry without disclosing the Class Member's name. The Settlement
15 Administrator will attempt to resolve any such inquiry and will involve the Parties' respective
16 counsel to the extent necessary. In the event that the Settlement Administrator receives an inquiry
17 from an individual who alleges they are a Class Member and was left off of the Database, the
18 Settlement Administrator shall promptly apprise Class Counsel and Defendant's Counsel of the
19 inquiry and Class Counsel and Defendant's Counsel shall meet and confer in good faith regarding
20 whether the individual is in fact a Class Member. The information in the Database is being supplied
21 solely for purposes of the administration of the Settlement and cannot be used by the Settlement
22 Administrator for any purpose other than to administer the Settlement.

23 7.2.2 Within fourteen (14) calendar days after receiving the Database, the
24 Settlement Administrator will perform a search based on the National Change of Address Database
25 or any other similar services available, such as provided by Experian, for information to update and
26 correct for any known or identifiable address changes, and will send via United States First-Class
27 Mail the Class Notice to all Class Members, using the most current, known mailing addresses
28 identified by the Settlement Administrator.

1 7.2.3 If any Class Notice is returned to the Settlement Administrator as
2 undeliverable on or before the Response Deadline, the Settlement Administrator shall run a skip-
3 trace, using that Class Member's Social Security number in an effort to attempt to ascertain the
4 current address of the Class Member. If such an address(es) is ascertained, the Settlement
5 Administrator shall re-mail the Class Notice within three (3) business days. If alternative addresses
6 are obtained for a Class Member, the Settlement Administrator shall send the Class Notice to up to
7 two (2) alternative addresses. If any Class Notice is returned to the Settlement Administrator with
8 a forwarding address, the Settlement Administrator will promptly re-mail the Class Notice to the
9 address within three (3) business days of receipt.

10 7.2.4 Opt-Out Requests. Any Class Member, except for the Class Representative,
11 wishing to be excluded from the Class Settlement must submit a written Opt-Out Request to the
12 Settlement Administrator, by mail, on or before the Response Deadline. Class Members who do
13 not submit a timely and valid Opt-Out Request shall be deemed a Settlement Class Member and
14 bound by the Class Settlement including the Released Class Claims. Class Members who submit
15 a timely and valid Opt-Out Request will not be bound by the Class Settlement and will not be issued
16 an Individual Settlement Payment. However, if the Class Member is also a PAGA Member, he,
17 she, or they will be bound to the release of the PAGA Settlement and will still be issued an
18 Individual PAGA Payment, irrespective of whether they submit an Opt-Out Request. The Class
19 Notice shall advise Class Members of their ability to opt-out of the Class Settlement and of the
20 consequences thereof, and further inform them that they cannot opt out of the PAGA Settlement.
21 Neither the Parties nor any of their counsel will solicit any Class Member to submit an Opt-Out
22 Request.

23 7.2.5 Objections. Settlement Class Members, except for the Class Representative,
24 may object to the Class Settlement in person at the Final Approval Hearing and/or in writing by
25 submitting a timely and complete Objection to the Settlement Administrator, by mail, on or before
26 the Response Deadline. The Parties and their counsel agree that they will not solicit, encourage,
27 counsel, or advise any individual to object to the Class Settlement.

28 7.2.6 Disputes of Eligible Workweeks and/or Eligible Pay Periods. Class Members

