

JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE

Subject to final approval by the Court, this Joint Stipulation of Class Action Settlement and Release Agreement (“Agreement”) is between Colleen Dragovich (“Dragovich”) and Jose Ramos (“Ramos” and collectively, “Plaintiffs”), and Defendant Union Station Homeless Services (“Defendant” or “USHS”). Plaintiffs and Defendant are collectively referred to in this Agreement as the “Parties.”

I. DEFINITIONS

In addition to the other terms defined in this Agreement, the terms below have the following meaning:

1. “Dragovich Action” means the lawsuit titled *Colleen Dragovich v. Union Station Homeless Services*, currently pending in the Los Angeles Superior Court, Case No. 24STCV04239.

2. “Ramos Action” means the lawsuit titled *Jose Ramos v. Union Station Homeless Services*, currently pending in the Los Angeles Superior Court, Case No. 24STCV05562. The Dragovich Action and Ramos Action are collectively referred to in this Agreement as the “Action.”

3. “Administrative Costs” means all costs incurred by a Settlement Administrator to administer the settlement in the Action.

4. “Agreement”, “Settlement Agreement” and “Settlement” mean this Joint Stipulation of Class Action Settlement and Release.

5. “Application for Fees and Expenses” means the application/motion that will be filed by Class Counsel seeking fees and expenses in conjunction with the Motion for Order Granting Final Approval of Class Action Settlement and Entering of Judgment.

6. “Class”, “Class Members”, and “Noticed Class Members” mean:

All current and former employees of USHS within the State of California who are or were employed as non-exempt hourly employees by USHS during the Class Period.

7. “Class Counsel” are D.Law, Inc. and Sani Law, APC.

8. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action. Subject to Court approval, Defendant shall not object to a request for Class Counsel Fees Payment in an amount not to exceed Three Hundred Thousand Dollars and Zero Cents (\$300,000.00) (one-third of the Gross Settlement Amount) and Class Counsel Litigation Expenses Payment in an amount not to exceed Twenty-Five Thousand Dollars (\$25,000.00).

9. “Counsel for Defendant” or “Defense Counsel” means:

Lonnie D. Giamela
Harrison M. Thorne
FISHER & PHILLIPS LLP

444 South Flower Street, Suite 1500
Los Angeles, CA 90071
Tel: 213-330-4500
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10. “Class List” means the list of Class Members that Defendant will diligently and in good faith compile from its records and provide or cause to be provided to the Settlement Administrator only. The Class List will include the following for each Class Member: full name, last known address and telephone number (to the extent available in Defendant’s business records); social security number; the number of Workweeks during the Class Period (or data from which a class administrator may calculate the number of Workweeks (i.e., hire/rehire dates and termination dates, if any)), the number of pay periods worked during the PAGA Period, and any other information the Parties agree is necessary to calculate each Class Member’s Settlement Share.

11. “Class Notice” or “Notice” means the Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval, substantially similar to the form attached as **Exhibit “A”**. This Notice to be sent to the Class Members is mutually agreed upon by the Parties and will be presented to the Court for the Court’s approval with the Motion for Preliminary Approval.

12. “Class Period” means the period of time from February 20, 2020 through Preliminary Approval of the Settlement.

13. “Class Representatives” and “Plaintiffs” means Colleen Dragovich and Jose Ramos.

14. “Class Representative Payment” means the enhancement award made to the Class Representatives, in an amount not to exceed \$10,000, each, to compensate them for initiating the Action, performing work in support of the Action, and undertaking the risk of liability for attorneys’ fees and expenses in the event they were unsuccessful in the prosecution of the Action. These payments will be made out of the Gross Settlement Amount, at no additional cost to Defendant, and are subject to the Court’s approval. Any amount not approved shall revert to the Net Settlement Amount.

15. “Class Released Claims” means any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, interest, damages, action or causes of action that were alleged, or reasonably could have been alleged, based on the facts and allegations stated in the operative Second Amended Complaint and the LWDA Letters submitted by Ramos and Dragovich, including without limitation, any and all claims for alleged (1) unpaid minimum wages, (2) unpaid overtime wages, (3) sick pay and vacation pay, (4) meal period violations, (5) rest period violations, (6) alleged unpaid meal and rest period premiums, itemized wage statement penalties, (7) waiting time penalties, (8) failure to reimburse for necessary business expenses arising under the California Labor Code (excluding PAGA), California Civil Code violations, (9) Business & Professions Code (including Section 17200 *et seq.*) violations, and (10) claims for restitution and other equitable relief, liquidated damages, or penalties; and any other benefit claimed on account of the allegations asserted in the complaints in the operative Second Amended Complaint and the LWDA Letters submitted by Ramos and Dragovich. This release shall apply to all such claims arising at any point during the Class Period. The release shall include a release of claims under California Labor Code Sections 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 227.3, 246, 247.5, 248, 248.1, 248.2, 248.5, 510, 511, 512, 516, 551, 552, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.1, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 2802, 2804, 2926, and 2927, California Civil Code sections 3287 and 3289, California Code of Civil Procedure section 1021.5, California Code of Regulations Title 8, the Industrial Welfare Commission Wage Orders, and Business & Professions Code section 17200, *et seq.* Except as set forth in this Section, 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.

16. "Complaint(s)" means all complaints filed in the Action, which includes the complaints filed in the Dragovich Action, Ramos Action, and the operative Second Amended Complaint in the Dragovich Action.

17. "Defendant" means the named Defendant Union Station Homeless Services.

18. "Effective Date" means the date when all of the following events have occurred: If no objections to the settlement have been filed, or if there were objections filed but withdrawn before the Final Approval Hearing, then the day the Court enters Judgment; 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 if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

19. "Employer Taxes" means Defendant's share of any employer payroll taxes to be paid in connection with the Settlement (i.e. FICA, FUTA, payroll taxes, and/or any similar tax or charge), which shall be paid aside from the Gross Settlement Amount.

20. "Final Approval Hearing" means the hearing by the Court to determine whether to give final approval to and implement the terms of this Agreement.

21. "Gross Settlement Amount" or "GSA" means the non-reversionary maximum amount of Nine Hundred Thousand Dollars and Zero Cents (\$900,000.00), exclusive of any and all Employer Taxes that may become due on any amount of this settlement that is classified as wages, subject to the Escalator Clause.

22. "Individual PAGA Payment" means the amount payable to each PAGA Employee.

23. "Net Settlement Amount" or "NSA" means the portion of the Gross Settlement Amount, distributable to Participating Class Members after the deduction of (i) the court-approved Class Representative Payments; (ii) the court-approved Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment; (iii) the court-approved Administrative Costs; and (iv) the PAGA Payment to the LWDA. The Parties agree the Settlement is not subject to California Code of Civil Procedure section 384. If any checks remain uncashed after the 180-day expiration date, the Settlement Administrator will submit the unclaimed funds to the State of California's State Controller's Unclaimed Property Fund in the Class Member's name.

