

1 Shaun Setareh (SBN 204514)
shaun@setarehlaw.com
2 Thomas Segal (SBN 222791)
thomas@setarehlaw.com
3 Farrah Grant (SBN 293898)
farrah@setarehlaw.com
4 SETAREH LAW GROUP
420 N. Camden Drive, Suite 100
5 Beverly Hills, California 90210
Telephone (310) 888-7771
6 Facsimile (310) 888-0109

7 Attorneys for Plaintiff
ADAN ORTIZ
8
9

10 UNITED STATES DISTRICT COURT
11 CENTRAL DISTRICT OF CALIFORNIA
12

13 ADAN ORTIZ, on behalf of himself, all
14 others similarly situated, and the general
15 public,

16 Plaintiff,

17 vs.

18 RANDSTAD INHOUSE SERVICES,
19 LLC, a Delaware limited liability
20 company; RANDSTAD NORTH
21 AMERICA, INC., a Delaware
22 corporation; XPO LOGISTICS, INC., a
23 Delaware corporation; XPO
24 LOGISTICS, LLC, a Delaware limited
25 liability company; XPO LOGISTICS
26 SUPPLY CHAIN, INC., a North
27 Carolina corporation; and DOES 1
28 through 50, inclusive,

Defendants.

Case No. 5:22-cv-1399-TJH (ACCV)

Assigned for All Purposes to the Honorable
Terry J. Hatter, Jr., Department 9C

**DECLARATION OF SHAUN
SETAREH IN SUPPORT OF
MOTION FOR PRELIMINARY
APPROVAL OF CLASS,
COLLECTIVE AND
REPRESENTATIVE ACTION
SETTLEMENT AND
CERTIFICATION OF SETTLEMENT
CLASS**

Date: April 20, 2026
Time: No appearance necessary
Courtroom: 9C

1
2
3
4
5
6
7
8
9
0
1
2
3
4
5
6
7
8
9
0
1
2
3
4
5
6
7
8

I, Shaun Setareh, declare as follows:

1. I am an attorney in good standing duly admitted to the State Bar of California, the United States Supreme Court, the Ninth Circuit Court of Appeals and the United States District Courts for the Central, Eastern Northern and Southern Districts of California. I am a fully qualified, adult resident of the State of California, and, if called as witness herein, I would testify truthfully to the matters set forth herein. All of the matters set forth herein are within my personal knowledge, except those matters that are stated to be on information and belief. As to such matters, I believe them to be true.

2. I am the principal attorney at Setareh Law Group. I am counsel of record for Plaintiff Adan Ortiz (“Plaintiff”) in this action against Defendants Randstad Inhouse Services, LLC and Randstad North America, Inc. (collectively “Randstad” or “Defendants”) (Plaintiff and Defendant, collectively, the “Parties”).

3. This declaration is made in support of Plaintiff's Motion for Preliminary Approval of the Class, Collective and Representative Action Settlement and Certification of Settlement Class (the "Motion"). A true and correct copy of the Settlement Agreement between the Parties ("Settlement" or "Agreement") is attached hereto as **Exhibit 1**.

EXPERIENCE OF CLASS COUNSEL

4. I received my undergraduate degree from UCLA in 1996 and my law degree from Loyola Law School in 1999. Since being admitted to the State Bar of California in 1999, I have actively practiced civil litigation for the entirety of that time period.

5. Setareh Law Group and I, as its principal attorney, are well-experienced class action attorneys. I, along with the senior attorney assigned to this case, Thomas Segal, have considerable experience in class action litigation. I, and the attorneys at Setareh Law Group, have been involved as lead class counsel, co-lead class counsel, and other levels of involvement in over 100 wage-and-hour, consumer, and antitrust class action cases. Because of this, Setareh Law Group has more than 250 Westlaw citable opinions, including the following noteworthy appellate decisions:

State Appellate Decisions

- a. *Troester v. Starbucks Corporation, et al.*, 5 Cal.5th 829 (2018) (reversed summary judgment in favor of Defendants, issuing a landmark published decision that clarified and rejected the application of the widely adopted federal *de minimis* doctrine to California’s wage-and-hour laws). Due to the significance and importance of this seminal victory before the California Supreme Court, I received the California Lawyer of the Year or “CLAY” award from the Daily Journal for my work on the case.
- b. *Allen v. Labor Ready Southwest, Inc.* (Cal. App. 2 Dist., 2013) 2013 WL 1910293 (reversing an Order from the Superior Court of Los Angeles County compelling Plaintiff’s claims to arbitration, finding that Defendant waived the right to compel arbitration by litigating the merits of Plaintiff’s arbitrable federal and state claims).
- c. *Lacour v. Marshalls of CA, LLC, et al.* (Cal. App. 1 Dist., 2023) 2023 WL 5543622 (reversing an Order from the Superior Court of Alameda County granting judgment on the pleadings, holding that the trial court erred in giving claim preclusive effect to a federal court judgment in a prior PAGA case against the same defendant.).

Ninth Circuit Decisions

- d. *Troester v. Starbucks Corp.*, 738 Fed. Appx. 562 (9th Cir. 2018) (Ninth Circuit opinion following the California Supreme Court answering the Ninth Circuit’s certified question).
- e. *Gilberg v. California Check Cashing Stores, LLC*, 913 F.3d 1169 (9th Cir. 2019) (vacated district court’s summary judgment in favor of Defendants and remanded for further proceedings, holding that Defendants’ Fair Credit Reporting Act disclosure form lacked sufficient clarity in a published opinion).
- f. *Ortiz v. Randstad Inhouse Services, LLC et al.*, 2024 WL 1070823 (9th Cir. 2024) (Ninth Circuit held that warehouse workers are covered by the Federal Arbitration Act’s transportation worker exception and affirmed the District Court’s order

denying Defendants' Motion to Compel Arbitration in a wage and hour class action).

g. *Rodriguez v. U.S. Healthworks*, 813 Fed. Appx. 315 (9th Cir. 2020) (reversed district court's summary judgement in favor of Defendants with instructions to remand the action to state court).

h. *Harris v. KM Industrial, Inc.*, 980 F.3d 694 (9th Cir. November 13, 2020) (affirmed the district court's granting of Plaintiff's motion to remand, holding in a published opinion that Defendants had failed to establish by a preponderance of the evidence that the amount in controversy exceeded \$5 million as required under the Class Action Fairness Act for removal).

i. *Parsittie v. Schneider Logistics, Inc. et al.*, Case No. 20-55470 (9th Cir. June 9, 2021) (reversed the district court's dismissal of Plaintiff's meal and rest break claims, holding that Plaintiff's security check allegations were sufficient to state a claim for break-time violations and remanding for further proceedings).

j. *Ahlstrom v. DHI Mortg. Co., Ltd., L.P.*, 21 F.4th 631 (9th Cir. December 29, 2021) (reversed the district court's ruling compelling claims to arbitration, holding that parties cannot delegate issues of formation of an arbitration agreement to the arbitrator for determination).

k. *Allen v. Bedolla*, 787 F.3d 1218 (9th Cir. June 2, 2015) (affirming the district court's Order denying objector's motion to intervene and remanding to the district court where settlement was granted final approval. Final approval was upheld on a subsequent appeal in the 9th Cir. [*see Bedolla v. Allen*, 736 Fed. Appx. 614 (9th Cir. May 18, 2018)]).

Class Counsel Appointments. The following is a sampling of class actions in which the Setareh Law Group and I have been appointed as class counsel:

Federal Cases

a. *Cerdenia v. USA Truck, Inc.*, U.S. District Court, Central District of California, Case No. 10-CV-1489-JVS (granted final approval in an action on behalf of truck

1 drivers for meal and rest period violations, off-the-clock pre- and post-shift work,
2 and unauthorized wage deductions).

3 b. *Fronza v. Staffmark*, U.S. District Court, Northern District of California, Case No.
4 15-CV-02315-MEJ (granted final approval in a case involving alleged
5 uncompensated security checks for warehouse workers).

6 c. *Garcia v. Am. Gen. Fin. Mgmt. Corp.*, U.S. District Court, Central District of
7 California, Case No. 09-CV-1916 (granted final approval in a case filed on behalf
8 of account managers in case involving, among other things, alleged overtime
9 miscalculations and meal and rest period violations).

10 d. *Jones v. Shred-It USA, Inc.*, U.S. District Court, Central District of California,
11 Case No. 11-CV-00526 (granted final approval in a case brought on behalf of
12 customer service representatives and balers for alleged off-the-clock work and
13 meal and rest period violations).

14 e. *O'Neill v. Genesis Logistics, Inc.*, U.S. District Court, Northern District of
15 California, Case No. 08-CV-4707 (granted final approval in a case involving
16 claims for failure to provide meal periods to employees who worked as drivers
17 delivering goods to 7-11 stores throughout California and failure to pay final
18 wages in a timely manner to terminated employees).

19 f. *Padilla v. UPS*, U.S. District Court, Central District of California, Case No. 08-
20 CV-1590 (granted final approval in a case involving claims for failure to provide
21 meal periods to part time employees engaged in sort operations and failure to pay
22 final wages in a timely manner to terminated employees).

23 g. *Pitre v. Wal-Mart Stores, Inc.*, U.S. District Court, Central District of California,
24 Case No. 17-cv-01281-DOC (granting class certification in a highly contested
25 Action against Wal-Mart for a class of almost 5,000,000 in a Fair Credit Reporting
26 Act action).

27 h. *Utne v. Home Depot U.S.A., Inc.*, U.S. District Court, Northern District of
28 California, Case No. 16-cv-01854-RS (granting class certification in a highly

1 contested Action against Home Depot in connection with uncompensated off-the-
2 clock work occurring at the start of all employee shifts and at the end of closing
3 shifts).

- 4 i. *Vang v. Burlington Coat Factory Warehouse Corp.*, U.S. District Court, Central
5 District of California Case No. 09-CV-8061 (granted final approval in a case
6 involving, among other things, vacation pay forfeitures, failures to provide meal
7 and rest periods, and failures to pay overtime wages based on employee
8 misclassification).
- 9 j. *Wilson v. TE Connectivity*, Northern District of California Case No. 3:14-cv-
10 04872-EDL (granted class certification through contested motion in case on behalf
11 of manufacturing facility employees subject to auto-deduction of meal breaks).