1 will have an opportunity to dispute the number of Eligible Workweeks and/or Eligible Pay Periods
2 to which they have been credited, as reflected in their respective Class Notices. In order to dispute
3 Eligible Workweeks and/or Eligible Pay Periods, Class Members must submit a written letter to
4 the Settlement Administrator, which must: (a) contain the case name and number of the Action; (b)
5 contain the full name, signature, mailing address, telephone number, and the last four digits of the
6 Social Security number of the disputing Class Member; (c) clearly state that the Class Member
7 disputes the number of Eligible Workweeks and/or Eligible Pay Periods credited to them and what
8 they contend is the correct number to be credited to them; (d) include information and/or attach
9 documentation demonstrating that the number(s) of Eligible Workweeks and/or Eligible Pay
10 Periods that they contend should be credited to them are correct; and (e) be submitted by mail to
11 the Settlement Administrator at the specified address, postmarked on or before the Response
12 Deadline. Absent information and/or documentation demonstrating that Defendant's records and
13 data are inaccurate as they pertain to the number of Eligible Workweeks and/or Eligible Pay Periods
14 to be credited to a disputing Class Member, Defendant's records will be presumed correct and
15 determinative of the dispute. However, if a Class Member produces information and/or documents
16 demonstrating that Defendant's records and data are inaccurate as they pertain to the number of
17 Eligible Workweeks and/or Eligible Pay Periods to be credited to a disputing Class Member, the
18 Settlement Administrator will evaluate the materials submitted by the Class Member and the
19 Settlement Administrator will resolve and determine the number of Eligible Workweeks and/or
20 Eligible Pay Periods that the disputing Class Member should be credited with under the Settlement.
21 The Settlement Administrator's determination regarding any such dispute shall be final for
22 purposes of administering notice of the Settlement, subject to final review, determination, and
23 approval by the Court.

24 7.2.7 The Settlement Administrator shall provide to Class Counsel and Defendant's
25 Counsel a weekly status report setting forth the number of Class Notices returned as undeliverable,
26 the number of Opt-Out Requests, the number of disputes regarding Eligible Workweeks and/or
27 Eligible Pay Periods, and the number of Objections, if any. Additionally, the Settlement
28 Administrator will provide to counsel for both Parties any updated reports regarding the

1 administration of the Settlement Agreement as needed or requested, and immediately notify the
2 Parties when it receives a request from an individual regarding inclusion in the Class and/or
3 Settlement. Upon completion of administration of the Settlement, the Settlement Administrator
4 will provide a written declaration under oath to certify such completion to the Court and counsel
5 for all Parties.

6 7.2.8 If five percent (5%) or more of the total number of Class Members submit
7 timely and valid Opt-Out Requests, then Defendant shall have the option, in its sole and exclusive
8 discretion, to void the Settlement. To exercise this option, Defendant must send written notification
9 to Class Counsel within ten (10) calendar days from the Settlement Administrator notifying the
10 Parties of the total number of timely and valid Opt-Out Requests. If Defendant chooses to exercise
11 this option, the effect will be precisely the same as if Final Approval did not occur, as discussed
12 herein. In the event Defendant exercises this option, Defendant will be solely responsible for any
13 Settlement Administration Costs incurred to the date of revocation.

14 7.3 Final Approval

15 7.3.1 Prior to the Final Approval Hearing, Plaintiff will move the Court for entry
16 of the Final Approval Order and Judgment, which will provide for, in substantial part, the
17 following: (a) certifying the Class for Settlement purposes only, (b) finding the Settlement fair,
18 reasonable, adequate, and in the best interests of the Class Members, PAGA Members, and the
19 State of California, (c) approving the PAGA Allocation to the LWDA and the PAGA Members;
20 (d) approving Class Counsel's application for an award of Attorneys' Fees and Costs, (e) approving
21 the Class Representative's application for a Service Payment, (f) approving the payment of
22 reasonable Settlement Administration Costs, and (g) releasing and barring any Released Class
23 Claims by Settlement Class Members and Released PAGA Claims by the State of California with
24 respect to PAGA Members and the PAGA Members. The Parties and their respective counsel shall
25 make all reasonable efforts to secure entry of the Final Approval Order and Judgment. The
26 proposed Final Approval Order and Judgment shall be filed with the Court with the motion for final
27 approval, or as otherwise directed by the Court.