24. "Opt-Out Period" refers to a Sixty (60) day period following the date the Settlement Administrator mails the Class Notice to Class Members within which any Class Member may request to be excluded from/opt out of the Settlement per the Opt-Out Procedure described infra.

25. "Opt-Out Procedure" refers to the process by which Class Members must undertake to not participate in, and to not be bound by, the Settlement Agreement or object to the Settlement as described infra.

26. "PAGA Employees" means all current and former employees of USHS within the State of California who are or were employed as non-exempt hourly employees by USHS during the PAGA Period.

27. "PAGA Payment" means Ninety Thousand Dollars (\$90,000.00) of the Gross Settlement Amount allocated to satisfy any claim for penalties that may be owed under PAGA and

the operative complaint's PAGA claims. Seventy-five percent (75%) of the PAGA Payment shall be paid to the California Labor & Workforce Development Agency ("LWDA") and twenty-five percent (25%) shall be part of the Net Settlement Amount distributed to the PAGA Employees.

28. "PAGA Period" means February 16, 2023 through Preliminary Approval of the Settlement.

29. "PAGA Released Claims" means any and all claims for civil penalties under the California Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698, *et seq.* that were asserted in any and/or all of Plaintiff Dragovich's and/or Plaintiff Ramos's LWDA letters (submitted on February 16, 2024 and May 5, 2024, respectively) and complaints; and/or that could have been asserted based on the facts and/or allegations in the operative Second Amended Complaint and/or Plaintiff Dragovich's or Plaintiff Ramos's LWDA letters. "PAGA Released Claims" include, but are not limited to, any and all claims for civil penalties under the PAGA based on alleged unpaid wages (including but not limited to minimum and overtime wages, sick pay, vacation pay, and final pay upon termination), alleged unpaid meal and rest period premiums, itemized wage statement penalties, waiting time penalties, failure to reimburse for necessary business expenses arising under the California Labor Code (excluding PAGA), California Civil Code violations, or Business & Professions Code (including Section 17200 *et seq.*) violations, and claims for restitution and other equitable relief, liquidated damages, or penalties; and any other benefit claimed on account of the allegations asserted in the LWDA Letters submitted by Ramos and Dragovich. This release shall apply to all claims arising at any point during the PAGA Period. The release shall include a release of claims under California Labor Code Sections 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 227.3, 246, 247.5, 248, 248.1, 248.2, 248.5, 510, 511, 512, 516, 551, 552, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.1, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 2698, *et seq.*, 2699, 2699.3, 2699.5, 2802, 2804, 2926, and 2927, California Civil Code sections 3287 and 3289, California Code of Civil Procedure section 1021.5, California Code of Regulations Title 8, the Industrial Welfare Commission Wage Orders, and Business & Professions Code section 17200, *et seq.*

30. "Parties" means Plaintiffs Colleen Dragovich and Jose Ramos and Defendant Union Station Homeless Services.

31. "Participating Class Members" means any Class Member who does not submit a valid and timely opt-out of the Settlement.

32. "Preliminary Approval of the Settlement" means the Court's preliminary approval of the Settlement.

33. "Preliminary Approval Order" means the Court's Order Granting Preliminary Approval of the Settlement.

34. "Released Parties" means Union Station Homeless Services, and all its past, present or future parent, subsidiary, affiliate, predecessor or successor entities, and all agents, employees, owners, shareholders, insurers, reinsurers, assigns, officers, directors and attorneys, and all staffing companies, employee leasing companies, professional employer organization or payroll processing vendors that Union Station Homeless Services utilized during the Class Period and that have provided Class Members and or PAGA Employees to work for or be assigned to work for Defendant during the Class Period.

35. "Settlement Administrator" means Phoenix Class Action Administration Solutions, a third-party administrator agreed upon by the Parties to administer the Settlement.

36. “Settlement Share” means the amount payable to each Participating Class Member under the terms of this Settlement Agreement.

37. “Workweeks” means the total number of workweeks worked by a Class Member for Defendant during the Class Period. The Settlement Administrator will calculate the number of workweeks worked by the Class Members during the Class Period, the Workweek Value, and the individual Settlement Shares to eligible Class Members. The number of Workweeks will be calculated by the Settlement Administrator for each Class Member based upon records provided by Defendant or caused to be provided by Defendant. Defendant’s data will be presumed to be correct, unless a Class Member proves otherwise to the Settlement Administrator by credible evidence. All disputes will be resolved and decided by the Settlement Administrator and the Settlement Administrator’s decision on all disputes will be final and non-appealable. The estimated number of total Workweeks for the Class is 45,237 for the Class Period for an estimated 755 Class Members.

38. “Workweek Value” means the final Net Settlement Amount divided by the number of Workweeks worked by all Class Members during the Class Period (with adjustments reflecting the resolution of all disputes regarding number of Paychecks received).

II. RECITALS

39. On February 20, 2024, Plaintiff Colleen Dragovich filed a complaint against Defendant Union Station Homeless Services in the Los Angeles Superior Court, Case No. 24STCV04239. On March 11, 2024, the matter was assigned to Judge Stuart M. Rice, and deemed complex. On March 18, 2024, Defendant filed a Notice of Appearance and Posting of Complex Fees. On April 10, 2024, Defendant filed a Notice of Related Case, indicating that the Dragovich Action was related to the Ramos Action. On April 23, 2024, Plaintiff Colleen Dragovich filed a First Amended Complaint against Defendant alleging the following causes of action on a class and PAGA basis: (1) minimum wage violations; (2) overtime wage violations; (3) meal period violations; (4) rest period violations; (5) failure to reimburse necessary business expenses; (6) waiting time penalties; (7) wage statement penalties; (8) unfair competition; and (9) civil penalties under PAGA predicated on the aforementioned Labor Code violations. On May 9, 2024, the Court deemed the Dragovich Action and Ramos Action related pursuant to Cal. R. Ct., rule 3.300(a), with the Dragovich Action serving as the lead case.