12 State Cases

- 13 k. *Alvarez v. Gary Grace Enterprises, LP*, Marin Superior Court, Case No. CIV
14 1002553 (granted final approval in a case on behalf of hair salon employees for
15 overtime miscalculation and related claims).
- 16 l. *Butler v. Lexxiom, Inc.*, San Bernardino Superior Court, Case No. CIVRS
17 1001579 (granted final approval in an action on behalf of debt resolution center
18 employees alleging, among other things, meal and rest period violations and
19 overtime calculation errors).
- 20 m. *Calderon v. GreatCall, Inc.*, San Diego Superior Court, Case No. 37-2010-
21 00093743-CU-OE-CTL (granted final approval in a case on behalf of customer
22 service employees for, among other things, alleged meal and rest period violations
23 and overtime calculation errors).
- 24 n. *Douglas v. California Credit Union*, Los Angeles Superior Court, Case No.
25 BC445050 (granted final approval in a case on behalf of customer service
26 representatives alleging overtime miscalculation claims).
- 27 o. *Green v. Staples Contract and Commercial, Inc.*, Los Angeles Superior Court,
28 Case No. BC389789 (granted final approval in a case involving claims for

1 unprovided meal and rest periods, inaccurate wage statements, waiting time
2 penalties, and unfair business practices on behalf of truck drivers delivering
3 Staples office supplies in California).

4 p. *Sandoval v. Rite Aid Corp.*, Los Angeles County Superior Court, Case No.
5 BC431249 (granted class certification through contested motion in case on behalf
6 of former pharmacy employees based on late final wage payments in violation of
7 Labor Code §§ 201–203; subsequently granted final approval of class action
8 settlement).

9 q. *Valencia v. SCIS Air Security Corp.*, Los Angeles Superior Court, Case No.
10 BC421485 (granted class certification through contested motion in case on behalf
11 of former security workers based on late final wage payments in violation of Labor
12 Code §§ 201–203; subsequently granted preliminary approval of proposed class
13 action settlement).

14 6. I am the owner and managing attorney of Setareh Law Group. All strategic
15 decisions regarding the selection of clients to represent and the major strategic decisions
16 for each client fall to me to make or approve. I bear all of the risk associated with the
17 operation of a law firm. As a result, my scope of responsibility is substantially greater
18 than an attorney of equal years of experience who does not bear these additional
19 obligations.

20 7. As the above shows, the Setareh Law Group and I have substantial
21 experience in wage-and-hour class action litigation, including actions alleging failure to
22 provide meal and/or rest periods, failure to pay wages, failure to provide accurate wage
23 statements, failure to provide timely final wage payments, and other related claims. We
24 are knowledgeable about the applicable law and have worked diligently to investigate
25 and identify the potential claims in this action. I will continue to commit my firm's
26 resources to further the interests of the Class. Setareh Law Group and I have no known
27 conflicts of interest with Plaintiff or with absent Class Members or aggrieved employees.
28

PROCEDURAL HISTORY

8. On September 27, 2021, Plaintiff provided notice by electronic upload to the Labor and Workforce Development Agency (“LWDA”) and written notice by certified mail to Defendants of his intent to pursue civil penalties under California Labor Code section 2698, *et seq.* (“PAGA”), for alleged violations of the California Labor Code.

9. On March 1, 2022, Plaintiff filed a class and representative action complaint against Defendants (and also against XPO Logistics, Inc. XPO Logistics, LLC and XPO Logistics Supply Chain, Inc.) in San Bernardino Superior Court, Case No. CIVSB2204491, entitled *Adan Ortiz v. Randstad Inhouse Services, LLC et al.* (the “Action”), alleging claims against Defendants for: (1) failure to provide meal periods (Cal. Lab. Code §§ 204, 223, 226.7, 512, 1198); (2) failure to provide rest periods (Cal. Lab. Code §§ 204, 223, 226.7, 1198); (3) failure to pay hourly wages (Cal. Lab. Code §§ 223, 510, 1194, 1194.2, 1197, 1197.1, 1198); (4) failure to indemnify (Cal. Lab. Code § 2802); (5) failure to provide accurate written wage statements (Cal. Lab. Code § 226(a)); (6) failure to timely pay all final wages (Cal. Lab. Code §§ 201–203); (7) unfair competition (Cal. Bus. & Prof. Code §§ 17200, *et seq.*); and civil penalties (Cal. Lab. Code §§ 2698, *et seq.*)

10. On August 8, 2022, Defendants removed the Action to the United States District Court for the Central District of California, where the Action is currently pending. Plaintiff considered a potential motion to remand upon Defendants’ removal and ultimately decided against it after thorough research and evaluation.

11. On or about August 30, 2022, Defendants filed a motion to compel arbitration, which Plaintiff opposed. Defendants’ motion to compel arbitration was denied. Defendants filed an appeal. Ultimately, the appeal resulted in a published opinion in Plaintiff’s favor. The Ninth Circuit held that warehouse workers are covered by the Federal Arbitration Act’s transportation worker exception and affirmed the District Court’s order denying Defendants’ Motion to Compel Arbitration. *See*

1 *Ortiz v. Randstad Inhouse Services, LLC et al.*, 2024 WL 1070823 (9th Cir. 2024).
2 However, after the appeal and absent settlement Defendants likely would have filed a
3 new motion to compel arbitration because the Ninth Circuit’s separate unpublished
4 opinion allowed them to do so under California law. Under Labor Code section 229,
5 the wage claims would not have been compelled to arbitration, but the meal, rest and
6 expense reimbursement claims may have.

7 12. Plaintiff has settled the Action on behalf of himself, other allegedly
8 aggrieved employees and as proxy for the State of California, and the following
9 individuals: all current and former non-exempt employees who worked at a facility
10 operated by XPO/GXO in California from March 1, 2018 to May 23, 2025.

11 13. Plaintiff and Defendants conducted thorough informal discovery prior to
12 resolving the Action. Defendants provided their written policies and practices and a
13 sampling of timekeeping and payroll records. These records allowed Plaintiff to analyze
14 the potential liability of Defendants.

15 14. Plaintiff retained an expert to create a damages model. From the data and
16 other documents obtained from Defendants pertaining to the Class and Defendants’
17 policies, Plaintiff’s expert was able to analyze the data sampling, and Plaintiff was then
18 able to thoroughly assess the merits of each claim.

19 15. On March 21, 2025, the Parties attended a full-day mediation conducted by
20 an experienced wage and hour mediator, Tripper Ortman.

21 16. A true and correct copy of the Class, Collective, and Representative
22 Action Settlement Agreement in this matter is attached as **Exhibit 1**. A true and correct
23 copy of the Notice of Class Action Settlement is attached as **Exhibit A** to the Settlement.

24 17. At the mediation, the Parties debated their legal positions, the likelihood
25 of certification of Plaintiff’s claims, and the legal bases for the claims and defenses.
26 At all times, the Parties’ settlement negotiations have been non-collusive, adversarial,
27 and at arm’s length.
28

1 **PLAINTIFF’S CLAIMS AND DEFENDANTS’ DEFENSES**

2 18. Plaintiff alleges that Plaintiff and putative class members’ meal breaks were
3 interrupted, not afforded, and/or shortened. Similarly, employees were not provided with
4 compliant rest periods due to Defendants’: (1) policy of not scheduling each rest period as
5 part of each work shift; (2) chronically understaffing each work shift with not enough
6 workers; and (3) imposing so much work on each employee such that it made it unlikely that
7 an employee would be able to take their breaks if they wanted to finish their work on time.
8 Additionally, Plaintiff alleges that Defendants did not pay employees for the off-the-clock
9 work performed, including time spent going through security checks and time spent clocking
10 in. Plaintiff also alleges that Defendants failed to correctly calculate the regular rate of pay
11 to include all applicable remuneration, including non-discretionary “Pandemic” pay and/or
12 attendance bonuses. Plaintiff also alleges that Plaintiff and putative class members were not
13 reimbursed for business expenses, such as cutting tools and uniforms. Finally, Defendants
14 failed to provide accurate wage statements and also failed to timely pay all wages owed
15 on separation of employment to him and other former employees.

16 19. Defendants deny all of Plaintiff’s allegations and contend they have fully
17 complied with all applicable laws and regulations in connection with their employment of
18 Plaintiff and the employees he seeks to represent. Defendants further contend that Plaintiff
19 cannot establish the requirements to certify a class outside of settlement. Defendants state
20 that they had compliant meal and rest policies, that they had valid written meal break waivers
21 for shifts of less than 6 hours, and that their written policies required the employees to report
22 any missed breaks. Defendants contended that this included an opportunity for meal periods
23 of at least 30 minutes within the first 5 hours of work, and 10-minute rest periods for every
24 3½ hours of work. Defendants argued that this would defeat Plaintiff’s claims because, under
25 *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1040 (2012), while an employer
26 must provide employees with the opportunity to take meal and rest breaks, it need not ensure
27 that the employees actually do so; an employer satisfies its obligations if it relieves its
28 employees of all duties, relinquishes control over their activities, and permits them a

1 reasonable opportunity to take uninterrupted breaks. They argued that Plaintiff's rest period
2 claim is also not amenable to class treatment as there are too many individualized issues for
3 the same reasons. Defendants state that any time spent going through security checks was on
4 the clock. Defendants stated that they properly calculated bonuses and "Pandemic" pay into
5 the regular rate of pay. Defendants maintained that employees were not required to use their
6 own materials and to purchase uniforms. Finally, Defendants contended that because
7 Plaintiff's wage statement, final pay, and UCL claims are entirely derivative of the other
8 claims in this matter, they too would fail for the same reasons.

9 **THE SETTLEMENT IS FAIR, JUST AND RESONABLE**

10 20. Plaintiff and Setareh Law Group have diligently investigated the claims of
11 the members of the settlement class. Plaintiff and Class Counsel concluded, after taking
12 into account the disputed factual and legal issues involved in this Action, the substantial
13 risks attending further prosecution, including risks related to the outcome of certification
14 and possible summary judgment efforts, and the substantial benefits to be received
15 pursuant to the compromise and settlement of the Action as set forth in the Settlement,
16 that settlement on the terms agreed to are in the best interest of Plaintiff and the putative
17 class and are fair and reasonable. Plaintiff's counsel brought to bear a great deal of
18 experience with class actions in negotiating the settlement of this case.

19 21. One fundamental purpose of the class action device is to promote efficiency.
20 Resolution at this time will forestall the need for additional expensive and time-consuming
21 litigation that could very well result in an outcome less satisfactory than that proposed
22 under this settlement. But, before any other consideration, we have agreed to this
23 Settlement because it is objectively reasonable. The potential for resolution benefits the
24 class members, since they do not have to wait additional years for a similar recovery. The
25 efficiency of this litigation benefits the Court, the Parties and their counsel. A class-wide
26 resolution is the most realistic method for addressing the claims raised in this matter.

27 22. We have engaged in the necessary investigation in this case that made it
28

1 possible for us to exercise informed judgment in those aspects of the settlement process
2 in which we were involved. The exchange of voluminous timeclock and payroll
3 information and wage and hour policy documents, were sufficient to permit Plaintiff's
4 counsel to adequately evaluate the settlement. Plaintiff had more than enough information
5 upon which to evaluate a fair and reasonable settlement amount.

