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and on behalf of the putative class

**SUPERIOR COURT OF CALIFORNIA
FOR THE COUNTY OF SANTA CLARA**

RUSTIN FOX and GABRIELE SANTI,
individuals, on behalf of themselves and on
behalf of all persons similarly situated,

Plaintiffs,

vs.

CRISIS24, INC., a Delaware corporation;
CRISIS24 PROTECTIVE SOLUTIONS, LP, a
limited partnership; and DOES 1-50, Inclusive,

Defendants.

CASE NO.: 23CV418864

**DECLARATION OF DANNY YADIDSION IN
SUPPORT OF MOTION FOR AN ORDER (1)
PRELIMINARILY APPROVING THE CLASS
ACTION SETTLEMENT; (2) APPROVING
NOTICE OF CLASS ACTION SETTLEMENT;
AND (3) SETTING HEARING FOR FINAL
APPROVAL**

Date: TBD

Time: TBD

Dept.: TBD

*[Filed concurrently with the Notice of Motion and
Motion for Preliminary Approval of Settlement;
Declaration of Patrick Burk; Declaration of Rustin*

Fox; Declaration of Gabriele Santi; Declaration of Madely Nava, Third-Party Administrator, Apex Class Action; Joint Stipulation of Class Settlement; Class Notice; and [Proposed] Order]

DECLARATION OF DANNY YADIDSION

I, Danny Yadidsion, declare as follows:

1. I am an attorney at law, duly licensed and admitted to practice before all courts of the State of California. I am a shareholder of the law firm of Labor Law PC and counsel of record for Plaintiff Patrick Burk (“Plaintiff” and the “Class Representative”) on behalf of similarly situated employees of Defendants CRISIS24, INC., and CRISIS 24 PROTECTIVE SOLUTIONS, LP (“Defendants”). This declaration refers to plaintiffs Rustin Fox, Gabriele Santi, and Patrick Burk (“Plaintiffs”) and Defendants collectively as the “Parties,” or individually as a “Party.”

2. I and my firm are referred to herein as Class Counsel. I have personal knowledge of the facts herein and if called as a witness, I could and would competently testify.

3. All of the matters set forth herein are within my personal knowledge, except those matters that are stated upon information and belief. As to such matters, I believe them to be true. I have represented Plaintiff and the putative Class since the inception of this matter. I submit this declaration in support of the Motion for Preliminary Approval, filed by Plaintiff, on behalf of himself and other similarly situated employees of Defendants, and without opposition from Defendants. The Parties seek preliminary approval of the Joint Stipulation of Class Action and PAGA Settlement Agreement (the “Joint Stipulation”), a true and correct copy of which is attached hereto as **Exhibit 1**.

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1 learned about litigating wage and hour class actions while I worked at an employment litigation boutique
2 firm (Gleason & Favarote LLP). I have been responsible for numerous wage and hour class actions
3 throughout the State of California, in both state and federal courts. Throughout my legal career, I have
4 been responsible for all facets of class actions from the initial investigation of the allegations through
5 successful resolution. By way of example, shortly prior to leaving Jackson Lewis PC, I successfully
6 prevailed on a motion for class certification on behalf of my clients in a case heavily litigated for over
7 7.5 years and successfully moved to dismiss a complaint in federal court based on the federal enclave
8 doctrine. (*See Compton v. American Management Services*, Los Angeles County Superior Court, Case
9 No. BC 448343; *Issac Tafoya v. AECOM, Inc. et al.*, Case No. 2:18-cv-04113-GW-PLA (C.D. Cal. June
10 15, 2018.)

11 6. My extensive experience in litigating employment wage and hour matters has been integral
12 in identifying legal issues, evaluating the strengths and weaknesses of a case, and generally negotiating
13 fair and reasonable class action settlements. Practice in the narrow field of wage and hour litigation
14 requires skill and knowledge concerning the constantly evolving substantive law (at the state and federal
15 level), as well as the procedural law of class action litigation. In this action, I am fully equipped to use
16 the skills and knowledge I have developed through prosecuting and defending wage and hour class actions
17 to fairly and adequately represent the interests of the Class. Therefore, on the account of my resources,
18 experience, and knowledge, I am well qualified to act as class counsel and represent the Plaintiff and the
19 putative class members in this action.

20 7. For purposes of this motion, the proposed Class consists of all individuals who were (a)
21 employed by Defendants in the State of California at any time during the Class Period, and (b) classified
22 as non-exempt (i.e., hourly) employees.

23 8. I do not believe that I have any conflicts of interest with the Class or the Class
24 Representative. I am not related to the Class Representative. Other than the Class Representative, I am
25 unaware of any other member of the class, and I do not believe I have any conflict with any class members.
26 I have not previously represented Defendants in any matter. I am also not aware of any potential conflict
27 between me, Defendants, Defendants's counsel, or anyone else. I attest that the Parties reached a
28 settlement after extensive, arm's length settlement negotiations.

9. I attest that under paragraphs 3, 4, 5, and 7, *supra*, I have the requisite adequacy to act as Class Counsel and have an absence of conflict. I respectfully submit that I and Labor Law PC are well suited to act as Class Counsel in this action, and we have and will continue to vigorously represent the interests of the Class.

PROCEDURAL HISTORY

10. On June 20, 2023, Plaintiff Patrick Burk filed a class action complaint in Los Angeles County Superior Court alleging causes of action against Defendants for employment law-related claims, *Patrick Burk v. CRISIS24, INC., et al.*, Los Angeles County Superior Court Case No. 23STCV14245.

11. On July 24, 2023, Defendants removed the Burk Lawsuit to the Central District of California Court Case No. 2:23-cv-05929-FMO.

12. The Plaintiff Burk and Defendants mutually agreed to seek Court approval to file a First Amended Class and Representative Action Complaint (“FAC”) alleging all facts and claims brought in the various actions. This Court granted that request on October 27, 2023, and Plaintiff filed the FAC on October 30, 2023.

13. The FAC alleges claims for: (1) failure to pay wages for all hours worked; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to provide rest periods; (5) failure to furnish timely and accurate wage statements; (6) failure to pay all compensation due upon discharge; (7) unfair, unlawful, and fraudulent business practices; and (8) PAGA Representative Action (Labor Code §§ 2698-2699.5).

14. On July 7, 2023, Plaintiffs Rustin Fox and Gabriele Santi commenced an action by filing a complaint against Defendants in the Superior Court of the State of California, County of Santa Clara (“Fox-Santi Class Lawsuit”). This complaint alleged claims that Defendant: (a) Violated California Business and Professions Code § 17200 et seq.; (b) Failed to pay minimum wages in violation of California Labor Code §§ 1194, 1197 & 1197.1; (c) Failed to pay overtime wages in violation of California Labor Code § 510, et seq.; (d) Failed to provide required meal periods in violation of California Labor Code §§ 226.7 & 512 and the applicable IWC Wage Order; (e) Failed to provide required rest periods in violation of California Labor Code §§ 226.7 & 512 and the applicable IWC Wage Order; (f) Failed to reimburse employees for required expenses in violation of California Labor Code § 2802. (g) Failed to provide

1 accurate itemized wage statements in violation of California Labor Code § 226; (h) Failed to provide
2 wages when due in violation of California Labor Code §§ 201, 202 and 203; (i) Failed to pay sick pay
3 wages in violation of California Labor Code §§ 201-204, 233, 246; (j) Violated the California Fair
4 Employment and Housing Act (“FEHA”) by engaging in discrimination and retaliation; (k) Failed to
5 provide reasonable accommodation in violation of Cal. Gov. Code § 12940(m); and, (l) Wrongfully
6 terminated Plaintiffs Fox and Santi in violation of Public Policy.

7 15. On March 26, 2024, after conducting substantial informal discovery, the Parties attended a
8 full-day mediation before an experienced and well-regarded mediator, Mr. Tripper Ortman. Shortly
9 thereafter, the Parties reached an agreement in principle to settle the Action and seek approval of the
10 settlement in the Action.

11 16. On July 26, 2024, the Parties filed a Stipulation for Leave to File a First Amended
12 Complaint in the Fox-Santi Class Lawsuit. The First Amended Complaint in the Fox Santi Class Lawsuit
13 (the “Operative Complaint”) adds the Plaintiffs and causes of action alleged in the Burk Lawsuit and Fox-
14 Santi PAGA Lawsuit. On July 31, 2024, the Court granted the stipulation, and the Operative Complaint
15 was filed on July 31, 2024.

16 **INVESTIGATION AND DISCOVERY**

17 17. Before filing this lawsuit, Class Counsel investigated and researched the facts and
18 circumstances underlying the pertinent issues and the law applicable thereto. This required thorough
19 discussions and interviews between Class Counsel and Plaintiff, as well as preliminary research into
20 various legal issues involved in the case. After conducting the thorough initial investigation, Class Counsel
21 determined that Plaintiff’s claims were well-suited for class action adjudication owing to what appeared
22 to be a common course of conduct affecting a similarly situated group of employees.

23 18. After filing the lawsuit, Class Counsel conducted a thorough investigation of the facts and
24 claims giving rise to the action, including: (1) conducting informal discovery, preparing written discovery
25 and meeting and conferring with defense counsel about the same; (2) reviewing and analyzing time and
26 pay records as well as employment handbooks, Plaintiff’s personnel file and related documents, relevant
27 company policies and other documentation; (3) researching the applicable law and potential defenses; (4)
28 constructing damage models based on interpretations of California law; and (5) reviewing information

provided by Defendants in the mediation. The Class enumerated in this action is ascertainable because the Class Members may be readily identified by reference to Defendants's records. Defendants has agreed to share the information from these records with the Settlement Administrator to identify and contact the Class Members. This investigation revealed ultimately that there are approximately 624 class members who collectively worked a total of approximately 40,000 Workweeks and that only 10,000 workweeks were worked by employees not covered by an arbitration agreement and 536 PAGA class members/aggrieved employees (all non-exempt employees who worked for Defendants in the State of California at any time during the PAGA Period) who worked a total of 20,108 PAGA pay periods.

19. Plaintiff engaged Defendants to seek relevant records and documents through informal discovery mechanisms. In response, Defendants produced documents and data, including Plaintiff's personnel files and related records, Defendants' employee handbook, Defendants' company policies and procedures relating to its employment practices, and allegedly enforceable arbitration agreements.

20. Defendants, for its part, vigorously contests liability, the amount of claimed damages, and the propriety of class certification. After Class Counsel analyzed the relevant documents and other gathered data, Class Counsel identified numerous issues with respect to Defendants' records and policies which he communicated to defense counsel. While Defendants disputed those issues, the parties subsequently agreed to mediation. Given the high level of risk present for both sides, the parties elected to mediate Plaintiff's claims and explore the possibility of settlement.

21. Through substantial informal and written discovery, Defendants provided Plaintiff's counsel with all relevant policy documents and time and pay data of the relative class size of approximately 624 employees and 536 Aggrieved Employees.

22. After Plaintiff and Defendants conducted significant discovery in this action, the Parties agreed to participate in mediation. To prepare for mediation, Defendants informally produced additional information to Plaintiff to evaluate the class and PAGA claims, including a spreadsheet containing information regarding the periods of employment, hourly rate of pay and number of weeks worked for each putative class member. Class Counsel thoroughly reviewed, investigated, and analyzed this information. Counsel for the Parties also investigated the law as applied to the discovered facts regarding the alleged claims of Plaintiff and the Class, potential defenses thereto, as well as the potential damages

1 claimed by Plaintiff and the Class. Defendants posited numerous defenses to Plaintiff's class-based claims,
2 including contentions that penalties for the alleged violations were not available because its actions were
3 not "willful" within the meaning of the applicable statutes. This informal discovery process occurred over
4 a period of several months and involved significant meet and confer efforts between counsel for the
5 parties.

6 **MEDIATION**

7 23. On March 26, 2024, the Parties attended a full-day mediation before an experienced and
8 well-regarded mediator, Mr. Tripper Ortman. In preparation for mediation, Plaintiff hired an expert to
9 calculate Defendants' potential liability to Class Members and Aggrieved Employees/PAGA Class
10 Members. Plaintiff's damages model assumed that Plaintiff: (1) prevailed in certifying the putative class
11 and (2) prevailed in establishing liability on the merits. During mediation, the Parties discussed all aspects
12 of the case, including the risks of litigation and the risks to both parties of proceeding with a motion for
13 class certification, as well as the law relating to failure to pay wages, meal and rest break matters, minimum
14 and overtime wages, wage statements, timely payment of wages during employment, payment of all wages
15 due to discharged and quitting employees, payment of agreed-to or contract wages and the law relating to
16 unfair and unlawful business practices. The mediation concluded that day with a settlement being reached.

17 24. From Class Counsel's review of the facts, strengths, and weaknesses of the case, the risks
18 and delays posed by further litigation, and Class Counsel's own prior employment and class action
19 litigation experience, Class Counsel believes that the recovery for each class member is fair and reasonable
20 taking into consideration the amounts received in other wages and hour actions, the risks inherent in
21 litigation of this genre, and the reasonable tailoring of each class member's claim to the settlement award
22 he or she will receive. The information provided to Plaintiff's expert included time records data to compile
23 its damage analysis and guide Class Counsel's assessment of the strength of the claims and violations.
24 Based on the settlement negotiations, which were extensive and conducted in good faith and at arm's
25 length between attorneys with substantial experience litigating class actions and wage and hour cases, the
26 Joint Stipulation was the product of a non-collusive settlement process in which the parties were forced
27 to make significant and meaningful compromises in the interest of reaching a full and complete settlement
28 of the lawsuit.

SUMMARY OF SETTLEMENT

25. The parties have executed the Joint Stipulation attached hereto and incorporated herein as **Exhibit 1**. Defendants has agreed to pay \$1,250,000.00 (the “Gross Settlement Amount”) to settle and release all claims asserted by Plaintiff in the operative complaint on behalf of the proposed class.

26. The “Class Members” means a member of the Class, as either a Participating Class Member or Non-Participating Class member, including Non-Participating Class Member who qualifies as an Aggrieved Employee. “Class” refers to all individuals who were (a) employed by Defendants in the State of California at any time during the Class Period, and (b) classified as non-exempt (i.e., hourly) employees. The Settlement Class or “Settlement Class Members” means all Class Members other than those who opt out.

27. “PAGA Class Members” means all non-exempt employees who worked for Defendants in the State of California at any time during the PAGA Period.

28. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.

29. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

30. Defendants shall provide the Gross Settlement Amount to the Settlement Administrator to fund the Settlement to be paid after the Court grants final approval of the Class Action. The Settlement Administrator shall complete the distribution of the Gross Settlement Amount to the Settlement Class Members, the Named Plaintiffs, Class Counsel, and the Settlement Administrator.

31. The amount remaining in the Gross Settlement Amount after the following deductions have been made (called the “Net Settlement Amount”) shall be available for distribution to Class Members who do not opt out:

- Up to one-third (1/3) of the Gross Settlement Amount to Class Counsel for attorneys’ fees (\$416,666.67) and a Class Counsel Litigation Expenses Payment of not more than \$30,000.00.

- Up to \$10,000.00 to each of the Class Representatives for his services to the class (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as a Participating Class Member or an Aggrieved Employee);
- Settlement administration costs, not to exceed \$14,000.00; and
- PAGA Penalties in the amount of \$50,000.00, of which 25% or \$12,500.00 is payable to the individual PAGA Payments, and 75% or \$37,500 allocated to the California Labor and Workforce Development Agency (“LWDA”) as its share of the settlement of civil penalties for PAGA claims.

Plaintiff’s damages consultant also conducted a separate analysis of qualifying workweeks for the purpose of calculating *pro rata* shares of the PAGA Payment that includes the work weeks of persons who opt-out. There are an estimated 536 PAGA Class Members in the PAGA Class Period.

32. After the deductions above have been made, the Net Settlement Amount shall be divided among and distributed to individual Settlement Class Members who do not opt out, calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member’s Workweeks.

33. Each PAGA Class Member shall receive a portion of the PAGA Payment proportionate to the number of Individual Workweeks that he or she worked during the PAGA Period. Each PAGA Class Member who was employed by Defendants during the PAGA Period will be issued a check for their share of the PAGA Payment regardless of whether they opt-out of the Settlement and regardless of whether they are currently employed by Defendants as of the Settlement’s Effective Date.

34. The Parties agree that the Settlement Payments will be allocated as follows: twenty percent (20%) to wages, for which an IRS Form W-2s shall be issued, and eighty percent (80%) for non-wage (1099) income for penalties and interest which will be reported as such to each Settlement Class Member on an IRS Form 1099. The PAGA Payments to PAGA Members will be designated as payments for alleged penalties and other non-wage amounts. The portions of the Settlement Payments allocated to penalties, interest or other non-wage amounts and the PAGA Payments will be paid without tax

1 withholdings and will be reported as such to each Settlement Class Member and/or PAGA Member on an
2 IRS Form 1099.

3 35. Individual Settlement Payments shall be mailed by regular First Class U.S. Mail, postage
4 prepaid, to Individual Settlement and PAGA Class Members' last known mailing address within 21 days
5 after Defendants fund the Gross Settlement Amount and provide it to the Administrator.

6 36. Any checks issued to Settlement and PAGA Class Members shall remain valid and
7 negotiable for one hundred eighty (180) days from the date of their issuance and shall state so on the face
8 of the check. If the check remains uncashed after 120 days after its mailing, the Administrator will send
9 the individual a notice via email and/or U.S. Mail informing him or her that unless the check is cashed by
10 the void date, it will expire and become non-negotiable, and offer to replace the check if it was lost or
11 misplaced. All funds associated with check that remain uncashed by the expiration of the 180 day period,
12 and therefore become void, shall be paid 50% each to Children's Advocacy Institute and Legal Aid at
13 Work as the Cy Pres Recipients in accordance with California Code of Civil Procedure section 384(b).

14 37. The Parties have agreed to a Class Representative Service Payment to Plaintiffs of up to
15 Ten Thousand Dollars (\$10,000.00) each. The Class Representative Service Payment shall be in addition
16 to the Plaintiff's Individual Settlement Payment as a Settlement Class Member. In the event that the Court
17 reduces or does not approve the requested Class Representative Service Payment, Plaintiff shall not have
18 the right to revoke the Settlement, and it will remain binding.

19 38. Class Counsel estimates and caps costs at \$10,000. Thus far, Class Counsel has incurred
20 the following approximate costs: filing and service fees (\$1,732.92), mediation costs (\$6,500.00) for a
21 total of \$8,307.92.

22 39. Plaintiff and Defendants agree that the Settlement Administrator shall mean and refer to
23 the third-party class action settlement administrator, Apex Class Action ("Settlement Administrator"). The
24 Settlement Administrator will provide the Notice to the Class Members and distribute the settlement
25 amounts.

26 40. The settlement amount was a compromise figure, factoring in the inherent risks related to
27 certification, liability, and damages. Accordingly, considering all of the circumstances of the action and
28 the defenses raised by Defendants against liability and damages, Class Counsel believes that the settlement

1 is fair and reasonable.