40. On March 5, 2024, Plaintiff Jose Ramos filed a complaint against Defendant Union Station Homeless Services in the Los Angeles Superior Court, Case No. 24STCV05562. On March 6, 2024, the Ramos Action was assigned to Judge Maren Nelson. On April 2, 2024, the Ramos Action was deemed complex. On April 10, 2024, Defendant filed a Notice of Related Case, indicating that the Ramos Action was related to the Dragovich Action. On April 10, 2024, Defendant filed a Notice of Appearance and Posting of Complex Fees. On May 9, 2024, the Court deemed the Dragovich Action and Ramos Action related pursuant to Cal. R. Ct., rule 3.300(a), and assigned the Ramos Action to Department 1 for all purposes. On May 9, 2024, Plaintiff Jose Ramos filed a First Amended Complaint against Defendant alleging the following causes of action on a class and PAGA basis: (1) failure to pay minimum wages; (2) failure to pay wages and overtime wages; (3) meal period liability; (4) rest break liability; (5) violation of Labor Code § 226; (6) waiting time penalties; (7) violation of Labor Code § 204; (8) failure to keep required payroll records under Labor Code §§ 1174 and 1174.5; (9) failure to reimburse necessary business expenses; (10) violation of Labor Code § 246; (11) unfair competition; and (12) penalties under PAGA predicated on the aforementioned Labor Code violations.

41. After the Dragovich Action and Ramos Action were related, counsel for Defendant and Plaintiff Ramos and Plaintiff Dragovich agreed to attend a global mediation of all claims alleged in the Dragovich Action and Ramos Action.

42. Prior to mediation, Defendant provided Plaintiffs with 2021 and 2022 Employee Handbooks, additional relevant policies, a 25% random sampling of class members' corresponding timekeeping and payroll records, Plaintiffs' employment, payroll, and timekeeping records, and key data points including the total number of current and former class members, and the total number of workweeks/pay periods worked during the relevant statutory periods.

43. On July 11, 2024, the Parties attended an all-day mediation with mediator Kevin Barnes, Esq., which resulted in post-mediation negotiations as the matter did not resolve at the mediation. After mediation, the Parties agreed to resolve all claims on a class and PAGA basis.

44. During the mediation, each side, represented by its respective counsel, recognized the substantial risk of an adverse result that led to the subsequent settlement in principle. At all times, the Parties' settlement negotiations have been non-collusive, adversarial, and at arm's length. This Settlement Agreement represents a compromise settlement of highly disputed claims and defenses, as Plaintiffs believe their claims have merit and Defendant believes its defenses have merit. Nothing in this Agreement shall be construed as an admission by Defendant or any of the Released Parties that the asserted claims have merit or as an admission by Plaintiffs that the defenses asserted by Defendant have merit.

45. Plaintiffs and Class Counsel believe the total consideration and payment set forth in this Settlement Agreement is adequate in light of the uncertainties surrounding the risk of further litigation, and possible defenses that Defendant has asserted and could assert. Class Counsel recognize the substantial monetary benefit to the Class and the expenses and length of continued proceedings necessary to prosecute the Dragovich Action and Ramos Action against the Defendant through class certification, trial and appeal. Class Counsel have also considered the uncertain outcome and risk of further litigation, especially in complex actions such as class actions, as well as the difficulties and delay inherent in such litigation. Therefore, Class Counsel have determined that the settlement set forth in this Settlement Agreement is in the best interest of the Class and is fair and reasonable.

46. Defendant and its counsel have similarly concluded that it is desirable that the Dragovich Action and Ramos Action be settled in a manner and upon such terms and conditions set forth herein in order to avoid further risk and expense of litigation and the inconvenience and distraction of further legal proceedings. Therefore, Defendant has determined that it is desirable and beneficial to put to rest the claims in the Dragovich Action and Ramos Action.

47. Because the settled action is a putative class action and PAGA action settlement, this Settlement Agreement must receive preliminary and final approval by the Court. Accordingly, Plaintiffs and Defendant enter into this Settlement Agreement on a conditional basis. Should the Court decline to approve all material aspects of the Settlement Agreement or make rulings substantially altering the material terms of the Settlement Agreement, except for the awards of the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment or the Class Representative Payments, Defendant will have no obligation to make any payment, including any portion of the Gross Settlement Amount. If the Effective Date does not occur, this Settlement Agreement will be deemed null and void *ab initio* and will be of no force or effect whatsoever, and will not be referred to or utilized for any purpose. Defendant denies all of Plaintiff's claims as to liability and damages as well as Plaintiffs' class allegations. Defendant expressly reserves all rights to challenge any and all such claims and allegations upon all procedural and factual grounds, including the assertion of all defenses, if the Effective Date does not occur.

48. This Agreement replaces and supersedes any prior settlement term sheets, memorandums of understanding, or related documents that may have been agreed to by the Parties

as to the claims released herein.

Based on the above Recitals, the Parties agree as follows:

III. SETTLEMENT TERMS AND CONDITIONS

49. **Gross Settlement Amount.** Subject to the terms and conditions of this Agreement, the Gross Settlement Amount that Defendant is obligated to pay under this Settlement Agreement is Nine Hundred Thousand Dollars and Zero Cents (\$900,000.00), exclusive of Employer Taxes that shall be paid by Defendant in addition to the Gross Settlement Amount. If the actual total number of Workweeks for the Class Members for the Class Period exceeds 45,237 by 5% or more the Gross Settlement Amount will be increased by the same percentage without offset. For example, if the actual total number of Workweeks for the Class Members for the Class Period is 47,544 (5.1% more than 45,237), the Gross Settlement Amount will be increased by 5.1%. Conversely, if the actual total number of Workweeks for the Class Members for the Class Period is 47,453 (4.9% more than 45,237), the Gross Settlement Amount will not be increased. Other than provided herein, Defendant will not be obligated to pay more than the Gross Settlement Amount, except that Defendant will be and is responsible for its own attorney's fees and costs of litigation in this Action.

50. **Settlement Share.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will pay a Settlement Share from the Net Settlement Amount to each Participating Class Member.

50.1. **Participating Class Member Settlement Share Calculation.** All Participating Class Members will automatically receive their proportionate share of the NSA. The NSA shall be distributed to the individual Participating Class Members based on their Workweek designations in Defendant's data. The Net Settlement Amount will be divided by the Total Workweeks to yield the "Workweeks Value." Each Participating Settlement Class Member's Individual Settlement Share will be determined by multiplying his or her individual Workweeks by the Workweek Value.

50.2. **Withholding for Participating Class Members.** Thirty percent (30%) of each Settlement Share is intended to settle each Participating Class Member's claims for unpaid wages (the "Wage Portion"). The Wage Portion will be reduced by applicable payroll tax withholdings and deductions; the Settlement Administrator will issue an IRS Form W-2 with respect to the Wage Portion withheld from each Participating Class Member. Seventy percent (70%) of the Settlement Share is intended to settle each Participating Class Member's non-wage claims, without limitation, claims for interest and penalties. This portion will not be subject to payroll tax withholding and deductions. The Settlement Administrator will issue each Participating Class Member an IRS Form 1099 with respect to this portion of his/her Settlement Share.

