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LARRY TAYLOR, on behalf of himself and all others
6 similarly situated

7 [Additional Counsel Listed on Next Page]

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA

9 FOR THE COUNTY OF SAN DIEGO

10
11 LARRY TAYLOR, on behalf of himself and
all other similarly situated,

12 Plaintiffs,

13 v.
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15 TRANSFORM PARTNERS LLC, a California
limited liability company; and DOES 1
through 100, Inclusive

16 Defendants.
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CASE NO.: 37-2022-00008829-CU-OE-CTL
[Consolidated with Case No. 37-2022-
00044624-CU-OE-CTL]

**JOINT STIPULATION FOR CLASS
ACTION SETTLEMENT**

[Assigned for all purposes to the Hon. Eddie
C. Sturgeon - Dept. C-67]

1 Jean-Claude Lapyade, Esq. (SBN 248676)
2 Sydney Castillo-Johnson, Esq. (SBN 343881)
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11 5440 Morehouse Drive, Suite 3600
12 San Diego, California 92121
13 Telephone (619) 255-9047
14
15 Attorneys for Plaintiff
16 MIGUEL MONTOYA, on behalf of himself
17 and all others similarly situated
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1 TO THE COURT:

2 This Joint Stipulation for Class Action Settlement ("Settlement Agreement") is made and
3 entered into by and between Larry Taylor and Miguel Montoya ("Plaintiffs"), individually and
4 on behalf of all others similarly situated, on the one hand, and Transform Partners LLC
5 ("Defendant"), on the other hand (collectively, the "Parties"), and is subject to the terms and
6 conditions below, and to the Court's approval. The Parties expressly acknowledge that this
7 Settlement Agreement is entered into solely for the purpose of compromising significantly
8 disputed claims and that nothing in this Settlement Agreement is an admission of liability or
9 wrongdoing by Defendant. If for any reason the Settlement Agreement is not approved, it will be
10 of no force or effect, and the Parties will be returned to their respective positions immediately
11 prior to and as if they had never executed this Settlement Agreement as more fully set forth below.

12 DEFINITIONS

13 The following definitions are applicable to this Settlement Agreement. Definitions
14 contained elsewhere in this Settlement Agreement will also be effective:

15 1. "Action" means *Larry Taylor v. Transform Partners LLC, et al.*, San Diego
16 County Superior Court Case No. 37-2022-00008829-CU-OE-CTL, consolidated with and *Miguel*
17 *Montoya v. Transform Partners LLC, et al.*, San Diego County Superior Court Case No. 37-2022-
18 00044624-CU-OE-CTL.

19 2. "Class Counsel" means Michael Nourmand and James A. De Sario of The
20 Nourmand Law Firm, APC, Jean-Claude Lapuyade and Sydney Castillo-Johnson of JCL Law
21 Firm, APC and Shani O. Zakay and Jackland K. Hom of Zakay Law Group, APLC.

22 3. "Class Counsel Fees and Costs" means attorneys' fees, costs, and expenses
23 approved by the Court for Class Counsel's litigation and resolution of the Action, and all costs
24 incurred and to be incurred by Class Counsel in the Action, including, but not limited to, costs
25 associated with documenting the Settlement, providing any notices required as part of the
26 Settlement or Court order, securing the Court's approval of the Settlement, administering the
27 Settlement, and obtaining entry of the Judgment terminating the Action. Class Counsel will
28 request attorneys' fees of not to exceed one-third of the Gross Settlement Amount or Three

1 Hundred Twenty-Six Thousand Six-Hundred Sixty-Six Dollars and Sixty-Six Cents
2 (\$366,666.66) and litigation costs and expenses not to exceed Thirty-Five Thousand Dollars
3 (\$35,000). Defendant has agreed not to oppose Class Counsel's request for Class Counsel Fees
4 and Costs.

5 4. "Class List" means a complete list of all Class Members that Defendant will
6 diligently and in good faith compile from their records and provide on a confidential basis to the
7 Settlement Administrator within seven (7) calendar days after the Court's entry of an order
8 granting preliminary approval of this Settlement. The Class List will be formatted in Microsoft
9 Office Excel and Defendant will use its best efforts to include each Class Member's full name;
10 most recent mailing address; last known telephone number if readily available; dates of
11 employment or number of workweeks worked during the Class Period; and Social Security
12 number.

13 5. "Class Member(s)" or "Settlement Class" means Plaintiffs and all current and
14 former hourly non-exempt employees of Defendant within California at any time during the Class
15 Period.

16 6. "Class Period" means the period from March 8, 2018 through April 30, 2023.

17 7. "Class Representative Enhancement Payment" means the amount to be paid from
18 the Gross Settlement Amount to the named Plaintiffs in exchange for executing a general release
19 and in recognition of their efforts in prosecuting the Action on behalf of Class Members.
20 Plaintiffs will request and Defendant will not oppose Plaintiffs' application to the court for a
21 payment of Ten Thousand Dollars (\$10,000) each for a total of Twenty Thousand Dollars
22 (\$20,000) for their willingness to serve as Class Representative.

