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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO

MARTA MACDONALD, individually, and on
behalf of other members of the general public
similarly situated, and as an Aggrieved
Employee pursuant to the Private Attorneys
General Act (“PAGA”),

 Plaintiffs,

 vs.

METAVERSE MOD SQUAD, DBA
MODSQUAD, INC., a Nevada corporation; and
DOES 1 through 10, inclusive,

 Defendants.

Case No.: 24CV001112

[Assigned for all purposes to the Hon.
Jill H. Talley, Dept. 23]

[CLASS ACTION & PAGA ACTION]

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Settlement,” “Agreement,” or “Settlement Agreement”) is made and entered into by and between Plaintiff Marta MacDonald (“Plaintiff”) and defendant Metaverse Mod Squad, DBA Modsquad, Inc. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS

1.1. “Action” means collectively, Plaintiff’s lawsuit alleging wage and hour violations against Defendant, pending in Sacramento Superior Court, Case No. 24CV001112

1.2. “Administrator” means Phoenix Class Action Administrators, the neutral entity the Parties have agreed to appoint to administer the settlement notice process and funding and distribution of the Gross Settlement Amount, as defined below, and all related matters. The Parties each represent that they do not have any financial interest in the Administrator or otherwise have a relationship with the Administrator that could create a conflict of interest.

1.3. “Administration Costs” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and costs incurred in the execution of its duties under this Settlement, as approved by the Court in connection with Preliminary Approval of the Settlement.

1.4. “Aggrieved Employee” means all current and former non-exempt employees who worked for Defendant within the State of California at any time during the PAGA Period.

1.5. “Aggrieved Employees’ Payment” means the 25% of the PAGA Penalties (as defined below), to be distributed to Aggrieved Employees on a *pro rata* basis based on their PAGA Pay Periods (as defined below).

1.6. “Class” means all current and former hourly-paid or non-exempt employees who worked for Defendant within the State of California at any time during the Class Period.

1.7. “Class Counsel” means Arnab Banerjee from Banner Law Group, P.C. and C. Genevieve Jenkins from Excelsis Law, P.C.

1.8. “Class Counsel Fees Payment” and “Class Counsel Litigation Costs Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and costs, respectively, incurred to prosecute the Action.

1.9. “Class Data” means a complete list of all Class Members’ identifying information and data that Defendant will diligently and in good faith compile from its records and provide to the Administrator. The Class Data will be formatted in a readable Microsoft Office Excel spreadsheet and will include the Class Member’s full name, last-known mailing address, Social Security number, start and end dates worked for Defendant during the Class Period (as defined below) and during the PAGA Period (as defined below), and such other information as is necessary for the Administrator to calculate Workweeks (as defined below) and PAGA Pay Periods (as defined below).

1.10. “Class Member” means a member of the Class.

1.11. “Class Member Address Search” means the Administrator’s investigation and search for Class Members’ most current mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address (“NCOA”) database, skip traces, and direct contact by the Administrator with Class Members.

1.12. “Class Notice” means the “Court Approved Notice of Class Action Settlement And Hearing Date For Final Court Approval,” informing Class Members of the following: the nature of the Action; a summary of the terms of the Settlement; the definition of the Class; the definition of the Aggrieved Employees, a statement that the Court has preliminarily approved the Settlement; the nature and scope of the claims being released; the procedure and time period for objecting to the Settlement, the date and location of the Final Approval Hearing; information regarding the procedure for opting out of the Class Settlement; the number of Workweeks credited to each Class Member, the number of PAGA Pay Periods credited to each Aggrieved Employee (if applicable), and the procedure for disputing the number of Workweeks and PAGA Pay Periods credited; the estimated Individual Settlement Share for the Class Member and the estimated Individual PAGA Share (if applicable). The Class Notice will be to be mailed to Class Members in English, with a Spanish translation made available by request, in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.

1.13. “Class Period” means the period from January 25, 2020 to November 15, 2024.

1.14. “Class Representative” means Plaintiff Marta MacDonald.

1.15. “Class Representative Service Payment(s)” means the payment to the Class Representative in the amount of Ten Thousand Dollars and Zero Cents (\$10,000.00), subject to Court

approval, for initiating the Action, for serving as representative of the Class, and providing services in support of the Action.

1.16. “Class Settlement” means the settlement and resolution of the Released Class Claims (as defined below)

1.17. “Court” means the Superior Court of California, County of Sacramento.

1.18. “Defendant” means named defendant Metaverse Mod Squad, DBA Modsquad, Inc.

1.19. “Defense Counsel” means Derek J. Haynes and Dylan T. De Wit of Potter Scott, P.C.

1.20. “Effective Date” means the date by which both of the following have occurred: (1) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (2) 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 later of the following events: five (5) business days after the period for filing any appeal, writ, or other appellate proceeding opposing the Court’s Final Approval Order and Judgment has elapsed without any appeal, writ, or other appellate proceeding having been filed; or, if any appeal, writ, or other appellate proceeding opposing the Court’s Final Approval Order and Judgment has been filed, five (5) business days after any appeal, writ, or other appellate proceedings opposing the Settlement has been finally and conclusively resolved (or withdrawn) in a way that does not alter the terms of the Settlement.