51. **PAGA Employees' Share of PAGA Payment.** The Settlement Administrator shall determine the amounts of all Individual PAGA Payments for the PAGA Employees for the PAGA Claim. The Individual PAGA Payment for the individual PAGA Employees shall be calculated by (a) dividing \$22,500.00 by the total number of pay periods worked by all PAGA Employees during the PAGA Period and (b) multiplying the result by the number of pay periods the individual PAGA Employee worked during the PAGA Period.

52. **Settlement Payments.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will make payments as follows:

- 52.1. **To Named Plaintiff Colleen Dragovich:** In addition to her Settlement Share, and subject to the Court's approval, Plaintiff Colleen Dragovich will receive up to \$10,000.00 as a Class Representative Payment. Defendant will not oppose the reasonableness of this request. The Settlement Administrator will pay the Class Representative Payment in the amount approved by the Court out of the Gross Settlement Amount. Payroll tax withholding and deductions will not be taken from the Class Representative Payments. An IRS Form 1099 will be issued to Colleen Dragovich with respect to the Class Representative Payment. In the event the Court does not approve the entirety of the application for the Class Representative Payment, the Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Plaintiff, the difference shall become part of the NSA and be available for distribution to Participating Class Members.
- 52.2. **To Named Plaintiff Jose Ramos:** In addition to his Settlement Share, and subject to the Court's approval, Plaintiff Jose Ramos will receive up to \$10,000.00 as a Class Representative Payment. Defendant will not oppose the reasonableness of this request. The Settlement Administrator will pay the Class Representative Payment in the amount approved by the Court out of the Gross Settlement Amount. Payroll tax withholding and deductions will not be taken from the Class Representative Payments. An IRS Form 1099 will be issued to Jose Ramos with respect to the Class Representative Payment. In the event the Court does not approve the entirety of the application for the Class Representative Payment, the Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Plaintiff, the difference shall become part of the NSA and be available for distribution to Participating Class Members.
- 52.3. **To Class Counsel:** Class Counsel will apply to the Court for a total award of not more than Three Hundred Thousand Dollars and Zero Cents (\$300,000.00) (one-third of the Gross Settlement Amount) for the Class Counsel Fees Payment and a total award of not more than Twenty-Five Thousand Dollars (\$25,000.00) for the Class Counsel Litigation Expenses Payment. Defendant will not oppose Class Counsel's request for these fees and costs. The Settlement Administrator will pay the court-approved amounts for Class Counsel Fees and Litigation Expenses Payments out of the Gross Settlement Amount. Payroll tax withholding and deductions will not be taken from the Class Counsel Fees Payment or the Class Counsel Litigation Expenses Payment. IRS Forms 1099 will be issued to Class Counsel with respect to these payments. In the event the Court does not approve the entirety of the Class Counsel Fees Payment and/or Litigation Expenses Payments, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Class Counsel for fees and/or costs, the difference shall become part of the Net Settlement Amount and be available for distribution to Participating Class Members.

- 52.4. **To the Settlement Administrator.** The Settlement Administrator will pay to itself reasonable fees and expenses approved by the Court. The fees and expenses are estimated to not exceed Eleven Thousand and Five Hundred Dollars (\$11,500.00). This will be paid out of the Gross Settlement Amount. If the amount awarded for the Settlement Administrator's costs is less than the \$11,500.00 allocation, the difference shall become part of the Net Settlement Amount to be distributed to the Participating Class Members.
- 52.5. **To the LWDA.** The Settlement Administrator will allocate Ninety Thousand Dollars (\$90,000.00) for PAGA penalties, 75% of which or \$67,500.00 will be paid to the LWDA, with the remaining 25% or \$22,500.00 allocated to the PAGA Employees on a pro rata pay period basis in satisfaction of the PAGA Payment.
- 52.6. **To the Participating Class Members.** The Settlement Administrator will pay the Participating Class Members according to the Settlement Share calculations set forth above. All payments to Participating Class Members shall be made from the Net Settlement Amount.
- 52.7. **To the PAGA Employees.** The Settlement Administrator will pay the PAGA Employees according to the Individual PAGA Payment calculations for the PAGA Employees set forth above. All payments to PAGA Employees shall be made from 25% of the PAGA Payment.

53. **Class Certification.** The Parties agree and hereby stipulate to class certification for settlement purposes only. If the Court does not grant Preliminary and Final Approval of the Settlement, Defendant does not stipulate to class certification and any prior stipulation will become null and void.

54. **Tax Treatment.** 30% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. 70% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment. Notwithstanding the treatment of the payments to each Participating Class Member, none of the payments called for by this Agreement, including the Wage Portions of the Individual Class Payments, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan.

The Class Representatives and Participating Class Members shall be exclusively liable for any and all of their respective tax liability, if any. The Class Representatives and Participating Class Members should consult with their tax advisors concerning the tax consequences of the payments they receive under the Settlement Agreement. The settlement payments received by Participating Class Members will be reported as required to the state and federal taxing authorities on IRS forms 1099 and W-2 or similar forms. Each Participating Class Member will be responsible for paying all applicable state, local, and federal income taxes on all amounts the Participating Class Member receives pursuant to this Agreement. Participating Class Members shall cooperate with Defendant and provide documentation as requested to demonstrate such payment should any taxing authority challenge the allocation of settlement payments. The Individual PAGA Payments made to PAGA Employees shall be allocated 100% as 1099 payments for civil penalties. The Parties, and the Parties' attorneys, make no representations as to the tax treatment or legal effect of the payments called for hereunder, and Participating Settlement Class Members and PAGA Employees are not relying on any statement or

representation by the Parties or the Parties' attorneys in this regard.

55. **Appointment of Settlement Administrator.** The Parties will ask the Court to appoint Phoenix Class Action Administration Solutions as the Settlement Administrator, which, as a condition of appointment, will agree to be bound by this Agreement with respect to the performance of its duties and its compensation. The Settlement Administrator's duties will include preparing, printing, and mailing the Class Notice to all Class Members; conducting a National Change of Address search on any Class Notice returned by the U.S. Postal Service as non-deliverable, and re-mailing the Class Notice to the Class Member's new address; receiving exclusion requests/opt outs, objections, and Change of Address updates; providing the Parties with weekly status reports informing Class Counsel and Counsel for Defendant of the number of Notice Packets mailed, the number of Notice Packets returned as undeliverable, the number of Notice Packets re-mailed, and the number of opt out/exclusion requests and objections received; calculating individual Settlement Shares and Individual PAGA Payments; issuing the checks to effectuate the payments due under this Settlement; issuing the tax reports required under this Settlement; and otherwise administering the Settlement pursuant to this Agreement (including by maintaining website which stores relevant information and documents). The Settlement Administrator will have the final authority to resolve all disputes concerning the calculation of a Participating Class Member's Settlement Share subject to the terms set forth in this Agreement. The Settlement Administrator also shall be responsible for establishing a Qualified Settlement Fund within the meaning of the Internal Revenue Code, and issuing Settlement Shares and the Class Representative Payments from the Qualified Settlement Fund. The Settlement Administrator's reasonable fees and expenses, including the cost of printing and mailing the Class Notice, will be paid out of the Gross Settlement Amount, as set forth in this Agreement. If any checks remain uncashed after the 180-day expiration date, the Settlement Administrator will submit the unclaimed funds to the State of California's State Controller's Unclaimed Property Fund in the Class Member's name.