23 8. "Court" means the San Diego County Superior Court, or any other court taking
24 jurisdiction of the Action.

25 9. "Effective Date" means the date when the Final Approval Order becomes final and
26 Defendant fully funds the Gross Settlement Amount and employer's share of payroll taxes. For
27 purposes of this Paragraph, the Final Approval Order "becomes final" upon the last to occur of
28 the following: (a) if there are no objections to the Settlement, the date the Court enters an order

1 granting final approval of the Settlement; or (b) if there are objections to the Settlement, and if
2 an appeal, review, or writ is not sought from the Final Approval Order, the day after the time
3 period to appeal the Settlement has expired, i.e., 60 days from the date the Court enters an order
4 granting final approval of the Settlement.

5 10. "Gross Settlement Amount" means the maximum settlement amount of Nine
6 Hundred Eighty Thousand Dollars (\$980,000) ("Gross Settlement Amount"), which has been
7 and/or will be paid by Defendant in full satisfaction of all claims arising from the Action. The
8 Gross Settlement Amount includes all Individual Settlement Payments to Participating Class
9 Members, the Class Representative Enhancement Payment, Settlement Administration Expenses,
10 Class Counsel Fees and Cost, and PAGA penalties in the amount of Thirty Thousand Dollars
11 (\$30,000) of which 75% or Twenty-Two Thousand Five Hundred Dollars (\$22,500) will be paid
12 to the Labor Workforce Development Agency ("LWDA") and 25% or Seven Thousand Five
13 Hundred Dollars (\$7,500) to PAGA Group Members. Defendant will pay the employer's share
14 of payroll taxes, as applicable, in addition to the Gross Settlement Amount.

15 11. "Individual Settlement Payment" means each Participating Class Member's and
16 PAGA Group Member's share of the Net Settlement Amount, to be distributed to Plaintiffs,
17 PAGA Group Members and Class Members who do not request exclusion from the settlement.

18 12. "Net Settlement Amount" means the maximum amount available for distribution
19 to the Class Members, after deduction of Class Counsel Fees and Costs, Class Representative
20 Enhancement Payment, Settlement Administration Expenses, and \$22,500 as PAGA penalties
21 from the Gross Settlement Amount.

22 13. "Notice of Objection" means a Class Member's valid and timely written objection
23 to the Settlement Agreement. For the objection to be valid, it must include: (i) the objector's full
24 name, signature, address, and telephone number; (ii) a written statement of all grounds for the
25 objection accompanied by any legal support for such objection; (iii) copies of any papers, briefs,
26 or other documents upon which the objection is based; and (iv) a list of all persons who will be
27 called to testify in support of the objection. Further, an objector may appear at the Final Approval
28 hearing, either in person or through counsel, at his or her expense. The Parties will be permitted

1 to respond in writing to such objections at least seven calendar days prior to the Final Approval
2 hearing or within the time period set by the Court.

3 14. "Notice" means the Notice of Class Action Settlement, substantially in the form
4 attached as Exhibit A.

5 15. "PAGA" means the California Private Attorneys General Act of 2004, which is
6 codified in California Labor Code §2698, et seq.

7 16. "PAGA Group Member(s)" means Plaintiffs and all current and former hourly
8 non-exempt employees of Defendant within California at any time during the PAGA Period.

9 17. "PAGA Period" means the period from March 8, 2021 through April 30, 2023.

10 18. "PAGA Settlement Amount" means the portion of the Gross Settlement Amount
11 allocated to the resolution of PAGA Group Members' claims arising under PAGA. The Parties
12 have agreed that the PAGA Settlement Amount is Thirty Thousand Dollars (\$30,000), subject to
13 Court approval. Of the PAGA Settlement Amount, 75% or Twenty-Two Thousand Five Hundred
14 Dollars (\$22,500) will be paid to the LWDA ("LWDA Payment"), and the remaining 25% of
15 Seven Thousand Five Hundred Dollars (\$7,500) will be distributed to PAGA Group Members.

16 19. "Participating Class Members" means all Class Members who do not submit valid
17 Requests for Exclusion.

18 20. "Preliminary Approval" means the Court order granting preliminary approval of
19 the Settlement Agreement.

20 21. "Released PAGA Claims" means any and all claims for civil penalties under
21 PAGA based on the labor code violations alleged in the operative Complaint and Plaintiffs' notice
22 sent to the LWDA, including attorneys' fees and costs related thereto, regardless of whether
23 PAGA Group Members opt out from the Settlement Agreement.