1.21. “Final Approval” means the Court’s order granting final approval of the Settlement.

1.22. “Final Approval Hearing” means the Court’s hearing at which the Court will consider and determine whether the Settlement should be granted Final Approval.

1.23. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

1.24. “Gross Settlement Amount” means Two Hundred Seventy-Five Thousand Dollars and Zero Cents (\$275,000.00) which is the total amount Defendant agrees to pay under the Settlement except as otherwise provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA Payment, Class Counsel Fees, Class Counsel Costs, Class Representative Service Payment, and the Administration Costs.

1.25. “Individual Class Payment” means the net payment of each Participating Class Member’s Individual Settlement Share, as provided in Paragraph 3.2.4 herein.

1.26. “Individual Class Share” means the *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive for the Class Settlement, to be calculated in accordance with Paragraph 3.2.4 herein.

1.27. “Individual PAGA Payment” means the *pro rata* share of the Aggrieved Employees’ Payment that an Aggrieved Employee will be eligible to receive under the PAGA Settlement (as defined below), to be calculated in accordance with Paragraph 3.2.5.

1.28. “Judgment” means the judgment entered by the Court based upon the order granting final approval of the Settlement.

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

1.30. “LWDA Payment” means the 75% of the PAGA Penalties paid to the LWDA.

1.31. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Costs Payment, and the Administration Costs Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.32. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.33. “Notice of Objection” means a Class Member’s written objection to the Settlement, which must include: (a) the case name and number of the Action; (b) the objector’s full name, signature, address, telephone number, and the last four digits of his or her Social Security number; (c) a written statement indicating that the Class Member objects to the Settlement and providing all grounds for the objection accompanied by any legal support for such objection; (d) the full name, address, and telephone number of any attorney representing the Class Member with respect to his or her objection; and (e) copies of any papers, briefs, or other documents upon which the objection is based. Notices of Objection must be submitted by mail to the Administrator at the specified address, postmarked on or before the Response Deadline (as defined below).

1.34. “PAGA Pay Period” means any pay period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.35. “PAGA Period” means the period from November 1, 2022 through November 15, 2024.

1.36. “PAGA” means the California Private Attorneys General Act (Labor Code §§ 2698. *et seq.*). Unless otherwise specified, all citations and references to PAGA are to the version of statute prior to the recent amendment effective July 1, 2024; the amended statute does not apply to the Action and this Settlement (as defined below) pursuant to California Labor Code section 2699, subd. (v)(1), as amended, because the above-captioned action was filed prior to June 19, 2024.

1.37. “PAGA Notices” means Marta MacDonald’s letter, submitted November 1, 2023, to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a); Plaintiff.

1.38. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (Five Thousand Dollars and Zero Cents [\$5,000.00]), and the 75% to LWDA (Fifteen Thousand Dollars and Zero Cents [\$15,000.00]), for a total of Twenty Thousand Dollars and Zero Cents (\$20,000) in settlement of PAGA claims.

1.39. “PAGA Settlement” means the settlement and resolution of the Released PAGA Claims (as defined below).

1.40. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.41. “Plaintiff” means Marta MacDonald, the named plaintiff in the Action.

1.42. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.43. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval of the Settlement.

1.44. “Released Class Claims” means the claims being released as described in Paragraph 5.4 below.

1.45. “Released PAGA Claims” means the claims being released as described in Paragraph 5.5 below.

1.46. “Released Parties” means: Defendant and each of its former and present directors, officers,

shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

1.47. “Request for Exclusion” means a Class Member’s timely and valid submission of a written request to be excluded from the Class Settlement. The Request for Exclusion must: (a) contain the case name and number of the Action; (b) be signed by the Class Member or his or her authorized representative; (c) contain the full name, address, telephone number, and the last four digits of the Social Security Number of the Class Member requesting exclusion; (d) clearly state that the Class Member does not wish to be included in the Settlement, and (e) be submitted in accordance with Paragraph 8.4..

1.48. “Response Deadline” means sixty (60) days after the Administrator mails the Class Notice, and shall be the last date on which Class Members may: fax, email, or mail a Request for Exclusion from the Settlement, a Notice of Objection to the Settlement, and/or dispute of the Workweeks and/or PAGA Pay Periods credited to him or her. Class Members to whom Class Notices are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days after the Response Deadline has expired.

1.49. “Workweek” means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. RECITALS

2.1. Plaintiff filed a wage and hour and PAGA action against Defendant on January 23, 2024, in Sacramento Superior Court for violations of the California Labor Code, Case. No. 24CV001112. Plaintiff’s core allegation is that Defendant has violated the California Labor Code by engaging in a uniform practice and procedure, with respect to Plaintiff and the Class Members, of, *inter alia*, failing to reimburse employees for all business-related expenses related to working from home, maintaining an illegal policy which prohibited Plaintiff and class members from discussing or disclosing his or her wages or the wages of others, and failing to maintain accurate wage statements and complete sick pay records, and thereby engaged in unfair business practices under the California Business and Professions Code and conduct that gives to penalties recoverable under PAGA.