2 41. Within fifteen (15) days after the Court grants the Preliminary Approval of the Settlement,
3 or within the time ordered by the court, Defendants shall provide to the SA a list of Class Members and
4 PAGA Class Members that identifies for each Class Member/PAGA Member, his/her Social Security
5 number, last-known address, and the workweek numbers and other Class Member data confirm qualifying
6 Workweeks Worked and PAGA Workweeks Worked. Defendants agree to consult with the SA as required
7 to provide the list in a format reasonably acceptable for the duties of the SA. The SA will keep the list
8 confidential, use it only for the purposes described herein, take adequate safeguards to protect confidential
9 or private information and return or certify the destruction of the information or continued safeguarding
10 of the information upon completion of the Settlement Administration process. The Class Notice will
11 include information on how Class Members may opt-out of or object to the Settlement and a procedure
12 by which a Class Member may challenge the number of Workweeks Worked identified on his/her Class
13 Notice. The Named Plaintiffs will seek approval of language in the Class Notice in the motion for
14 preliminary approval and will seek permission for the Parties in conjunction with the SA to be able to
15 correct immaterial errors on these forms or other mailed materials without approval from the Court,
16 provided the changes do not alter the preliminary approval by the Court. Once the Court approves the
17 Class Notice, the SA will send it to each Class Member and PAGA Members by First-Class U.S. Mail.

18 42. The settlement includes a release of all Released Claims during the Class and PAGA Period
19 by Settlement Class Members employed at any time during the Class and PAGA Period. The July 1, 2021
20 start date of the Class Period was chosen as two years prior to filing of the first class action complaint.
21 The Parties have agreed that the Class Period extended through June 26, 2024, or the date of Preliminary
22 Approval. The July 29, 2022 start date of the PAGA Period was chosen as one year prior to the Plaintiff's
23 submission of his claims to the LWDA.

24 **THE STRENGTH OF PLAINTIFF'S CASE**

25 **IN LIGHT OF THE SETTLEMENT AMOUNT**

26 43. Because the class consists of numerous employees, it was unlikely that the potential
27 monetary claims of individual Class Members would have proved viable without the class-action
28 mechanism. The Joint Stipulation should, thus, be approved in light of two California appellate decisions:

1 *Clark v. American Residential Services, LLC* (2009) 175 Cal.App.4th 785 and *Kullar v. Foot Locker*
2 *Retail, Inc.* (2008) 168 Cal.App.4th 116.

3 44. California courts have unequivocally stated that the “most important factor [in determining
4 whether a settlement is fair and reasonable] is the strength of the case for Plaintiff on the merits, balanced
5 against the amount offered in settlement.” *Clark v. American Residential Services, LLC* (2009) 175
6 Cal.App.4th 785, 799 (citing *Kullar*). Here, Plaintiffs allege that Defendants underpaid their employees,
7 failed to provide required rest periods, failed to reimburse for work-related expenses, failed to maintain
8 required records, failed to properly accrue, compensate, and notify employees of sick days, failed to pay
9 agreed-to or contract wages, and failed to furnish accurate, itemized wage statements, all in violation of
10 California law. Additionally, Plaintiffs allege that, as a consequence of those violations, Defendants also
11 failed to pay overtime wages and minimum wages, failed to timely pay wages, and failed to pay all wages
12 due to discharged and quitting employees. Plaintiffs allege related violations of California’s Business and
13 Professions Code and PAGA Representative Action or Labor Code §§ 2698-2699.5. The merits of
14 Plaintiff’s claims are addressed below.

15 **Claim Alleging a Failure to Provide Required Meal Periods**

16 45. Plaintiff alleges that Defendants failed to provide Plaintiff and class members with meal
17 periods, as required under Cal. Lab. Code §§ 226.7, 512, and IWC Wage Order 9-2001. Pursuant to
18 California law, “No employer shall employ any person for a work period of more than five (5) hours
19 without a meal period of not less than 30 minutes.” Cal. Lab. Code §512(a); IWC Wage Order 9-2001
20 §11(A). Furthermore, for the 30-minute meal period, the employee must be free of all duties. *Id.* If the
21 employee is not relieved of all duty during the meal period, then the meal period shall be considered an
22 “on-duty” meal period and counted as time worked. *Id.* Additionally, “[i]f an employer fails to provide
23 an employee a meal period in accordance with the applicable provisions of this order, the employer shall
24 pay the employee one (1) hour of pay at the employee’s regular rate of compensation for each workday
25 that the meal period is not provided.” IWC Wage Order 9-2001, §11(D).

26 46. After evaluating the information provided to Class Counsel by Defendants, including
27 reviewing and analyzing time records provided for the putative Class Members, the information provided
28 by Defendants disclosed numerous potential violations.

1 47. Defendants denies Plaintiff's allegations and contends that it complied with all meal period
2 laws. If Defendants' contentions are proven true and prevail in trial, the likely outcome of this claim would
3 be no recovery for class members.

4 48. Class Counsel calculated that Defendants' maximum total exposure on the failure to
5 provide required meal periods claim at \$5,326,846.00. This estimate assumes a 95.3% violation rate for
6 each and every shift worked by class members throughout the class period. Class Counsel retained a
7 damages expert to look through the documentation that was available to Class Counsel from the formal
8 and informal discovery that occurred in this case. Based on an analysis of the documents that were
9 provided, Class Counsel estimated a maximum of approximately 13,817 meal break violations occurred
10 during the Class Period. In light of the foregoing analysis however, Class Counsel took into consideration,
11 when assessing damages under this cause of action, the chances of prevailing on the merits and applied
12 appropriate discounts. Defendants denied Plaintiff's allegations and calculations.

13 **Claim Alleging a Failure to Provide Required Rest Periods**

14 49. Plaintiff alleged that Defendants failed to provide all employees with the rest periods, as
15 required under Cal. Lab. Code §§226.7 and 512, and IWC Wage Orders. Under California law, every
16 employer is required to provide employees with rest periods, at the rate of a "ten (10) minutes net rest
17 time per four (4) hours [worked] or major fraction thereof." IWC Wage Order 9-2001 §12(A). Thus,
18 employers must provide employees with a ten-minute rest break for every four hours, or major fraction
19 thereof, that an employee worked. Likewise, employers must provide employees a *second* ten-minute
20 rest-period for each additional 4 hours worked, or major fraction thereof. *Id.* If an employer fails to
21 provide an employee with a required rest period, then the employee is entitled to one additional hour of
22 compensation at the employee's regular rate of pay for each workday that a rest period was not provided.
23 Cal. Lab. Code §226.7(c).

24 50. Plaintiff allege that Defendants did not provide Class Members with all legally required
25 rest periods. Defendants' alleged violation of the rest period law would trigger consequent liability under
26 Cal. Lab. Code Section 226.7 because Defendants failed to pay Plaintiff and Class Members who were
27 not provided with a statutorily required rest period one additional hour of compensation at each
28 employee's regular rate of pay for each workday that a rest period was not provided.

1 51. Defendants denied Plaintiff's allegations. Defendants' position is that it complied with rest
2 period law and its policies include provisions in compliance with California law. If Defendants'
3 contentions are proven true and prevail in trial, the likely outcome of this claim would be no recovery for
4 class members.

5 52. Class Counsel calculated that Defendants' maximum total exposure on the failure to
6 provide required meal periods claim at \$5,607,024.00. This estimate assumes a 100% violation rate for
7 each and every shift worked by class members throughout the class period. Class Counsel retained a
8 damages expert to look through the documentation that was available to Class Counsel from the formal
9 and informal discovery that occurred in this case. Based on an analysis of the documents that were
10 provided, Class Counsel estimated a maximum potential of approximately 133,842 shifts of rest break
11 violations during the Class Period. In light of the foregoing analysis, however, Class Counsel took into
12 consideration, when assessing damages under this cause of action, the chances of prevailing on the merits
13 and applied appropriate discounts. Defendants denied Plaintiff's allegations and calculations.

14 **Claims Alleging Failure to Pay Overtime and Minimum Wages**

15 53. Plaintiff alleged that Defendants failed to pay Plaintiff and other class members' minimum
16 wages and overtime premium wages for all hours worked as a result of a variety of Defendants' company
17 policies and practices, including its policy and practice of rounding hours worked and its policy and
18 practice of auto-deducting "meal period" time from Plaintiff and other class members' daily hours worked
19 regardless of whether a legally compliant meal period was provided. Accordingly, due to Defendants'
20 policies and practices, Plaintiff and other class members were underpaid for some hours, not paid any
21 wages whatsoever for other hours, and not paid minimum wages for all hours worked or overtime wages
22 premium wages for all overtime hours worked.

23 54. Defendants denies Plaintiff's allegations and contends that it complied with all applicable
24 minimum wage laws and regulations and all applicable overtime laws. If Defendants' contentions are
25 proven true and prevail in trial, the likely outcome of this claim would be no recovery for the class
26 members.

27 55. Class Counsel retained a damages expert to look through the documentation that was
28 available to Class Counsel from the formal and informal discovery that occurred in this case. Based on an

1 analysis of the documents that were provided, Class Counsel estimated Defendants' maximum total
2 exposure for failure to pay overtime premium wages at \$2,497,176.00. This estimate assumes
3 approximately 39,556 unpaid overtime hours worked by class members throughout the class period.

4 56. Based on an analysis of the documents that were provided, Class Counsel estimated
5 Defendants' maximum total exposure for failure to pay minimum wages at \$491,600.00. This estimate
6 assumes a weighted average minimum wage of \$38.82/hour.

7 57. In light of the foregoing analysis, however, Class Counsel took into consideration, when
8 assessing damages under these causes of action, the chances of prevailing on the merits and applied
9 appropriate discounts. Defendants denied Plaintiff's allegations and calculations.

10 **Claim Alleging Failure to Pay Timely Wages During Employment**

11 58. Pursuant to California Labor Code Section 204, for all labor performed between the 1st
12 and 15th days of any calendar month, Defendants is required to pay its employees between the 16th and
13 26th day of the month during which labor was performed. California Labor Code Section 204 also
14 provides that for all labor performed between the 16th and 26th days of any calendar month, Defendants
15 is required to pay their employees between the 1st and 15th day of the following calendar month. In
16 addition, California Labor Code Section 204 provides that all wages earned for labor in excess of the
17 normal work period shall be paid no later than the payday of the next regular payroll period.

18 59. Plaintiff alleged that, during the relevant period, Defendants knowingly and willfully failed
19 to pay Plaintiff and class members all wages that they earned when due, as required by California Labor
20 Code Section 204. Accordingly, pursuant to California Labor Code Section 210, failure to pay wages of
21 each employee as provided in California Labor Code Section 204 triggers penalties of: (1) one hundred
22 dollars (\$100.00) for each failure to pay each employee for each initial violation; and (2) two hundred
23 dollars (\$200.00) for each failure to pay each employee, plus twenty-five percent (25%) of the amount
24 unlawfully withheld, for each subsequent violation.

25 60. Furthermore, during the relevant period, Defendants have systematically and knowingly
26 failed to timely pay agreed-to or contract wages to Plaintiff and members of the putative class in violation
27 of California Labor Code sections 200-244.

1 61. Pursuant to California Labor Code section 204, employers are required to pay wages at
2 regular intervals, including hourly, salary, commission, and piece-rate wages, as agreed upon in
3 employment contracts or agreements. Despite the existence of clear and enforceable agreements
4 specifying wages, bonuses, commissions, and other compensation, Defendants have routinely delayed
5 payment beyond the agreed-upon terms. This deliberate and unlawful conduct has resulted in financial
6 hardship and harm to Plaintiff and the putative class, constituting violations of both contractual obligations
7 and statutory requirements under California law.

8 62. Defendants denies Plaintiff's allegations and contends that it complied with all laws
9 regulating the timely payment of wages for employees. If Defendants' contentions are proven true and
10 prevail in trial, the likely outcome of this claim would be no recovery for the class members.

11 **Claim Alleging Failure to Pay All Wages Due to Discharged and Quitting Employees**

12 63. Labor Code Section 203 provides that if an employer willfully fails to pay an employee all
13 wages due at termination or within 72 hours of resignation, then that employee's wages shall continue as
14 a penalty until paid for a period of up to thirty (30) days from the date they were due. Because class
15 members stopped working for Defendants but again were not paid their full compensation for the reasons
16 discussed above, class members did not receive all wages due upon termination of employment.

17 64. Defendants argued that, under Labor Code Section 203, employers are only obligated to
18 pay waiting time penalties if they "willfully" fail to pay wages due and owing at the time of termination
19 or resignation. As Title 8, California Code of Regulations, Section 13520 states:

20 A willful failure to pay wages within the meaning of Labor Code Section 203 occurs
21 when an employer intentionally fails to pay wages to an employee when those wages are
22 due. However, a good faith dispute that any wages are due will preclude imposition of
waiting time penalties under Section 203.

23 A "good faith dispute" that any wages are due occurs when an employer presents a
24 defense, based in law or fact, which, if successful, would preclude any recovery on the
25 part of the employee. The fact that a defense is ultimately unsuccessful will not preclude
26 a finding that a good faith dispute did exist. Defenses presented which, under all the
circumstances, are unsupported by any evidence, are unreasonable, or are presented in
bad faith, will preclude a finding of a "good faith dispute."

27 65. Moreover, during the relevant period, Defendants have systematically and knowingly
28 failed to pay agreed-to or contract wages to Plaintiff and members of the putative class upon discharge or

1 resignation, in violation of California Labor Code sections 200-244. Pursuant to California Labor Code
2 sections 201 and 202, employers are required to promptly pay all wages due to discharged or resigning
3 employees at the time of termination or resignation, including wages, bonuses, commissions, and accrued
4 vacation or other benefits as specified in employment contracts or agreements. Despite the existence of
5 enforceable agreements delineating these compensation terms, Defendants have consistently failed to
6 fulfill their legal obligations, resulting in financial hardship and harm to Plaintiff and the putative class.

7 66. Defendants maintains that because it had viable defenses in both law and fact, waiting time
8 penalties cannot be awarded and, in any case, such penalties are subject to a three (3)-year limitations
9 period under Labor Code Section 203(b). If Defendants' contentions are proven true and prevail in trial,
10 the likely outcome of this claim would be either no recovery for the class members, or a significantly
11 reduced recovery.

12 67. Class Counsel retained a damages expert to look through the documentation that was
13 available to Class Counsel from the formal and informal discovery that occurred in this case. Based on an
14 analysis of the documents that were provided, Class Counsel estimated Defendants' maximum total
15 exposure for waiting time penalties at \$3,305,601.00 based on an estimated 284 Class Members who
16 separated from their employment with Defendants between July 7, 2019 through the date of mediation.
17 In light of the foregoing analysis, however, Class Counsel took into consideration, when assessing
18 damages under this cause of action, the chances of prevailing on the derivative causes of action, as well
19 as the additional hurdles of prevailing under this cause of action, and applied the appropriate discounts.
20 In particular, Plaintiff would have to prove that Defendants' actions were "willful" under the meaning of
21 Labor Code Section 203 to recover this substantial penalty. Defendants denied Plaintiff's allegations and
22 calculations.

23 **Claim Alleging Failure to Maintain Required Records**

24 68. Under California law, specifically California Labor Code Sections 226, 1174 and IWC
25 Wage Orders, employers are required to maintain records for all employees, including, but not limited to,
26 the following records: total daily hours worked by each employee, applicable rates of pay, all deductions,
27 meal periods, time records showing when each employee begins and ends each work period, and accurate
28 itemized statements.

69. Plaintiff allege that Defendants intentionally and willfully failed to maintain these required records.

70. Defendants denies Plaintiff's allegations and contends that it maintained all required records in accordance with California law. If Defendants' contentions are proven true and prevail in trial, the likely outcome of this claim would be no recovery for the class members.

Claim Alleging Failure to Furnish Accurate Itemized Wage Statements

71. Plaintiff also alleged a cause of action under Labor Code Section 226(a). That section states that an employer must provide an accurate itemized wage statement twice a month or each time wages are paid, whichever is more frequent. Pursuant to Section 226(a), a compliant wage statement must include nine (9) specifically enumerated pieces of information. Failure of an employer to provide complete information as required by any one or more of these items will trigger liability for the employer. Cal. Lab. Code § 226(e)(2)(B).

72. An employers' failure to comply with the specific requirements of Section 226(a) entitles employees to recover the greater of all actual damages or fifty dollars (\$50.00) for the initial pay period in which a violation occurs and one hundred dollars (\$100.00) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000.00). Cal. Lab. Code § 226(e).

73. Defendants contends that Labor Code Section 226(e) penalties are not automatic. Rather, the employee must show (1) that he or she "suffered injury" from the employer's failure to provide compliant wage statements, *see Elliot v. Spherion Pacific Work, LLC* (2008) 572 F.Supp.2d 1169, 1181 (applying California law) (holding employee was not entitled to penalties because no injury was shown), and (2) Defendants' noncompliance was "knowing and intentional." Finally, because the damages for this cause of action are penalties, the statute of limitations only runs from one (1) year prior to the filing of the original complaint. *See* Cal. Code Civ. Proc. § 340.

74. Plaintiff argued that the paystubs were facially defective because they failed to provide timely, accurate, and itemized wage statements in writing showing each employee's gross wages earned, total hours worked, all deductions made, net wages earned, the name and address of the employing legal entity and all applicable hourly rates in effect during each pay period and the corresponding number of hours worked at each hourly rate.

75. If Defendants' contentions are proven true and Defendants prevails at trial, the likely outcome of this claim would be no recovery for the class members.

76. Class Counsel estimated Defendants' maximum exposure on this claim at \$2,090,900.00. Plaintiff and an estimated 624 other Class Members worked for Defendants for a total of 21,180 pay periods during the Labor Code Section 226(e) penalty period, accruing on average \$100.00 in violations per pay period. Defendants denied Plaintiff's allegations and calculations.

Claim Alleging Unfair Business Practices

77. Plaintiff pleaded this cause of action in order to augment his other causes of action and aid in their prosecution. Business and Professions Code Section 17208 extends the statute of limitations on Plaintiff's wage claims, which qualify as unfair business practices, to four (4) years rather than the three (3) years provided by statute.

78. Defendants have engaged in unfair and unlawful business practices by systematically and knowingly failing to pay agreed-to or contract wages to Plaintiff and members of the putative class, in violation of California Labor Code sections 200-244 and Bus & Prof. Code §17200, et seq.

79. Pursuant to California Labor Code sections 204, 218.5, and others, employers are required to pay all wages due to employees as agreed upon in employment contracts or agreements, including wages, bonuses, commissions, and other compensation. Despite the existence of clear and enforceable agreements delineating these compensation terms, Defendants have consistently disregarded their legal obligations, causing financial hardship and harm to Plaintiff and the putative class members. This conduct not only constitutes breaches of contractual obligations but also violates the unfair competition provisions under California Business and Professions Code section 17200.

Alleged PAGA Penalties

80. The Labor Code Private Attorneys General Act (“PAGA”), codified at Labor Code Section 2699 *et seq.*, allows Plaintiff to obtain civil penalties on behalf of themselves and other class members for Defendants’ violation of any provision of the Labor Code enumerated by Labor Code Section 2699.5. Where civil penalties are provided for in the statute, those civil penalties are recoverable; where no civil penalties are recoverable, Labor Code Section 2699(f) establishes civil penalties of one hundred dollars (\$100.00) for each aggrieved employee per pay period for the initial violation and two hundred dollars

1 (\$200.00) for each aggrieved employee per pay period for each subsequent violation. Cal. Lab. Code §
2 2699(f)(2). Pursuant to Labor Code Section 2699(i), seventy-five (75) percent of the penalties recovered
3 must be allocated to the Labor and Workforce Development Agency (“LWDA”), with the remaining
4 twenty-five (25) percent allocated to the affected employees. The limitations period for all PAGA
5 penalties is one (1) year prior to the filing of the operative complaint. Defendants’ alleged violations of,
6 *inter alia*, Labor Code Sections 203, 226(a), 226.7, 510 and 1194 all give rise to potential PAGA penalties
7 under Section 2699.