6 23. In addition to disputing the merits of Plaintiff's claims at trial, Defendants
7 intended to aggressively challenge Plaintiff's case at the certification stage. Defendants
8 believe that Plaintiff could not prevail on a certification motion, while Plaintiff believes
9 the case was viable through to a trial. However, while Plaintiff asserts that this is a viable
10 case for trial, Plaintiff realizes that there are always significant risks associated with
11 certification and trials, and those risks cannot be eliminated in this case. The risks
12 associated with this matter include:

13 (i) The risk that after the appeal Defendants would file a new motion to compel
14 arbitration because the Ninth Circuit's separate unpublished opinion allowed them to do
15 so under California law. Under Labor Code section 229, the wage claims would not have
16 been compelled to arbitration, but the meal, rest and expense reimbursement claims may
17 have. This would have caused addition delay including potentially further appellate
18 proceedings if a motion to compel arbitration was denied.

19 (ii) The risk that Plaintiff would not be able to prove liability for alleged failure
20 to provide compliant meal periods and rest breaks; or that to establish liability for the
21 failure to provide compliant meal periods and rest breaks would require an individualized
22 inquiry that would prevent these issues from being resolved on a class and/or collective
23 basis. Defendants contended that interrupted, shortened and/or not afforded meal and rest
24 breaks would necessarily require an individualized inquiry that would prevent this issue
25 from being resolved on a class and/or collective basis. Defendants state that they had
26 compliant meal and rest policies.

27 (iii) The risk that Plaintiff would be unable to establish liability for alleged
28 unpaid straight time and overtime wages, *see Duran v. US Bank Nat'l Ass'n*, 59 Cal. 4th

1 1, 39, n. 33 (2014), *citing Dilts v. Penske Logistics, LLC*, No. 08-cv-218-CAB (BLM),
2 2014 WL 305039 (S.D. Cal. Jan. 21, 2014) (dismissing certified off-the-clock claims
3 based on proof at trial). Defendants have contended, for example, that Plaintiff's
4 allegations for unpaid wages are not subject to common proof since they are based on
5 Plaintiff's allegation that employees were not afforded complaint meal/rest breaks and
6 were required to undergo security checks. Defendants stated that they had policies
7 prohibiting off-the-clock work and relied on employees to keep accurate time.

8 (iv) The risk that Defendants' challenged employment policies and practices
9 might not ultimately support class certification or a class-wide liability finding, *see*,
10 *Duran*, 59 Cal.4th at 14 & n. 28 (citing Court of Appeal decisions favorable on class
11 certification issue without expressing opinion as to ultimate viability of proposition).
12 Defendants contended, for example, that it did not have a purported policy of not paying
13 required compensation, but rather a policy of paying compensation and of requiring
14 employees to report any unpaid compensable time, and that any failures to report by
15 employees cannot be legally charged to Defendants and in any event involve such highly
16 individualized circumstances as to prevent class certification should this case be litigated.
17 *See, e.g., Morillion v. Royal Packing Co.*, 22 Cal. 4th 575, 585 (2000) (employer not
18 required to pay employees for time spent performing work of which the employer had no
19 knowledge).

20 (v) For the same reasons, liability, damages recovery, and certification risks are
21 heightened given: (1) the risk that uncertainties pertaining to the ultimate legality of
22 Defendants' policies and practices could preclude class-wide awards of statutory penalties
23 under Labor Code section 226(e); (2) the risk that individual differences between
24 settlement Class Members could be construed as pertaining to liability, and not solely to
25 damages, *see, Duran*, 59 Cal. 4th at 19; and (3) the risk that class treatment could be
26 deemed improper as to one or more claims except for settlement purposes.

27 (vi) The risk that lengthy appellate litigation could ensue as to both liability and
28 certification issues, with associated litigation risk and costs, further enhances the value of

1 a confirmed settlement as opposed to unpredictable litigation.

2 (vii) The risk that any civil penalties award under PAGA could be reduced by the
3 Court in its discretion, which would materially impact the recovery by the Class. *See*
4 Labor Code section 2699(e)(1).

5 (viii) Although the PAGA penalties calculated by Plaintiff's expert amounts to an
6 extravagant \$13,771,260.25, that amount is not likely to bear fruit in this case. Most
7 significantly, the ultimate decision as to the amount of penalties is always up to the
8 discretion of the Court. Labor Code § 2699(e)(2) states: "In any action by an aggrieved
9 employee seeking recovery of a civil penalty available under subdivision (a) or (f), a court
10 may award a lesser amount than the maximum civil penalty amount specified by this part
11 if, based on the facts and circumstances of the particular case, to do otherwise would result
12 in an award that is unjust, arbitrary and oppressive, or confiscatory." Subdivision (a)
13 states, "Notwithstanding any other provision of law, any provision of this code that
14 provides for a civil penalty to be assessed and collected by the Labor and Workforce
15 Development Agency or any of its departments, divisions, commissions, boards, agencies,
16 or employees, for a violation of this code, may, as an alternative, be recovered through a
17 civil action brought by an aggrieved employee on behalf of himself or herself and other
18 current or former employees pursuant to the procedures specified in Section 2699.3." Subdivision (f) specifies the penalties in instances where the underlying statute does not
19 specify any civil penalty. In other words, where the facts and circumstances of the
20 particular case demonstrate that an unreduced award would be "unjust, arbitrary and
21 oppressive, or confiscatory," the court (or arbitrator) may reduce the award so as to
22 ameliorate any such finding.

24 In these respects, Defendants strongly deny any liability and the propriety of class
25 certification for any reason other than settlement. Continued litigation of this lawsuit
26 presented Plaintiff and Defendants with substantial legal risks that were (and continue to
27 be) very difficult to assess. In these respects, Defendants strongly deny any liability and
28 the propriety of class certification for any reason other than settlement.

1 In light of the uncertainties of protracted litigation, the Settlement amount reflects
2 a fair and reasonable recovery for the settlement Class Members. The Settlement amount
3 is, of course, a compromise figure. By necessity, it took into account risks related to
4 liability, damages, class action certification, and all the defenses asserted by the
5 Defendants as to all such matters. Moreover, each Class Member will be given the
6 opportunity to opt out of the Settlement, allowing those who think they have claims that
7 are greater than the benefits they can receive under this Settlement to pursue their own
8 claims.

9 24. The following chart provides the estimated potential recovery on a class
10 basis that Plaintiff believes he could reasonably achieve *if Plaintiff were to prevail on all*
11 *claims*¹:

12 **Plaintiff's Estimated Potential Recovery**

13 Putative Class Members: 6,501; Total Workweeks: 73,548; Total Shifts: 307,638
Avg. S.T. rate: \$17.27; Avg. OT rate: \$23.84

14 Claim	Estimated Potential Recovery	Calculations for Estimated Potential Recovery
15 Off-the-Clock 16 Work	\$876,692.16	73,548 workweeks x 0.5 hours/week off-the-clock x \$23.84/hr. Avg. OT 17 rate
	18 \$438,346.08 (discounted 19 estimate)	Plaintiff's counsel believes it is appropriate to discount this amount 20 by 50% due to the risk of class

21
22 ¹ Civil penalties are estimated and interest is not included in this analysis. This
23 is proper because, first, PAGA penalties are discretionary (see Lab. Code § 2699(e)(2)
24 (the court in its discretion “may award a lesser amount than the maximum civil
25 penalty amount specified by this part...”), and courts evaluate the strength of a
26 proposed settlement without taking potential penalties or interest into consideration.
27 (See *Rodriguez v. West Publishing Corp.* (9th Cir. 2000) 563 F.3d 948, 955; see also
28 *Miller v. CEVA Logistics U.S.A., Inc.* (E.D. Cal. Feb. 19, 2015) 2015 WL 729638, at
*7(court utilized calculation of a defendant’s exposure exclusive of interest and
penalties to determine whether the settlement fell within the range of possible
approval).)

		<i>certification being denied and the risk of losing at trial.</i>
Meal Period Premiums	\$1,247,879.71 \$374,363.91 (discounted estimate)	289,189 meal period shifts x \$17.27/hr. Avg. S.T. rate x 28.37% viol. rate, less \$169,001.50 premiums paid <i>Plaintiff's counsel believes it is appropriate to discount this amount by 70% due to the risk of class certification being denied, the risk of losing at trial, and because this claim could conceivably be compelled to arbitration.</i>
Rest Period Premiums	\$1,047,256.25 \$314,176.87 (discounted estimate)	303,201 rest period eligible shifts x \$17.27/hr. Avg. S.T. rate x 20% viol. Rate <i>Plaintiff's counsel believes it is appropriate to discount this amount by 70% due to the risk of class certification being denied, the risk of losing at trial, and because this claim could conceivably be compelled to arbitration.</i>
Reimbursement for Business Expenses	\$325,050 \$97,515 (discounted estimate)	6,501 putative class members assuming each incurred \$50 on materials and uniforms. <i>Plaintiff's counsel believes it is appropriate to discount this amount by 70% due to the risk of class certification being denied, the risk of losing at trial, and because this claim could conceivably be compelled to arbitration.</i>

<i>Subtotal Damages for Labor Code Violations</i>	\$3,496,878.12 <i>\$1,224,401.86 (discounted estimate)</i>	
Wage Statement Violations	\$3,945,200.00 <i>\$986,300.00 (discounted estimate)</i>	(2,944 initial violations in 1-year SOL x \$50) penalty amount + (39,980 subsequent violations in 1- year SOL x \$100), less \$200,000 <i>Plaintiff's counsel believes it is appropriate to discount this amount by 75% due to the risk of class certification being denied, the risk of losing at trial, and the risk that a trier of fact would find Defendant's conduct not willful.</i>
Waiting Time Penalties	\$22,419,223.20 <i>\$5,604,805.75 (discounted estimate)</i>	5,409 terminated employees x 8 hours a day x \$17.27 Avg. Reg. Rate x 30 days penalty <i>Plaintiff's counsel believes it is appropriate to discount this amount by 75% due to the risk of class certification being denied, the risk of losing at trial, and the risk that a trier of fact would find Defendant's conduct not willful.</i>
<i>Sub-Total Potential (Excluding PAGA)</i>	\$29,861,301.32 <i>\$7,815,507.61 (discounted estimate)</i>	

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

PAGA Penalties	\$13,771,260.25 \$2,754,252 (<i>discounted estimate</i>)	\$100 per pay period for violation of Lab. Code § 226.7 (rest breaks) with 42,924 pay periods assuming 20% of pay periods had a violation. \$858,480. \$100 per pay period for violation of Labor Code § 226.7 (meal breaks) with 18,325 pay periods assuming 28.37% of pay periods had a violation. \$519,880.25. \$250 per pay period penalty for violation of Labor Code § 226(a) for failure to provide accurate wage statements with 42,924 pay periods assuming 50% of pay periods had a violation. \$5,365,500. \$100 per pay period for violation of Labor Code § 2802 (expense reimbursement) with 5,888 pay periods (assuming each of the 2,944 PAGA members incurred unreimbursed business expenses on 2 pay periods). \$588,800. \$100 per pay period for violation of Labor Code § 1194 (off the clock violations) with 42,924 pay periods assuming 100% of pay periods had a violation. \$4,292,400.00. \$50 per pay period for violation of Labor Code § 510 for overtime / regular rate violations with 42,924 pay periods assuming 100% of pay periods had a violation. \$2,146,200. <i>Plaintiff's counsel believes it is appropriate to discount this amount by 80% due to the risk of losing at trial, the risk that a court would restrict the scope of the claim for manageability purposes², and the risk that it is within the Court's discretion for reduce PAGA penalties.</i>
----------------	--	--