2.2. On November 15, 2024, the Parties participated in an all-day mediation presided over by mediator Jeffery Fuchsman, Esq.

2.3. Mr. Fuchsman helped to manage the Parties' expectations and provided a useful, neutral analysis of the issues and risks to both sides. Although the Parties did not settle at mediation, Mr. Fuchsman helped to narrow the gap between the Parties' respective positions. Mr. Fuchsman subsequently made a mediator's proposal that was later accepted by the Parties.

2.4. Prior to mediation, Plaintiff obtained through discovery documents and data regarding Defendant's policies and practices, as well as data concerning Class Members' and Aggrieved Employees' time and payroll records. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("Dunk/Kullar").

2.5. The Court has not granted class certification.

3. MONETARY TERMS

3.1. Gross Settlement Amount. Except as otherwise provided by the Escalator Clause, Defendant promises to pay Two Hundred Seventy-Five Thousand Dollars and Zero Cents (\$275,000.00) and no more as the Gross Settlement Amount in consideration for the releases as described herein, and to separately pay any and all employer payroll taxes owed on the Wages Portions of the Individual Class Shares. Defendant has no obligation to pay the Gross Settlement Amount or any employer payroll taxes prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1. To Plaintiff: Class Representative Service Payments to the Class Representatives of not more than Ten Thousand Dollars and Zero Cents (\$10,000.00) to be paid from the Gross Settlement Amount in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as Participating Class Members. Defendant will not oppose Plaintiff's request for

1 a Class Representative Service Payment that does not exceed these amounts.
2 Plaintiff will seek preliminary and final approval, respectively, from the Court for
3 any Class Representative Service Payments, concurrently or combined with the
4 filing of Plaintiff's Motion for Preliminary Approval of Class Action Settlement
5 and Plaintiff's Motion for Final Approval of Class Action Settlement,
6 respectively. If the Court approves the Class Representative Service Payments in
7 amounts less than the amounts requested, the remainder shall be a part of the Net
8 Settlement Amount for the benefit of Participating Class Members. The
9 Administrator will pay the Class Representative Service Payments using IRS
10 Form 1099. Plaintiff assumes full responsibility and liability for employee taxes
11 owed on the Class Representative Service Payments.

12 3.2.2. To Class Counsel: Class Counsel shall seek, and Defendant will not oppose
13 attorneys' fees of not more than one-third (1/3), or Ninety One Thousand Six
14 Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$91,666.67) and a Class
15 Counsel Litigation Costs Payment of not more than Ten Thousand (\$10,000) to
16 be paid from the Gross Settlement Amount. This amount set forth above will
17 cover all fees and costs incurred to date in the Action, and all work to be
18 performed and all fees and costs to be incurred in connection with obtaining the
19 Court's approval of this Settlement. If the Court approves a Class Counsel Fees
20 Payment and/or a Class Counsel Litigation Costs Payment less than the amounts
21 requested, the remainder shall be a part of the Net Settlement Amount for the
22 benefit of Participating Class Members. Released Parties shall have no liability to
23 Class Counsel or any other Plaintiff's Counsel arising from any claim to any
24 portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Costs
25 Payment. The Administrator will pay the Class Counsel Fees Payment and Class
26 Counsel Litigation Costs Payment using one or more IRS 1099 Forms. Class
27 Counsel assumes full responsibility and liability for taxes owed on the Class
28 Counsel Fees Payment and the Class Counsel Litigation Costs Payment and holds

1 the Released Parties harmless, and indemnifies the Released Parties, from any
2 dispute or controversy regarding any division or sharing of any of these Payments.

3 3.2.3. To the Administrator: The Administrator shall be Phoenix Class Action
4 Administrators (i.e., Administrator). The Administrator shall administer the
5 Settlement, which includes but is not limited to, distributing and responding to
6 inquiries about the Class Notice, determining the timeliness, validity, and/or
7 completion of any Notices of Objection, Requests for Exclusion, and/or disputes
8 regarding Workweeks and/or PAGA Pay Periods, and calculating all amounts to
9 be paid from the Net Settlement Amount. Based on the Administrator's capped
10 quote provided to the Parties, the charges and expenses of the Administrator are
11 estimated to be no more than Six Thousand Dollars (\$6,000), and these charges
12 will be paid from the Gross Settlement Amount, subject to Court approval. To the
13 extent actual Administration Costs are greater than the estimated amount stated
14 herein, such excess amount will be paid from the Total Settlement Amount,
15 subject to approval by the Court. Any portion of the estimated, designated, and/or
16 awarded Administration Costs which are not in fact required to fulfill payment to
17 the Administrator to undertake the required settlement administration duties will
18 be part of the Net Settlement Amount for the benefit of Participating Class
19 Members.

20 3.2.4. Calculation of Individual Settlement Shares to Each Participating Class Member:

21 3.2.4.1 After Preliminary Approval of the Settlement, the Settlement
22 Administrator will divide the Net Settlement Amount by the
23 Workweeks of all Class Members to yield the "Estimated Workweek
24 Value," and multiply each Class Member's individual Workweeks by
25 the Estimated Workweek Value to yield his or her estimated Individual
26 Settlement Share that he or she may be eligible to receive under the
27 Settlement.