IV. PROCEDURE FOR APPROVING SETTLEMENT.

56. **Stipulation to Filing a Second Amended Complaint.** The Parties agree to enter into a joint stipulation to grant Plaintiff Dragovich leave to file a Second Amended Complaint ("SAC") in the Dragovich Action (Case No. 24STCV04239), which shall contain the class and PAGA claims alleged in both the Dragovich Action and Ramos Action, the claims alleged in Dragovich's LWDA Letter and Ramos's LWDA Letter, and shall include both Dragovich and Ramos as named plaintiffs. The SAC will be brought on behalf of Plaintiff Ramos and Plaintiff Dragovich, the Class Members, and the PAGA Employees, and shall be limited to the Class Period and PAGA Period. The Parties further agree that Plaintiff Ramos shall file a dismissal without prejudice, pursuant to the California Rules of Court, of all class claims alleged in the Ramos Action, and dismiss without prejudice the remaining, non-class claims in the Ramos Action, including the claim for violation of the Private Attorneys General Act, and any individual claims alleged.

57. **Motion for Conditional Certification and Preliminary Approval.** After the Second Amended Complaint has been filed in the Dragovich Action, Plaintiffs will move for an order conditionally certifying the Class for settlement purposes only, giving Preliminary Approval of the Settlement, setting a date for the Final Approval Hearing, and approving the Class Notice.

57.1. Plaintiffs will file with the Court a mutually agreed upon proposed order granting Preliminary Approval at the time Plaintiffs file the Motion for Preliminary Approval. Counsel for Defendant will have an opportunity to review the memorandums in support of Preliminary Approval before it is filed.

57.2. The Parties will jointly appear, support the granting of the motion, and submit a proposed order granting conditional certification of the Class and

preliminary approval of the Settlement; appointing Class Representatives, Class Counsel, and Settlement Administrator; and approving the Class Notice.

- 57.3. Should the Court decline to conditionally certify the Settlement Class or to preliminarily approve all material aspects of the Settlement after the Parties have engaged in diligent, good faith, and reasonable efforts to obtain the Court's preliminary approval of the Settlement, then the Settlement will be null and void and the Parties will have no further obligations under it. Provided, however, that the Court's approval or denial of any amount requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Administrative Costs, and Class Representative Payments are not material aspects of the Settlement. Any order or proceeding relating to an application for the Class Counsel Fees Payment, Class Counsel Litigation Expense Payment, Administrative Costs, and Class Representative Payments shall not operate to terminate or cancel this Settlement Agreement. Nothing in this Agreement shall limit Plaintiff's or Class Counsel's ability to appeal any decision by the Court to award less than the requested Class Counsel Fees Payment, Class Counsel Litigation Expense Payment, Administrative Costs and Class Representative Payments.

58. **Notice to Class Members.** After the Court enters its order granting Preliminary Approval of the Settlement, every Class Member will be provided with the Class Notice in accordance with the following procedure:

- 58.1. Within fourteen (14) calendar days after entry of an order granting Preliminary Approval of the Settlement, Defendant shall deliver the Class List to the Settlement Administrator. If any or all of this information is unavailable to Defendant, Defendant will so inform Class Counsel and the Parties will make their best efforts to reconstruct or otherwise agree upon how to deal with the unavailable information. The Settlement Administrator shall treat this information as confidential.
- 58.2. Within fourteen (14) days of receiving the Class Data, the Settlement Administrator will perform a National Change of Address check and will mail the Class Notice to all identified Class Members via first-class regular U.S. Mail using the mailing address information provided by Defendant, unless modified by any updated address information that the Settlement Administrator obtains in the course of administration of the Settlement.
- 58.3. If a Class Notice is returned because of an incorrect address, within ten (10) days from receipt of the returned packet, the Settlement Administrator will search for a more current address for the Class Member and re-mail the Class Notice to the Class Member. The Settlement Administrator will use the National Change of Address Database and skip traces to attempt to find the current address. The Settlement Administrator will be responsible for taking reasonable steps to trace the mailing address of any Class Member for whom a Class Notice is returned by the U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing to Class Members for whom new addresses are found. If the Class Notice is re-mailed, the Settlement Administrator will note for its own records the date and address of each such re-mailing.

- 58.4. The Settlement Administrator shall provide a weekly status report to the Parties. As part of its weekly status report, the Settlement Administrator will inform Class Counsel and Counsel for Defendant of the number of Notices mailed, the number of Notices returned as undeliverable, the number of Notices re-mailed, the number of opt out/exclusion requests and objections received.
- 58.5. No later than seven (7) calendar days after the end of the Opt-Out Period, the Settlement Administrator will serve on the Parties a declaration of due diligence setting forth its compliance with its obligations under this Agreement. The declaration from the Settlement Administrator shall also be filed with the Court by Class Counsel in conjunction with the Motion for Final Approval. Before the Final Approval Hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.

59. **No Claim Settlement.** This is a non-reversionary, all-in settlement that does not require Participating Class Member to make a claim to receive their proportionate Settlement Shares. The Class Notice mailed to each Class Member shall explain that Participating Class Members will automatically receive a Settlement Share if they do not exclude themselves from the Settlement. The Class Notice will also include the individual Class Members' workweeks based on information provided by Defendant. Under no circumstances will any portion of the Gross Settlement Amount revert to Defendant.

60. **Requests to Opt-Out of the Settlement.** Class Members who wish to "opt-out" of and be excluded from the Settlement must submit a written opt-out from the Settlement bearing a post-mark from a date within the Opt-Out Period (60 days from the date of mailing). If a Class Member submits a deficient opt-out (i.e. a submission that is not signed by the Class Member or cannot be interpreted or verified by the Settlement Administrator as authentic), the Settlement Administrator shall notify the Class Member of the deficiency within five (5) business days of receipt. The Class Member shall have until the end of the Opt-Out Period to cure any deficiencies, at which point his or her opt-out will be rejected if not received. Class Members submitting an opt-out after the end of the Opt-Out Period or a deficient opt-out shall be bound by the Settlement and release. Any Class Member who submits a signed and timely opt-out will no longer be a member of the Class, will be barred from objecting to this Settlement and will receive no benefit from this Settlement except if the Class Member is a PAGA Employee in which case the PAGA Employee shall still receive his/her respective portion of the PAGA Amount. The Settlement Administrator will notify Class Counsel and Counsel for Defendant of the total number of timely opt-outs seven (7) days after the Opt-Out Period ends. The Opt-Out Period will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

61. **No PAGA Opt-Out.** No PAGA Employee may opt out of or be excluded from participating in the PAGA settlement. All PAGA Employees shall: (a) be bound by the judgment entered herein for the PAGA settlement and will have released the PAGA Released Claims, for the PAGA Period, as of the Effective Date if/when the Court grants final approval of this Settlement; and (b) be mailed his/her respective portion of the PAGA Amount.