8 81. Defendants have violated California Labor Code sections 200-244 by systematically and
9 knowingly failing to pay agreed-to or contract wages to Plaintiff and members of the putative class.
10 Pursuant to California Labor Code sections 2698-2699.5, also known as the Private Attorneys General
11 Act (PAGA), employees may bring representative actions on behalf of themselves and other aggrieved
12 employees for violations of the Labor Code, including failure to pay wages as agreed upon in employment
13 contracts or agreements. Despite the existence of enforceable agreements delineating wages, bonuses,
14 commissions, and other compensation terms, Defendants have consistently disregarded their legal
15 obligations, causing financial harm to Plaintiff and the putative class members.

16 82. PAGA penalties are not mandatory, but permissive. Labor Code Section 2699(e)(2) states
17 that “a court may award a lesser amount than the maximum civil penalty amount specified by this part if,
18 based on the facts and circumstances of the particular case, to do otherwise would result in an award that
19 is unjust, arbitrary and oppressive, or confiscatory.” *See also Thurman v. Bayshore* (2012) 203 Cal. App.
20 4th 1112 (substantially reducing PAGA penalties by 30% under this provision).

21 83. PAGA penalties are also derivative of Plaintiff’s substantive claims, and accordingly,
22 Plaintiff’s PAGA claims are subject to the same defenses as the underlying claims on which they are
23 based. Finally, following the analysis set forth in *Amaral v. Cintas Corp.* (2008) 163 Cal. App. 4th 1157,
24 it could be argued that PAGA penalties only may be awarded at the rates obtainable for initial violations
25 under the applicable statutes, because Defendants was not notified of the alleged violations. *Id.* at 1208-
26 1209.

27 84. Based on an estimated 536 PAGA Class Members working a total of 20,108 pay periods
28 during the PAGA Period, and conservatively assuming one (1) PAGA-eligible violation is approved by

the Court, Class Counsel's damages expert estimated Defendants' maximum total exposure for PAGA penalties at approximately \$10,530,600.00.

85. After calculating estimated exposure for PAGA penalties, Class Counsel then applied discounts in light of the countervailing arguments with regards to each cause of action, and in light of the Court's power to award a "lesser amount than the maximum civil liability." Based on the totality of that analysis, Class Counsel believes that the contemplated PAGA payment of \$50,000.00 is fair, reasonable and appropriate. Defendants denied Plaintiff's PAGA allegations and estimated penalty calculations.

Summary

86. The foregoing discussion has sought to explain how the settlement amount is adequate in light of the merits of Plaintiff's case, taking into account the legal basis for each of Plaintiff's causes of action, the evidence that Class Counsel gathered in support of those causes of action, and Defendants' legal and factual arguments that worked to derogate from the strength of Plaintiff's case.

87. Class Counsel had to apply appropriate discounts in light of the facts and law as discussed above. Defendants argued several defenses, including that Defendants were complying with all applicable laws, and therefore was not liable to Plaintiff and the class at all. This settlement, like most others, was the product of compromise. Because of these and other risks, a recovery of \$1,250,000.00 under the Joint Stipulation is an excellent result. The proposed settlement before the Court amounts to approximately 5.83% of Defendants' maximum estimated damage exposure for the asserted claims.

THE RISKS, EXPENSE, AND LIKELY DURATION OF FURTHER LITIGATION, AS WELL AS THE RISK OF MAINTAINING CLASS ACTION STATUS THROUGH TRIAL

88. The next *Clark/Kullar* recognized factor in determining whether or not a class action settlement is fair and reasonable takes into consideration the "risks and expenses of attempting to establish and collect on [Plaintiff's] claims by pursuing litigation." *Clark v. American Residential Services, LLC* (2009) 175 Cal. App. 4th 785, 800. Specifically, courts should keep in mind the risks and expenses posed by further litigation, especially in the class-action context, and the risk of non-certification (and decertification), where determining the adequacy of class action settlements.

1 89. Further litigation of this case posed real risks for a number of reasons. First, there were the
2 risks of unfavorable rulings on the merits of the various indeterminate legal issues outlined in the previous
3 section. Almost every cause of action at issue was subject to some unique indeterminacy of its own, and
4 the derivative causes of action were thus subject to a double indeterminacy, both their own and those of
5 the causes of action on which they were based.

6 90. Class Counsel maintained that there were several legal and factual questions at issue in the
7 case that could best be decided on a class wide basis. Class Counsel contended that the same relevant
8 policies and practices applied to all class members and therefore common questions obtained and were
9 likely to predominate over individual inquiries. Defendants disputed these contentions and insisted that
10 the *Brinker* decision called into question the certifiability of cases such as this one. Defendants also argued
11 that its policies were compliant with the law, while Plaintiff disputed that the policies were lawful, and
12 argued the lawfulness of such policies would give rise to common questions amenable to certification.
13 Thus, the parties had set positions on the propriety of certifiability and liability that did not admit of an
14 easy resolution.

15 91. Finally, it is always preferable to reach a relatively early resolution of a dispute because,
16 in addition to what has already been said, such resolutions save time and money that would otherwise go
17 to litigation. Most cases settle sooner or later. If this case ended up settling after further litigation, the
18 settlement amount would have taken into account the additional costs incurred, and there might have been
19 less available for class members. This is not just an abstract contention. The parties were moving into the
20 phase of this litigation where they would have had to conduct further formal discovery and investigation
21 to establish liability for trial. Discovery disputes would have been in the offing. The parties were also
22 aware that a class action trial would be a complicated and expensive proceeding, and then there was the
23 likelihood of a long, drawn-out appeals process. In contrast, the settlement provides real benefits for class
24 members in the immediate future. The benefits are not insignificant for anyone, especially given the
25 current economic climate. Consequently, the risk and expense of further litigation outweighed any benefit
26 that might have been gained otherwise.

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**NOTICE TO AND REACTION OF CLASS MEMBERS
TO THE PROPOSED SETTLEMENT**

92. It is premature to address this factor now, at the preliminary approval stage; however, some observations are in order. First, the notification procedure set forth in the Joint Stipulation provides the greatest likelihood that each and every class member will receive the Class Notice (the “Notice”), attached to the Joint Stipulation as **Exhibit A**. Under the Joint Stipulation, the Settlement Administrator, within fourteen (14) days of receiving the Class List and Data from Defendants, will mail the Notice to the Settlement Class Members, by First Class United States mail, in both English and Spanish.

93. The Settlement Administrator shall use standard devices, including a skip trace, to obtain forwarding addresses of any Settlement Class Member, if any envelopes with Notices are returned. The Settlement Administrator will take reasonable steps to ensure that the Notice is sent to all Settlement Class Members and for any returned notices, the Settlement Administrator will re-mail a new Notice to any Class Member for whom an updated address is located. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address by lawful use of skip-tracing or other searching using the name, address and/or Social Security number of the Settlement Class Member involved, and shall then perform a re-mailing, if another mailing address is identified by the Settlement Administrator. Most, if not all, class members thus are likely to receive the Notice Packet.

94. The Notice itself fully apprises class members of the nature of the lawsuit, the claims involved, the terms of the settlement, and their options and rights thereunder. The Notice provides a specific procedure for seeking exclusion from the Class and for lodging objections to the settlement. In the Notice, class members also will receive Class Counsel’s contact information, so that Class Members can speak to attorneys conversant with the legal and factual issues involved in this case. These efforts will be taken to ensure that class members receive the Class Notice and are well informed about the settlement, and to enable a favorable response rate.

95. All class members will benefit because Defendants who have been sued are generally more likely to comply with the law in the future. Settlement Class Members will have the opportunity, should they disagree with their number of individual Qualifying Workweeks and/or the date of their separation from Defendants’ employment stated in their individualized Notice, to provide documentation and/or an

1 explanation to show contrary Qualifying Workweeks and/or a corrected date of separation from
2 Defendants' employment. If there is a dispute, the Settlement Administrator will consult with the Parties
3 to determine whether an adjustment is warranted, and Defendants shall provide any documentation it has
4 to support its position. The Settlement Administrator shall determine the eligibility for, and the amounts
5 of, any Individual Settlement Payments and/or PAGA Payments, and the Settlement Administrator's
6 determination as to these issues shall be binding upon the Settlement Class Member and the Parties. Any
7 disputes not resolved by the Settlement Administrator concerning the administration of the Settlement will
8 be resolved by the Court under the laws of the State of California. Prior to any such involvement of the
9 Court, counsel for the Parties will confer in good faith to attempt to resolve the disputes without the
10 necessity of involving the Court.

11 96. Class Members who wish to exclude themselves from this Settlement must submit a written
12 Request for Exclusion to the Settlement Administrator within sixty (60) days after the date the Notice was
13 first mailed (or an additional 14 days after the Notice in the case of re-mailing) (the "Response Deadline").
14 The Settlement Administrator shall use standard devices, including a skip trace, to obtain forwarding
15 addresses of any Settlement Class Member, if any envelopes with Notices are returned. The Settlement
16 Administrator will take reasonable steps to ensure that the Notice is sent to all Settlement Class Members
17 and for any returned notices, the Settlement Administrator will re-mail a new Notice to any Class Member
18 for whom an updated address is located. If no forwarding address is provided, the Settlement
19 Administrator shall promptly attempt to determine a correct address by lawful use of skip-tracing, or other
20 search using the name, address and/or Social Security number of the Settlement Class Member involved,
21 and shall then perform a re-mailing, if another mailing address is identified by the Settlement
22 Administrator. In the event that another mailing address is identified, the Settlement Administrator shall
23 re-mail a new copy of the Notice within seven (7) calendar days of the date a Notice is returned as
24 undeliverable. With the exception of PAGA Class Members, who will receive their share of the PAGA
25 Payment and be bound by the Joint Stipulation's release of any and all claims under the PAGA regardless
26 of their opt-out status, any Settlement Class Member who timely requests exclusion will not be entitled to
27 any recovery under the settlement and will not be bound by the terms of the settlement or have any right
28 to object, appeal or comment thereon. Any written request to opt-out must be signed by each such person

1 opting out. All Class Members who do not timely and properly notify the Claims Administrator of their
2 desire to opt-out of the Settlement shall become bound by all determinations of the Court, the Stipulation
3 and Judgment.

4 97. The Notice shall state that Settlement Class Members who wish to object to the Settlement
5 must mail, fax or email their written statement of objection to the Settlement Administrator (“Opt-Out
6 Request or “Objection”) by the Response Deadline. The date on the proof of service or time stamp shall
7 be deemed the exclusive means for determining that an Opt-Out Request was served timely. The Opt-Out
8 Request must be signed by the Settlement Class Member and include full name of the Settlement Class
9 Member; the dates of employment of the Settlement Class Member; a clear and concise statement of the
10 basis for each specific objection and any accompanying legal support therefor; and whether the Settlement
11 Class Member intends to appear at the Final Approval/Settlement Fairness Hearing. However, The
12 Administrator may not reject a Request for Exclusion as invalid merely because it fails to contain all the
13 information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as
14 valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the
15 Class Member’s desire to be excluded. The Administrator’s determination shall be final and not
16 appealable. If the Administrator has reason to question the authenticity of a Request for Exclusion, the
17 Administrator may demand additional proof of the Class Member’s identity. The Administrator’s
18 determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.
19 Settlement Class Members who submit a timely Opt-Out Request prior to the Response Deadline will
20 have a right to appear at the Final Approval/Settlement Fairness Hearing in order to have their objections
21 heard by the Court. The Court will hear from any Class Member who attends the Final Approval Hearing
22 and asks to speak regarding his or her objection without the need to file a written objection or notice of
23 appearance. At no time shall any of the Parties or their counsel seek to solicit Settlement Class Members
24 to file or serve written objections to the Settlement or appeal from the Order and Final Judgment.
25 Settlement Class Members who submit a Request for Exclusion are not entitled to object to the Settlement.

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1 In sum, this case claimed a significant portion of Class Counsel's time and attention throughout its
2 pendency.

3 101. The requested fee is reasonable for the services provided to class members and for the
4 benefits they are to receive. Indeed, even with a modest multiplier under the lodestar theory, *see Bihun v.*
5 *AT&T Information System* (1993) 13 Cal.App.4th 976, 997, Class Counsel's fees would still be justified.
6 Class Counsel will more fully brief the Court on its lodestar in the motion for final approval, if necessary.

7 **CLASS REPRESENTATIVE SERVICE PAYMENTS TO PLAINTIFFS AS THE**
8 **CLASS REPRESENTATIVES**

9 102. Plaintiffs herein are entitled to a reasonable service payment for their effort and initiative
10 in bringing and helping to prosecute this action. Plaintiffs spent a considerable amount of time better
11 apprising themselves of their rights, deciding whether remedial action should be taken and how it should
12 be taken, searching for attorneys, and finally contacting Class Counsel, who spent many hours with
13 Plaintiffs discussing their case and the applicable law. In the end, Plaintiffs decided to vindicate not only
14 their own rights but also those of their co-workers by filing a class action lawsuit.

15 103. The courage it took to stand up to Defendants in this way should not be underestimated.
16 By suing Defendants, Plaintiffs increased their risk of retaliation by prospective employers. Plaintiffs'
17 lawsuit has now cost Defendants considerable resources, and Plaintiffs contend such conduct will not be
18 lost on a prospective employer who has to choose between an applicant who has never sued a prior
19 employer and one who has. Plaintiffs contend this risk is particularly real in the information age, where
20 employers can more easily than ever perform background checks of prospective employees, sometimes
21 with the stroke of a key.

22 104. Plaintiffs did not allow their fears of the potential repercussions of being a class
23 representative deter them from acting for the benefit of Class Members. To the contrary, Plaintiffs have
24 been intimately involved in this case since its inception. He has devoted a substantial amount of time to
25 helping Class Counsel effectively develop and prosecute this action at every stage of the litigation. Both
26 before and after the filing of this lawsuit, Plaintiffs conferred with Class Counsel on numerous occasions
27 to discuss every aspect of this case, provided Class Counsel with information about Defendants and about
28 the industry generally, reviewed documents, identified witnesses, consulted Class Counsel throughout the

1 litigation repeatedly and at length, participated in the mediation process, monitored the progress of the
2 litigation with Class Counsel, and reviewed and signed the Joint Stipulation.

3 105. Plaintiffs have spent a significant amount of time with Class Counsel detailing their
4 knowledge of Defendants' practices and helping Class Counsel with the prosecution of this action.
5 Plaintiffs have diligently, adequately, and fairly represented class members, and has not placed their
6 interests above any member of the putative class. The service payment to Plaintiffs are intended to
7 recognize their time and effort on behalf of the class. The amount requested is fair and appropriate based
8 on their contribution to and involvement in this action. For example, Plaintiffs instigated the lawsuit by
9 bringing these violations to the attention of Class Counsel. They spent several hours answering questions
10 and providing information to Class Counsel throughout the pendency of this action. Plaintiffs identified
11 witnesses, explained to Class Counsel Defendants' day-to-day business practices, etc. The parties are in
12 agreement that Plaintiffs are entitled to a class representative incentive award for their time and effort in
13 this matter. This sort of payment to a class representative has been a common feature of settlements
14 negotiated by Class Counsel and has been routinely approved by trial courts.

15 106. In light of the foregoing, Class Counsel believes that the Class Representative Service
16 Payment in the amount of \$10,000.00 for each Plaintiff is fair and reasonable. This amount is orders of
17 magnitude lower than the \$50,000.00 in class representative incentive awards to the two named Plaintiff
18 approved by the trial court in *Clark*. See *Clark, supra*, 175 Cal.App.4th at 807. Although Class Counsel
19 appreciate that the Court has a duty to ensure that class representatives are not overcompensated at the
20 expense of the class, modest incentive awards in employment class actions, such as the one here, are
21 necessary not only to compensate class representatives for the time they spend in the case, but also, and
22 more importantly, to encourage aggrieved employees to challenge questionable employment practices
23 notwithstanding the very real consequences they may face.

24 **CRITERIA SATISFIED FOR CERTIFICATION OF A SETTLEMENT CLASS**

25 107. The proposed class satisfies the criteria for certification of a settlement class under
26 California law, as embodied in California Code of Civil Procedure Section 382. Defendants has agreed to
27 the certification of the class for settlement purposes only. In general, courts may take a proposed settlement
28 into account in evaluating the propriety of class certification. See *Dunk v. Ford Motor Co.* (1996) 48 Cal.

1 App. 4th 1794, 1807 fn. 19. Indeed, a “lesser standard” of scrutiny applies in certifying classes for
2 settlement purposes. *Id.* Therefore, the Court should take into consideration the fact that the parties have
3 settled their claims and stipulated to certification for settlement purposes when assessing typicality and
4 adequacy.

5 a. Numerosity. The putative class is so numerous that joinder of all members is impractical.
6 The class is defined as all current and former employees of Defendants who are employed or have been
7 employed as an hourly, non-exempt employee by Defendants in the State of California during the Class
8 Period. There are an estimated 624 persons fitting this definition. Thus, there are a sufficient number of
9 class members to warrant certifying this as a class action for settlement purposes. The number of Class
10 Members was determined by reference to the records and documents produced by Defendants.

11 b. Ascertainability. The putative class is defined in a manner that is precise, objective, and
12 ascertainable. It consists of all current and former employees of Defendants who were classified as hourly,
13 non-exempt employees in the State of California from July 1, 2021 through June 26, 2024.

14 c. Typicality. A class representative’s claims are typical when they arise from the same event,
15 practice, or course of conduct that gives rise to the claims of other putative class members, and if their
16 claims rest on the same legal theories. The class representative’s claims must be “typical,” but not
17 necessarily identical to the claims of other class members. *See B.W.I. Custom Kitchens v. Owens-Illinois,*
18 *Inc.* (1987) 191 Cal.App.3d 1341, 1347 (“[I]t has never been the law in California that the class
19 representative must have identical interests with the class members.”). It is sufficient that the
20 representative is similarly situated so that he or she will have the motive to litigate on behalf of all class
21 members. *See Classen v. Weller* (1983) 145 Cal.App.3d 27, 47. Thus, it is not necessary that the class
22 representative should have personally incurred all of the damages suffered by each of the other class
23 members. *See Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 228.

24 Plaintiffs’ claims are typical of the other class members’ claims because they arose from the same
25 factual basis and are based on the same legal theories. Plaintiffs were employed as hourly, non-exempt
26 employee during the Class Period and subject to the allegedly unlawful pay practices at issue in this
27 litigation. Accordingly, Plaintiffs are a member of the class. The central issues of this litigation (employees
28 were underpaid because they were not paid for all hours worked, were not provided meal and rest break

premiums, and related wage and hour claims) would arise if this were an individual action brought by Plaintiff, the same issues apply to the other class members as well, and the resolution of those common issues would determine Defendants' liability to Plaintiffs and liability to the entire putative class. As noted in the operative Complaint, Plaintiffs contend that Defendants did not compensate employees for all hours worked, thus not paying employees all minimum wages and overtime due. Plaintiffs further contend that Defendants did not pay employees meal and rest break premiums, and that Defendants failed to issue lawful wage statements to all employees. Thus, Plaintiffs' claims are typical of the claims of the putative class. Accordingly, the typicality requirement is satisfied.

d. Adequacy. A class representative must possess the same interest and suffer the same injury as the class members. "To assure 'adequate' representation, the class representative's personal claim must not be inconsistent with the claims of other members of the class." *J.P. Morgan & Co., Inc. v. Superior Ct. (Heliotrope General, Inc.)* (2003) 113 Cal.App.4th 195, 212. Thus, the adequacy requirement is satisfied when the class representative's interests are not antagonistic to those of the class. *See McGhee v. Crocker-Citizens Nat. Bank* (1976) 60 Cal.App.3d 442, 451.