28 3.2.4.2 After Final Approval of the Settlement, the Settlement Administrator

1 will divide the final Net Settlement Amount by the Workweeks of all
2 Participating Class Members to yield the “Final Workweek Value,” and
3 multiply each Participating Class Member’s individual Workweeks by
4 the Final Workweek Value to yield his or her Individual Settlement
5 Share

6 3.2.4.3 Tax Allocation of Individual Class Payments. Because there are no
7 claims for wages One-Hundred Percent (100%) of each Participating
8 Class Member’s Individual Class Share will be allocated to settlement
9 of claims for disputed penalties, interest and non-wage damages (the
10 “Non-Wages Portion”). These payments are not subject to wage
11 withholdings and will be reported on IRS 1099 Forms. The
12 Administrator will issue checks to Participating Class Members for their
13 Individual Settlement Shares (i.e., Individual Settlement Payments).
14 Participating Class Members assume full responsibility and liability for
15 any employee taxes owed on their Individual Class Payment.

16 3.2.4.4 Effect of Non-Participating Class Members on Calculation of Individual
17 Class Payments. Non-Participating Class Members will not receive any
18 Individual Class Payments. The Administrator will retain amounts equal
19 to their Individual Class Payments in the Net Settlement Amount for
20 distribution to Participating Class Members on a pro rata basis.

21 3.2.5. To the LWDA and Aggrieved Employees: Class Counsel shall seek approval
22 from the Court for the PAGA Penalties in the amount of Twenty Thousand
23 Dollars and Zero Cents (\$20,000) to be paid from the Gross Settlement Amount,
24 which shall be allocated as 75% (\$15,000) to the LWDA as the LWDA Payment,
25 and 25% (\$5,000) will be allocated to the Aggrieved Employees based on the
26 respective PAGA Pay Periods credited to them.

27 3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a)
28 dividing the Aggrieved Employees’ Payment by the total number of

PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period to yield the “PAGA Pay Period Rate,” and (b) multiply each Aggrieved Employee’s individual Pay Periods during the PAGA Period by the PAGA Weekly Rate to yield their Individual PAGA Payment. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. All Aggrieved Employees will be sent their Individual PAGA Payment whether or not they are a Non-Participating Class Member.

3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimates there are 96 Class Members who collectively worked a total of 10,200 Workweeks, and 50 Aggrieved Employees who worked a total 1,465 PAGA Pay Periods.

4.2. Class Data. Not later than fifteen (15) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members’ privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Notwithstanding the foregoing, for the limited purpose of resolving individual specific disputes, the Administrator may provide Class Counsel with the Class Member’s contact information, and Workweek and PAGA Pay Period information. Such disclosure shall be strictly limited to what is necessary for the resolution of the specific dispute and shall be handled in accordance with applicable privacy laws and regulations, and will be to the extent reasonably necessary to fulfill Class Counsel’s fiduciary obligations to Class Members. Defendant has a continuing duty to immediately notify Class Counsel if they discover that the Class Data omitted class member identifying information and to

1 provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the
2 deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel
3 will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to
4 missing or omitted Class Data.

5 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement
6 Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by
7 transmitting the funds to the Administrator no later than fourteen (14) days after the Effective Date.

8 4.4. Payments from the Gross Settlement Amount. Within fourteen (14) days after Defendant
9 funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments,
10 all Individual PAGA Payments, the LWDA Payment, the Administration Costs Payment, the Class
11 Counsel Fees Payment, the Class Counsel Litigation Costs Payment, and the Class Representative Service
12 Payments.

13 4.5. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Costs
14 Payment and the Class Representative Service Payments shall not precede disbursement of Individual
15 Class Payments and Individual PAGA Payments.

16 4.5.1. The Administrator will issue checks for the Individual Class Payments and/or
17 Individual PAGA Payments and send them to the Participating Class Members
18 via First Class U.S. Mail, postage prepaid. The face of each check shall
19 prominently state the date (not less than 180 days after the date of mailing) when
20 the check will be voided. The Administrator will void all checks not cashed
21 deposited, or otherwise negotiated within one hundred and eighty (180) calendar
22 days. Before mailing any checks, the Settlement Administrator must update the
23 recipients' mailing addresses using the National Change of Address Database.

24 4.5.2. The Administrator must conduct a Class Member Address Search for all other
25 Participating Class Members whose checks are returned within ninety (90)
26 calendar days after the date of mailing, as undelivered, without a forwarding
27 address. Within seven (7) calendar days of receiving such a returned check, the
28 Administrator must conduct a single re-mailing of such checks to the USPS

forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Participating Class Member whose original check was lost or misplaced, requested by the Participating Class Member prior to the void date.

4.5.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

4.5.4. The Administrator shall undertake amended and/or supplemental tax filings and reporting, required under applicable local, state, and federal tax laws, that are necessitated due to the cancellation of any Individual Class Payments and/or Individual PAGA Payments checks. Participating Class Members whose Individual Class Payments and/or Individual PAGA Payments checks are voided shall, nevertheless, be bound by this Settlement Agreement.