62. **Right to Rescission:** In the event that more than 5% of the class members opt-out of the Settlement, Defendant has the right to rescind the Settlement. The Parties agree that if Defendant exercises its option to rescind the Settlement, it will be responsible for the Settlement Administrator fees. Otherwise, if the Settlement is not finally approved by the Court, the Parties will be responsible

for the Settlement Administrator's fees on a 50/50 basis.

63. **Objections to Settlement.** The Class Notice will provide that Class Members who wish to object to the Settlement may do so (1) in writing or (2) verbally at the Final Approval Hearing. For written objections, Participating Class Members must mail the written objection to the Settlement Administrator, postmarked by no later than the close of the Opt-Out Period (60 days from the date of mailing). The Opt-Out Period for Class Members who wish to object to the Settlement in writing will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice. Regardless of whether a Participating Class Member submitted a written objection, Participating Class Members may also verbally object to the Agreement by appearing at the Final Approval Hearing either in person or through the objector's own counsel.

63.1. **Format and Contents.** Any written Objections shall: (a) state the objecting person's full name, address, and telephone number; (b) include the words "Notice of Objection" or "Formal Objection"; (c) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (d) list identifying witness(es) the objector may call to testify at the Final Approval Hearing; and (e) provide true and correct copies of any exhibit(s) the objector intends to offer at the Final Approval Hearing. The objection will not be valid if it objects only to the appropriateness of the Action or the merits thereof.

63.2. **Response to Objections.** Plaintiff and/or Defendant may file a response to written objections to the Settlement no later five court days before the Final Approval Hearing.

64. **Dispute Resolution Procedure.** If a Class Member or PAGA Employee disputes the number of Workweeks or pay periods shown in the Class Notice, the Class Member or PAGA Employee must — in writing mailed and postmarked no later than sixty (60) days after the Settlement Administrator first mails the Notice Packet — notify the Settlement Administrator of the dispute and provide a statement of the number of total Workweeks or pay periods the Class Member worked while employed with Defendant during the Class Period or PAGA Period, supported by written documentation. The timeframe to submit a dispute will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice. In the event of a dispute, Defendant's records regarding the number of Workweeks or pay periods worked by the Class Member shall be presumed to be correct and the Class Member or PAGA Employee will bear the burden of proof (i.e. a Class Member who fails to provide written proof will have his or her challenge denied). The Settlement Administrator shall investigate the challenge, requesting information from Defendant as necessary and make the final determination of whether any additional amount is owed. In no case will a challenge to employment data result in a payment by Defendant in excess of the Gross Settlement Amount.

65. **No Solicitation of Objection.** Neither the Parties nor their respective counsel will solicit or otherwise encourage directly or indirectly any Class Member to object to the Settlement or appeal from the Judgment.

66. **Additional Briefing and Final Approval.** Class Counsel will file unopposed motions and memorandums in support thereof for Final Approval of the Settlement and the following payments in accord with the terms of the Settlement: (1) the Class Counsel Fees Payment, (2) the Class Counsel Litigation Expenses Payment, (3) the Administrative Costs, (4) the Class

Representative Payments, and (5) the PAGA Payment no less than 16 court days before the Final Approval Hearing. Counsel for Defendant will have an opportunity to review the memorandums in support of Final Approval.

67. If the Court does not grant Final Approval of the Settlement or if the Court's Final Approval of the Settlement is reversed or materially modified on appellate review, after the Parties have engaged in diligent, good faith, and reasonable efforts to obtain the Court's preliminary approval of the Settlement, then this Settlement will become null and void; if that occurs, the Parties will have no further obligations under the Settlement, including any obligation by Defendant to pay the Gross Settlement Amount or any amounts that otherwise would have been owed under this Agreement, and the Settlement Administrator will immediately return to Defendant, without further authorization from Plaintiff or Class Counsel, 100% of any funds paid by Defendant to the Settlement Administrator pursuant to this Agreement.

68. Contemporaneous with Class Counsel's filing a motion for Final Approval of the Settlement, the Parties shall present to the Court a mutually agreed upon proposed Judgment and Order Granting Final Approval of Class Action Settlement ("Final Approval Order"). The Final Approval Order will, among other things: (1) grant Final Approval to the Settlement as fair, reasonable, adequate, in good faith and in the best interests of the Class as a whole, and order the Parties to carry out the provisions of this Agreement; (2) adjudge that the Participating Class Members are conclusively deemed to have released Defendant and the Released Parties from the Class Released Claims; (3) adjudge that the PAGA Employees are conclusively deemed to have released Defendant and the Released Parties from the PAGA Released Claims; (4) prohibit and permanently enjoin each Participating Class Member from pursuing in any fashion against Defendant or the Released Parties any and all of the Class Released Claims; and (5) reserve continuing jurisdiction as provided herein.

69. After entry of the Judgment, the Court shall have continuing jurisdiction over the Action for purposes of (i) enforcing this Settlement Agreement, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as may be appropriate under Court rules or applicable law.

70. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the terms and conditions of this Agreement, if Participating Class Members do not timely object to the Settlement, then the Parties and their respective counsel waive any and all rights to appeal from the Judgment, including, but not limited to, all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate or set aside judgment, and any extraordinary writ, and the Judgment will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any invalid appeal, appellate proceedings or post-judgment proceedings. This paragraph does not preclude Plaintiff or Class Counsel from appealing from a refusal by the Court to award the full Class Representative Payments, the Class Counsel Fees Payment, the Administrative Costs, or the Class Counsel Litigation Expenses Payment sought by them. Class Counsel retains the right to appeal from an order of the Court, awarding sums less than the requested amounts for the Class Representative Payments, the Class Counsel Fees Payment, the Administrative Costs, or the Class Counsel Litigation Expenses Payment. If an appeal is taken from the Judgment, the time for consummation of the Settlement (including making payments under the Settlement) will be suspended until such time as the appeal is finally resolved or withdrawn and the Judgment becomes final.