28 7.3.2 Class Representative and Class Counsel agree that they shall be responsible

1 for justifying the amount of the Service Payment and Attorneys' Fees and Costs to the Court, and
2 they agree to submit, as appropriate, the necessary materials to justify these payments. If the Court
3 (or any appellate court) awards less than the amount requested for Attorneys' Fees and Costs, or
4 less than the amount requested for the Service Payment for the Class Representative, only the
5 awarded amounts shall be paid and shall constitute satisfaction of the obligations of Defendant to
6 pay the Attorneys' Fees and Costs and Service Payment under this Settlement.

7 7.3.3 If the Final Approval and Judgment does not become Final, or if this
8 Settlement is terminated or canceled pursuant to its terms, the Parties to this Settlement shall be
9 deemed to have reverted to their respective status as of the date and time immediately prior to the
10 execution of this Settlement. In such an event, if the Settlement is not approved by the Court
11 substantially in the form agreed to by the Parties, or if the Settlement is terminated, cancelled,
12 declared void, or fails to become effective in accordance with its terms, or if the Final Approval
13 Order and Judgment does not Final, or if the Final Approval Date does not occur, this Settlement
14 (except for those provisions relating to non-admission, denial of liability set forth herein, and the
15 confidentiality agreements entered into by the Parties) shall be deemed null and void, its terms and
16 provisions shall have no further force and effect and shall not be used in the Action or in any other
17 proceeding for any purpose, and any Final Approval Order and Judgment entered by the Court in
18 accordance with the terms of the Settlement shall be treated as vacated, *nunc pro tunc*.
19 Notwithstanding any other provision of this Settlement, no order of the Court, or modification or
20 reversal on appeal of any order of the Court, reducing the amount of the Attorneys' Fees or Costs
21 to be paid to Class Counsel, or reducing the amount of any Service Payment paid to the Class
22 Representative, shall constitute grounds for cancellation or termination of the Settlement, or
23 grounds for limiting any other provision of the Final Approval Order and Judgment.

24 7.4 Funding and Distribution of the Settlement Proceeds

25 7.4.1 Within twenty-one (21) calendar days after the Effective Date, Defendant
26 shall pay the Maximum Settlement Amount into the Qualified Settlement Fund set up, held, and
27 controlled by the Settlement Administrator.

28 7.4.2 Within seven (7) calendar days of the funding of the Maximum Settlement

1 Amount, the Settlement Administrator shall issue payments due under the Settlement and approved
2 by the Court, as follows: (a) Individual Settlement Payments to Settlement Class Members; (b)
3 Individual PAGA Payments to PAGA Members; (c) LWDA Payment to the LWDA; (d) Service
4 Payment to Plaintiff; (e) Attorneys' Fees and Costs to Class Counsel; and (f) Settlement
5 Administration Costs to itself (the Settlement Administrator).

6 7.4.3 The Settlement Administrator will be responsible for undertaking appropriate
7 deductions, required tax reporting, and issuing Individual Settlement Payments by way of check to
8 the Settlement Class Members and the Individual PAGA Payments by way of check to the PAGA
9 Members in accordance with this Settlement Agreement. The Settlement Administrator may, at its
10 discretion, distribute the Individual Settlement Payment and Individual PAGA Payment by way of
11 a single check that combines both payments (if applicable). Each Individual Settlement Payment
12 and Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180)
13 calendar days from the date the checks are issued, and thereafter, shall be canceled. All funds
14 associated with such canceled checks shall be transmitted by the Settlement Administrator to the
15 State of California Controller's Office Unclaimed Property Division in the name of those
16 Settlement Class Members and/or PAGA Members who did not negotiate their checks and in the
17 amount(s) of their respective Individual Settlement Payment and/or Individual PAGA Payment
18 until such time that they claim their property. Even if a Settlement Class Member and/or PAGA
19 Member does not negotiate their settlement check, the Settlement, including its releases, will be
20 binding on them. The Parties agree that this disposition results in no "unpaid residue" under
21 California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to
22 Settlement Class Members, whether or not they all cash their Individual Settlement Payments.