TOTAL	\$43,632,561.57 <i>\$10,569,759.66</i> (discounted estimate)
--------------	---

Therefore, the GFV of \$1,550,000 is approximately 44% of the potential \$3,496,878.12 Labor Code damages. This is an excellent result, well above the amount of many settlements granted final approval by courts within the Ninth Circuit. *See e.g., Stovall-Gusman v. W.W. Granger, Inc.*, 2015 U.S. Dist. LEXIS 78671, *12-13 (N.D. Cal. 2015) [7.3% of the “estimated trial award”]; *In re Toys R Us-Del., Inc.-Fair & Accurate Credit Transactions Act (FACTA) Litig.*, 295 F.R.D. 438, 453-54 (C.D. Cal. 2014) [(3%); *In re LDK Solar Secs. Litig.*, 2010 U.S. Dist. LEXIS 87168, *6 (N.D. Cal. 2010) [5% of “plaintiff’s expert estimated damages”]. Of course, it should not be surprising that a settlement yields less than what the class could theoretically have recovered at trial. *Linney v. Cellular Alaska P’ship*, 151 F.3d 1234, 1242 (9th Cir. 1998) [“the very essence of a settlement is compromise, a yielding of absolutes and an abandoning of highest hopes”].

On a risk discounted basis, counsel estimates that the realistic total estimated exposure for all causes of actions is \$10,569,759.66.

Plaintiff’s expert calculated the potential PAGA penalty exposure to be \$13,771,260.25. On a risk discounted basis, counsel estimates that the realistic total estimated exposure for PAGA penalties is \$2,754,252. The Agreement provides for payment to the LWDA of \$75,000, which is 75% of the PAGA allocation under the settlement. (Agreement ¶ 52). Admittedly, the PAGA allocation of \$100,000 is a small

² In PAGA cases there is a risk that when the representative claims are tried, the trial court would exercise its discretion under *Estrada v. Royalty Carpet Mills, Inc.*, 15 Cal.5th 582 (2024) to either limit the scope of the PAGA case and/or limit the evidence that could be presented in order to address any manageability concerns.

1 percentage of the possible \$2,754,252 risk discounted PAGA exposure (3.6% of what
2 might be awarded). However, that is permissible in this case because the settlement of
3 the underlying wage and hour claims is robust, and that serves the deterrent purpose of
4 the PAGA statute. *O'Connor v. Uber Technologies, Inc.*, 201 F.Supp.3d 1110, 1135
5 (N.D. Cal. 2016): “By providing fair compensation to the class members as employees
6 and substantial monetary relief, a settlement not only vindicates the rights of class
7 members as employees but may have a deterrent effect upon the defendant employee
8 and other employers, an objective of PAGA.”

9 The Settlement should be approved because it confers a substantial benefit on Class
10 Members, while proceeding with litigation would impose significant risk with no guarantee
11 of increased benefits.

12 25. The Settlement is the product of arm’s-length negotiations between the
13 Parties occurring throughout the litigation. In light of the uncertainties of protracted
14 litigation and the state of the law regarding the legal positions of the Parties, the settlement
15 amount reflects the best feasible recovery for the members of the settlement classes. The
16 settlement amount is, of course, a compromise figure. By necessity it took into account
17 risks related to liability, damages, and all the defenses asserted by the Defendants.
18 Moreover, each California Class Member will be given the opportunity to opt out of the
19 Settlement, allowing those who think they have claims that are greater than the benefits
20 they can receive under this Settlement, to pursue their own claims. With approximately
21 6,501 persons in the settlement class the average gross recovery will be roughly **\$238.42**
22 per class member. These values of this amount fall well within the range of
23 reasonableness. Given the strong case that Defendants could bring to bear to challenge
24 certification and liability, this is not an inconsequential sum.

25 26. The Gross Value Fund is fully consistent with any risk at this stage in the
26 litigation. While Plaintiff would certainly have preferred to recover even more (and
27 Defendants would have preferred to pay far less or zero), this outcome is in line with a
28 carefully constructed estimate of the current fair value of the case. On that basis, it would

1 be unwise to pass up this settlement opportunity.

2 **CLASS CERTIFICATION**

3 27. Plaintiff Mr. Ortiz is typical of the Settlement Class. Plaintiff is a former
4 employee of Defendants who worked at their warehouse. Plaintiff worked as a non-
5 exempt employee in California during the Class Period. Plaintiff's claims are typical of
6 the Settlement Class proposed in this settlement. Like other class members, Plaintiff
7 experienced work under policies and procedures impacting wage and hour compliance.

8 28. Common issues exist. Here, class members share common questions of law
9 and fact which include, but are not limited to: (1) Did Defendants afford compliant
10 meal/rest breaks? (2) Did Defendants properly calculate Class Members' regular rate of
11 pay? (3) Did Defendants pay all hourly wages owed to Class Members? and (4) Did
12 Defendants reimburse for necessary expenditures? Here, Class Members have shared a
13 common interest in determining whether Defendants violated wage and hour
14 requirements. The factual and legal issues are the same for all of the identified class
15 members, including Plaintiff.

16 29. There are common issues that may predominate over individual issues in
17 this litigation. For example: (1) whether all meal periods and rest breaks were provided
18 in accordance with the requirements of California law; (2) whether employees were paid
19 for all hours worked; (3) whether employees were reimbursed for their necessary business
20 expenses; and (4) whether Defendants have any viable class-wide defenses to the class
21 claims.

22 30. My declaration, in the paragraphs above, summarizes the firm's experience
23 that establishes its adequacy to represent the settlement class. Plaintiff's counsel has no
24 known conflicts of interest with absent Settlement Class Members. Plaintiff has
25 demonstrated, through his participation in this action, his willingness to serve as a
26 representative for the Class. Plaintiff has no known conflict of interest with absent
27 Settlement Class Members and has agreed to place the class's interests above his own.
28 Plaintiff's actions also demonstrate his adequacy.

1 31. By consolidating all of these potential individual actions into one
2 proceeding, this Court's use of the class action device enables it to manage this litigation
3 in a manner that serves the economics of time, effort and expense for the litigants and the
4 judicial system. Absent class treatment, similarly-situated employees with small but
5 potentially meritorious claims for damages would, as a practical matter, have no means of
6 redress because of the time, effort and expense required to prosecute individual actions.
7 Moreover, in the context of settlement, superiority concerns are almost non-existent, since
8 case management is controlled and a methodology for trial need not be identified.

9 **THE SETTLEMENT AGREEMENT IS THE ONLY AGREEMENT**
10 **REGARDING THE PROPOSED SETTLEMENT**

11 32. The Settlement Agreement attached hereto as Exhibit 1 is the only
12 agreement concerning the proposed settlement.

13 **SELECTION OF PROPOSED SETTLEMENT ADMINISTRATOR**

14 33. The Parties selected ILYM Group, Inc. as the Settlement Administrator
15 in this case. Plaintiff obtained three bids from administrators, Simpluris, ILYM Group,
16 and Phoenix. ILYM's bid was the most comprehensive and very competitive. Further,
17 in my experience, ILYM is a competent administrator who is responsive and diligent.

18 34. ILYM's capped bid to administer the settlement is \$29,950.

19 **ATTORNEY FEES AND EXPENSES**

20 35. Attorneys at Setareh Law Group have spent many hours on this case from
21 its inception through the present. This includes, but is not limited to, reviewing documents
22 produced by Defendants, opposing the motion to compel arbitration, opposing
23 Defendants' appeal, opposing the motion to stay, working with Plaintiff's expert, drafting
24 the mediation brief and preparing extensively for the mediation, working with Defendants
25 to draft the settlement papers, and drafting the motion for approval.

26 36. When this case was taken on a contingent fee basis, with the firm agreeing
27 to assume responsibility for litigation costs, the ultimate result was far from certain. In
28 the course of this litigation, Setareh Law Group paid filing fees, expert costs, and

1 mediation costs. Setareh Law Group has incurred over \$21,000 in costs in this case to
2 date, including expert costs of \$2,000. There was never a guarantee that Setareh Law
3 Group would recoup those expenditures. The firm took on this case, which necessarily
4 required the firm to forego other opportunities, given finite resources to devote to cases.

5 37. Because of the uncertainty of the outcome in this and other wage and hour
6 litigation undertaken by Setareh Law Group, we took this case with the expectation that a
7 risk enhancement, either in the form of a lodestar multiplier or a percentage of the fund
8 award equivalent thereto, would be available if we prevailed. This expectation stems from
9 the fact that many cases we undertake as putative class actions do not resolve successfully.
10 Many examples of cases where long delays, individual arbitration orders, or outright
11 failures precluded a recovery are as follows:

- 12 a. *Jefferson v. ABM Janitorial Services-South Central, Inc.*, Case No
13 RG16832708 (Alameda County Superior Court): Motion to compel
14 individual arbitration granted in putative wage and hour class action on
15 March 14, 2017;
- 16 b. *Solis v. Ameri-Force Management Services, Inc.*, Case No. 37-2014-
17 00013506-CU-OE-CTL (San Diego Superior Court): Motion for class
18 certification denied and appeal decided adversely to Plaintiff;
- 19 c. *Castro v. Cedars-Sinai Health System*, Case No. BC675795 (Los Angeles
20 Superior Court): Putative class action Ordered to individual arbitration;
- 21 d. *Troester v. Starbucks Corporation*, Case No. 2:12-CV-07677-GAF-PJW
22 (Central District): Filed in **2012**, the District Court granted summary
23 judgment for Defendants, plaintiff appealed, and the Ninth Circuit certified
24 a question of law to the California Supreme Court, which accepted the
25 question and recently decided that matter nearly six years later;
- 26 e. *Rodriguez v. Taco Bell Corp.*, Case No. 1:13-CV-01498-SAB (Eastern
27
28

District): Filed in **2013**, the District Court granted summary judgment, which plaintiff appealed. The matter was recently decided adversely to Plaintiff after argument;

- f. *Nichols v. Northrop Grumman Systems Corporation*, Case No. 17CV317207 (Santa Clara Superior Court): Defendants' request to compel individual arbitration was stayed pending outcome of *Morris v. Ernst & Young LLP*, 834 F.3d 975 (9th Cir. 2016);
- g. *Perry v. John Stewart Company*, Case No. CGC-17-558785 (San Francisco Superior Court): Ordered to individual arbitration;
- h. *Gilberg v. California Check Cashing Stores, Inc.*, Case No. 2:15-CV-02309-JAM-AC (Eastern District): After motion for summary judgment by defendants granted in putative class action, matter was decided in the Ninth Circuit after appeal by plaintiff; and,
- i. *Watterson v. Garfield Beach CVS LLC*, Case No. 14-cv-01721-HSG (Northern District): Summary judgment granted in putative wage and hour class action, and subsequently affirmed on appeal to the Ninth Circuit.