71. **Vacating, Reversing, or Modifying Judgment on Appeal.** If, after a notice of appeal, the reviewing court vacates, reverses, or modifies the Judgment such that there is a material modification to the Settlement, and that court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher court, then this Settlement will become null and void at

the Parties' election and the Parties will have no further obligations under it, and the Settlement Administrator will immediately return to Defendant, without further authorization from Plaintiff or Class Counsel, 100% of any funds paid by Defendant to the Settlement Administrator pursuant to this Agreement. An order to vacate, reverse, or modify the court awarded Class Representative Payments, Administrative Costs, or the Class Counsel Fees and Litigation Expenses Payments will not constitute a vacation, reversal, or material modification of the Judgment within the meaning of this paragraph. A material modification would include, but is not necessarily limited to, any alteration of the Gross Settlement Amount, an alteration in the calculation of the Net Settlement Amount, any change to the calculation of the Settlement Amount and any change to the Released Claims and Released Parties.

72. Funding and Disbursement of Settlement Shares and Payments.

- 72.1. **Final Calculations.** Within seven (7) days after the Effective Date, the Settlement Administrator will provide Defendant with the final total calculation of all funds necessary to make the payments required under this Agreement, including all payments from the Gross Settlement Amount (the Court-awarded Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Administrative Costs, Class Representative Payments, and the portion of the PAGA payment due to the LWDA) and all payments to Participating Class Members from the Net Settlement Amount.
- 72.2. **Funding of Gross Settlement Amount.** No later than fourteen (14) days after the Effective Date, Defendant shall deposit with the Settlement Administrator the Gross Settlement Amount.
- 72.3. **Disbursement of Settlement Funds.** Within seven (7) calendar days after the receipt of all funds from Defendant under paragraph 72.2, the Settlement Administrator will pay the following:
- to Plaintiff Colleen Dragovich the Court-awarded Class Representative Payment;
 - to Plaintiff Jose Ramos the Court-awarded Class Representative Payment;
 - to Class Counsel, the Court-awarded Class Counsel Fees Payment and the Court-awarded Class Counsel Litigation Expense Payment;
 - to the responsible tax authorities, the employee share of payroll taxes resulting from this Settlement;
 - to the Settlement Administrator, its reasonable fees and expenses as approved by the Court;
 - to the LWDA and the PAGA Employees their respective shares of the PAGA Payment; and
 - to Participating Class Members, their respective Settlement Shares.
- 72.4. **Uncashed Settlement Share Checks.** Participating Class Members must cash

or deposit their Settlement Share checks within one hundred eighty (180) days after the checks are mailed to them. If any checks remain uncashed or not deposited by the expiration of the one hundred eighty (180) day period after the mailing of the checks, the Settlement Administrator will pay the funds represented by such un-redeemed checks, including any interests thereon, to the State of California's State Controller's Unclaimed Property Fund on behalf of the particular Class Member who did not cash his or her settlement check, to be held pursuant to California's Unclaimed Property Law for the benefit of those Class members who did not cash their checks until such time that they claim their property. The Parties agree that this disposition results in no "unpaid residue" under California Code of Civil Procedure §384, as the entire Net Settlement Amount will be paid out to the Settlement Class Members, whether or not they all cash their Settlement Share Checks.

- 72.5. **Final Report by Settlement Administrator.** Within fourteen (14) days after the disbursement of all funds as set forth in this Agreement, the Settlement Administrator will serve on the Parties a declaration providing a final report on the disbursements of all funds.

V. RELEASE OF CLAIMS

73. **Release of Class Claims.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Settlement Shares, Plaintiffs and each Participating Class Member, individually and on behalf of all their respective successors, assigns, agents, attorneys, executors, heirs and personal representatives ("Releasees") shall fully and finally release and discharge Defendant and the Released Parties, and each of them, from the Class Released Claims for the Class Period.

74. **PAGA Released Claims.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Settlement Shares, Plaintiffs and the PAGA Employees and the LWDA shall fully and finally release and discharge Defendant and the Released Parties, and each of them, from the PAGA Released Claims for the PAGA Period.

VI. MISCELLANEOUS TERMS.

75. **No Admission of Liability or Class Certification for Other Purposes.** Defendant and the Released Parties deny that they have engaged in any unlawful activity, have failed to comply with the law in any respect, have any liability to anyone under the claims asserted in the complaints in the Dragovich Action and Ramos Action, the LWDA Letters submitted by Ramos and Dragovich, and the operative Second Amended Complaint, or that, but for the Settlement, a class could be certified in the Dragovich Action or Ramos Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant or the Released Parties of liability or wrongdoing, or an admission by Plaintiff Dragovich or Plaintiff Ramos that any of their claims were non-meritorious or any defenses to their claims were meritorious. This Settlement and the fact that Plaintiffs and Defendant were willing to settle the Dragovich Action and Ramos Action will have no bearing on, and will not be admissible in, any litigation (other than solely in connection with the Settlement).

76. The Parties have agreed to class certification for the sole purpose of effectuating this Settlement. Should the Settlement not be approved by the Court, or should the judgment regarding the settlement not become final, the fact that the Parties were willing to stipulate to class certification as part of the Settlement will have no bearing on, and will not be admissible in connection with, the

issue of whether a class should be certified in a non-settlement context in the Action, or any other action, and in any of those events Defendant and the Released Parties expressly reserve the right to oppose class certification.

77. Whether or not the settlement set forth in this Agreement becomes final, neither the Agreement, any document, statement, proceeding or conduct related to the Agreement, nor any reports or accounting of those matters, will be (i) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendant or any of the Released Parties, including, but not limited to, evidence of a presumption, concession, indication or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession or damage; or (ii) disclosed, referred to or offered in evidence against any of the Released Parties, in any further proceeding in the Dragovich Action or Ramos Action, or any other civil, criminal or administrative action or proceeding except for purposes of effectuating the Settlement pursuant to this Agreement.

78. This section and all other provisions of this Agreement notwithstanding, any and all provisions of this Agreement may be admitted in evidence and otherwise used in any and all proceedings to enforce any or all terms of this Agreement or in defense of any claims released or barred by this Agreement.

79. **No Inducements.** Plaintiffs and Defendant acknowledge that they are entering into this Settlement Agreement as a free and voluntary act without duress or undue pressure or influence of any kind or nature whatsoever, and that neither Plaintiffs nor Defendant have relied on any promises, representations or warranties regarding the subject matter hereof other than as set forth in this Settlement Agreement.

80. **Waiver of Right to Object.** By signing this Settlement Agreement, Plaintiffs, on behalf of the Class and themselves, agree to be bound by its terms. Plaintiffs further agree not to request to be excluded from the Settlement and agree not to object to any of the terms of the Settlement Agreement. Any request for exclusion from the Settlement Agreement by Plaintiffs or any objection by Plaintiffs will be void and of no force and effect. Likewise, Defendant agrees to be bound by the terms of the Settlement and agrees not to object to any of the terms of the Settlement Agreement.