Plaintiffs have no conflicts with the class, and in fact, Plaintiffs' interests are aligned with those of the class. Because Plaintiffs' claims are identical to those that would be asserted by the unnamed class members were they before the Court, Plaintiffs have every interest in zealously representing the unnamed class members. Plaintiffs have not shrunk from this responsibility. Indeed, Plaintiffs have devoted a substantial amount of time and energy to litigating this action and effecting a settlement. Furthermore, as detailed above, Class Counsel are experienced in wage-and-hour litigation, especially class actions, and have zealously represented the interests of the class in litigating this case. Accordingly, the adequacy requirement is satisfied.

e. Commonality. Common questions of law or fact in this case predominate over individual questions. This action involves, *inter alia*, a determination about Defendants' failure to pay all wages due to employees, the resulting failure to pay final wages when required, the failure to provide accurate paystubs, failure to pay timely wages, failure to maintain records, and largely derivative claims under the Business & Professions Code and the PAGA. Plaintiff contends these practices affected class members in the same way. All class members were employed during the Class Period. Therefore, the operative

1 complaint delineates a common course of conduct applicable to all Class Members. Therefore, based on
2 Class Counsel's investigation, the review of the discovery produced by Defendants, and their discussions
3 with Plaintiffs, Plaintiffs contend the evidence supports their position that the employment practices and
4 policies of Defendants' business are consistent and uniform.

5 f. Predominance. Individualized issues do not predominate over the issues of law and fact
6 that are common to the class as a whole. The principal issues of controversy are whether Class Members
7 were paid for all hours worked, whether Defendants failed to provide Class Members with required meal
8 and rest breaks, and whether Defendants failed to keep required records, provide accurate wage
9 statements, or timely pay employees during and after employment. As explained above, there are common
10 issues of law and fact given that Plaintiff sand all Class Members were subjected to the same policies and
11 pay practices during the relevant time period. Plaintiffs and Class Members all seek unpaid wages and
12 overtime and penalties for failure to timely pay during and after employment. These issues are suitable
13 for common adjudication because all Class Members were subject to the same employment policies
14 throughout the Class Period and Plaintiffs contend the practices applied uniformly to all Class Members.

15 g. Superiority. Class resolution is superior to other available methods for the fair and efficient
16 adjudication of the controversy. There is little interest or incentive for Class Members to individually
17 control the prosecution of separate actions. Although the injury resulting from Defendants' policies and
18 practices is real and significant, the cost of individually litigating each such case against Defendants would
19 easily exceed the value of any relief that could be obtained by any one Class Member individually. If
20 Class Members are forced to litigate their claims individually, this would result in as many as 624
21 individual actions against Defendants. Here, the alternative methods of resolution are individual suits for
22 relatively small amounts. Hence, an individual suit would prove uneconomical for potential Plaintiffs
23 because litigation costs would dwarf a potential individual recovery.

24 h. Except for Plaintiffs Burk, Santi, and Fox's Actions, Plaintiffs are unaware of any other
25 class actions by Class members against Defendants asserting similar claims as here.
26 Furthermore, Santa Clara County is a compelling forum for this action given that
27 Defendants' have office location in Santa Clara County and numerous Class Members
28 work in this County.

1 i. There are no serious manageability difficulties presented by preliminarily approving the
2 case for settlement purposes. As this case will not go to trial if finally approved, all that would remain is
3 claims administration and responding to possible objectors.
4

5 I declare under penalty of perjury under the laws of the State of California that the foregoing is
6 true and correct. Executed this 24th day of September, 2024, at Santa Monica, California.
7

8 
9 By: _____
10 Danny Yadidsion
11 Attorney for Plaintiff Patrick Burk, individually,
12 and as a representative for aggrieved employees,
13 and on behalf of the putative class
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EXHIBIT 1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiffs Rustin Fox, Gabriele Santi, and Patrick Burk (“Plaintiffs”) and defendants Crisis24, Inc. and Crisis24 Protective Solutions, LP (“Defendants”). The Agreement refers to Plaintiffs and Defendants collectively as the “Parties,” or individually as a “Party.”

1. DEFINITIONS

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

- 1.1. “Actions” means the lawsuit alleging wage and hour violations against Defendants captioned *Patrick Burk v. Crisis24, Inc., et al.*, Case No. 2:23-cv-05929, initiated on July 20, 2023, and pending in Central District of California; the lawsuit alleging wage and hour violations against Defendants captioned *Fox, et al. v. Crisis24 Protective Solutions, LP, et al.*, Case No. 23CV418864, initiated on July 7, 2023, and pending in the Superior Court of California, County of Santa Clara; and the lawsuit alleging wage and hour violations against Defendants captioned *Fox, et al. v. Crisis24 Protective Solutions, LP, et al.*, Case No. CGC-23-609447, initiated on October 2, 2023, and pending in the Superior Court of California, County of San Francisco.
- 1.2. “Administrator” means Apex Class Action, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval.
- 1.4. “Aggrieved Employees” means all non-exempt employees who worked for Defendants in the State of California at any time during the PAGA Period.
- 1.5. “Class” means all individuals who are or previously were (a) employed by Defendants in the State of California at any time during the Class Period, and (b) classified as non-exempt (i.e., hourly) employees.
- 1.6. “Class Counsel” means Norman B. Blumenthal, Kyle R. Nordrehaug, and Aparajit Bhowmik of Blumenthal Nordrehaug Bhowmik De Blouw LLP and Danny Yadidsion and Noël Harlow of Labor Law PC.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts to be paid to Class Counsel for fees and expenses, respectively, as

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approved by the Court, to compensate Class Counsel for their legal work in connection with the Action, including their pre-filing investigation, their filing of the Action, all related litigation activities, all Settlement work, all post-Settlement compliance procedures, and related litigation expenses billed in connection with the Action.

- 1.8. “Class Data” means Class Member identifying information in Defendants’ possession including the Class Member’s name, last-known mailing address, Social Security number, email address (if known and available to Defendant), and number of Workweeks and PAGA Pay Periods.
- 1.9. “Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members by use of available email addresses, phone numbers, social security numbers, credit reports, LinkedIn and Facebook.
- 1.11. “Class Notice” means the Court approved notice of class action settlement and hearing date for final court approval, to be mailed to Class Members in English with a Spanish translation, in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. “Class Notice Packet” means the Class Notice to be provided to the Class Members by the Administrator in the form set forth as Exhibit A to this Agreement (other than formatting changes to facilitate printing by the Administrator).
- 1.13. “Class Period” means the period of time from July 1, 2021 to the earlier of June 26, 2024, or the date of Preliminary Approval.
- 1.14. “Class Representatives” means Plaintiffs Rustin Fox, Gabriele Santi, and Patrick Burk.
- 1.15. “Class Representative Service Payment” means the service payment made to each of the Plaintiffs as Class Representatives in order to compensate them for initiating the Actions, performing work in support of the Actions, undertaking the risk of liability for Defendants’ expenses, and for the general release of all claims by Plaintiffs Fox and Santi.
- 1.16. “Court” means the Superior Court of California, County of Santa Clara.

- 1.17. “Defendants” means Crisis24, Inc. and Crisis24 Protective Solutions, LP.
- 1.18. “Defense Counsel means Malcolm A. Heinicke and Joseph D. Lee of Munger, Tolles & Olson LLP.
- 1.19. “Effective Date” means the date by when both of the following have occurred (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) the day after the deadline for filing a notice of appeal from the Judgment, if no appeal is filed; or (b) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.20. “Final Approval” means the Court’s order granting final approval of the Settlement substantially in the form attached hereto as Exhibit C to this Agreement and incorporated by reference into this Agreement.
- 1.21. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement to determine whether to approve finally and implement the terms of this Agreement and enter the Judgment.
- 1.22. “Gross Settlement Amount” means One Million Two Hundred Fifty Thousand Dollars and zero cents (\$1,250,000.00) which is the total amount to be paid by Defendants as provided by this Agreement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payments and the Administrator’s Expenses. This Gross Settlement Amount is an all-in amount without any reversion to Defendants, and excludes any employer payroll taxes, if any, due on the portion of the Individual Class Payments allocated to wages which shall not be paid from the Gross Settlement and shall be the separate additional obligation of Defendants.
- 1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.
- 1.25. “Judgment” means the judgment entered by the Court based upon Final Approval substantially in the form attached hereto as Exhibit C to this Agreement and incorporated by reference into this Agreement.

- 1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency so entitled under Labor Code section 2699, subd. (i).
- 1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The Net Settlement Amount is to be paid to Participating Class Members as Individual Class Payments.
- 1.29. “Non-Participating Class Member” means a Class Member who opts out of the Class Settlement by submitting a valid and timely Request for Exclusion to the Administrator.
- 1.30. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.31. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.
- 1.32. “PAGA Period” means the period of time from July 29, 2022 to the earlier of June 26, 2024, or the date of Preliminary Approval.
- 1.33. “PAGA Notices” means Rustin Fox and Gabriele Santi’s May 30, 2023 letter to Defendants and the LWDA and Patrick Burk’s July 27, 2023 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.34. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount in settlement of PAGA claims and totaling fifty thousand dollars (\$50,000), allocated 25% to the Aggrieved Employees (\$12,500) and the 75% to LWDA (\$37,500).
- 1.35. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion.
- 1.36. “Plaintiffs” means Patrick Burk, Rustin Fox and Gabriele Santi, the named plaintiffs in the Actions.
- 1.37. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement, substantially in the form attached hereto as Exhibit B to this Agreement and incorporated by this reference herein.

1.38. “Released Class Claims” means all claims that were alleged, or reasonably could have been alleged based on the facts stated in the Operative Complaint, which occurred during the Class Period. Except as expressly set forth in this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period. The Released Class Claims shall specifically include all claims for the following alleged California Labor Code violations, including claims under Labor Code sections 201 to 204, 210, 218, 221, 223, 226, 226.2, 226.7, 227.3, 233, 246, 246.5, 510, 512, 1174, 1194, 1194.2, 1197, 1197.1, and 2802 and the following claims: (i) failure to provide meal periods, including claims under Labor Code section 226.7; (ii) failure to provide rest periods, including claims under Labor Code section 226.7; (iii) any associated failure to pay regular wages, minimum wages, overtime wages, or premiums for meal periods or rest breaks; (iv) failure to pay any and all regular or premium wages, as defined in California Labor code section 200, including claims for regular, vacation or premium wages and any claims relating to calculation of overtime due for employees with multiple regular rates during a particular pay period; (v) failure to pay minimum wages; (vi) failure to pay all wages due to discharged or quitting employees, including vacation or PTO claimed to have accrued or otherwise be due; (vii) failure to furnish accurate itemized wage statements; (viii) failure to pay timely pay wages during employment; (ix) failure to reimburse for necessary expenses, including without limitation expenses relating to personal phones and uniforms; (x) failure to pay any wages or premiums at the correct regular rate of pay, including as a result of incentive compensation or bonuses (xii) failure to pay sick wages at the correct regular rate of pay.

1.39. “Released PAGA Claims” means all claims for PAGA penalties that were alleged, or reasonably could have been alleged based on the facts stated in the Operative Complaint and the PAGA Notices, which occurred during the PAGA Period. The Released PAGA Claims do not include other PAGA claims, underlying wage and hour claims, claims for wrongful termination, discrimination, unemployment insurance, disability and worker’s compensation, and claims outside of the PAGA Period. The Released PAGA claims include any claims accruing during the PAGA Period for alleged violations of California Labor Code sections 201, 201.3, 201.5, 201.6, 201.7, 201.8, 201.9, 202, 203, 204 et seq., 210, 216, 218, 221, 223, 225.5, 226, 226(a), 226(e), 226.2, 226.3, 226.7, 227.3, 233, 246, 256, 510, 512, 558, 558(a)(1)(2), 1174, 1174.5, 1175, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2699, 2802, and California Code of Regulations, Title 8, Section 11040, Subdivisions 5(A)-(B), California Code of Regulations, Title 8, Section 11070(14), Wage Order 4-2001 section 14, and the applicable wage orders. The released PAGA claims include any claims for PAGA penalties based on any of the foregoing claims (i.e., claims listed in (i) through (xii) in Section 1.39, above) or that were pled or could have been pled based on the facts alleged in the Operative Complaint and PAGA Notices that

occurred during the PAGA Period, as well as any claim for failure to provide suitable seating.

- 1.40. “Released Parties” means: Defendants and any of their predecessors and successors, corporate parents, corporate subsidiaries, corporate affiliates (including, without limitation, Garda USA Inc.), and all of their and those entities’ current and former officers, owners, directors, managing agents, members, shareholders, assigns, employees, agents, principals, heirs, representatives, attorneys, accountants, auditors, consultants, insurers and reinsurers.
- 1.41. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.42. “Response Deadline” means sixty (60) calendar days after the date the Administrator first mails the Class Notice Packet to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) submit Requests for Exclusion from the Settlement, or (b) submit his or her Objection to the Settlement. Class Members to whom Class Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.43. “Settlement” means the disposition of the Actions and all related claims effectuated by this Agreement and the Judgment.
- 1.44. “Workweek” means any week during the Class Period in which a Class Member worked for Defendants as a non-exempt employee for at least one day.

2. RECITALS

- 2.1. On June 20, 2023, plaintiff Patrick Burk commenced an action by filing a complaint against Defendants in the Superior Court of California, County of Los Angeles (“Burk Lawsuit”). This complaint alleged claims that Defendant:
- (a) Failed to pay wages for all hours worked (California Lab. Code §§ 1194 and 1197);
 - (b) Failed to pay overtime wages (California Lab. Code §§ 510 and 1194);
 - (c) Failed to provide meal periods (California Lab. Code §§ 512 and 226.7);
 - (d) Failed to provide rest periods (California Lab. Code § 226.7);
 - (e) Failed to furnish timely and accurate wage statements (California Lab. Code § 226);
 - (f) Failed to pay all compensation due upon discharge (California Lab. Code §§ 201, 202, and 203); and,
 - (g) Violated California Business and Professions Code § 17200 et seq.;

- 2.2. On July 24, 2023, Defendants removed the Burk Lawsuit to the Central District of

California.

2.3. On October 30, 2023, plaintiff Patrick Burk filed a First Amended Complaint in the Burk Lawsuit adding a cause of action for violation of the Private Attorney General Act, Cal. Labor Code §§ 2698, et seq. (“PAGA”).

2.4. On July 7, 2023, plaintiffs Rustin Fox and Gabriele Santi commenced an action by filing a complaint against Defendants in the Superior Court of the State of California, County of Santa Clara (“Fox-Santi Class Lawsuit”). This complaint alleged claims that Defendant:

- (a) Violated California Business and Professions Code § 17200 et seq.;
- (b) Failed to pay minimum wages in violation of California Labor Code §§ 1194, 1197 & 1197.1;
- (c) Failed to pay overtime wages in violation of California Labor Code § 510, et seq.;
- (d) Failed to provide required meal periods in violation of California Labor Code §§ 226.7 & 512 and the applicable IWC Wage Order;
- (e) Failed to provide required rest periods in violation of California Labor Code §§ 226.7 & 512 and the applicable IWC Wage Order;
- (f) Failed to reimburse employees for required expenses in violation of California Labor Code § 2802.
- (g) Failed to provide accurate itemized wage statements in violation of California Labor Code § 226;
- (h) Failed to provide wages when due in violation of California Labor Code §§ 201, 202 and 203;
- (i) Failed to pay sick pay wages in violation of California Labor Code §§ 201-204, 233, 246;
- (j) Violated the California Fair Employment and Housing Act (“FEHA”) by engaging in discrimination and retaliation;
- (k) Failed to provide reasonable accommodation in violation of Cal. Gov. Code § 12940(m); and,
- (l) Wrongfully terminated plaintiffs Fox and Santi in violation of Public Policy.

2.5. On October 3, 2023, plaintiffs Rustin Fox and Gabriele Santi commenced an action by filing a complaint against Defendants in the Superior Court of California, County of San Francisco (“Fox-Santi PAGA Lawsuit”). This complaint asserted a cause of action seeking Civil Penalties pursuant to California Labor Code § 2699, et seq. for violations of Labor Code §§ 201, 202, 203, 204 et seq., 210, 218, 221, 226(a), 226.7, 227.3, 246, 510, 512, 558(a)(1)(2), 1194, 1197, 1197.1, 1198, 2802, California Code of Regulations, Title 8, Section 11040, Subdivision 5(A)-(B), California Code of Regulations, Title 8, Section 11070(14) (Failure to Provide Seating), and the applicable Wage Order(s).

- 2.6. On March 26, 2024, the Parties participated in an all-day mediation presided over by Tripper Ortman, a respected mediator of wage and hour representative and class actions. Following the mediation, each side, represented by its respective counsel, was able to agree to settle the Actions, which agreement was memorialized in the form of a Memorandum of Understanding. Pursuant to the Memorandum of Understanding, plaintiffs Rustin Fox and Gabriele Santi executed individual agreements that provide for a general release of any individual claims against Defendants. This Agreement replaces and supersedes the Memorandum of Understanding and any other agreements, understandings, or representations between the Parties, but this Agreement does not supersede, replace, or affect the separate executed individual agreements between plaintiffs Fox and Santi and Defendants.
- 2.7. Prior to mediation, Plaintiffs obtained sufficient documents and information to sufficiently investigate the claims such that Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129–30 (“*Dunk/Kullar*”).
- 2.8. On July 26, 2024, the Parties filed a Stipulation for Leave to File a First Amended Complaint in the Fox-Santi Class Lawsuit. The First Amended Complaint in the Fox-Santi Class Lawsuit (the “Operative Complaint”) adds the plaintiffs and causes of action alleged in the Burk Lawsuit and Fox-Santi PAGA Lawsuit. On July 31, 2024, the Court granted the stipulation, and the Operative Complaint was filed on July 31, 2024.
- 2.9. Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint, and deny any and all liability for the causes of action alleged.
- 2.10. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendants that the claims in the Actions of Plaintiffs or the Class have merit or that Defendants bear any liability to Plaintiffs or the Class on those claims or any other claims, or as an admission by Plaintiffs that Defendants' defenses in the Actions have merit. The Parties agree to certification of the Class for purposes of this Settlement only. If for any reason the settlement does not become effective, Defendants reserve the right to contest certification of any class for any reason and reserves all available defenses to the claims in the Actions. Nothing in this Agreement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of the Lawsuits, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding as, evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Failure of the court to approve the Settlement shall render the Settlement void, and the

Parties shall return to litigation in the Lawsuits as if this Agreement had not been reached. Without limiting the generality of the foregoing, in the event of such further litigation both sides fully preserve their contentions with respect to whether the Actions can properly proceed on a class or representative basis, and Defendants will not be deemed, by entry into this Agreement, to have waived or limited any defense to class, collective, or representative action treatment. Neither this Agreement nor any resulting court order(s) approving the Settlement shall have any collateral estoppel or other preclusive effect against Defendants, and it shall not in any way establish any liability against Defendants. Plaintiffs and their counsel agree that there shall be no such effect and that they shall not contend otherwise. Notwithstanding the foregoing, (i) this Agreement may be used in any proceeding in the court that has as its purpose the interpretation, implementation, or enforcement of the Settlement or any court orders or judgments entered in connection therewith, and (ii) Defendants may introduce the Settlement as a defense in the event of other or further litigation that seeks to assert any of the claims released by this Agreement.