38. In the past 5 years, Setareh Law Group has settled many dozens of wage & hour class actions. Here, Class Counsel seeks no more than 33 1/3% of the settlement amount in fees. This is consistent with common practice, consistent with Ninth Circuit practice, consistent with analogous California law approving the percentage of the fund method to award fees from a common fund, *Laffitte v. Robert Half International, Inc.*, 1 Cal.5th 480, 503 (2016), and not inappropriate in light of the many hours expended by attorneys performing work for Plaintiff before and after the filing of this matter.

CLASS SIZE

39. The estimated class size is approximately 6,501. Defendants maintain

1 personnel, payroll, and timekeeping data that includes information such as hire date,
2 termination date (if applicable), and work location allowing for identification of all
3 individuals who worked for Defendants as non-exempt employees during the class
4 period. Based on this data, Defendants have identified approximately 6,501 employees
5 who would be part of the proposed settlement Class.

6 **NOTICE TO LWDA**

7 40. Concurrently with the filing of this motion, my office uploaded the
8 motion and all exhibits to the website of the Labor Workforce Development Agency.

9 **SERVICE AWARD**

10 41. The requested service award of \$10,000 to Plaintiff Adan Ortiz is warranted.
11 Plaintiff spent considerable time speaking with his counsel, gathering documents,
12 participating in discussions regarding settlement, and reviewing the Settlement. Plaintiff
13 also took on the risk of facing a potential costs award and the risk that being involved in
14 litigation would be viewed unfavorably by potential employers.

15
16 I declare under the penalty of perjury of the laws of the State of California that the
17 foregoing is true and correct to the best of my knowledge. Executed March 6, 2026 in
18 Beverly Hills, California.

19 
ID 1nPqRcvCikYsZeR5vJFDuset

20 Shaun Setareh

eSignature Details

Signer ID:	1nPqRcvCikYsZeR5vJFDuset
Signed by:	Shaun Setareh
Sent to email:	shaun@setarehlaw.com
IP Address:	45.50.237.253
Signed at:	Mar 6 2026, 5:58 pm PST

EXHIBIT 1

1 Shaun Setareh (SBN 204514)
shaun@setarehlaw.com
2 Thomas Segal (SBN 222791)
thomas@setarehlaw.com
3 SETAREH LAW GROUP
420 N. Camden Drive, Suite 100
4 Beverly Hills, CA 90210
Telephone: (310) 888-7771
5 Facsimile: (310) 888-0109

6 Attorneys for Plaintiff Adan Ortiz

7 Daniel Whang (SBN 223451)
dwhang@seyfarth.com
8 Jessica Koenig (SBN 340974)
jkoenig@seyfarth.com
9 SEYFARTH SHAW LLP
2029 Century Park East, Suite 3500
10 Los Angeles, CA 90067
Telephone: (310) 277-7200
11 Facsimile: (310) 201-5219

12 Attorneys for Defendants Randstad Inhouse
Services, LLC and Randstad North America, Inc.

13 *[Additional Counsel Listed on Next Page]*
14

15 UNITED STATES DISTRICT COURT
16 CENTRAL DISTRICT OF CALIFORNIA

17 ADAN ORTIZ, on behalf of himself, all
18 others similarly situated, and the general
public,

19 Plaintiffs,

20 v.

21 RANDSTAD INHOUSE SERVICES,
22 LLC; RANDSTAD NORTH AMERICA,
INC.; XPO LOGISTICS, INC.; XPO
23 LOGISTICS, LLC; XPO LOGISTICS
SUPPLY CHAIN, INC.; and DOES 1
24 through 50, inclusive,

25 Defendants.
26
27
28

Case No. 5:22-cv-1399 TJH (SHKx)

**CLASS, COLLECTIVE, AND
REPRESENTATIVE ACTION
SETTLEMENT AGREEMENT**

1 Tim Johnson (SBN 265794)
Tim.johnson@ogletree.com
2 Jesse Ferrantella (SBN 279131)
Jesse.ferrantella@ogletree.com
3 OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
4 4660 La Jolla Village Drive, Suite 900
San Diego, CA 9212
Telephone: (858) 652-3100
5 Facsimile: (858) 652-3101

6 Attorneys for Defendants XPO LOGISTICS, INC.; XPO LOGISTICS, LLC and XPO
7 LOGISTICS SUPPORT CHAIN, INC.
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1 This Class, Collective, and Representative Action Settlement Agreement is entered
2 into by and between Plaintiff Adan Ortiz individually, on a representative basis, on behalf
3 of all others similarly situated, aggrieved employees, and the interests of the California
4 Labor and Workforce Development Agency (“LWDA”) and Defendants Randstad
5 Inhouse Services, LLC and Randstad North America, Inc. (collectively “Randstad”),
6 subject to the terms and conditions hereof and the Court’s approval.

7 **I. DEFINITIONS**

8 1. “Action” means and refers to the action entitled *Adan Ortiz v. Randstad*
9 *Inhouse Services, LLC et al.*, United States District Court for the Central District of
10 California Case No. 5:22-cv-01399-TJH-SHK.

11 2. “Agreement,” “Settlement” or “Settlement Agreement” shall mean this
12 Class, Collective, and Representative Action Settlement Agreement and Release of
13 Claims, including any attached Exhibits.

14 3. “Attorney’s Fees and Cost Award” shall have the meaning ascribed to it in
15 Paragraph 50 below.

16 4. “Class Counsel” refers to Setareh Law Group.

17 5. “Class Data” means a complete list that Randstad will diligently and in good
18 faith compile from all available records and provide to the Settlement Administrator on
19 one spreadsheet and shall include the following information for the Settlement Class
20 Members and PAGA Group Members: employee identification numbers; full names; last
21 known addresses; Social Security Numbers; the total number of weeks worked during the
22 PAGA Period for each PAGA Group Member and the total number of weeks worked
23 during the Class Period for each Settlement Class Member.

24 6. “Class Period” is deemed to be any time during the period March 1, 2018,
25 through May 23, 2025.

26 7. “Class Representative” or “Plaintiff” means and refers to Adan Ortiz.

27 8. “Class Settlement Fund” shall have the meaning ascribed to it in Paragraph
28 46 below.

1 9. “Court” means the United States District Court for the Central District of
2 California.

3 10. “Defense Counsel” means and refers to Seyfarth Shaw LLP.

4 11. “Effective Date” refers to the date upon which both of the following have
5 occurred: (i) approval of the Settlement is granted by the United States District Court for
6 the Central District of California, or other court assuming jurisdiction of this matter, and
7 (ii) the Court’s Judgment approving the Settlement becomes Final. Final shall mean the
8 latest of: (i) if there is an appeal of the Court’s Judgment, the date the Judgment is
9 affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to
10 file a petition for writ of certiorari to the California Supreme Court, or, (ii) if a petition
11 for writ of certiorari is filed, the date of denial of the petition for writ of certiorari, or the
12 date the Judgment is affirmed pursuant to such petition; or (iii) if no appeal is filed, the
13 expiration date of the time for filing or noticing any appeal of the Judgment.

14 12. “Enhancement Payment” means the amount approved by the Court to be
15 paid to Plaintiff in addition to his Individual Settlement Payment as a Participating Class
16 Member.

17 13. “Final Approval” refers to the order of the Court granting final approval of
18 this Settlement Agreement and entering a judgment approving this Agreement on
19 substantially the terms provided herein or as the same may be modified by subsequent
20 agreement of the Parties.

21 14. “Gross Fund Value” shall have the meaning ascribed to it in Paragraph 44
22 below.

23 15. “Individual Settlement Payment” shall have the meaning ascribed to it in
24 Paragraph 47 below.

25 16. “LWDA Payment” means the portion of the PAGA Fund to be paid to the
26 LWDA.

27 17. “Notice” means the notice of settlement of class action that will be sent to
28 the Settlement Class Members, a copy of which is attached as Exhibit A.

1 18. “Notice Response Deadline” is 45 calendar days from the date the Notice is
2 mailed to the Settlement Class Members.

3 19. “Objecting Settlement Class Member” means a Settlement Class Member
4 who submits a valid and timely objection to the terms of this Agreement with respect to
5 the Settled Class Claims, pursuant to Paragraph 63(c) below.

6 20. “PAGA Fund” means the amount that the Parties have agreed to pay to the
7 Labor and Workforce Development Agency (“LWDA”) in connection with the California
8 Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*,
9 “PAGA”), as well as the individual PAGA payment allocated to each PAGA Group
10 Member.

11 21. “PAGA Group Member” means all current and former non-exempt
12 employees of Randstad who worked at a facility operated by XPO/GXO. in the State of
13 California during the PAGA Period.

14 22. “PAGA Period” is deemed to be any time during the period of December 26,
15 2020, through May 23, 2025.

16 23. “PAGA Settlement Fund” means the portion of the PAGA Fund from which
17 payments will be made to each PAGA Group Member.

18 24. “Participating Class Member” means any and all Settlement Class Members
19 who are deemed to participate, who will receive an Individual Settlement Payment, and
20 who do not opt-out by submitting a timely valid Request for Exclusion.

21 25. “Parties” mean Plaintiff, the Settlement Class, and Randstad, collectively.

22 26. “Preliminary Approval Date” means the date the Court approves the
23 Settlement Agreement, and the exhibits thereto, and enters the Preliminary Approval
24 Order.

25 27. “Preliminary Approval Order” means the judicial Order to be entered by the
26 Court, upon the application or motion of the Plaintiff, preliminarily approving this
27 Settlement and providing for the issuance of the Notice to the Settlement Class, an
28 opportunity to opt out of the Settlement, an opportunity to submit timely objections to the

1 Settlement, and setting a hearing on the fairness of the terms of Settlement, including
2 approval of attorneys' fees and costs. Randstad will not object to Plaintiff's motion for
3 preliminary approval, but will be provided with an opportunity to review and comment
4 upon the motion at least seven days before it is filed.

5 28. "QSF" means the Qualified Settlement Fund set up by the Settlement
6 Administrator for the benefit of the Final Settlement Class, and from which the settlement
7 payments shall be made, and which is intended to be a fund that qualifies under Internal
8 Revenue Code Sec. 468.

9 29. "Released Parties" means Randstad Inhouse Services, LLC and Randstad
10 North America, Inc. and all of their present and former parent companies, subsidiaries,
11 affiliates, customers, joint employers, and joint ventures, and all of their officers,
12 directors, employees, agents, servants, registered representatives, attorneys, insurers,
13 successors and assigns, and any other persons acting by through, under or in concert with
14 any of them.