4.5.5. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS

5.1. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff and all Class Members who do not submit a timely and valid Request for Exclusion (*i.e.*, Participating Class Members) will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties (as defined above) as follows:

5.2. Plaintiff's General Releases. Upon the Effective Date and full funding of the Total

Settlement Amount, Plaintiff will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Action and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Action, Plaintiff's PAGA Notice ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.3. Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

5.4. Released Class Claims of Participating Class Members: Upon the Effective Date and full funding of the Total Settlement Amount, Plaintiff and Class Members who do not submit a timely and valid Request for Exclusion (*i.e.*, Participating Class Members) will be deemed to have fully, finally, and forever released settled, compromised, relinquished, and discharged all Released Parties from all claims under state, federal, or local law, arising during the Class Period out of the claims expressly pleaded in the Action and all other claims, such as those under the California Labor Code, Wage Orders, regulations, and/or other provisions of law, that could have been asserted based on the facts pleaded in the Action for:

(1) failure to reimburse business expenses under Labor Code Sec. 2800, 2802; (2) failure to provide accurate, itemized wage statements and records regarding sick pay under Labor Code Sec. 226 and 247.5; and (3) violation of California's unfair competition law under Business and Professions Code Sec. 17200 based on the aforementioned. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.5. Released PAGA Claims of the LWDA: Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff, and the State of California will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties from any and all claims for civil penalties under the California Private Attorneys General Act, California Labor Code section 2698, *et seq.*, pled or which could have been pled against Released Parties based on the factual allegations described in the PAGA Notice and only to the extent that they are expressly pleaded in the Action, including but not limited to violations of California Labor Code Sections 96(k), 98.6(b), 226, 232, 233, 234, 247.5, 246, 232.5, 558, 558.1, 1197.5 (k), and 2802, and violations of the California Industrial Welfare Commission ("IWC") Wage Orders arising during the PAGA Period as to the Aggrieved Employees ("Released PAGA Claims"). The Released PAGA Claims do not include other PAGA claims, underlying wage and hour claims, claims for vested benefits, wrongful termination, discrimination, unemployment insurance, disability and worker's compensation, and claims outside of the PAGA Period.

6. MOTION FOR PRELIMINARY APPROVAL

6.1. Class Counsel agree to prepare and file a motion for preliminary approval ("Motion for Preliminary Approval"), subject to receipt of feedback from Defense Counsel prior to filing, which shall not be unreasonably withheld. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good

1 faith, to modify the Agreement and otherwise satisfy the Court's concerns.

2 **7. SETTLEMENT ADMINISTRATION**

3 7.1. Employer Identification Number. The Administrator shall establish a separate employer
4 Identification Number for purposes of calculating payroll tax withholdings (if any) and providing reports
5 state and federal tax authorities.

6 7.2. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets
7 the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

8 7.3. Notice to Class Members.

9 7.3.1. No later than three (3) business days after receipt of the Class Data, the
10 Administrator shall notify Class Counsel and Defense Counsel that the list has
11 been received and state the number of Class Members, PAGA Members,
12 Workweeks, and PAGA Pay Periods in the Class Data.

13 7.3.2. Using best efforts to perform as soon as possible, and in no event later than
14 fourteen (14) calendar days after receiving the Class Data, the Administrator will
15 send to all Class Members identified in the Class Data, via first-class United States
16 Postal Service ("USPS") mail, the Class Notice (with Spanish translation made
17 available by request) substantially in the form attached to this Agreement as
18 "Exhibit A." The first page of the Class Notice shall prominently estimate the
19 dollar amounts of any Individual Class Payment and/or Individual PAGA
20 Payment payable to the Class Member, and the number of Workweeks and
21 PAGA Pay Periods (if applicable) used to calculate these amounts. Before
22 mailing Class Notices, the Administrator shall update Class Member addresses
23 using the National Change of Address database.

24 7.3.3. If any Class Notice is returned by the USPS as undelivered within thirty (30)
25 calendar days of initial mailing, then, no later than three (3) business days after
26 the Administrator's receipt of any Class Notice returned by the USPS as
27 undelivered, the Administrator shall conduct a single re-mailing of the Class
28 Notice using any forwarding address provided by the USPS. If the USPS does not

1 provide a forwarding address, the Administrator shall conduct a Class Member
2 Address Search, and conduct a single re-mailing the Class Notice to the most
3 current address obtained. The Administrator has no obligation to make further
4 attempts to locate or send Class Notice to Class Members whose Class Notice is
5 returned by the USPS a second time.

6 7.3.4. The Response Deadlines for Class Members' written Notices of Objection,
7 disputes to Workweeks, and Requests for Exclusion will be extended an
8 additional fourteen (14) days beyond the sixty (60) days otherwise provided in the
9 Class Notice for all Class Members whose notice is re-mailed. The Administrator
10 will inform the Class Member of the extended deadline with the re-mailed Class
11 Notice.