- 2.11. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendants promise to pay One Million Two Hundred Fifty Thousand Dollars and zero cents (\$1,250,000.00) and no more as the Gross Settlement Amount. This amount is all-inclusive of all payments contemplated in this Settlement, excluding any employer-side payroll taxes on the portion of the Individual Class Payments allocated to wages, which shall be separately paid by Defendants to the Administrator. Under no circumstances, except as provided by Paragraph 9, shall Defendants be obligated by this Agreement to pay any more than the sum of the Gross Settlement Amount and any applicable employer-side payroll taxes. Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. Subject to the terms and conditions of this Agreement, the Administrator will make the following payments out of the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval.
- (a) To Plaintiffs: Class Representative Service Payments to the Class Representatives of not more than ten thousand dollars and zero cents (\$10,000.00) each (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as a Participating Class Member or an Aggrieved Employee). Defendants will not oppose Plaintiffs' request for the Class

Representative Service Payments that do not exceed this amount, which Plaintiffs will include as part of the Motions for Preliminary and Final Approval. If the Court approves Class Representative Service Payments less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount for distribution to Participating Class Members. The Administrator will pay the Class Representative Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for any taxes owed on the Class Representative Service Payments.

- (b) To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3) of the Gross Settlement Amount, which is currently estimated to be four hundred sixteen thousand, six hundred sixty-six dollars and sixty-seven cents (\$416,666.67), and a Class Counsel Litigation Expenses Payment of not more than \$30,000. Defendants will not oppose requests for these payments provided that do not exceed these amounts. Plaintiffs and/or Class Counsel will include in the Motions for Preliminary and Final Approval a request for Class Counsel Fees Payment and Class Litigation Expenses Payment. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount for distribution to Participating Class Members. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assume full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and hold Defendants harmless, and indemnify Defendant, from any dispute or controversy regarding any division or sharing of any of these payments as between Nordrehaug Bhowmik De Blouw LLP and Labor Law PC. The payment of the Class Counsel Fees Payment shall be made as follows: 50% to Blumenthal Nordrehaug Bhowmik De Blouw LLP and 50% to Labor Law PC. Payment of Class Counsel Litigation Expenses Payment shall be made to the firm that incurred the expenses, and Class Counsel shall provide a report to the Administrator as to the allocation of such expenses between the two law firms, at least 7 days prior to any due date for payment of such expenses.
- (c) To the Administrator: An Administration Expenses Payment not to exceed \$14,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses Payment is less or the Court approves payment less than \$14,000, the Administrator will allocate the remainder to the Net Settlement Amount for distribution to Participating Class Members.
- (d) To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$50,000 shall be paid from the Gross Settlement Amount, with 75% (\$37,500) allocated to the

LWDA PAGA Payment and 25% (\$12,500) allocated to the Individual PAGA Payments.

- i. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$12,500) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment, and will hold the Parties, Class Counsel, and Defense Counsel free and harmless from and against and against any claims, liabilities, costs and expenses, including attorney's fees, resulting in any way from personal tax treatment of the payments made pursuant to this Settlement.
 - ii. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount for distribution to Participating Class Members. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.
- (e) To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.
- i. Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to wages (the "Wage Portion"). The Wage Portions (a) shall be subject to required withholdings and deductions, and so the net amounts payable will be less than the gross amounts; and (b) shall be reported in the year of payment as wage income to the Class Members on a Form W-2 or analogous form. 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for non-wages, expense reimbursement, interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions: (a) shall not be subject to withholdings and deductions, and so the net amounts payable will be equal to the gross amounts; and (b) shall be reported in the year of payment as non-wage income to the Participating Claimants on a Form 1099 or analogous form. Other than as set forth above, the Administrator will not, unless otherwise required by law, make any deductions, withholdings or additional payments from the Individual Class Payment of any Participating Class Member, including without limitation, medical or other insurance payments or premiums, employee 401(k) contributions or matching employer contributions, wage garnishments, or charity withholdings. Any amount paid to Participating Class Member shall not create any credit or otherwise affect the calculation of any deferred compensation, benefit, or other compensation plan provided by Defendants. Participating Class Members assume

full responsibility and liability for any employee taxes owed on their Individual Class Payment, and will hold the Parties, Class Counsel, and Defense Counsel free and harmless from and against any claims, liabilities, costs and expenses, including attorney's fees, resulting in any way from personal tax treatment of the payments made pursuant to this Settlement.

- ii. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will allocate amounts that would have been paid to Non-Participating Class Members to the Net Settlement Amount for distribution to Participating Class Members.

3.3. In addition plaintiffs Rustin Fox and Gabriele Santi are separately settling their individual claims as alleged in the Operative Complaint (causes of action ten through thirteen) ("Individual Claims of Fox and Santi"). Defendants' payment for the settlement of the Individual Claims of Fox and Santi is not being made in consideration of the settlement and dismissal of the Class and PAGA claims in the Actions.

4. SETTLEMENT FUNDING

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on its records as of the date of the mediation, Defendants represented that the Class consists of 624 Class Members who collectively worked a total of approximately 40,000 Workweeks and that only 10,000 workweeks were worked by employees not covered by an arbitration agreement. Based on these records as of the date of the mediation, Defendants also represented that there are 536 Aggrieved Employees who worked a total of 20,108 PAGA Pay Periods. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendants shall provide Class Counsel with an updated number of Workweeks in the Class Period and PAGA Pay Periods in the PAGA Period.

4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendants will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet, and the Court's preliminary approval order shall expressly authorize and direct Defendants to provide such data to the Administrator. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted Class Member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

- 4.3. Funding of the Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Administrator no later than 14 days after the Effective Date.

5. PAYMENTS FROM THE GROSS SETTLEMENT AMOUNT

- 5.1. Within 21 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payments.
- 5.2. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the "void date", which is 180 days after the date of mailing, when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom a Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom a Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database. If a Participating Class Member's or Aggrieved Employee's check is not cashed within 120 days after its mailing to the affected individual, the Administrator will also send the individual a notice via email and/or U.S. Mail informing him or her that unless the check is cashed by the void date, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced.
- 5.3. The Administrator must conduct a Class Member Address Search for all Class Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, if requested by the Class Member prior to the void date.
- 5.4. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to a Court-approved nonprofit

organization or foundation consistent with Code of Civil Procedure Section 384(b) (“Cy Pres Recipient”). The Parties agree to propose Children’s Advocacy Institute and Legal Aid at Work as the Cy Pres Recipients of this Settlement to each receive 50% of the uncashed funds. The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipients.

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

6. RELEASE OF CLAIMS. Effective on the date when Defendants fully fund the Gross Settlement Amount and fund all employer-side payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Participating Class Members, Aggrieved Employees, the State of California, and the LWDA will release claims against all Released Parties as follows:

6.1. Plaintiffs’ Release. Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiffs’ PAGA Notices (“Plaintiffs’ Release”). Plaintiffs’ Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers’ compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agrees, nonetheless, that Plaintiffs’ Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs’ discovery of them.

(a) Plaintiff Rustin Fox and Gabriele Santi’s Waiver of Rights Under Civil Code Section 1542. For purposes of their release, plaintiffs Rustin Fox and Gabriele Santi certify that they have read the provisions of Section 154 of the California Civil Code, and expressly and unconditionally waive and relinquish the provisions, rights, and benefits, if any, of Section 1542 against the Released Parties. Said section reads as follows:

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

release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

Thus, notwithstanding the provisions of Section 1542 or any provision of law with a comparable effect, and for the purpose of implementing a full and complete release and discharge, Plaintiffs Rustin Fox and Gabriele Santi expressly acknowledge that this Agreement is intended to include in its effect, without limitation, claims and causes of action which they do not know of or suspects to exist in their favor at the time of execution hereof and that this Agreement contemplates extinguishment of all such claims and causes of action, with the exception of (i) obligations created by this Agreement; (ii) any workers' compensation benefits; (iii) any right to a future medical award; (iv) claims separately settled as described in paragraph 6.1(b) below; (v) any other rights or claims that, under applicable federal, state or local law, cannot be waived or released by private agreement. In furtherance of the Parties' intent, the release in this Agreement shall remain in full and complete effect notwithstanding the discovery or existence of any additional, contrary, or different facts.

- (b) Individual Claims of Rustin Fox and Gabriele Santi. Plaintiffs Rustin Fox and Gabriele Santi represent they have claims against Defendants other than the Class claims and PAGA claims. These other claims are for discrimination and retaliation in violation of FEHA and failure to provide reasonable accommodation with respect to plaintiff Gabriele Santi, and for failure to provide reasonable accommodation, and wrongful termination in violation of Public Policy with respect to plaintiff Rustin Fox, which are all being separately settled. Class Counsel will be filing a declaration with the Court affirming that the consideration given for the settlement of the Individual Claims of Fox and Santi is unrelated to and separate from the settlement of their Class claims and PAGA claims and is based on separate facts and claims.
- (c) Individual Claims of Patrick Burk. Plaintiff Patrick Burk represents that he has claims against Defendants other than the Class claims and PAGA claims. These other claims are for discrimination, retaliation, and failure to prevent discrimination in violation of FEHA, wrongful termination, and violations of California Business and Professions Code §17200 captioned *Patrick Burk v. Crisis24, Inc., et al.*, Case No. 24STCV09814, initiated on April 18, 2024 in Los Angeles Superior Court but removed and pending in Central District of California. Plaintiff Burk specifically does not release any of these individual claims against Defendants and these claims are unrelated to and separate from the settlement of his Class and PAGA claims and are based on separate facts and claims.

6.2. Release by Participating Class Members. All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from the Released Class Claims.

6.3. Release of PAGA Claims. All Aggrieved Employees, the State of California, and the LWDA are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all of the Released PAGA Claims.

7. **MOTION FOR PRELIMINARY APPROVAL.** Class Counsel shall draft and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s procedures and instructions. Class Counsel shall provide a draft of such motion to Defense Counsel 10 days in advance of filing to provide opportunity to comment.

7.1. Defendants’ Responsibilities. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendants shall provide Class Counsel with an updated number of Workweeks in the Class Period and PAGA Pay Periods in the PAGA Period.

7.2. Plaintiffs’ Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) signed declarations from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), and this Agreement (Labor Code section 2699, subd. (l)(2)); (vii) a redlined version of the parties’ Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator. In their Declarations, Plaintiffs and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

7.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of

the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

- 7.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

8. SETTLEMENT ADMINISTRATION

- 8.1. Selection of Administrator. The Parties have jointly selected Apex Class Action to serve as the Administrator and verified that, as a condition of appointment, Apex Class Action agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Administrator's duties will include preparing, printing, and mailing the Class Notice Packet to all Class Members; conducting a National Change of Address search to update Class Member addresses before mailing the Class Notice Packets; re-mailing Class Notice Packets that are returned to the Class Member's new address; setting up a toll-free telephone number and email and a fax number to receive communications from Class Members; receiving and reviewing for validity completed Requests for Exclusion; providing the Parties with weekly status reports about the delivery of Class Notice Packets and receipt of Requests for Exclusion, objections and disputes; calculating Individual Class Payments and Individual PAGA Payments; issuing the checks to effectuate the payments due under the Settlement; issuing the tax reports required under this Settlement; and otherwise administering the Settlement pursuant to this Agreement. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 8.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 8.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 8.4. Notice to Class Members.

- (a) No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.
- (b) Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice . The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- (c) Not later than 7 days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- (d) The deadlines for Class Members’ written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the Response Deadline provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- (e) If the Administrator, the Parties, Defense Counsel or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to submit written objections or a Requests for Exclusion not later than 14 days after receipt of Class Notice, or the deadlines in the Class Notice, whichever are later.

8.5. Requests for Exclusion (Opt-Outs).

- (a) Class Members who wish to exclude themselves (opt out of) from the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than the Response Deadline (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter,

containing the information specified in the Class Notice, from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

- (b) The Administrator may not reject a Request for Exclusion as invalid merely because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.
- (c) Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraph 6.2 of the Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- (d) Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 6.3 of this Agreement and are eligible for an Individual PAGA Payment. If a Class Member submits both a Request for Exclusion and an objection, only the Request for Exclusion will be accepted and the objection will be void.

8.6. Challenges to Calculation of Workweeks. Each Class Member shall have until the Response Deadline (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly

provide copies of all challenges to calculation of Workweeks and/or Pay Periods, and the Administrator's determination as to the challenges, to Defense Counsel and Class Counsel but shall redact information identifying the Class Member on the copy provided to Class Counsel.

8.7. Objections to Settlement.

- (a) Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.
- (b) Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, or in addition to a written objection, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than the Response Deadline (plus an additional 14 days for Class Members whose Class Notice was re-mailed).
- (c) Non-Participating Class Members have no right to object to any of the class action components of the Settlement. If a Class Member submits both a Request for Exclusion and an objection, only the Request for Exclusion will be accepted and the objection will be void.

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

- (a) Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.
- (b) Request for Exclusion (Opt-Outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 7 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names of Class Members who have

submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid) with identifying information of the Class Members redacted on the copy sent to Class Counsel. The Administrator shall also email Class Counsel and Defense Counsel the number of Class Members who submitted timely Requests for Exclusion and the number of Class Members who submitted invalid Requests for Exclusion.

- (c) Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must provide the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- (d) Administrator’s Declaration. Not later than 7 days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.
- (e) Final Report by Administrator. Within 10 days after the Administrator disburses all funds of the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 7 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court. If a second declaration attesting to the distribution of uncashed checks is required, the Administrator shall provide this second declaration at least 7 days before any deadline for a second declaration and Class Counsel shall be responsible for filing the second declaration with the Court.

9. CLASS SIZE MODIFICATION AND ESCALATOR CLAUSE. Based on its records, Defendants provided figures as to the Class size as set forth in paragraph 4.1 above. In regard

hereto, not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendants shall provide Class Counsel with an updated number of Workweeks in the Class Period. Should the number of Workweeks worked by the Class Members during the Class Period ultimately increase by more than 10% (i.e., so that the Workweeks total more than 44,000 workweeks), Defendants, at their sole option, can either choose to: (1) cut off the end date for the Class Period as of the date on which the number of total Workweeks exceed 44,000 , or (2) increase the Gross Settlement Amount equal to the percentage increase in the class size or number of workweeks above the 10% (i.e., if there was an 11% increase in the number of Class Member Workweeks during the Class Period, the Gross Settlement Amount would increase by 1%).

10. DEFENDANTS' RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all Class Members, Defendants may, but are not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendants withdraw, the Settlement shall be void ab initio and have no force or effect whatsoever, and no Party will have any further obligation to perform under this Agreement; provided, however, that Defendants will remain responsible for paying all Settlement Administration Expenses incurred as of the date Defendants make this election to withdraw. Defendants must notify Class Counsel and the Court of their election to withdraw not later than 7 days after the Administrator sends the final Exclusion List to Defense Counsel. Invalid Requests for Exclusion will have no effect on this threshold for an election.

11. MOTION FOR FINAL APPROVAL. Unless otherwise ordered by the Court, not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699(l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than 7 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

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

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

11.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement under C.C.P. section 664.6 solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

11.4. Waiver of the Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

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

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

13. ADDITIONAL PROVISIONS

13.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendants' defenses in the Actions have merit. The Parties agree that class certification and representative treatment is for

purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or Judgment pursuant to this Agreement, Defendants reserve the right to contest certification of any class for any reasons, and Defendants reserve all available defenses to the claims in the Actions, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Actions will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

13.2. Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendants and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendants and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members. Following the joint submission for court approval of the Motion for Preliminary Approval and thereafter, Plaintiffs and their counsel shall not publicize the Settlement via (a) press releases, (b) Internet postings that include the Defendants' names or the case name or number, or (c) communications with the media. This shall not prohibit Plaintiffs' counsel from discussing the Actions or any aspect of the Settlement with Plaintiffs or any Class Members or Aggrieved Employees, and shall not prohibit Plaintiffs' counsel from in any way disclosing their mere status as counsel in the Lawsuits or making objective and truthful reference to the Settlements and any attorneys' fee awards in any future pleading in another litigation. Nothing in this section will prevent Plaintiffs from providing information on allegedly unfair labor practices, or on labor disputes, to the National Labor Relations Board, or otherwise, to the extent protected by Section 7 of the National Labor Relations Act. Further, nothing in this Agreement prevents Plaintiffs from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that she has reason to believe is unlawful.

13.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees have not and will not solicit any Class Member to opt out of or object to the

Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 13.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 13.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 13.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 13.7. Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 13.8. Tax Advice. Neither Plaintiffs, Class Counsel, Defendants nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 13.9. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 13.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 13.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

- 13.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 13.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Actions and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 13.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of Class Data received from Defendants.
- 13.15. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 13.16. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter
- 13.17. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs and the Class:

Norman B. Blumenthal
Kyle R. Nordrehaug
Blumenthal Nordrehaug Bhowmik De Blouw LLP
2255 Calle Clara
La Jolla, CA 92037
Tel.: (858) 551-1223
Fax: (858) 551-1232
E-Mail: norm@bamlawca.com
kyle@bamlawca.com

Danny Yadidsion
Noël Harlow
Labor Law PC
100 Wilshire Blvd., Suite 700
Santa Monica, CA 90401
Tel: (310) 494-6082
E-Mail: danny@LaborLawPC.com
Noel.harlow@LaborLawPC.com

To Defendants:

Malcolm A. Heinicke
Joseph D. Lee
Munger Tolles & Olson LLP
350 South Grand Ave., 50th Floor
Los Angeles, CA 90071
Tel.: (213) 683-9100
E-Mail: Malcolm.heinicke@mto.com
Joseph.lee@mto.com

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

13.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process from the mediation on March 26, 2024 until the earlier of the Effective Date or the date this Agreement shall no longer be of any force or effect.

13.20. Fair Settlement. The Parties, Class Counsel and Defense Counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Actions and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, both current and potential.

14. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: 09 / 23 / 2024



Plaintiff Patrick Burk

Dated: Sep 17, 2024



Rustin Fox (Sep 17, 2024 11:30 PDT)

Plaintiff Rustin Fox

Dated: Sep 12, 2024



Gabriele Santi (Sep 12, 2024 13:40 PDT)

Plaintiff Gabriele Santi

Dated: _____

[name]

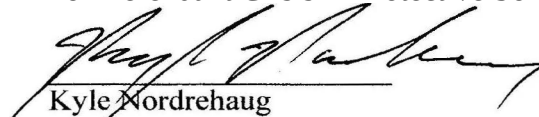
For Defendant Crisis24, Inc.