15 30. "Release" shall mean the release and discharge of the Released Class Claims
16 by Plaintiff and all of the Participating Class Members and the release and discharge of
17 the Released PAGA Claims by Plaintiff and all of the PAGA Group Members.

18 31. "Request for Exclusion" means and refers to a valid and timely request for
19 exclusion from the Settlement of the Settled Class Claims, which may be submitted by
20 any Settlement Class Member, other than Plaintiff, pursuant to Paragraph 73 below.

21 32. "Released Class Claims" includes all causes of action and claims that (1)
22 were pled or (2) could have been pled, based on, or which arise out of the facts alleged in
23 the Action. This includes claims arising under California Labor Code sections 201-203,
24 204, 210, 223, 225.5, 226, 226.3, 226.7, 510, 512, 558, 117, 1194, 1194.2, 1197, 1197.1,
25 1198, 1199, 2802, 2810.3, the applicable IWC Wage Order, the California Unfair
26 Competition Law, Business and Professions Code section 17200 et seq., and the Fair
27 Labor Standards Act ("FLSA"), 29 U.S.C. section 201, et seq. The Released Claims will
28 include claims under the FLSA for those individuals, and only those individuals, who

1 cash a check issued pursuant to this Settlement as they will be deemed to have opted into
2 a release of related FLSA claims.

3 33. “Released PAGA Claims” include all claims under the California Private
4 Attorneys General Act of 2004 (“PAGA”) alleged in the operative complaint or claims
5 that could have been alleged based on the facts pertaining to Plaintiff and the PAGA
6 Group Members. This includes, but is not limited to PAGA claims based on California
7 Labor Code sections 201-203, 204, 210, 223, 225.5, 226, 226.3, 226.7, 510, 512, 558,
8 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, 2810.3, and the applicable IWC
9 Wage Order.

10 34. “Settlement Administrator” means and refers to ILYM, the third-party class
11 action settlement administrator based on low bid or mutually agreed to by the Parties that
12 will provide the Notice Packet to the Class Members and distribute the settlement
13 amounts as described in this Agreement.

14 35. “Settlement Administration Costs” means the costs payable from the Gross
15 Fund Value to the Settlement Administrator for administering this Settlement, including,
16 but not limited to, printing, distributing, and tracking documents for this Settlement, tax
17 reporting, and deposit of the employee and employer share of payroll taxes, unclaimed
18 property due diligence, reporting and remittance obligations, distributing the Gross Fund
19 Value, and providing necessary reports and declarations, as requested by the Parties. The
20 Settlement Administration Costs shall be paid from the Gross Fund Value, including, if
21 necessary, any such costs in excess of the amount represented by the Settlement
22 Administrator as being the maximum costs necessary to administer the Settlement.

23 36. “Settlement Class” consists of all current and former non-exempt employees
24 of Randstad who worked at a facility operated by XPO/GXO in the State of California
25 during the Class Period.

26 37. “Settlement Class Member” or “Class Member(s)” refers to individual
27 members of the Settlement Class.
28

38. “XPO/GXO” collectively refers to XPO, Inc. (fka XPO Logistics, Inc.); RXO Capacity Solutions, LLC (fka XPO Logistics, LLC); GXO Logistics Supply Chain, Inc. (fka XPO Logistics Supply Chain, Inc.); and/or GXO Logistics, Inc.

II. RECITALS

39. Randstad denies Plaintiff’s claims and allegations and contends that the Action is not suitable for class or conditional certification or manageable as a class or representative action.

40. Plaintiff believes he can proceed with his representative, collective, and class claims, that the Action is meritorious, and that class and conditional certification are appropriate.

41. The Parties have conducted a thorough investigation into the facts of the Action. In preparation for mediation, the Parties exchanged discovery informally, including Randstad’s written policies and practices and the production of payroll and timekeeping records for Settlement Class Members. Class Counsel represents, and Randstad understands, that each has diligently pursued an investigation of the proposed Settlement Class Members’ and PAGA Group Members’ claims against Randstad and are both knowledgeable about the claims and damages, and have done extensive research with respect to the applicable law and potential defenses to the claims. Based on the foregoing data and on their own independent investigation and evaluation, Class Counsel is of the opinion that the settlement with Randstad for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Settlement Class Members and PAGA Group Members/LWDA in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, various defenses asserted by Randstad, and numerous potential appellate issues.

42. The Parties agree that neither the Parties’ Settlement, this Agreement, nor the acts to be performed or judgments to be entered pursuant to the terms of the Settlement and Agreement, shall be construed as an admission by Randstad of any

wrongdoing or violation of any statute or law or liability on the claims or allegations in the Action.

43. For settlement purposes only, Randstad stipulates to class and conditional certification of the Settlement Class. If there is no judicial approval for the entirety of this Settlement, then the Parties will not stipulate to class and collective certification, and no Party will be estopped as a result of any motion for settlement approval.

III. MONETARY TERMS OF SETTLEMENT

44. Gross Fund Value: Except as set forth in Paragraph 45, Randstad shall pay no more than the sum of \$1,550,000 to settle this Action. Randstad's portion of employer taxes on the settlement payments will be made separate from the Gross Fund Value.

45. Escalator Clause: Randstad estimates there are a total of 73,548 weeks worked between March 1, 2018 and March 21, 2025. If the number of weeks worked by Class Members during the Class Period exceeds 73,548 by more than ten percent (i.e., 80,903) as of the end of the Class Period, then Randstad will select from one of the following two options: (1) the Gross Fund Value shall increase on a pro-rata basis equal to the percentage increase in the number of workweek above 80,903 or (2) the Class Period and PAGA Period will end on the last date the number of workweeks does not exceed 80,903.

46. Class Settlement Fund: The "Class Settlement Fund" is defined as the Gross Fund Value less the Attorneys' Fees and Costs Award, as approved and awarded by the Court, the Enhancement Payment, as approved and awarded by the Court, the Settlement Administration Costs, as approved and awarded by the Court, and the PAGA Fund. If the Court reduces the Attorneys' Fees and Costs Award, Enhancement Award, or Settlement Administrator Costs, or either increases or decreases the amount allocated to the PAGA Fund, the Class Settlement Fund shall be increased or decreased accordingly, and the increase or decrease shall not impact the validity and enforceability of the Settlement.

47. Individual Settlement Payments for the Settlement Class: The pro rata portion of the Class Settlement Fund shall be determined by dividing the total number of

1 weeks worked during the Class Period into the Class Settlement Fund to arrive at a value
2 per workweek for each eligible Settlement Class Member. The value per workweek shall
3 be multiplied by the number of workweeks worked by each Settlement Class Member
4 during the Class Period to determine the pro rata portion of the Class Settlement Fund to
5 be paid to each Settlement Class Member (“Individual Settlement Payments”).

6 48. Allocation of Individual Settlement Payments: The Individual Settlement
7 Payments will be allocated based on the allegations in the Action as follows: 35% will be
8 allocated to W-2 income and subject to withholding of all applicable local, state and
9 federal taxes; 65% to 1099 income from which no taxes will be withheld. The Settlement
10 Administrator will issue to each Participating Class Member an Internal Revenue Service
11 Form W-2 and comparable state forms with respect to the wage allocation and a Form
12 1099 with respect to the penalties and interest allocations.

13 49. Enhancement Payment to Plaintiff: Class Counsel will request that the Court
14 approve an Enhancement Payment to Plaintiff in an amount not to exceed \$10,000.
15 Distribution of this enhancement payment shall be made at the discretion of the Court.
16 Randstad will not oppose any request for an enhancement payment to Plaintiff in an
17 amount not to exceed \$10,000 to Plaintiff. Plaintiff will be issued IRS Form 1099 in
18 connection with this payment and shall be solely and legally responsible to pay any and
19 all applicable taxes on this payment. Should the Court approve a lesser amount for the
20 Service Payment, the difference shall be added to the Class Settlement Fund to be
21 distributed to the Participating Class Members.

22 50. Attorneys’ Fees and Costs Award: Class Counsel shall request that the Court
23 approve an award of attorneys’ fees in an amount not to exceed 33 1/3% of the Gross
24 Fund Value, and costs in the amount actually incurred but not to exceed \$75,000.
25 Randstad will not oppose this request. Attorneys’ fees and costs shall be paid out of the
26 Gross Fund Value. The Settlement Administrator shall issue to Class Counsel an IRS
27 Form 1099 reflecting the amount of attorneys’ fees and costs awarded by the Court. The
28 Court’s approval of fees and costs requested by Class Counsel is not a material term of

1 the settlement. If the Court does not approve or approves only a lesser amount than that
2 requested by Class Counsel for attorneys' fees or costs, the other terms of the settlement
3 shall still apply. The Court's refusal to approve the attorneys' fees or costs award
4 requested by Class Counsel does not give Plaintiff or Class Counsel any basis to abrogate
5 the settlement. Any amount of an attorneys' fees and costs award requested by Class
6 Counsel but unapproved by the Court shall be allocated to the Class Settlement Fund.

7 51. Settlement Administration Costs: The fees and other charges of the
8 Settlement Administrator will be paid from the Gross Fund Value, not to exceed \$35,000
9 unless approved by all Parties and the Court.

10 52. PAGA Fund: The Parties agree that \$100,000 is allocated to PAGA Fund
11 and is to be paid from the Gross Fund Value, subject to Court approval. Class Counsel
12 shall request that the Court approve an LWDA Payment, to be paid from the PAGA
13 Fund, not to exceed \$75,000 in satisfaction of civil penalties under the Private Attorney
14 General Act of 2004 ("PAGA") and a PAGA Settlement Fund, to be paid from the PAGA
15 Fund, of \$25,000. The pro rata portion of the PAGA Settlement Fund paid to each PAGA
16 Group Member shall be determined by dividing the total number of weeks worked during
17 the PAGA Settlement Period into the PAGA Settlement Fund to arrive a value per
18 workweek for each eligible PAGA Group Member. The value per workweek shall be
19 multiplied by the number of workweeks worked by each PAGA Group Member during
20 the PAGA Settlement Period. Randstad's payroll records shall be determinative for
21 purposes of calculating the number of workweeks during the Class Period and PAGA
22 Period. The payments to each PAGA Group Member shall be treated entirely as 1099
23 income.

24 53. Funding of the Gross Fund Value. Randstad shall deposit the Gross Fund
25 Value into the QSF within fifteen (15) calendar days after the Effective Date. Randstad
26 shall also deposit its share of employer payroll taxes as calculated and directed by the
27 Settlement Administrator into the QSF within fifteen (15) calendar days after the
28 Effective Date, which shall be distributed and reported by the Settlement Administrator.

1 54. Distribution of Funds. No later than twenty-one (21) calendar days after the
2 Effective Date, the Settlement Administrator will mail the Individual Settlement
3 Payments to the Participating Class Members, the payment to Class Counsel for the
4 Attorneys' Fees and Costs Award, any Enhancement Award to Plaintiff, the LWDA
5 Payment, the pro rata share of the PAGA Settlement Fund to PAGA Group Members,
6 and will pay itself the Settlement Administration Costs.