23 8. MISCELLANEOUS PROVISIONS

24 8.1 Neither the acceptance nor the performance by Defendant of the terms of this
25 Settlement, nor any of the related negotiations or proceedings, is or shall be claimed to be, construed
26 as, or deemed to be, an admission by Defendant of the truth of any of the allegations in the Operative
27 Complaint, the representative character of the Action, the validity of any of the claims that were or
28 could have been asserted by Plaintiff, Class Members, and/or PAGA Members in the Action, or of

1 any liability or guilt of Defendant in the Action. Nothing in this Settlement shall be construed to
2 be or deemed an admission by Defendant of any liability, culpability, negligence, or wrongdoing
3 toward Plaintiff, the Class, PAGA Members, or any other person, and Defendant specifically
4 disclaims any liability, culpability, negligence, or wrongdoing toward Plaintiff, the Class, PAGA
5 Members, and any other person. Each Party has entered into this Settlement with the intention to
6 avoid further disputes and litigation with the attendant inconvenience, expenses, and contingencies.

7 8.2 The Parties agree to cooperate fully with one another to accomplish and implement
8 the terms of this Settlement. Such cooperation shall include, but not be limited to, execution of
9 such other documents and the taking of such other action as may reasonably be necessary to fulfill
10 the terms of this Settlement. The Parties to this Settlement shall exercise reasonable efforts,
11 including all efforts contemplated by this Settlement and any other efforts that may become
12 necessary by Court order, or otherwise, to effectuate this Settlement and the terms set forth herein.

13 8.3 Unless otherwise specifically provided herein, all notices, demands, or other
14 communications given hereunder shall be in writing and shall be deemed to have been duly given
15 as of the third business day after mailing by United States certified mail, return receipt requested,
16 addressed as follows:

17 To the Class Counsel:

18 David D. Bibiyan
19 Vedang J. Patel
20 Bibiyan Law Group, P.C.
21 1460 Westwood Boulevard
22 Los Angeles, CA 90024

23 To Defendant's Counsel:

24 Andrew P. Frederick
25 Michelle L. Quach
26 Morgan, Lewis & Bockius LLP
27 1400 Page Mill Road
28 Palo Alto, California 94304

8.4 The Parties agree that the terms and conditions of this Settlement are the result of
lengthy, intensive, arm's-length negotiations between the Parties and that this Settlement shall not
be construed in favor of or against any Party by reason of the extent to which any Party or its

1 counsel participated in the drafting of this Settlement.

2 8.5 Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree that, until
3 the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose,
4 disseminate and/or publicize, or cause or permit another person to disclose, disseminate or
5 publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any
6 person, corporation, association, government agency, or other entity except: (1) to the Parties'
7 attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement
8 confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to
9 appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an
10 inquiry or subpoena issued by a state or federal government agency. Each Party agrees to
11 immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking
12 such information. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree not to,
13 directly or indirectly, initiate any conversation or other communication, before the filing of the
14 Motion for Preliminary Approval, with any third party regarding this Agreement or the matters
15 giving rise to this Agreement except to respond only that "the matter was resolved," or words to
16 that effect. This paragraph does not restrict Class Counsel's communications with Class Members
17 in accordance with Class Counsel's ethical obligations owed to Class Members.

18 8.6 The Class Representative, by signing this Settlement, is bound by the terms herein
19 and further agrees not to request to be excluded from the Class Settlement and not to object to any
20 terms of the Class Settlement. Any such request for exclusion or objection shall therefore be void
21 and of no force or effect. Defendant, Class Counsel, and the Class Representative waive their rights
22 to file an appeal, writ, or any challenge whatsoever to the terms of this Settlement, except either
23 Party may appeal in the event an objector's objection is upheld by the trial court.

24 8.7 Prior to the filing of the motion for preliminary approval of the Settlement, this
25 Settlement may not be changed, altered, or modified, except in writing signed by counsel for the
26 Parties hereto. After the filing of the motion for preliminary approval of the Settlement, this
27 Settlement may not be changed, altered, or modified, except in writing signed by counsel for the
28 Parties hereto and subject to Court approval.