Dated: _____

[name]

For Defendant Crisis24 Protective Solutions, LP

Dated: 9/18/24

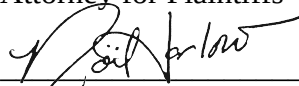


Kyle Nordrehaug

Blumenthal Nordrehaug Bhowmik De Blouw LLP

Attorney for Plaintiffs

Dated: 9/23/24



Noel Harlow

Labor Law PC

Attorney for Plaintiffs

Dated: _____

Joseph D. Lee

Munger Tolles & Olson LLP

Attorney for Defendants

EXHIBIT A

[NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION AND HEARING DATE FOR
FINAL COURT APPROVAL]

EXHIBIT “A”

**NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION
AND HEARING DATE FOR FINAL COURT APPROVAL**

***Fox v. Crisis24, Inc., Superior Court of the State of California,
County of Santa Clara, Case No. 23CV418864***

***The Superior Court for the State of California authorized this Notice.
READ IT CAREFULLY!***

It is not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT
ACT. PLEASE READ THIS NOTICE CAREFULLY.**

You may be eligible to receive money from employee class action lawsuits (“Actions”) against Defendants Crisis24, Inc. and Crisis24 Protective Solutions, LP (“Defendants”) for alleged wage and hour violations. The Actions were brought by Plaintiffs Rustin Fox, Gabriele Santi, and Patrick Burk (“Plaintiffs”) and seek payment of wages and other relief for the Class of all individuals who are or previously were (a) employed by Defendants in the State of California at any time during the Class Period (July 1, 2021 through June 26, 2024), and (b) classified as non-exempt (i.e., hourly) employees (“Class Members”). The Actions also sought civil penalties under the California Private Attorneys General Act (“PAGA”) for all non-exempt employees who worked for Defendants in the State of California at any time during the PAGA Period, which is July 29, 2022, through June 26, 2024 (“Aggrieved Employees”).

Defendants strenuously deny Plaintiffs’ allegations and contend that Crisis24 has complied with all wage and hour requirements and the PAGA statute. Further, the court overseeing these lawsuits has not made any determination that the Plaintiffs’ claims are valid. Nevertheless, Crisis24 highly values its employees, and has chosen to resolve this matter and make payments to its employees instead of incurring further disruption and expense in this litigation. Crisis24 has not admitted to any liability by entering into this settlement.

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendants to fund Individual Class Payment payments to Class Members, and (2) a PAGA Settlement requiring Defendants to fund the PAGA Penalties to pay penalties to the California Labor and Workforce Development Agency (“LWDA”) and to Aggrieved Employees.

Based on Defendants’ records, **your Individual Class Payment is estimated to be <<\$_____>> (less withholding) and your share of the PAGA Penalties is estimated to be <<\$_____>>.** The actual amounts you receive likely will be different from the numbers in the previous sentence, depending on tax withholdings and other required deductions. (If no amount is stated for your share of the PAGA Penalties, then according to Defendants’ records you are not eligible for a share of the PAGA Penalties because you did not work for Defendants during the PAGA Period.)

The above estimates are based on Defendants' records showing that **you worked** <<_____>> **workweeks** during the Class Period and **you worked** <<_____>> **pay periods** during the PAGA Period. If you believe that you worked more workweeks and/or pay periods than these figures, you can submit a challenge by the deadline date. See Section 5 below.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs and Plaintiffs' attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and in exchange requires Class Members to give up their rights to assert certain claims against Defendants.

You will be deemed to have carefully read and understood this Notice, and your legal rights will be affected whether you act or do not act. You have three basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or a share of the PAGA Penalties. As a Participating Class Member, though, you will give up your right to assert any claims for wages against Defendants that arose during the Class Period, as described in Section 4 below.
- (2) **Opt Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt out) by submitting the written Request for Exclusion. If you opt out of the Settlement, you will not receive an Individual Class Payment; however, you will preserve your right to personally pursue wage claims against Defendants that arose during the Class Period. If you are an Aggrieved Employee, you will remain eligible for a share of the PAGA Penalties, even if you opt out of the Class Settlement. You cannot opt out of the PAGA portion of the proposed Settlement.
- (3) **Object to the Settlement.** You may object to the Settlement, either in writing or verbally at the hearing. Instructions on how to object are provided below.

Defendants will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Take No Action and Receive a Settlement Payment	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and a share of the PAGA Penalties (if any). In exchange, you will give up your right to assert the wage claims against Defendants that are covered by this Settlement ("Released Class Claims"), in addition to being subject to the release of the Released PAGA Claims. Additional information is set forth below.

You Can Opt Out of the Class Settlement but not the PAGA Settlement The Response Deadline is _____.	If you don't want to fully participate in the proposed Settlement, you can opt out of the Class Settlement by sending the Administrator a written Request for Exclusion. If you request exclusion, you will receive no money from the Class Settlement and you will not be bound by the Class Settlement. Once excluded, you will be a Non-Participating Class Member and you will not be able to object to any portion of the proposed Settlement. See Section 7 of this Notice. However, you cannot opt out of the PAGA portion of the proposed Settlement. If you are an Aggrieved Employee and exclude yourself, you will still be paid your Individual PAGA Payment stated above and will remain subject to the release of the Released PAGA Claims regardless of whether you submit a request for exclusion.
If You do not Opt Out of the Class Settlement, You Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by the Response Deadline (_____)	All Class Members who do not opt out ("Participating Class Members") can object to any aspect of the proposed Class Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs who pursued the Actions on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable, provided that you do not opt out of the Class Settlement. See Section 8 of this Notice.
You Can Participate in the Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on _____ at 1:30 p.m., at the Santa Clara County Superior Court, located at 161 North First Street, San Jose, CA 95113, in Department 19 before Judge Theodore C. Zayner. This hearing may change as explained below in Section 9. Class Members may appear at the final approval hearing in person or remotely using the Microsoft Teams link for Department 19 (Afternoon Session). Instructions for appearing remotely are provided at https://www.scscourt.org/general_info/ra_teams/video_hearings_teams.shtml and should be reviewed in advance. Class Members who wish to appear remotely are encouraged to contact Class Counsel at least three days before the hearing if possible, so that potential technology or audibility issues can be avoided or minimized. You do not have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost). Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 9 of this Notice.

You Can Challenge the Calculation of Your Workweeks / Pay Periods Witten Challenges Must be Submitted by the Response Deadline (_____)	The amount of your Individual Class Payment and your share of the PAGA Penalties (if any) depend on how many workweeks during which you worked at least one day during the Class Period and how many pay periods during which you worked at least one day during the PAGA Period, respectively. The number of Class Period workweeks and number of PAGA Period pay periods you worked according to Defendants’ records is stated on the first page of this Notice. If you disagree with either of these numbers, you may challenge it by _____. See Section 5 of this Notice.

1. Why did I get this Notice?

A proposed class action settlement (the “Settlement”) of the above-captioned action pending in the Superior Court of the State of California, in and for the County of Santa Clara (the “Court”), has been reached between Plaintiffs and Defendants and has been granted preliminary approval by the Court. You may be entitled to receive money from this Settlement.

You have received this Class Notice because you have been identified as a member of the Class, which is defined as:

All individuals who are or previously were (a) employed by Defendants in the State of California at any time during the Class Period, and (b) classified as non-exempt (i.e., hourly) employees.

The “Class Period” is July 1, 2021 through June 26, 2024.

2. What is this class action lawsuit about?

On June 20, 2023, Plaintiff Patrick Burk filed a class action complaint against Defendant Crisis24 Protective Solutions, LP in the Superior Court of the State of California, County of Los Angeles (hereinafter “Burk Lawsuit”). Plaintiff Burk asserted the following class claims against Defendant: unfair competition, failure to pay wages for all hours worked, failure to pay overtime wages, failure to provide required meal periods and unpaid premiums, failure to provide required rest periods and unpaid premiums, failure to provide accurate itemized wage statements, and failure to pay wages due upon discharge. On July 24, 2023, Defendant removed the Burk Lawsuit to a federal court, the Central District of California, where it is pending as Case No. 2:23-cv-05929. On October 30, 2023, plaintiff Patrick Burk filed a First Amended Complaint in the Burk Lawsuit adding a cause of action for violation of the Private Attorney General Act, Cal. Labor Code §§ 2698, et seq. (“PAGA”).

On July 7, 2023, plaintiffs Rustin Fox and Gabriele Santi filed a class action complaint against Defendants in the Superior Court of the State of California, County of Santa Clara (“Fox-Santi Class Lawsuit”) which alleged similar class claims and included an additional class claim for failure to reimburse employees for required expenses. On October 3, 2023, plaintiffs Rustin Fox and Gabriele Santi filed a separate representative action for civil penalties under PAGA (“Fox-Santi PAGA Lawsuit”) in the Superior Court of the State of California, County of San Francisco.

The Settlement covers all the claims alleged by each of the Plaintiffs in the three lawsuits described above. In order to ensure that all claims and all parties are before a single court, Plaintiffs, as authorized by the Settlement, filed a First Amended Complaint in the Fox-Santi Class Lawsuit (the “Operative Complaint”) on July 31, 2024. The Operative Complaint added the plaintiffs and causes of action alleged in the Burk Lawsuit and Fox-Santi PAGA Lawsuit.

The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiffs to serve as the Class Representatives, and the law firms of Blumenthal Nordrehaug Bhowmik De Blouw LLP and Labor Law PC. to serve as Class Counsel. The Court’s order granting preliminary approval to the Settlement, and any order granting Final Approval, will not include any finding of wrongdoing by Defendants or any failure to comply with California law.

In fact, Defendants strenuously deny that they have done anything wrong and dispute all the claims in the Actions. Specifically, Defendants contend that Plaintiffs and the Class Members were, at all times, properly compensated for wages under California law. In deciding to settle the Actions, Defendants have not acknowledged any wrongdoing. Defendants chose to settle the Actions to avoid additional expense, inconvenience, and interference with their business operations, and because they highly value their employees. Thus, both sides concluded that it is in their best interests and the interests of the Class to settle the Action now based on the terms summarized in this Class Notice. The Settlement was reached after mediation before a professional wage-and-hour mediator and is the product of arm’s-length negotiations between the Parties. The Plaintiffs and Class Counsel believe the settlement is in the best interest of all Class Members.

The Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of Defendants, who expressly deny all liability.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendants have agreed to pay the amount of One Million Two Hundred Fifty Thousand Dollars and zero cents (\$1,250,000.00) (the “Gross Settlement Amount”) to fund the settlement of the Actions. The Gross Settlement Amount includes all payments of to Class Members, all penalties paid to the LWDA and Aggrieved Employees for civil penalties under PAGA, Service Payments of not more than \$10,000 to each of the three Class Representatives, and third party administration costs, as well as amounts for Plaintiffs’ attorneys’ fees and costs incurred in the Actions. Any employer-side payroll taxes on the portion of the Individual Class Payments allocated to wages shall be separately paid by Defendants. Defendants shall fully fund the Gross Settlement Amount no later than fourteen (14) days after the Effective Date. The Effective Date is the date by when both of the following have occurred

(a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) the day after the deadline for filing a notice of appeal from the Judgment, if no appeal is filed; or (b) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur. Within 14 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all payments required by the Settlement, including payments to Class Members and Aggrieved Employees.

Court Approved Deductions from Gross Settlement Amount. The following payments, subject to Court approval, will be deducted from the Gross Settlement Amount before payments of Individual Class Payments are made to Class Members who do not request exclusion (“Participating Class Members”). At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:

- Administration Expenses Payment. Payment to the Administrator of the Settlement, estimated not to exceed \$14,000, for expenses of administration, including notifying the Class Members of the Settlement, processing opt-outs, and distributing settlement checks and tax forms.
- Attorneys’ Fees and Costs. Payment to Class Counsel of reasonable attorneys’ fees not to exceed one-third (1/3) of the Gross Settlement Amount, which presently equals \$416,666, and an additional amount to reimburse actual litigation costs incurred by the Plaintiffs not to exceed \$30,000. Class Counsel have been prosecuting the Actions on behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Class Counsel Fees Payment awarded shall be allocated 50% to Blumenthal Nordrehaug Bhowmik De Blouw LLP and 50% to Labor Law PC. The amounts stated in this paragraph are what Class Counsel will be requesting, and the final amounts to be paid will be decided by the Court at the Final Approval Hearing.
- Class Representative Service Payments. Class Representative Service Payments in an amount not more than \$10,000 to each of the Plaintiffs, or such lesser amount as may be approved by the Court, to compensate for services on behalf of the Class in initiating and prosecuting the Action, and for the risks Plaintiffs undertook. The amount stated is what Plaintiffs will be requesting and the final amount to be paid will be decided by the Court at the Final Approval Hearing.
- PAGA Penalties. A payment of \$50,000 relating to Plaintiffs’ claim under PAGA, \$37,500 of which will be paid to the State of California’s Labor and Workforce Development Agency (“LWDA”). The remaining \$12,500 will be distributed to the Aggrieved Employees as Individual PAGA Payments. The Administrator will calculate each Individual PAGA Payment by (a) dividing \$12,500 by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee’s PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual

PAGA Payment. “PAGA Pay Period” means any pay period during which an Aggrieved Employee worked for Defendants in California for at least one day during the PAGA Period (July 29, 2022, through June 26, 2024).

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

Calculation of Payments to Class Members. After the amounts of the court-approved Attorneys’ Fees and Costs, the Class Representative Service Payments, the PAGA Penalties, and the Administration Expenses Payment are deducted from the Gross Settlement Amount, the remaining portion, the “Net Settlement Amount”, shall be distributed as Individual Class Payments to the Participating Class Members. The Net Settlement Amount is estimated to be at least \$_____. The Administrator will pay an Individual Class Payment from the Net Settlement Amount to each Participating Class Member. The Individual Class Payment for each Participating Class Member will be calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members for Defendants in California during the Class Period and (b) multiplying the result by each Participating Class Member’s Workweeks. “Workweek” means any week during the Class Period in which a Class Member worked for Defendant as a Class Member for at least one day. The number of Workweeks will be based on Defendants’ records; however, Class Members may challenge the number of Workweeks as explained below.

If the Settlement is approved by the Court and you do not exclude yourself, you will automatically be mailed a check for your Individual Class Payment to the same address as this Class Notice. You do not have to do anything to receive a payment. If your name or address has changed, you must contact the Administrator to inform them of your correct name or address to ensure you receive your payment. A change of address form is included with this Notice.

Tax Matters. Twenty Percent (20%) of each Participating Class Member’s Individual Class Payment is in settlement of wage claims (the “Wage Portion”). Accordingly, the Wage Portion is subject to wage withholdings and shall be reported on IRS Form W-2. Eighty Percent (80%) of each Participating Class Member’s Individual Class Payment is in settlement of claims for alleged non-wages, expense reimbursement, interest, and penalties (collectively the “Non-Wage Portion”). The Non-Wage Portion shall not be subject to wage withholdings and shall be reported on IRS Form 1099. Any income and payroll taxes due on the Wage Portion will be the responsibility of Participating Class Members. Neither Class Counsel nor Defendants’ Counsel intend anything contained in this Class Notice to constitute advice regarding taxes or taxability. The tax issues for each Participating Class Member are unique to him/her, and each Participating Class Member may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement and your receipt of the Individual Class Payment is conditioned upon the Court entering an order granting final approval of the Settlement and entering Judgment.

The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendants have agreed that, in either case, the Settlement will be void: Defendants will not pay any money and Class Members will not release any claims against Defendants.

Need to Promptly Cash Payment Checks. The front of every check issued will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the funds represented by such checks remitted to one or more non-profit charities as the Cy Pres Recipient pursuant to California Code of Civil Procedure section 384. The Parties have proposed Children's Advocacy Institute and Legal Aid at Work as the Cy Pres Recipients.

4. What Do I Release Under the Settlement?

The Settlement provides for the release (i.e., giving up) of both "Released Class Claims" and "Released PAGA Claims." Both are described immediately below.

Released Class Claims. As of the Effective Date and upon full finding of the Gross Settlement Amount by Defendants, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties (defined below) from the Released Class Claims. The "Released Class Claims" are all claims that were alleged, or reasonably could have been alleged based on the facts stated in the Operative Complaint, which occurred during the Class Period. Except as expressly set forth in the Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. The Released Class Claims shall specifically include all claims for the following alleged California Labor Code violations, including claims under Labor Code sections 201 to 204, 210, 218, 221, 223, 226, 226.2, 226.7, 227.3, 233, 246, 246.5, 510, 512, 1174, 1194, 1194.2, 1197, 1197.1, and 2802 and the following claims: (i) failure to provide meal periods, including claims under Labor Code section 226.7; (ii) failure to provide rest periods, including claims under Labor Code section 226.7; (iii) any associated failure to pay regular wages, minimum wages, overtime wages, or premiums for meal periods or rest breaks; (iv) failure to pay any and all regular or premium wages, as defined in California Labor code section 200, including claims for regular, vacation or premium wages and any claims relating to calculation of overtime due for employees with multiple regular rates during a particular pay period; (v) failure to pay minimum wages; (vi) failure to pay all wages due to discharged or quitting employees, including vacation or PTO claimed to have accrued or otherwise be due; (vii) failure to furnish accurate itemized wage statements; (viii) failure to pay timely pay wages during employment; (ix) failure to reimburse for necessary expenses, including without limitation expenses relating to personal phones and uniforms; (x) failure to pay any wages or premiums at the correct regular rate of pay, including as a result of incentive compensation or bonuses (xii) failure to pay sick wages at the correct regular rate of pay.

This means that, if you do not timely and formally exclude yourself from the Settlement, you cannot sue, continue to sue, or be part of any other lawsuit or claims against Defendants or any other Released Party about the Released Class Claims resolved by this Settlement. It also means that all of the Court’s orders in the Actions will apply to you and legally bind you.

Released PAGA Claims. As of the Effective Date and upon full funding of the Gross Settlement Amount by Defendant, all Aggrieved Employees, the State of California, and the LWDA are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from the Released PAGA Claims. The “Released PAGA Claims” are all claims for PAGA penalties that were alleged, or reasonably could have been alleged based on the facts stated in the Operative Complaint and the PAGA Notices, which occurred during the PAGA Period. The Released PAGA Claims do not include other PAGA claims, underlying wage and hour claims, claims for wrongful termination, discrimination, unemployment insurance, disability and worker’s compensation, and claims outside of the PAGA Period. The Released PAGA claims include any claims accruing during the PAGA Period for alleged violations of California Labor Code sections 201, 201.3, 201.5, 201.6, 201.7, 201.8, 201.9, 202, 203, 204 et seq., 210, 216, 218, 221, 223, 225.5, 226, 226(a), 226(e), 226.2, 226.3, 226.7, 227.3, 233, 246, 256, 510, 512, 558, 558(a)(1)(2), 1174, 1174.5, 1175, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2699, 2802, and California Code of Regulations, Title 8, Section 11040, Subdivisions 5(A)-(B), California Code of Regulations, Title 8, Section 11070(14), Wage Order 4-2001 section 14, and the applicable wage orders. The released PAGA claims include any claims for PAGA penalties based on any of the foregoing claims (i.e., claims listed in (i) through (xii) in Section 1.39, above) or that were pled or could have been pled based on the facts alleged in the Operative Complaint and PAGA Notices that occurred during the PAGA Period, as well as any claim for failure to provide suitable seating.

Released Parties. The Released Parties are: Defendants and any of their predecessors and successors, corporate parents, corporate subsidiaries, corporate affiliates (including, without limitation, Garda USA Inc.), and all of their and those entities’ current and former officers, owners, directors, managing agents, members, shareholders, assigns, employees, agents, principals, heirs, representatives, attorneys, accountants, auditors, consultants, insurers and reinsurers.