7 55. Deadline for Cashing Settlement Checks. Participating Class Members and
8 PAGA Group Members shall have 180 calendar days after mailing by the Settlement
9 Administrator to cash their settlement checks. If any Participating Class Member's or
10 PAGA Group Member's check is not cashed within that period, the check will be void
11 and a stop-payment will be issued, and the Settlement Administrator shall issue the
12 unclaimed funds to the California State Controller's Office in the name of the Class
13 Member or PAGA Member, pursuant to applicable unclaimed property law, thereby
14 leaving no "unpaid residue" subject to the requirements of California Code of Civil
15 Procedure Section 384.

16 56. No Tax Advice: Plaintiff, Class Counsel, Randstad, and Defense Counsel are
17 not providing any advice regarding taxes or taxability, nor shall anything in this
18 Settlement be relied upon as such within the meaning of United States Treasury
19 Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

20 **IV. RELEASE BY PARTICIPATING CLASS MEMBERS AND PAGA GROUP**
21 **MEMBERS**

22 57. Settled Class Claims. Upon entry of the Final Approval Order and funding
23 of the Gross Fund Value, as well as employer side taxes, Plaintiff and the Participating
24 Class Members will forever completely release and discharge the Released Parties from
25 the Released Class Claims for the Class Period.

26 58. Released PAGA Claims. Upon entry of the Final Approval Order and
27 funding of the Gross Fund Value, as well as employer side taxes, Plaintiff, the Labor
28 Commissioner/LWDA on behalf of the State of California, and all PAGA Group

Members will forever completely release and discharge the Released Parties from the Released PAGA Claims through the PAGA Period.

V. RELEASE BY PLAINTIFF

59. As a material inducement to Randstad to enter into this Settlement Agreement, Plaintiff does hereby, for himself and for his respective spouses, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, personal representatives, and assigns forever and completely release and discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including back wages, statutory penalties, civil penalties, liquidated damages, exemplary damages, interest, attorneys' fees, and costs) of any nature whatsoever, from the beginning of time through the execution of this Agreement, whether known or unknown, suspected or unsuspected, including but not limited to all claims arising out of, based upon, or relating to Plaintiff's employment with Randstad or the remuneration for or termination of such employment.

60. Without limiting the generality of the foregoing, this general release by Plaintiff includes all claims or rights arising out of alleged violations of any contracts, express or implied (including but not limited to any contract of employment); any contract or covenant of good faith or fair dealing (express or implied); any tort, including negligence, fraud, misrepresentation under California Labor Code 970, negligent infliction of emotional distress, intentional infliction of emotional distress, and defamation; any "retaliation" claims; any claims relating to any breach of public policy; and all federal, state, local and other governmental statutory claims, regulations, and ordinances, and federal and state common law claims (including but not limited to those for contract, tort and equity), including without limitation the Age Discrimination in Employment Act, the Fair Labor Standards Act, the California Constitution, the California Unfair Competition Act (California Business and Professions Code section 17200 et seq.), Title VII of the Civil Rights Act of 1964 (race, color, religion, sex, and

1 national origin discrimination or harassment, including retaliation for reporting
2 discrimination or harassment), sections 503 and 504 of the Rehabilitation Act of 1973
3 (disability discrimination), the Equal Pay Act, 29 U.S.C. § 209(4)(1) (equal pay), the
4 Americans with Disabilities Act, 42 U.S.C. § 12100 *et seq.* (disability discrimination), the
5 Family and Medical Leave Act, 29 U.S.C. § 2601 *et seq.* (family/medical leave), the
6 California Fair Employment and Housing Act, Cal. Gov't Code § 12900, *et seq.*
7 (discrimination or harassment in employment and/or housing, including discrimination or
8 harassment based on race, religious creed, color, national origin, ancestry, physical or
9 mental disability, marital status, sex (including pregnancy), sexual orientation, genetic, or
10 age, including retaliation for reporting discrimination or harassment), the California
11 Family Rights Act, Cal. Gov't Code § 12945.1, *et seq.* (family/medical leave), the
12 California Labor Code or any Industrial Welfare Commission Wage Order, Executive
13 Order 11246 (race, color, religion, sex, and national origin discrimination or harassment),
14 Executive Order 11141 (age discrimination), and the Employee Retirement Income
15 Security Act, 29 U.S.C. § 1000, *et seq.* (employee benefits).

16 61. Plaintiff expressly waives and relinquish all rights and benefits afforded by
17 Section 1542 of the Civil Code of the State of California and do so understanding and
18 acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil
19 Code of the State of California states:

20 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
21 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT
22 TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING
23 THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD
24 HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH
25 THE DEBTOR OR RELEASED PARTY.

26 Notwithstanding the provisions of Section 1542, and for the purpose of
27 implementing a full and complete release and discharge of all parties, Plaintiff expressly
28 acknowledges that this Settlement Agreement is intended to include in its effect, without
limitation, all claims whether known or unknown, suspected or unsuspected, contingent
or non-contingent, that now exist, upon any theory of law or equity, including without

1 limitation, conduct which is negligent, intentional, with or without malice, or a breach of
2 any duty, law, or rule, without regard to the subsequent discovery or existence of such
3 different or additional facts, in favor of Plaintiff against the Released Parties, or any of
4 them, for the time period from the beginning of time to the execution of this Settlement
5 Agreement, and that this Settlement Agreement contemplates the extinguishment of any
6 such claims. Notwithstanding the above, the general release by Plaintiff shall not extend
7 to claims for workers' compensation benefits, claims for unemployment benefits, other
8 claims that may not be released by law, or to Plaintiff's individual claims against XPO,
9 Inc. (fka XPO Logistics, Inc.); RXO Capacity Solutions, LLC (fka XPO Logistics, LLC);
10 GXO Logistics Supply Chain, Inc. (fka XPO Logistics Supply Chain, Inc.) or related
11 entities which are being settled individually pursuant to a separate agreement.

12 **VI. NOTICE PROCESS**

13 62. Settlement Administrator. The Parties will mutually select a Settlement
14 Administrator, which will administer this Settlement, and will issue to Settlement Class
15 Members forms W-2 (for wage payments) and forms 1099 (for penalties and interest) for
16 all amounts paid under this settlement, making all deductions and withholdings required
17 under law. The Settlement Administrator shall furnish its own Employer ID Number and
18 calculate all settlement checks and payroll deductions and withholdings required under
19 law based on information that will be confidentially furnished by Randstad. The
20 Settlement Administrator also will establish a Qualified Settlement Fund pursuant to
21 Section 468B(g) of the Internal Revenue Service Code for the purpose of administering
22 the settlement.

23 63. Class Data. Within 21 days after entry of the Preliminary Approval Order,
24 Randstad shall provide the Class Data to the Settlement Administrator. The Settlement
25 Administrator will run a check of the Settlement Class Members' addresses against those
26 on file with the U.S. Postal Service's National Change of Address List. The Class Data
27 provided to the Settlement Administrator will remain confidential, shall be used solely to
28 administer the Settlement, and it will not be used or disclosed to anyone (including Class

Counsel), except as required by applicable tax authorities, pursuant to Randstad's express written consent, or by order of the Court.

64. Notice. The Notice, as approved by the Court, shall be sent by the Settlement Administrator to the Settlement Class Members, by first class mail, in English and Spanish, within fourteen (14) calendar days following the Settlement Administrator's receipt of the Class Data. The Settlement Administrator shall use standard devices, including a skip trace, to obtain forwarding addresses of Settlement Class Members if any envelopes are returned.

65. Returned Notices. The Settlement Administrator will take steps to ensure that the Notice is received by all Settlement Class Members, including utilization of the National Change of Address Database maintained by the United States Postal Service to review the accuracy of and, if possible, update a mailing address. Notices will be re-mailed to any Settlement Class Member for whom an updated address is located within ten (10) calendar days following both the Settlement Administrator learning of the failed mailing and its receipt of the updated address. No Notices will be re-mailed after the Notice Response Date. The Notice shall be identical to the original Notice, except that it shall notify the Settlement Class Member that the exclusion (opt-out) request or objection must be returned by the later of the Notice Response Deadline or fifteen (15) days after the remailing of the Notice.

66. Disputes Regarding Information on Notices. Settlement Class Members are deemed to participate in the Settlement, unless they opt-out, and PAGA Group Members may not opt out of the Settled PAGA Claims. The Notice will inform Settlement Class Members and PAGA Group Members of his/her estimated Individual Settlement Payment and the number of weeks worked during the Class Period and PAGA Period. Settlement Class Members may dispute the number of weeks worked and PAGA Group Members may dispute the number of weeks worked during the PAGA Period by submitting evidence to the Settlement Administrator prior to the Notice Response

1 Deadline. The Class Data will be presumed determinative absent reliable evidence to
2 rebut it.

3 67. Settlement Class Members' Rights. Each Settlement Class Member will be
4 fully advised of the Settlement, the ability to object to the provisions in the Settlement
5 related to the Settled Class Claims, and the ability to opt-out or request exclusion from
6 the Settlement with respect to the Released Class Claims. The Notice will inform the
7 Settlement Class Members of the Court-established deadlines for filing objections or
8 requesting exclusion from the Settlement with respect to the Released Class Claims.

9 68. Requests for Exclusion from Participating in the Settlement Class. Any
10 Settlement Class Member, other than Plaintiff, may request to be excluded from the
11 Settlement Class by submitting a "Request for Exclusion," postmarked on or before the
12 Notice Response Deadline. The Request for Exclusion should state in substance:

13 "I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN
14 THE ORTIZ V. RANDSTAD LAWSUIT"

15 To be valid, any Request for Exclusion must include the full name, address,
16 telephone number, last four digits of the social security number or date of birth, and
17 signature of the Settlement Class Member requesting exclusion. The Request for
18 Exclusion must be returned by mail to the Settlement Administrator at the specified
19 address. Any such Request for Exclusion must be made in accordance with the terms set
20 forth in the Notice. A Request for Exclusion will be timely only if postmarked by the
21 Notice Response Deadline, unless the Parties otherwise agree in writing. Any Settlement
22 Class Member who timely requests exclusion in compliance with these requirements: (i)
23 will not have any rights under this Agreement with respect to the Released Class Claims,
24 including the right to object, appeal, or comment on the Settlement; (ii) will not be
25 entitled to receive any payments under this Agreement for the Released Class Claims;
26 and (iii) will not be bound by this Agreement, or the Judgment, with respect to the
27 Released Class Claims. However, Requests for Exclusion will be not be rejected due to
28 technical non-compliance with the above if the request contains enough information that

1 the Settlement Class Member requesting exclusion can be identified. Any PAGA Group
2 Member who requests timely exclusion will still be subject to the Released PAGA
3 Claims to the fullest extent permitted by law and shall be sent his or her share of the
4 PAGA Settlement Fund.