12 7.3.5. If the Administrator, Defendant, Defense Counsel, or Class Counsel is contacted
13 by or otherwise discovers any persons who believe they should have been
14 included in the Class Data and should have received Class Notice, the Parties will
15 expeditiously meet and confer in person or by telephone, and in good faith in an
16 effort to agree on whether to include them as Class Members, and submit a
17 stipulation and proposed order to the Court to obtain the Court's entry of an order
18 approving the Parties' stipulation on how to address the issue. If Final Approval
19 of the Settlement has not yet been granted, and the Parties agree and the Court
20 approves the Parties' stipulation in this regard, such persons will be Class
21 Members entitled to the same rights as other Class Members, and the
22 Administrator will send, via email or overnight delivery, a Class Notice requiring
23 them to exercise options under this Agreement not later than fourteen (14)
24 calendar days after receipt of Class Notice, or the deadline dates in the Class
25 Notice, whichever are later. If the issue arises after Final Approval has been
26 granted, the Parties will expeditiously meet and confer in person or by telephone,
27 and in good faith in an effort to agree on whether to include them as Class
28 Members, and submit a stipulation and proposed order to the Court to obtain the

Court's entry of an order approving the Parties' stipulation on how to address the issue.

7.4. Requests for Exclusion (Opt-Outs).

7.4.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than the Response Deadline. A Request for Exclusion is a letter from a Class Member or his/her representative that clearly communicates the Class Member's election to be excluded from the Class Settlement and includes the Class Member's full name, address and telephone number, and the last four digits of his or her Social Security number. To be valid, a Request for Exclusion must be timely postmarked by the Response Deadline.

7.4.2. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded from the Class Settlement. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.4.3. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Class Settlement, including the Participating Class Members' Releases under Paragraphs 5.4 and 5.5 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

1 7.4.4. Every Class Member who submits a valid and timely Request for Exclusion is a
2 Non-Participating Class Member and shall not receive an Individual Class
3 Payment or have the right to object to the class action components of the
4 Settlement.

5 7.5. Challenges to Calculation of Workweeks. On or before the Response Deadline, each Class
6 Member may challenge the number of Class Workweeks and PAGA Pay Periods (if any) credited to the
7 Class Member in their respective Class Notice. The Class Member may challenge the allocation by
8 submitting a written dispute that: (a) contains the case name and number of the Action; (b) contains the
9 Class Member's full name, address, telephone number, signature, and last four digits of his or her Social
10 Security number; (c) contains a statement setting forth the number of Workweeks during the Class Period
11 and PAGA Pay Periods during the PAGA Period (if any) that he or she contends is correct and attaches
12 any relevant documentation in support thereof; and (d) is submitted to the Settlement Administrator by
13 mail, postmarked no later than the Response Deadline. In the absence of any contrary documentation, the
14 Administrator is entitled to presume that the Workweeks and Compensable Pay Periods contained in the
15 Class Notice are correct so long as they are consistent with the Class Data. The Administrator's
16 determination of each Class Member's allocation of Workweeks and/or PAGA Pay Periods shall be final
17 and not appealable or otherwise susceptible to challenge. The Administrator shall promptly, and no later
18 than ten (10) calendar days of receipt of a dispute regarding Workweeks and/or PAGA Pay Periods,
19 provide copies of all challenges to calculation of Workweeks and/or PAGA Pay Periods to Defense
20 Counsel and Class Counsel and the Administrator's determination regarding the challenges.

21 7.6. Objections to Settlement.

22 7.6.1. Only Participating Class Members may object to the Class Settlement and/or this
23 Agreement, including contesting the fairness of the Class Settlement, and/or
24 amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation
25 Costs Payment and/or Class Representative Service Payments.

26 7.6.2. Participating Class Members may send a Notice of Objection to the
27 Administrator, by mail. In the alternative, or in addition to a written Notice of
28 Objection, Participating Class Members may appear in Court (or hire an attorney

1 to appear in Court at his or her own expense) to present verbal objections at the
2 Final Approval Hearing. Any attorney who will represent an objector must file a
3 notice of appearance with the Court and serve Class Counsel and Defendant's
4 counsel no later than the Response Deadline. A Participating Class Member who
5 elects to send a written objection to the Administrator must do so no later than the
6 Response Deadline.

7 7.6.3. Non-Participating Class Members have no right to object to the Settlement.

8 7.7. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
9 performed or observed by the Administrator contained in this Agreement or otherwise.

10 7.7.1. Website and Toll-Free Number. The Administrator will establish and maintain a
11 section of the Administrator's existing internet website (*i.e.*, the expense of a
12 custom website and URL does not need to be undertaken) to post the following
13 information: the date, time and location for the Final Approval Hearing; copies of
14 the Settlement Agreement, Motion for Preliminary Approval, the Preliminary
15 Approval Order, an exemplar Class Notice, the Motion for Final Approval, Class
16 Counsel Litigation Costs Payment, and Class Representative Service Payments,
17 and the Final Approval and the Judgment. The Administrator will also maintain
18 and monitor a toll-free telephone number to receive Class Member calls.