81. **No Impact on Benefit Plans.** It is expressly understood and agreed that the receipt of a Settlement Share will not entitle any Participating Class Member to additional compensation or benefits under any company bonus, contract, incentive plan, contest or other compensation or benefit plan or agreement in place during the Class Period, nor will it entitle any Settlement Class Member to any increased retirement, 401(k) or matching benefits, or deferred compensation benefits. Plaintiffs and Defendant agree that any payments made to Participating Class Members under the terms of this Agreement do not represent any modification of previously credited length of service or other eligibility criteria under any bonus plan, incentive plan, contract, employee pension benefit plan or employee welfare plan sponsored by any of the Released Parties or to which any of the Released Parties are required to make contributions. All individual Settlement Shares shall be deemed to be paid to Participating Class Members solely in the year in which such payments actually are received by Participating Class Members. Further, any payments made under this Agreement shall not be considered compensation in any year for purposes of determining eligibility for, or benefit accrual within, any employee pension benefit plan or employee welfare benefit plan sponsored by any of the Released Parties or to which any of the Released Parties are required to make contributions. It is the Parties' intent that the Settlement Shares provided for in the Agreement are the sole payments to be made by Defendant to the Participating Class Members, and that the Participating Class Members are not entitled to any new or additional compensation or benefits as a result of having received the individual Settlement Shares (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the

Class Period).

82. **Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any party concerning this Agreement or its exhibits other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.

83. **Attorney Authorization.** Class Counsel and Counsel for Defendant warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties under this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement except that Plaintiffs and Defendant must sign this Agreement and any document modifying the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement this Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the Court, and in all cases all such documents, supplemental provisions and assistance of the Court will be consistent with this Agreement.

84. **Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their successors-in-interest.

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

86. **No Prior Assignment.** Plaintiffs hereby represent, covenant, and warrant that they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged.

87. **Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.

88. **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. The Parties further agree to cooperate fully with each other to accomplish the terms of the Settlement by using any efforts that may become necessary by order of the Court, or otherwise, to effectuate the Settlement.

89. **Fair Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.

90. **No Tax or Legal Advice.** The Parties understand and agree that Defendant is neither providing tax or legal advice, nor making representations regarding tax obligations or consequences, if any, related to this Agreement, and that Class Members will assume any such tax obligations or consequences that may arise from this Agreement, and that Class Members shall not seek any indemnification from Defendant or any of the Released Parties in this regard. The Parties agree that,

in the event that any taxing body determines that additional taxes are due from any Class Member or PAGA Employee, such Class Member or PAGA Employee assumes all responsibility for the payment of any such taxes.

91. **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.

92. **Enforcement Action.** The Court shall retain jurisdiction with respect to the implementation and enforcement of the terms of the Settlement Agreement, and all Parties hereto, including Participating Class Members, for purposes of implementing and enforcing the Settlement Agreement embodied in the Settlement Agreement. To the extent that any Party, including any Participating Class Member, institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement, to declare rights and/or obligations under this Settlement Agreement, or to enjoin any proceedings in violation of this Settlement Agreement, the successful Party or Parties shall be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs incurred in connection with any enforcement action.

93. **Notice.** All notices, demands or other communications given under 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, addressed as follows:

To Plaintiffs and the Class:

SANI LAW, APC
Sam Sani
595 E. Colorado Blvd., Suite 522
Pasadena, CA 91101
Tel: (310) 935-0405
Fax: (310) 935-0409

D.Law
Natalie Haritounian
Matthew Carraher
880 E. Broadway
Glendale, CA 91203
Tel: (818) 962-6465
Fax: (310) 962-6469

To Defendant:

Lonnie D. Giamela, Esq.
Harrison Thorne, Esq.
FISHER & PHILLIPS LLP
444 South Flower Street, Suite 1500
Los Angeles, CA 90071
Telephone: (213) 330-4500
Facsimile: (213) 330-4501

94. **Execution in Counterpart.** This Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same

instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile or PDF or DocuSign (or its equivalent) signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

VII. EXECUTION BY PARTIES AND COUNSEL

IN WITNESS WHEREOF, the Parties and their counsel have executed this Stipulation on the date below their signatures or the signature of their representatives. The date of the Stipulation shall be the date of the latest signature.

Dated: _____, 2024

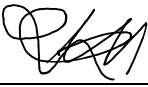
COLLEEN DRAGOVICH, Plaintiff

Dated: _____, 2024

JOSE RAMOS, Plaintiff

Dated: ____ 01/31 ____, 2025

UNION STATION HOMELESS SERVICES

By:  _____

Name: Katie Hill

Title: CEO

Approved as to form and content:

Dated: ____ January 31 ____, 2025

FISHER & PHILLIPS LLP

By:  _____

Lonnie D. Giamela, Esq.

Attorneys for Defendant, Union Station Homeless Services

Dated: _____, 2024

SANI LAW, APC

instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile or PDF or Docusign (or its equivalent) signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

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Dated: _____, 2024

COLLEEN DRAGOVICH, Plaintiff

Dated: January 31, 2025

JOSE RAMOS, Plaintiff

DocuSigned by:

6A72C8C706B8439...

Dated: _____, 2024

UNION STATION HOMELESS SERVICES

By: _____

Name: Howard Kahn

Title: Interim CEO

Approved as to form and content:

Dated: _____, 2024

FISHER & PHILLIPS LLP

By: _____

Lonnie D. Giamela, Esq.

Attorneys for Defendant, Union Station Homeless
Services

Dated: _____, 2024

SANI LAW, APC

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Dated: Jan 31, 2025, 2024

COLLEEN DRAGOVICH, Plaintiff


Colleen Dragovich (Jan 31, 2025 14:27 PST)

Dated: _____, 2024

JOSE RAMOS, Plaintiff

Dated: _____, 2024

UNION STATION HOMELESS SERVICES

By: _____

Name: Howard Kahn

Title: Interim CEO

Approved as to form and content:

Dated: _____, 2024

FISHER & PHILLIPS LLP

By: _____

Lonnie D. Giamela, Esq.

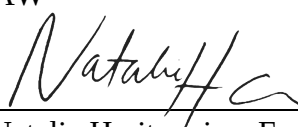
Attorneys for Defendant, Union Station Homeless
Services

Dated: January 31, 2025

SANI LAW, APC

By: 
Sam Sani, Esq.
Attorneys for Plaintiff Colleen Dragovich

Dated: January 31, 2025

D.LAW
By: 
Natalie Haritounian, Esq.
Attorneys for Plaintiff Jose Ramos