5 69. Right to Revoke. Randstad shall retain the right, in the exercise of its sole
6 discretion, to nullify the settlement within fifteen (15) calendar days after expiration of
7 the opt out period, if ten percent (10%) or more of the Class Members opt out of this
8 settlement. If this right is exercised, Randstad will be responsible for any administrative
9 costs incurred.

10 70. Binding Effect on Participating Class Members. Except for those Settlement
11 Class Members who exclude themselves in compliance with the procedures set forth
12 above, all Settlement Class Members will: (i) be deemed to be Participating Class
13 Members for all purposes under this Agreement; (ii) will be bound by the terms and
14 conditions of this Agreement, the Judgment, and the releases set forth herein.

15 71. Objections to Settlement of the Settled Class Claims. Any Participating
16 Class Member, other than Plaintiff, may object to the terms of this Agreement, except as
17 to the Settled PAGA Claims. To object, a Participating Class Member shall inform the
18 Settlement Administrator, in writing, of his or her objection by submitting a written
19 objection postmarked by the Notice Response Deadline at the address set forth in the
20 Notice. Such objection shall include the objecting Participating Class Member's full
21 name, address, telephone number, and dates of employment with Randstad, the case
22 name and number, the basis for the objection, including any legal support and each
23 specific reason in support of the objection, as well as any documentation or evidence in
24 support thereof, and, if the objecting Participating Class Member is represented by
25 counsel, the name and address of his or her counsel. The Settlement Administrator shall
26 provide objections, if any, to Class Counsel and Defense Counsel within three (3)
27 calendar days of receipt, and the Settlement Administrator shall attach the same to its
28 declaration of due diligence and file with the Court prior to the Final Approval Hearing.

1 Any Participating Class Member who files an objection remains eligible to receive
2 monetary compensation from the Settlement. Plaintiff and Randstad shall not be
3 responsible for any fees, costs, or expenses incurred by any Participating Class Member
4 and/or his or her counsel related to any objections to the Settlement. PAGA Group
5 Members may not object to or opt-out of the Settlement with respect to the PAGA
6 Claims.

7 72. Opt-In Language. Opt-in and release language regarding the release of the
8 Settled Class Claims arising under the Fair Labor Standards Act will be printed on the
9 settlement checks issued to Participating Class Members, with instructions that
10 endorsing, cashing, depositing, or otherwise negotiating such check constitutes consent
11 under the Fair Labor Standards Act to opt into the release of Settled Class Claims arising
12 under the Fair Labor Standards Act. The language to be included will be substantially
13 similar to the following:

14 “My endorsing, cashing, or depositing of this check constitutes my consent
15 to join the lawsuit entitled Adan Ortiz v. Randstad Inhouse Services, LLC et
16 al, pending in the United States District Court for the Central District of
17 California, Case No. 5:22-CV-01399-TJH-SHK, pursuant to the provisions
18 of the Fair Labor Standards Act (“FLSA”), 29 U.S.C. Section 216(b).”

19 **VII. OTHER TERMS**

20 73. Waiver. The waiver by one Party of any breach of this Agreement by
21 another Party shall not be deemed a waiver of any other prior or subsequent breach of this
22 Agreement.

23 74. Parties’ Authority. The signatories hereto represent that they are fully
24 authorized to enter into this Settlement Agreement and bind the Parties hereto to the
25 terms and conditions hereof.

26 75. No Publicity. Neither the Plaintiff nor Class Counsel shall publicize, or
27 cause to be publicized, directly or indirectly, the discussions resulting in or the existence
28 of this Settlement or its terms, in any type of mass media, including, but not limited to,

1 speeches, press conferences, press releases, interviews, television or radio broadcasts,
2 newspapers, messages on the Internet, Facebook, Twitter or any other social media, Class
3 Counsel's or any other website. Breach of this provision shall entitle Randstad in the
4 exercise of their discretion, to nullify the settlement at any time before final approval by
5 the Court. Should Plaintiff or Class Counsel at any time breach this provision, Plaintiff
6 shall forfeit to Randstad the full amount of his Enhancement Payment. Without limitation
7 by the foregoing, Randstad also may enforce this provision through an action for
8 injunctive relief. Nothing in this provision is intended to prevent Class Counsel from
9 communicating with Settlement Class Members about the Settlement.

10 76. Mutual Full Cooperation. The Parties agree to fully cooperate with each
11 other to accomplish the terms of this Settlement Agreement, including but not limited to,
12 execution of such documents and to take such other action as may reasonably be
13 necessary to implement the terms of this Settlement Agreement. The Parties to this
14 Settlement shall use their best efforts, including all efforts contemplated by this
15 Settlement Agreement and any other efforts that may become necessary by order of the
16 Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth
17 herein. As soon as practicable after execution of this Agreement, Class Counsel shall,
18 with the assistance and cooperation of Randstad and Defense Counsel, take all necessary
19 steps to secure the Court's preliminary and final approval of the Settlement, and the final
20 entry of judgment. Class Counsel shall provide Defense Counsel with copies of the
21 Preliminary Approval Motion and Final Approval Motion for review at least seven days
22 prior to the filing deadline.

23 77. No Prior Assignments. The Parties hereto represent, covenant, and warrant
24 that they have not, directly or indirectly, assigned, transferred, encumbered, or purported
25 to assign, transfer, or encumber to any person or entity any portion of any liability, claim,
26 demand, action, cause of action or rights released and discharged by this Settlement
27 Agreement.
28

1 78. No Admission. Randstad denies any and all liability to Plaintiff and/or any
2 Settlement Class Member in this Action, as to any and all causes of action that were
3 asserted or that might have been asserted in this Action. Nothing in this Settlement
4 Agreement is intended or shall be construed as an admission of liability, fault or
5 wrongdoing by Randstad. Nothing in this Settlement shall operate or be construed as an
6 admission of any liability or that class certification is appropriate in any context other
7 than this Settlement. Nonetheless, Randstad wishes to settle and compromise the matters
8 at issue in the Action to avoid further substantial expense and the inconvenience and
9 distraction of protracted and burdensome litigation.

10 79. Construction. The Parties hereto agree that the terms and conditions of this
11 Settlement are the result of lengthy, intensive arms' length negotiations between the
12 Parties and that this Settlement shall not be construed in favor of or against any Party by
13 reason of the extent to which any Party or his or its counsel participated in the drafting of
14 this Settlement Agreement. Plaintiff and Randstad expressly waive the common-law and
15 statutory rule of construction that ambiguities should be construed against the drafter of
16 an agreement and further agree, covenant, and represent that the language in all parts of
17 this Agreement shall be in all cases construed as a whole, according to its fair meaning.

18 80. Captions and Interpretations. Paragraph titles or captions contained herein
19 are inserted as a matter of convenience and for reference, and in no way define, limit,
20 extend, or describe the scope of this Settlement Agreement or any provision hereof. Each
21 term of this Settlement Agreement is contractual and not merely a recital other than
22 paragraphs 39-43.

23 81. Modification. This Settlement Agreement may not be changed, altered, or
24 modified, except in writing and signed by the Parties hereto, and approved by the Court.
25 This Settlement Agreement may not be discharged except by performance in accordance
26 with its terms or by a writing signed by all of the Parties hereto.

1 82. Dispute Resolution. Any disputes arising out of or relating to this Settlement
2 will be submitted to Tripper Ortman for mediation. The Parties will split the costs of the
3 mediator and all parties will bear their own attorneys' fees and other costs incurred.

4 83. Court Retains Jurisdiction. The Parties agree that upon the entry of judgment
5 of dismissal pursuant to the terms of this Agreement, that, pursuant to Code of Civil
6 Procedure Section 664.6, the Court shall retain exclusive and continuing equity
7 jurisdiction of this Action over all Parties to interpret, enforce, and effectuate the terms,
8 conditions, intents and obligations of this Agreement.

9 84. Choice of Law. This Settlement Agreement shall be governed by and
10 construed, enforced and administered in accordance with the laws of the State of
11 California.

12 85. Integration Clause. This Settlement Agreement contains the entire agreement
13 between the Parties relating to the settlement and transaction contemplated hereby, and
14 all prior or contemporaneous agreements, understandings, representations, and
15 statements, whether oral or written and whether by a Party or such Party's legal counsel,
16 are merged herein. No rights hereunder may be waived except in writing.

17 86. Binding on Assigns. This Settlement shall be binding upon and inure to the
18 benefit of the Parties hereto and their respective heirs, trustees, executors, administrators,
19 successors and assigns.

20 87. Signatures of All Class Members Unnecessary to be Binding. It is agreed
21 that, because the members of the Settlement Class are numerous, it is impossible or
22 impractical to have each Class Member execute this Settlement Agreement. The Notice
23 will advise all Settlement Class Members of the binding nature of the releases provided
24 herein and such shall have the same force and effect as if this Settlement Agreement were
25 executed by each Settlement Class Member.

26 88. Invalidity of Any Provision. Before declaring any provision of this
27 Settlement Agreement invalid, the Court will first attempt to construe the provision as
28

valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

89. Counterparts. This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully signed Settlement Agreement, which shall be binding upon and effective as to all Parties.

Dated: _____ **PLAINTIFF AND CLASS REPRESENTATIVE:**

Adan Ortiz

Dated: _____ **CLASS COUNSEL:**
SETAREH LAW GROUP

Shaun Setareh
Attorneys for Plaintiff

Dated: Jan. 28, 2026 _____ **DEFENDANT:**
RANDSTAD INHOUSE SERVICES, LLC

By: _____


Title: Senior Deputy General Counsel

Dated: Jan. 28, 2026 _____ **DEFENDANT:**
RANDSTAD NORTH AMERICA, INC.

By: _____

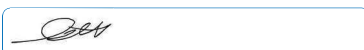

Title: Senior Deputy General Counsel

valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

89. Counterparts. This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully signed Settlement Agreement, which shall be binding upon and effective as to all Parties.

Dated: 1/23/2026

PLAINTIFF AND CLASS REPRESENTATIVE:


ID u5RcFbojJdAgYiJMTcv5arwc

Adan Ortiz

Dated: 1/23/2026

CLASS COUNSEL:
SETAREH LAW GROUP


ID uh3sase9hqUQ3uFU3TsHbY72

Shaun Setareh
Attorneys for Plaintiff

Dated: _____

DEFENDANT:
RANDSTAD INHOUSE SERVICES, LLC

By: _____

Title: _____

Dated: _____

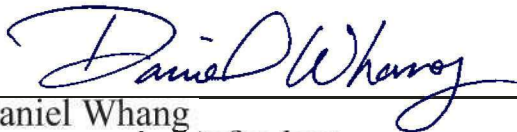
DEFENDANT:
RANDSTAD NORTH AMERICA, INC.

By: _____

Title: _____

1 Dated: 1/28/2026

2 **DEFENDANTS' COUNSEL:**
3 **SEYFARTH SHAW LLP**

4 
5 _____
6 Daniel Whang
7 Attorneys for Defendant
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28