5. How much will my payment be?

Defendants’ records reflect that you worked <<____>> Workweeks during the Class Period (July 1, 2021 through June 26, 2024).

Based on this information, your estimated Individual Class Payment from the Net Settlement Amount is <<____>>.

[Defendants’ records reflect that you worked <<____>> PAGA Pay Periods during the during the PAGA Period (July 29, 2022, through June 26, 2024). Based on this information, your estimated Individual PAGA Payment is <<____>>.]

If you wish to challenge the number of Workweeks or PAGA Pay Periods set forth in this section “5,” you must submit a written, signed dispute along with supporting documents, to the Administrator no later than the Response Deadline, which is _____ [sixty (60) days after the mailing of the Class Notice or an additional 14 days in the case of re-mailing]. Such dispute must be sent to the following address:

_____. You may also fax the dispute to _____ or email the dispute to _____ by no later than the Response Deadline. Any dispute should include supporting documents or evidence and will be finally resolved by the Administrator.

6. How can I get a payment?

To get money from the Settlement, you do not have to do anything. A check for your Individual Class Payment will be mailed to the same address as this Class Notice. If your name or address is incorrect or has changed, you must notify the Administrator. The Administrator is: Apex Class Action, _____, (800) _____.

The Court will hold a Final Approval Hearing on _____ at _____ to decide whether to approve the Settlement and fix the amounts to be paid as attorneys’ fees and costs to Class Counsel and as service payment to Plaintiffs. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed approximately three months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year.

7. What if I don’t want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Class portion of the Settlement, referred to as “opting out.” **If you opt out, you will not receive an Individual Class Payment from the Settlement, and you will not be bound by its terms, which means you will retain the right to sue Defendant for the Released Class Claims.** However, Aggrieved Employees who opt out will still be paid their Individual PAGA Payment and will remain subject to the release of the Released PAGA Claims regardless of whether they submit a request for exclusion. This is because the PAGA statute does not provide for an opt-out right or mechanism.

To opt out, you must submit to the Administrator a written, signed and dated request to opt out postmarked no later than the Response Deadline, which is _____. You may also fax your request to opt out to _____ or email the dispute to _____ by no later than the Response Deadline. The request to opt out should state in substance that you wish to be excluded from the class settlement in the *Fox v. Crisis24, Inc.* lawsuit. The request to opt out should state the Class Member’s full name and current street address. Please include the name and number of the case, which is *Fox v. Crisis24, Inc.*, Case No. 23CV418864. The request to opt out must be completed and signed by you personally; no other person may opt out for a living member of the Class.

The address for the Administrator is _____. Written requests for exclusion that are postmarked after _____, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the releases described above.

8. How do I Object to the Settlement?

Only Participating Class Members (i.e., Class Members who do not opt out) have the right to object to the Settlement.

A Participating Class Member who disagrees with any aspect of the Agreement, may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The Response Deadline for sending written objections to the Administrator is _____** [sixty (60) days after the date of the Notice or an additional 14 days after the Notice in the case of re-mailing]. You may also fax the dispute to _____ or email the dispute to _____ by no later than this Response Deadline. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action, *Fox v. Crisis24, Inc.*, Case No. 23CV418864, and include your name and current street address. The Administrator's contact information is as follows:

Administrator:

Name of Company: Apex Class Action

Email Address: _____

Mailing Address: _____

Telephone Number: _____

Fax Number: _____

Alternatively, or in addition to submitting a written objection, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. Please see instructions in the following section for how you or your attorney can appear at the Final Hearing. The addresses for Parties' counsel are as follows:

CLASS COUNSEL:

Kyle Nordrehaug

Blumenthal Nordrehaug Bhowmik DeBlouw LLP

2255 Calle Clara

La Jolla, CA 92037

Tel.: (858) 551-1223

Fax: (858) 551-1232

E-Mail: kyle@bamlawca.com

Danny Yadidsion
Noël Harlow
Labor Law PC
100 Wilshire Blvd., Suite 700
Santa Monica, CA 90401
Tel: (310) 494-6082
E-Mail: danny@LaborLawPC.com; Noel.harlow@LaborLawPC.com

COUNSEL FOR DEFENDANTS:

Malcolm A. Heinicke
Joseph D. Lee
Munger Tolles & Olson LLP
350 South Grand Ave., 50th Floor
Los Angeles, CA 90071
Tel.: (213) 683-9100
E-Mail: Malcolm.heinicke@mto.com
Joseph.lee@mto.com

In deciding whether to object, you are entitled to see further information about what the Parties are asking the Court to approve and the basis for such requests. At least sixteen (16) court days before the Final Approval Hearing, scheduled for _____, Class Counsel and Plaintiffs will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and for Attorneys' Fees, Litigation Expenses and Service Awards stating (a) the amounts Class Counsel is requesting for attorneys' fees and litigation expenses; (b) the amount Plaintiffs are requesting as Class Representative Service Payments; and (c) the basis for such requested amounts. Upon request, Class Counsel (whose contact information is below) will send you copies of these documents at no cost to you. You can also view them (i) on Class Counsel's website at www.bamlawca.com under "Class Notices" for *Fox v. Crisis24, Inc.* or (ii) on the via the Case Information Portal for the California Superior Court for the County of Santa Clara (<https://traffic.scscourt.org/>), by entering Case No. 23CV418864.

9. Can I Attend the Final Approval Hearing?

The Court will hold a Final Approval Hearing at 1:30p.m. (Pacific Standard Time) on _____, in Department 19 of the Superior Court of California, County of Santa Clara County Superior Court, located at 161 North First Street, San Jose, CA 95113, before Judge Theodore C. Zayner. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement and to fix the amounts to be paid as attorneys' fees and costs to Class Counsel and as a service payment to Plaintiffs. If there are objections, the Court will consider them. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing, or have an attorney appear on their behalf (at the Class Member's own cost).

Class Members and their attorneys may appear at the final approval hearing in person or remotely using the Microsoft Teams link for Department 19 (Afternoon Session). Instructions for appearing remotely are provided at

https://www.scsccourt.org/general_info/ra_teams/video_hearings_teams.shtml and should be reviewed in advance. Class members who wish to appear remotely are encouraged to contact class counsel at least three days before the hearing if possible, so that potential technology or audibility issues can be avoided or minimized.

It is possible the Court will reschedule the Final Approval Hearing. If the hearing is continued, notice will be posted on Class Counsel's website at www.bamlawca.com under "Class Notices" for *Fox v. Crisis24, Inc.* In addition, hearing dates are posted on the Internet via the Case Query page for the California Superior Court for the County of Santa Clara (<https://traffic.scsccourt.org/>) and entering the Case No. 23CV418864. Before appearing at the Final Approval Hearing, you should confirm the date of the hearing by one of the means just described.

10. How Can I Get More Information?

You may call the Administrator at _____ or write to *Fox v. Crisis24, Inc.* Administrator, c/o _____.

This Class Notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Judgment, the motion for final approval or other Settlement documents by going to the Administrator's website at _____; or Class Counsel's website at www.bamlawca.com under "Class Notices" for *Fox v. Crisis24, Inc.* You may also get more details by examining the Court's file on the Internet via the Case Information Portal for the California Superior Court for the County of Santa Clara (<https://traffic.scsccourt.org/>) and entering the Case No. 23CV418864. If you wish to view the Court files in person, you should go to the Clerk's Office located at 191 North First Street, San Jose, CA 95113.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- **What if Your Name or Address Changes** - To receive your check, you should immediately notify the Administrator if you change your name, move or otherwise change your mailing address. A change of address form is included with this Notice.
- **What if You Fail to Cash a Check** - Settlement checks will be null and void 180 days after issuance if not deposited or cashed by that date. The specific expiration date will be printed on the check you receive. The Administrator will pay all unclaimed funds (i.e., funds associated with all checks that are not cashed by the deadline) to **one or more** non-profit charities as the Cy Pres Recipient(s). The Parties have proposed Children's Advocacy Institute and Legal Aid at Work as the Cy Pres Recipients to each receive 50% of the unclaimed funds.
- **What if You Lose Your Check** - If your check is lost or misplaced, you should contact the Administrator immediately to request a replacement.

Change of Name and/or Address Information Form

Pursuant to the class notice, I wish to change my name and/or mailing address information to the following:

Name:

Street and Apt. No., if any:

City, State and Zip Code:

For purposes of verification only, I began working at Crisis24 in

_____, _____.

(Month)

(Year)

I understand that all future correspondence in this action, including but not necessarily limited to important notices or payments to which I may be entitled, will be sent to the address listed above and not to the address previously used. I hereby request and consent to the use of the address listed above for these purposes.

Please be advised that further verification of this change of name or address may be sought by the Administrator, via mail or by telephone. Thus it is critical that you provide your current phone number below.

DATED: _____, 20____

Submitted by:

Print Name

Signature

Current Telephone Number

PLEASE RETURN THIS FORM VIA UNITED STATES MAIL TO:

<Administrator>

Re: *Fox v. Crisis24, Inc.* Class Action Settlement

ADDRESS

EXHIBIT B

[ORDER GRANTING PRELIMINARY APPROVAL]

EXHIBIT "B"

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SANTA CLARA

RUSTIN FOX, GABRIELE SANTI, and
PATRICK BURK, individuals, on behalf of
themselves and on behalf of all persons
similarly situated,

Plaintiffs,

v.

CRISIS24, INC., a Corporation; CRISIS24
PROTECTIVE SOLUTIONS, LP, a Limited
Partnership; and DOES 1 through 50,
inclusive,

Defendants.

CASE NO.: **23CV418864**

**[PROPOSED] PRELIMINARY
APPROVAL ORDER**

Hearing Date: _____
Hearing Time: _____

Judge: Hon. Theodore C. Zayner
Dept.: 19

Action Filed: July 7, 2023
Trial Date: Not set

PRELIMINARY APPROVAL ORDER

1 This matter came before the Honorable Theodore C. Zayner of the Superior Court of the
2 State of California, in and for the County Santa Clara, on _____[DATE], for the motion by
3 Plaintiffs Rustin Fox, Gabriele Santi, and Patrick Burk (“Plaintiffs”) for preliminary approval of
4 the class settlement with Defendants Crisis24, Inc. and Crisis24 Protective Solutions, LP
5 (“Defendants”). Defendants have stated their non-opposition to the motion. The Court, having
6 considered the briefs, argument of counsel and all matters presented to the Court and good cause
7 appearing, hereby GRANTS Plaintiffs’ Motion for Preliminary Approval of Class Action
8 Settlement.

9 **IT IS HEREBY ORDERED:**

10 1. The Court preliminarily approves the Class Action and PAGA Settlement
11 Agreement (“Agreement” or “Settlement”) submitted as Exhibit ____ to the Declaration of Kyle
12 Nordrehaug in Support of Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement.
13 This preliminary approval is based on the Court’s determination that the Settlement set forth in the
14 Agreement is within the range of possible final approval, pursuant to the provisions of section 382
15 of the California Code of Civil Procedure and California Rules of Court, rule 3.769.

16 2. This Order incorporates by reference the definitions in the Agreement, and all
17 terms not otherwise defined in this Order shall have the same meaning as set forth in the
18 Agreement.

19 3. The Gross Settlement Amount is One Million Two Hundred Fifty Thousand
20 Dollars and zero cents (\$1,250,000.00). It appears to the Court on a preliminary basis that the
21 Settlement amount and terms are fair, adequate and reasonable as to all potential Class Members
22 when balanced against the probable outcome of further litigation and the significant risks relating
23 to certification, liability and damages issues. It further appears that investigation and research
24 have been conducted such that counsel for the Parties are able to reasonably evaluate their
25 respective positions. It further appears to the Court that settlement at this time will avoid
26 substantial additional costs by all Parties, as well as avoid the delay and risks that would be
27 presented by the further prosecution of the Action. It further appears that the Agreement has been

28 **PRELIMINARY APPROVAL ORDER**

reached as the result of serious and non-collusive, arms-length negotiations. The Court therefore preliminarily finds that the Settlement is fair, adequate, and reasonable when balanced against the probable outcome of further litigation and the significant risks relating to certification, liability, and damages issues.

4. The Agreement specifies an attorneys' fees award not to exceed one-third of the Gross Settlement Amount, an award of litigation expenses incurred, not to exceed Thirty Thousand Dollars (\$30,000), and proposed Class Representative Service Payments to the Plaintiffs in an amount not to exceed Ten Thousand Dollars (\$10,000) each. The Court will not approve the amount of attorneys' fees and litigation expenses, nor the amount of any service award, until the Final Approval Hearing. Plaintiffs will be required to present evidence supporting these requests prior to final approval.

5. The Court recognizes that Plaintiffs and Defendants stipulate and agree to certification of a class for settlement purposes only. This stipulation will not be deemed admissible in this or any other proceeding should this Settlement not become final. For settlement purposes only, the Court conditionally certifies the following Class: “all individuals who are or previously were (a) employed by Defendants in the State of California at any time during the Class Period, and (b) classified as non-exempt (i.e., hourly) employees.” The Class Period is July 1, 2021 through June 26, 2024.

6. The Court concludes that, for purposes of approving this settlement only, the Class meets the requirements for certification under section 382 of the California Code of Civil Procedure in that: (a) the Class is ascertainable and so numerous that joinder of all members of the Class is impracticable; (b) common questions of law and fact predominate, and there is a well-defined community of interest amongst the members of the Class with respect to the subject matter of the litigation; (c) the claims of the Plaintiffs are typical of the claims of the members of the Class; (d) the Plaintiffs can fairly and adequately protect the interests of the members of the Class; (e) a class action is superior to other available methods for the efficient resolution of this

PRELIMINARY APPROVAL ORDER

controversy; and (f) counsel for the Class is qualified to act as counsel for the Class and the Plaintiffs are adequate representatives of the Class.

7. The Court provisionally appoints Plaintiffs as the representatives of the Class. The Court provisionally appoints Norman B. Blumenthal, Kyle R. Nordrehaug, and Aparajit Bhowmik of Blumenthal Nordrehaug Bhowmik De Blouw LLP and Danny Yadidsion and Noël Harlow of Labor Law PC, as Class Counsel.

8. The Court hereby approves, as to form and content, the Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval (“Class Notice”), attached as Exhibit A to the Agreement. The Court finds that the Class Notice appears to fully and accurately inform the Class of all material elements of the proposed Settlement and the Class Members’ options including, inter alia, their options (i) to be excluded from the Class by submitting a written opt-out request, (ii) to be represented by counsel of their choosing, and (iii) to object to the terms of the Settlement. The Court further finds that the distribution of the Class Notice substantially in the manner and form set forth in the Agreement and this Order meets the requirements of due process, is the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all persons entitled thereto. The Court orders the mailing of the Class Notice by first class mail, pursuant to the terms set forth in the Agreement. If a Class Notice Packet is returned because of an incorrect address, the Administrator will promptly search for a more current address for the Class Member and re-mail the Class Notice Packet to the Class Member.

9. The Court hereby appoints Apex Class Action as Administrator for the Settlement. No later than fifteen (15) calendar days after issuance of this Order, Defendants shall provide to the Administrator an electronic spreadsheet with the Class Data. This information will otherwise remain confidential and will not be disclosed to anyone, except as required to applicable taxing authorities, to carry out the procedures in the Agreement, or pursuant to Defendant's express written authorization or by order of the Court. The Administrator will perform address updates and verifications as necessary prior to the mailing of the Class Notice. Using best efforts to mail it as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class

PRELIMINARY APPROVAL ORDER

Data spreadsheet, the Administrator will mail the Class Notice Packet to all Class Members via first-class U.S. Mail.

10. The Court hereby preliminarily approves the proposed procedure for exclusion from the Settlement. Any Class Member may individually choose to opt-out of and be excluded from the Class as provided in the Class Notice by following the instructions set forth in the Class Notice. All requests for exclusion must be sent to the Administrator and postmarked by no later than the Response Deadline, which is sixty (60) calendar days after the Administrator initially mails the Class Notice Packets to the Class Members. If the Class Notice Packet is re-mailed, this Response Deadline will be extended an additional fourteen (14) calendar days. Any person who chooses to opt-out of and be excluded from the Class will not be entitled to any recovery under the Settlement and will not be bound by the Settlement or have any right to object, appeal or comment thereon. Aggrieved Employees shall be sent their Individual PAGA Payment and will be subject to the release of the Released PAGA Claims regardless of whether they opt-out of the Class. Class Members who have not requested exclusion shall be bound by all determinations of the Court, the Agreement, and the Judgment. A request for exclusion applies only to the individual submitting the request for exclusion, and any attempt to effect an opt-out on behalf of any other individual or individuals (including a group, class, or subclass of individuals) is not permitted and will be deemed invalid.

11. Any Class Member who has not opted-out may appear at the Final Approval Hearing and may object or express the Class Member's views regarding the Settlement and may present evidence and file briefs or other papers that may be proper and relevant to the issues to be heard and determined by the Court as provided in the Class Notice. Class Members will have until the Response Deadline set forth in the Class Notice to submit their written objections to the Administrator in accordance with the instructions in the Class Notice. If the Class Notice is re-mailed, the Response Deadline will be extended an additional fourteen (14) calendar days. Alternatively, Class Members may appear at the Final Approval Hearing to make an oral objection.

PRELIMINARY APPROVAL ORDER

12. A Final Approval Hearing shall be held before this Court on _____ at 1:30 p.m. in Department 19 at the of the Santa Clara County Superior Court to determine all necessary matters concerning the Settlement, including: whether the proposed settlement of the Action on the terms and conditions provided for in the Agreement is fair, adequate and reasonable and should be finally approved by the Court; whether the Final Approval Order and Judgment should be entered herein; whether the plan of allocation contained in the Agreement should be approved as fair, adequate and reasonable to the Class Members; and to finally approve attorneys' fees and costs, the service awards, and the expenses of the Administrator. The motion for final approval of the class settlement and for award of attorneys' fees, costs and service awards shall be filed with the Court and served on all counsel no later than sixteen (16) court days before the hearing and shall be heard at the Final Approval Hearing. Class Counsel shall provide drafts of these documents to Defense Counsel no later than seven (7) days before filing to provide Class Counsel and Defense Counsel an opportunity to expeditiously meet and confer in good faith to resolve any disagreements regarding the Motion for Final Approval.

13. Neither the Settlement nor any exhibit, document, or instrument delivered thereunder shall be construed as a concession or admission by Defendants in any way that the claims asserted have any merit or that this Action was properly brought as a class or representative action, and shall not be used as evidence of, or used against Defendants as, an admission or indication in any way, including with respect to any claim of any liability, wrongdoing, fault or omission by Defendants or with respect to the truth of any allegation asserted by any person. Whether or not the Settlement is finally approved, neither the Agreement, nor any exhibit, document, statement, proceeding or conduct related to the Settlement or Agreement, nor any reports or accounts thereof, shall in any event be construed as, offered or admitted in evidence as, received as or deemed to be evidence for any purpose adverse to the Defendants, including, but not limited to, evidence of a presumption, concession, indication or admission by Defendants of any liability, fault, wrongdoing, omission, concession or damage.

PRELIMINARY APPROVAL ORDER

14. Plaintiffs are hereby ordered to give notice of the Settlement to the California Labor and Workforce Development Agency, as required by PAGA, and to promptly advise Defendants' counsel of such notice.