19 7.7.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
20 promptly review on a rolling basis Requests for Exclusion to ascertain their
21 validity. Not later than five (5) calendar days after the expiration of the Response
22 Deadline, the Administrator shall email a list to Class Counsel and Defense
23 Counsel containing (a) the names and other identifying information of Class
24 Members who have timely submitted valid Requests for Exclusion ("Exclusion
25 List"); (b) the names and other identifying information of Class Members who
26 have submitted invalid Requests for Exclusion; (c) copies of all Requests for
27 Exclusion from Settlement submitted (whether valid or invalid).

28 7.7.3. Weekly Reports. The Administrator must, on a weekly basis, provide written

1 reports to Class Counsel and Defense Counsel that, among other things, tally the
2 number of: Class Notices mailed or re-mailed, Class Notices returned
3 undelivered, Requests for Exclusion (whether valid or invalid) received, Notices
4 of Objections received, challenges to Workweeks and/or Pay Periods received
5 and/or resolved, and checks mailed for Individual Class Payments and Individual
6 PAGA Payments (“Weekly Report”). The Weekly Reports must include the
7 Administrator’s assessment of the validity of Requests for Exclusion and attach
8 copies of all Requests for Exclusions, Notice of Objection, and challenges to
9 Workweeks and/or Pay Periods received.

10 7.7.4. Administrator’s Declaration. Not later than fourteen (14) days before the date by
11 which Plaintiff are required to file the Motion for Final Approval of the
12 Settlement, the Administrator will provide to Class Counsel and Defense Counsel
13 a signed declaration suitable for filing in Court attesting to its due diligence and
14 compliance with all of its obligations under this Agreement, including, but not
15 limited to, its mailing of Class Notice, the Class Notices returned as undelivered,
16 the re-mailing of Class Notices, attempts to locate Class Members, the total
17 number of Requests for Exclusion from Settlement it received (both valid or
18 invalid), the number of Notice of Objections, and the number of challenges to
19 Workweeks and/or Pay Periods, and attach the Exclusion List. The Administrator
20 will supplement its declaration as needed or requested by the Parties and/or the
21 Court. Class Counsel is responsible for filing the Administrator’s declaration(s)
22 in Court.

23 7.7.5. Final Report by Settlement Administrator. Within ten (10) days after the
24 Administrator disburses all funds in the Gross Settlement Amount, the
25 Administrator will provide Class Counsel and Defense Counsel with a final report
26 detailing its disbursements by employee identification number only of all
27 payments made under this Agreement. At least fifteen (15) days before any
28 deadline set by the Court, the Administrator will prepare, and submit to Class

Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. ESCALATOR CLAUSE

8.1. Defendant estimates that there are approximately 10,200 workweeks during the Class Period. If the total number of workweeks during the Class Period is greater than ten percent (10%) of this estimate (i.e., exceed 11,220), then the Gross Settlement Amount will be increased by the actual percentage above the ten percent (10%) threshold. For example, if the number is eleven percent (11%) higher, then the Gross Settlement Amount will be increased by one percent (1%), or the Class Period and PAGA Period, respectively, will end on the date the number of work weeks equals 11,220.

9. DEFENDANT'S RIGHT TO WITHDRAW

9.1. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds ten percent (10%) of the total of all Class Members, Defendant may, but is not obligated to, withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Administration Costs incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven (7) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

10. NULLIFICATION OF THE SETTLEMENT

10.1. If (a) the Court should for any reason fail to approve this Settlement Agreement in the form agreed to by the Parties, or (b) the Court should (for any reason that the Parties are not able to cure in order to implement the settlement) fail to enter Judgment in the Action, or (c) the approval of the Settlement Agreement and Judgment is reversed, modified or declared or rendered void, then the Settlement Agreement shall be considered null and void, and neither the Settlement Agreement nor any of the related negotiations or proceedings, shall be of any force or effect, and all parties to the Settlement Agreement shall stand in the same position, without prejudice, as if the Settlement Agreement had been neither entered into nor filed with the Court. Notwithstanding the foregoing, the Parties may and will

attempt in good faith to cure any perceived defects in the Settlement Agreement to facilitate approval.

11. MOTION FOR FINAL APPROVAL

11.1. Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file in Court a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement, and a [Proposed] Final Approval Order and Judgment (collectively “Motion for Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven (7) days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in good faith to resolve any disagreements concerning the Motion for Final Approval.

11.2. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

11.3. Duty to Cooperate. If the Court does not grant Final Approval, or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final Approval. The Court’s decision to award less than the amounts requested for the Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Costs Payment, and/or Administrator Costs Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

11.4. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (a) enforcing this Agreement and/or Judgment, (b) addressing settlement administration matters, and (c) addressing such post-Judgment matters as are permitted by law.

11.5. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Costs Payment reflected in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Class Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate

proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

11.6. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Costs reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payments or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

12. AMENDED JUDGMENT

12.1. If any amended judgment is required under California Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

13. ADDITIONAL PROVISIONS

13.1. Notice of the Final Approval Order and Judgment. The Parties shall provide the Settlement Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court, and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for sixty (60) calendar days, and this shall satisfy California Rules of Court, Rule 3.771(b). No individualized notice of the Final Approval Order and Judgment to the Class will be required.