1 8.8 This Settlement shall be binding upon and inure to the benefit of the Parties hereto
2 and their respective heirs, trustees, executors, administrators, successors, and assigns.

3 8.9 The Parties agree that it is impossible or impractical to have each Class Member
4 sign this Settlement. It is agreed therefore, that for purposes of seeking approval of the Settlement,
5 this Settlement may be executed on behalf of the Class by Class Counsel and the Class
6 Representative.

7 8.10 This Settlement shall become effective upon its execution by all of the undersigned.
8 The Parties may execute this Settlement in counterparts, and execution of counterparts shall have
9 the same force and effect as if all Parties had signed the same instrument.

10 8.11 The Court shall retain jurisdiction with respect to the implementation and
11 enforcement of the terms of the Settlement, and all Parties hereto submit to the jurisdiction of the
12 Court for purposes of implementing and enforcing the Settlement. Any action to enforce this
13 Settlement shall be commenced and maintained only in the Court.

14 8.12 Paragraph titles or captions contained in the Settlement are inserted as a matter of
15 convenience and for reference, and in no way define, limit, extend, or describe the scope of this
16 Settlement, or any provision thereof.

17 8.13 The Parties agree to hold in abeyance all proceedings in the Action (including, and
18 not limited to, the deadline to bring the Action to trial under California Code of Civil Procedure
19 section 583.310), except such proceedings necessary to implement and complete the Settlement
20 Agreement, pending the Final Approval Hearing to be conducted by the Court.

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

23 **AGREED TO AND UNDERSTOOD.**

24 DATED: 03/11/2025, 2025



Julissa Haley (Mar 11, 2025 10:30 PDT)

JULISSA LENAY HALEY

26
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28 DATED: _____, 2025

MWI VETERINARY SUPPLY CO.

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By: _____
Its: _____

APPROVED AS TO FORM:

Dated: 3/11, 2025

Vedang J. Patel

David D. Bibiyan
Vedang J. Patel

Bibiyan Law Group, PC
Counsel for Plaintiff and proposed Class Counsel

Dated: _____, 2025

Andrew P. Frederick
Michelle L. Quach

Morgan, Lewis & Bockius LLP
Counsel for Defendant

8.8 This Settlement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors, and assigns.

8.9 The Parties agree that it is impossible or impractical to have each Class Member sign this Settlement. It is agreed therefore, that for purposes of seeking approval of the Settlement, this Settlement may be executed on behalf of the Class by Class Counsel and the Class Representative.

8.10 This Settlement shall become effective upon its execution by all of the undersigned. The Parties may execute this Settlement in counterparts, and execution of counterparts shall have the same force and effect as if all Parties had signed the same instrument.

8.11 The Court shall retain jurisdiction with respect to the implementation and enforcement of the terms of the Settlement, and all Parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement. Any action to enforce this Settlement shall be commenced and maintained only in the Court.

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

8.13 The Parties agree to hold in abeyance all proceedings in the Action (including, and not limited to, the deadline to bring the Action to trial under California Code of Civil Procedure section 583.310), except such proceedings necessary to implement and complete the Settlement Agreement, pending the Final Approval Hearing to be conducted by the Court.

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

AGREED TO AND UNDERSTOOD.

DATED: _____, 2025 JULISSA LENAY HALEY

DATED: March 10, 2025, 2025 MWI VETERINARY SUPPLY CO.

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Signed by:

By: B260FCECD9CB46D...
Its: Senior Counsel

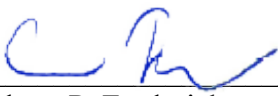
APPROVED AS TO FORM:

Dated: _____, 2025

David D. Bibiyan
Vedang J. Patel

Bibiyan Law Group, PC
Counsel for Plaintiff and proposed Class Counsel

Dated: March 10, 2025



Andrew P. Frederick
Michelle L. Quach

Morgan, Lewis & Bockius LLP
Counsel for Defendant