15. In the event the Settlement does not become effective in accordance with the terms of the Agreement, or the Settlement is not finally approved, or is terminated, canceled or fails to become effective for any reason, this Order shall be rendered null and void and shall be vacated, and the Parties shall revert to their respective positions as of before entering into the Agreement, and expressly reserve their respective rights regarding the prosecution and defense of this Action, including all available defenses and affirmative defenses, and arguments that no claim in the Action could be certified as a class action and/or managed as a representative action. In such an event, the Court's orders regarding the Settlement, including this Order, shall not be used or referred to in litigation or otherwise for any purpose.

16. The Court reserves the right to adjourn or continue the date of the Final Approval Hearing and all dates provided for in the Agreement without further notice to Class Members and retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

17. The Action is stayed and all trial and related pre-trial dates are vacated, subject to further orders of the Court at the Final Approval Hearing.

IT IS SO ORDERED.

Dated: _____

HON. THEODORE C. ZAYNER
JUDGE, SUPERIOR COURT OF CALIFORNIA

PRELIMINARY APPROVAL ORDER

EXHIBIT C

[FINAL APPROVAL ORDER AND JUDGMENT]

EXHIBIT "C"

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SANTA CLARA

RUSTIN FOX, GABRIELE SANTI, and
PATRICK BURK, individuals, on behalf of
themselves and on behalf of all persons
similarly situated,

Plaintiffs,

v.

CRISIS24, INC., a Corporation; CRISIS24
PROTECTIVE SOLUTIONS, LP, a Limited
Partnership; and DOES 1 through 50,
inclusive,

Defendants.

CASE NO.: 23CV418864

**[PROPOSED] FINAL APPROVAL
ORDER AND JUDGMENT**

Hearing Date: _____
Hearing Time: _____

Judge: Hon. Theodore C. Zayner
Dept.: 19

Action Filed: July 7, 2023
Trial Date: Not set

1 The motion of Plaintiffs Rustin Fox, Gabriele Santi, and Patrick Burk (“Plaintiffs”) for an
2 order finally approving the class action settlement of this action between Plaintiffs and Defendants
3 Crisis24, Inc. and Crisis24 Protective Solutions, LP (“Defendants”) came on for hearing on
4 _____ before the Honorable Theodore C. Zayner. Defendants have stated their non-
5 opposition to the motion. The Court, having reviewed the motion, arguments of counsel and
6 evidence presented at the hearing, and otherwise being fully informed, hereby ORDERS that the
7 motion is GRANTED.

8 It is further ORDERED, ADJUDGED, and DECREED as follows:

9 1. For the reasons set forth in the Preliminary Approval Order, which are adopted and
10 incorporated herein by reference, this Court finds that the requirements of California Code of Civil
11 Procedure section 382 and rule 3.769 of the California Rules of Court have been satisfied.

12 2. The Court hereby adopts and incorporates by reference the terms and conditions
13 defined in the Class Action and PAGA Settlement Agreement (the “Agreement” or “Settlement”),
14 and all terms not otherwise defined in this Order and Judgment shall have the same meaning as set
15 forth in the Agreement.

16 3. This Court finds that it has jurisdiction over the subject matter of this litigation
17 pending before the California Superior Court for the County of Santa Clara, and over all Parties to
18 this litigation, including the Class.

19 4. On _____, Plaintiffs submitted the proper notice of the Settlement to the
20 California Labor and Workforce Development Agency (“LWDA”) prior to filing their motion for
21 approval of the Settlement.

22 5. Pursuant to Labor Code § 2698, *et seq.*, the Court also finds that the Settlement’s
23 resolution of the alleged PAGA claims furthers PAGA’s objectives. The PAGA Penalties amount
24 of \$50,000 is approved and shall be paid out of the Gross Settlement Amount, 75% of which shall
25 be allocated and paid to the LWDA and 25% of which shall be distributed to the Aggrieved
26 Employees as Individual PAGA Payments. The Administrator will calculate each Individual
27 PAGA Payment by (a) dividing the amount of the Aggrieved Employees’ 25% share of PAGA
28

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1 Penalties (\$12,500) by the total number of PAGA Pay Periods worked by all Aggrieved
2 Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's
3 PAGA Pay Periods. The Aggrieved Employees are all non-exempt employees who worked for
4 Defendants in the State of California at any time during the PAGA Period, which is July 29, 2022
5 through June 26, 2024.

6 6. All Aggrieved Employees will be sent their share of the PAGA Penalties and will
7 be subject to the release of the Released PAGA Claims as set forth below, whether or not they opt
8 out of the Class Settlement. Because the PAGA statute does not allow Aggrieved Employees to
9 exclude themselves from the PAGA Settlement, the Aggrieved Employees are bound by the
10 Settlement, including the release of all Released PAGA Claims, regardless of whether they
11 negotiate their settlement check.

12 7. In compliance with the Preliminary Approval Order, the Class Notice was mailed
13 by first class mail to members of the Class at their last known addresses on or about
14 _____. Mailing of the Class Notice to members' last known addresses was the best
15 notice practicable under the circumstances and was reasonably calculated to communicate actual
16 notice of the litigation and the proposed settlement to the Class.

17 8. The Class Notice fully and accurately informed the Class Members of all material
18 elements of the proposed Settlement and the Class Members' options including, *inter alia*, their
19 options (i) to be excluded from the Class by submitting a written opt-out request, (ii) to be
20 represented by counsel of their choosing, and (iii) to object to the terms of the Settlement. The
21 Class Notice was valid, due, and sufficient notice to all Class Members, and complied fully with
22 the laws of the State of California, the United States Constitution, due process and other applicable
23 law. The Class Notice fairly and adequately described the Settlement and provided Class
24 Members with adequate instructions and means to obtain additional information.

25 9. A full opportunity has been afforded to the Class Members to participate in this
26 hearing, and all Class Members and other persons wishing to be heard have been heard. Class
27 Members also have had a full and fair opportunity to exclude themselves from the proposed
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1 Settlement and Class. There was an adequate interval between notice and the deadline to permit
2 Class Members to choose what to do and act on their decision. Accordingly, the Court determines
3 that all Class Members who did not timely and properly submit a request for exclusion in
4 accordance with the Agreement are bound by the Settlement and this Final Approval Order and
5 Judgment.

6 10. The Court has considered all relevant factors for determining the fairness of the
7 Settlement and has concluded that all such factors weigh in favor of granting final approval. In
8 particular, the Court finds that the Gross Settlement Amount of One Million Two Hundred Fifty
9 Thousand Dollars and zero cents (\$1,250,000.00) and the other terms set forth in the Agreement
10 are fair, reasonable, and adequate.

11 11. The Agreement is entitled to a presumption of fairness. *Dunk v. Ford Motor Co.*
12 48 Cal.App.4th 1794, 1801 (1996). The Court finds that the Settlement was the result of arm's-
13 length bargaining between the Parties during an all-day mediation before Tripper Ortman, a
14 respected and experienced mediator of wage and hour class actions. There has been no collusion
15 between the Parties in reaching the proposed settlement. Plaintiffs' investigation and discovery
16 have been sufficient to allow the Court and counsel to act intelligently and to become familiar with
17 the strengths and weaknesses of the claims. Counsel for both Parties are experienced in similar
18 employment class action litigation. All counsel recommended approval of the Agreement. [There
19 were no objectors/the percentage of objectors and requests for exclusion is small. ____ objections
20 were received. _____ requests for exclusion were received].

21 12. The consideration to be given to the Class Members, the Aggrieved Employees,
22 and the LWDA under the terms of the Agreement, is fair, reasonable and adequate consideration
23 for the release of claims, given the uncertainties and significant risks of the litigation related to
24 certification, liability, and damages issues; the strengths and weaknesses of the claims; and the
25 delays which would ensue from continued prosecution of the action. In so finding, the Court has
26 considered all evidence presented, and the Parties have provided the Court with sufficient
27 information about the nature and magnitude of the claims being settled, as well as the
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1 impediments to recovery, to permit the Court to make an independent assessment of the
2 reasonableness of the terms to which the Parties have agreed.

3 13. The Court hereby grants final approval of the class settlement with respect to: All
4 individuals who are or previously were (a) employed by Defendants in the State of California at
5 any time during the Class Period, and (b) classified as non-exempt (i.e., hourly) employees. The
6 “Class Period” is July 1, 2021 through June 26, 2024. All persons who meet the foregoing
7 definition are members of the Class, except for those individuals who timely submitted a valid
8 request for exclusion (“opt out”) from the Class. The following Class Members were the only
9 Class Members who opted out of the Settlement: _____.

10 14. Plaintiffs are suitable Class Representatives and are hereby appointed the Class
11 Representatives for the Class. The Court finds that Plaintiffs’ investment and commitment to the
12 litigation and its outcome ensured adequate and zealous advocacy for the Class, and that their
13 interests are aligned with those of the Class.

14 15. The Agreement provides for Class Representative Service Payments of not more
15 than \$10,000 each to the Plaintiffs, subject to the Court’s approval. The Court hereby awards the
16 Class Representative Service Payments in the amount of \$_____each to the Plaintiffs and finds
17 that such Class Representative Service Payments are reasonable in light of the risks and burdens
18 undertaken by the Plaintiffs in the litigation, for their time and effort in bringing and prosecuting
19 this matter on behalf of the Class and the Aggrieved Employees, and for their execution of general
20 releases.

21 16. The Court finds that Norman B. Blumenthal, Kyle R. Nordrehaug, and Aparajit
22 Bhowmik of Blumenthal Nordrehaug Bhowmik De Blouw LLP and Danny Yadidsion and Noël
23 Harlow of Labor Law PC (“Class Counsel”) have the requisite qualifications, experience, and skill
24 to protect and advance the interests of the Class. The Court therefore finds that Class Counsel
25 satisfy the professional and ethical obligations attendant to the position of class counsel, and
26 hereby incorporates and affirms its Preliminary Approval Order appointing Class Counsel as
27 counsel for the Class.

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1 17. The Court hereby awards Class Counsel a Class Counsel Fees Payment in the
2 amount of \$_____ and a Class Counsel Litigation Expenses Payment in the amount of
3 \$_____. These amounts are reasonable, in light of the contingent nature of Class Counsel's
4 fee, the hours worked by Class Counsel, and the results achieved by Class Counsel. The requested
5 award has been supported by Class Counsel's lodestar and billing statement. Class Counsel shall
6 not seek or obtain any other compensation or reimbursement from Defendants, Plaintiffs, or
7 members of the Class.

8 18. The payment of \$_____ to the Administrator as the Administration
9 Expenses Payment is approved because this amount is reasonable in light of the work performed
10 by the Administrator. The Administrator shall calculate and administer the payments to be made
11 to the Participating Class Members, transmit payment for attorneys' fees and costs to Class
12 Counsel, transmit the Class Representative Service Payments to the Plaintiffs, distribute the
13 PAGA Penalties, issue any required tax reporting forms, calculate withholdings, and perform the
14 other remaining duties set forth in the Agreement.

15 19. Notice of entry of this Final Approval Order and Judgment shall be given to all
16 Parties by Class Counsel on behalf of Plaintiffs and all Class Members. This Final Approval
17 Order and Judgment shall be posted on the Administrator's and Class Counsel's websites as set
18 forth in the Class Notice. It shall not be necessary to send notice of entry of this Final Approval
19 Order and Judgment to individual Class Members. Plaintiffs shall serve this Final Approval Order
20 and Judgment on the LWDA.

21 20. Defendants shall fully fund the Gross Settlement Amount, and also fund the
22 amounts necessary to fully pay Defendants' share of payroll taxes in accordance with the
23 Agreement, by transmitting the funds to the Administrator no later than 14 days after the Effective
24 Date.

25 21. Within 21 days after Defendants fund the Gross Settlement Amount, the
26 Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments,
27 the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees
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1 Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service
2 Payments.

3 22. Participating Class Members and Aggrieved Employees must cash their Individual
4 Class Payment checks within 180 days after issuance. If such checks are not cashed within 120
5 days after the initial mailing of the checks, the Administrator will send the affected Participating
6 Class Member and/or Aggrieved Employee a reminder notice stating that unless the check is
7 cashed in the next 60 days, it will expire and become non-negotiable and offer to replace the check
8 if it was lost or misplaced. All funds associated with check that remain uncashed by the expiration
9 of the 180 day period, and therefore become void, shall be paid 50% each to Children's Advocacy
10 Institute and Legal Aid at Work as the Cy Pres Recipients in accordance with California Code of
11 Civil Procedure section 384(b).

12 23. The Agreement and this Settlement are not an admission by Defendants, nor is this
13 Final Approval Order and Judgment a finding of the validity of any claims in the Action or of any
14 wrongdoing by Defendants or that this Action is appropriate for class treatment (other than for
15 settlement purposes). Neither this Final Approval Order and Judgment, the Agreement, nor any
16 document referred to herein, nor any action taken to carry out the Agreement is, may be construed
17 as, or may be used as an admission by or against Defendants of any fault, wrongdoing or liability
18 whatsoever. The entering into or carrying out of the Agreement, and any negotiations or
19 proceedings related thereto, shall not in any event be construed as, or deemed to be evidence of, an
20 admission or concession with regard to the denials or defenses by Defendants.

21 24. Neither this Judgment, Approval Motion, the Settlement, any document referred to
22 herein, any exhibit to any document referred to herein, any action taken to carry out the
23 Settlement, nor any negotiations or proceedings related to the Settlement shall have any collateral
24 estoppel or other preclusive effect against Defendants; provided, however, that Defendants and
25 any of the Released Parties can use the Agreement and this Final Approval Order and Judgment to
26 enforce the release and extinguishment of the Released Class Claims and Released PAGA Claims,
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1 including without limitation by way of defense to any claims that have been or may hereafter be
2 asserted in any lawsuit or other judicial, administrative, or arbitral proceeding.

3 25. Except as set forth in the Agreement and this Final Approval Order and Judgment,
4 Plaintiff, and all members of the Class, shall take nothing in the Action. Each party shall bear its
5 own attorneys' fees and costs, except as otherwise provided in the Agreement and in this Final
6 Approval Order and Judgment.

7 26. As of the Effective Date and upon full finding of the Gross Settlement Amount by
8 Defendant, all Participating Class Members, on behalf of themselves and their respective former
9 and present representatives, agents, attorneys, heirs, administrators, successors, and assigns,
10 release the Released Parties from the Released Class Claims. The "Released Class Claims" are all
11 claims that were alleged, or reasonably could have been alleged based on the facts stated in the
12 Operative Complaint, which occurred during the Class Period. Except as expressly set forth in the
13 Agreement, Participating Class Members do not release any other claims, including claims for
14 vested benefits, wrongful termination, violation of the Fair Employment and Housing Act,
15 unemployment insurance, disability, social security, workers' compensation, or claims based on
16 facts occurring outside the Class Period. The Released Class Claims shall specifically include all
17 claims for the following alleged California Labor Code violations, including claims under Labor
18 Code sections 201 to 204, 210, 218, 221, 223, 226, 226.2, 226.7, 227.3, 233, 246, 246.5, 510, 512,
19 1174, 1194, 1194.2, 1197, 1197.1, and 2802 and the following claims: (i) failure to provide meal
20 periods, including claims under Labor Code section 226.7; (ii) failure to provide rest periods,
21 including claims under Labor Code section 226.7; (iii) any associated failure to pay regular wages,
22 minimum wages, overtime wages, or premiums for meal periods or rest breaks; (iv) failure to pay
23 any and all regular or premium wages, as defined in California Labor code section 200, including
24 claims for regular, vacation or premium wages and any claims relating to calculation of overtime
25 due for employees with multiple regular rates during a particular pay period; (v) failure to pay
26 minimum wages; (vi) failure to pay all wages due to discharged or quitting employees, including
27 vacation or PTO claimed to have accrued or otherwise be due; (vii) failure to furnish accurate

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1 itemized wage statements; (viii) failure to pay timely pay wages during employment; (ix) failure to
2 reimburse for necessary expenses, including without limitation expenses relating to personal
3 phones and uniforms; (x) failure to pay any wages or premiums at the correct regular rate of pay,
4 including as a result of incentive compensation or bonuses (xii) failure to pay sick wages at the
5 correct regular rate of pay.

6 27. As of the Effective Date and upon full funding of the Gross Settlement Amount by
7 Defendant, all Aggrieved Employees, the State of California, and the LWDA are deemed to
8 release, on behalf of themselves and their respective former and present representatives, agents,
9 attorneys, heirs, administrators, successors, and assigns, the Released Parties from all of the
10 Released PAGA Claims. The “Released PAGA Claims” are all claims for PAGA penalties that
11 were alleged, or reasonably could have been alleged based on the facts stated in the Operative
12 Complaint and the PAGA Notices, which occurred during the PAGA Period. The Released
13 PAGA Claims do not include other PAGA claims, underlying wage and hour claims, claims for
14 wrongful termination, discrimination, unemployment insurance, disability and worker’s
15 compensation, and claims outside of the PAGA Period. The Released PAGA claims include any
16 claims accruing during the PAGA Period for alleged violations of California Labor Code sections
17 201, 201.3, 201.5, 201.6, 201.7, 201.8, 201.9, 202, 203, 204 et seq., 210, 216, 218, 221, 223,
18 225.5, 226, 226(a), 226(e), 226.2, 226.3, 226.7, 227.3, 233, 246, 256, 510, 512, 558, 558(a)(1)(2),
19 1174, 1174.5, 1175, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2699, 2802, and California Code of
20 Regulations, Title 8, Section 11040, Subdivisions 5(A)-(B), California Code of Regulations, Title
21 8, Section 11070(14), Wage Order 4-2001 section 14, and the applicable wage orders. The
22 Released PAGA Claims include any claims for PAGA penalties based on any of the foregoing
23 claims (i.e., claims listed in (i) through (xii) in paragraph 26, above) or that were pled or could
24 have been pled based on the facts alleged in the Operative Complaint and PAGA Notices that
25 occurred during the PAGA Period, as well as any claim for failure to provide suitable seating.

26 28. The Released Parties are: Defendants and any of their predecessors and successors,
27 corporate parents, corporate subsidiaries, corporate affiliates (including, without limitation, Garda
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1 USA Inc.), and all of their and those entities' current and former officers, owners, directors,
2 managing agents, members, shareholders, assigns, employees, agents, principals, heirs,
3 representatives, attorneys, accountants, auditors, consultants, insurers and reinsurers.

4 29. This Final Approval Order and Judgment shall be binding on Plaintiffs and all
5 Class Members who are hereby barred by the doctrine of res judicata from asserting any and all of
6 the Released Class Claims.

7 30. This Final Approval Order and Judgment shall be binding on Plaintiffs and all
8 Aggrieved Employees, the LWDA, and the State of California who are hereby barred by the
9 doctrine of res judicata from asserting any and all of the Released PAGA Claims. *See Arias v.*
10 *Superior Court*, 46 Cal. 4th 969, 986 (2009).

11 31. This document shall constitute a judgment under California Code of Civil
12 Procedure section 664.6 and California Rules of Court, Rule 7.69(h).

13 32. Pursuant to California Code of Civil Procedure section 664.6, and without affecting
14 the finality of this Judgment in any way, the Court shall retain jurisdiction to construe, interpret,
15 implement and enforce the Agreement and this Judgment.

16 **LET JUDGMENT BE FORTHWITH ENTERED ACCORDINGLY. IT IS SO ORDERED.**

17
18 Dated: _____

19
20 _____
HON. THEODORE C. ZAYNER
JUDGE, SUPERIOR COURT OF CALIFORNIA

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