13.2. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended to be, or should be construed as, an admission by Defendant that any of the allegations in the Action have merit or that Defendant has any liability for any claims asserted; nor should

1 it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit.
2 Defendant expressly denies any liability arising from Plaintiff's operative Complaint. The Parties agree
3 that class certification and representative treatment is for purposes of this Settlement only. If, for any reason
4 the Court does not grant Preliminary Approval, Final Approval, or enter Judgment, Defendant reserves the
5 right to contest certification of any class for any reason and reserves all available defenses to the claims in
6 the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to
7 contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action
8 will have no bearing on, and will not be admissible in connection with, any litigation (except for
9 proceedings to enforce or effectuate the Settlement and this Agreement).

10 13.3. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and
11 Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed,
12 they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to
13 disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or
14 generally, to any person, corporation, association, government agency, or other entity except: (a) to the
15 Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement
16 confidential; (b) counsel in a related matter; (c) to the extent necessary to report income to appropriate
17 taxing authorities; (d) in response to a court order or subpoena; or (e) in response to an inquiry or subpoena
18 issued by a state or federal government agency. Each Party agrees to immediately notify each other Party
19 of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel,
20 Defendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or
21 other communication, before the filing of the Motion for Preliminary Approval, any with third party
22 regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the
23 matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's
24 communications with Class Members in accordance with Class Counsel's ethical obligations owed to
25 Class Members, does not restrict Class Counsel from advising the LWDA and providing it information
26 regarding the terms of this Settlement, and does not restrict Class Counsel's ability to include this
27 Settlement within the scope of Class Counsel's experience and qualifications for purposes of establishing
28 its adequacy as class counsel in future matters.

1 13.4. No Solicitation. The Parties separately agree that they and their respective counsel and
2 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the
3 Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate
4 with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

5 13.5. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
6 together with its attached exhibits shall constitute the entire agreement between the Parties relating to the
7 Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to
8 or by any Party.

9 13.6. Cooperation. The Parties and their counsel will reasonably cooperate with each other and
10 use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the
11 Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as
12 requested by the Court. In the event the Parties are unable to agree upon the form or content of any
13 document necessary to implement the Settlement, or on any modification of the Agreement that may
14 become necessary to implement the Settlement, the Parties will seek the assistance of a Mediator and/or
15 the Court for resolution.

16 13.7. No Prior Assignments. The Parties separately represent and warrant that they have not
17 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to
18 any person or entity and portion of any liability, claim, demand, action, cause of action, or right released
19 and discharged by the Party in this Settlement.

20 13.8. No Tax Advice. Neither Plaintiff, Class Counsel, Defendant and Defense Counsel are not
21 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as
22 such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended)
23 or otherwise.

24 13.9. Modification of Agreement. This Agreement, and all parts of it, may be amended,
25 modified, changed, or waived only by an express written instrument signed by all Parties or their
26 representatives, and approved by the Court.

27 13.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to
28 the benefit of, the successors of each of the Parties.

13.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

13.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

13.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Actions and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

13.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court.

13.15. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

13.16. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

13.17. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

C. Genevieve Jenkins
cgjenkins@excelsislaw.com
Excelsis Law, P.C.
1901 Avenue of the Stars, 2nd Floor
Los Angeles, CA 90067

Arnab Banerjee
Arnab@bannerlawgroup.com
Banner Law Group, P.C.
11500 W. Olympic Blvd., Suite 400
Los Angeles, CA 90064

To Defendant:

Derek J. Haynes
dhaynes@porterscott.com
Dylan T. de Wit
ddewit@porterscott.com
Porter Scott, P.C.
2180 Harvard Street, Suite 500
Sacramento, California 95815

13.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (*i.e.*, DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counter parts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

13.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to California Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under California Code of Civil Procedure section 583.310 for the entire period of this settlement process.

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SIGNATURES ON FOLLOWING PAGE**

1 **IT IS SO STIPULATED AND AGREED.**

2 **PLAINTIFF**

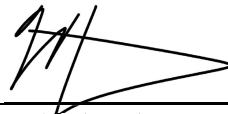
3
4 Dated: 03 / 11 / 2025

Marta MacDonald

MARTA MACDONALD

6
7 **DEFENDANT**

8 Dated: March 5, 2024



Michael Pinkerton
Chief Operations Officer
METAVERSE MOD
SQUAD. DBA MODSQUAD, INC.

11
12 **APPROVED AS TO FORM**

13
14 **BANNER LAW GROUP, P.C.**

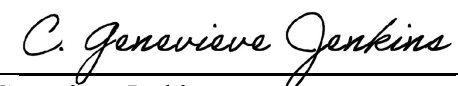
15 Dated: March 10, 2025

By: 

Arnab Banerjee
Attorneys for Plaintiff, MARTA MACDONALD

17
18 **EXCELSIS LAW, P.C.**

19 Dated: March 10, 2025

By: 

C. Genevieve Jenkins
Attorneys for Plaintiff, MARTA MACDONALD

22
23 **PORTER SCOTT P.C.**

24 Dated: March 5, 2025

By: 

Derek J. Haynes
Dylan T. de Wit
Attorneys for Defendant, METAVERSE MOD
SQUAD. DBA MODSQUAD, INC.