24 22. "Released Claims" means all *California* wage and hour claims, penalties, interest,
25 and causes of action, arising from or related to the claims pled in Plaintiffs' operative complaints
26 in the Action (collectively the "Complaints") or that could have been pled in the Complaints
27 based on the factual allegations pled in the Complaints, including all claims for allegedly unpaid
28 minimum and overtime wages, failure to provide compliant meal breaks, failure to provide

1 compliant rest breaks, inaccurate wage statements, failure to reimburse business expenses;
2 violation of Labor Code Section 227.3, failure to pay all wages owed upon termination under the
3 California Labor Code, or applicable wage order(s), unfair competition claims under California
4 Business & Professions Code §17200, et seq. based on the labor code violations alleged, and any
5 penalties, restitution, disgorgement, interest or attorneys' fees that occurred during the Class
6 Period. This release will cover all Class Members who do not opt out.

7 23. "Released Parties" means Defendant, Randstad, CGS and Defendant's former and
8 present parents, subsidiaries and affiliated companies and entities, franchisors and franchisees,
9 and its current, former, and future owners, officers, shareholders, directors, members, managers,
10 operators, employees, consultants, vendors, partners, principals, affiliates, subsidiaries, parents,
11 shareholders, attorneys, insurers, reinsurers, accountants, payroll providers, joint venturers and
12 agents, and any heirs, successors, predecessors, assigns, or legal representatives.

13 24. "Request for Exclusion" means a timely letter submitted by a Class Member
14 indicating a request to be excluded from the Settlement. The Request for Exclusion must: (a) set
15 forth the name, address, telephone number and last four digits of the Social Security Number of
16 the Class Member requesting exclusion; (b) be signed by the Class Member; (c) be returned by
17 mail or fax to the Settlement Administrator at the specified address or fax number indicated in
18 the Notice; (d) clearly state that the Class Member does not wish to be included in the Settlement;
19 and (e) be faxed or postmarked on or before the Response Deadline.

20 25. "Response Deadline" means the deadline by which Class Members must fax or
21 postmark to the Settlement Administrator a valid Request for Exclusion, submit objections to the
22 Settlement or dispute workweeks. The Response Deadline will be forty-five (45) calendar days
23 from the initial mailing of the Notice by the Settlement Administrator. The Response Deadline
24 for Request for Exclusion, objection or dispute workweeks will be extended fifteen (15) calendar
25 days for any Class Member who is re-mailed a Notice by the Settlement Administrator in
26 accordance with the notice procedure described herein. The Response Deadline may also be
27 extended by express agreement between Class Counsel and Defendant's counsel.
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26. "Settlement Administrator" means Simpluris, Inc. or any other third-party class action settlement claims administrator agreed to by the Parties and approved by the Court for the purposes of administering this Settlement. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

27. “Settlement Administration Expenses” means the costs payable to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, translating into Spanish, conducting a National Change of Address (“NCOA”) search, distributing (including with appropriate postage), and tracking documents for this Settlement in English and Spanish, any searches to locate any Class Members, tax reporting, distributing the Individual Settlement Payments, Class Representative Enhancement Payment, Class Counsel Fees and Costs, and providing necessary certification of completion of notice, reports and declarations, establishing and administering a qualified settlement fund account and other responsibilities set forth in this Settlement Agreement and as requested by the Parties. The Settlement Administration Expenses are currently estimated to be not more than Nine Thousand Dollars (\$9,000).

TERMS OF AGREEMENT

Plaintiffs, on behalf of themselves and the Settlement Class, and Defendant agree as follows:

28. **Impact of Any Court Determination Not to Enter Final Approval Order.** In the event that the Court does not enter a Final Approval Order and this Settlement Agreement does not become effective, the following will occur:

- a. on the date final approval is denied, the status of the Action will be deemed to return to its status at the time immediately prior to and as if the Parties had never executed this Settlement Agreement; and
- b. Defendant will pay the Settlement Administrator for any costs incurred by the Settlement Administrator.

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1 29. Settlement Funding. Within fourteen (14) calendar days of the Effective Date,
2 Defendant will deposit the Gross Settlement Amount and employer's share of payroll taxes with
3 the Settlement Administrator who will deposit the funds into an interest-bearing trust account
4 referred to as the Qualified Settlement Fund account from which the Settlement Administrator
5 will have authority to distribute money in accordance with the terms of this Settlement
6 Agreement. The employer's share of the payroll taxes, which shall be paid in addition to the
7 Gross Settlement Amount, with the assistance of the Settlement Administrator to calculate the
8 appropriate amount of the employer's share of the payroll taxes to funded by Defendant.
9 However, the obligation to pay the employer's share of payroll taxes must first be calculated by
10 the Settlement Administrator and that amount must be delivered to counsel for Defendant in order
11 for the obligation to pay such payroll taxes to become effective.

12 30. Class Counsel Fees and Costs. Defendant agrees not to oppose or impede any
13 application or motion by Class Counsel for Class Counsel Fees in the amount of up to Three
14 Hundred Sixty-Six Thousand Six Hundred Sixty-Six Dollars and Sixty-Six Cents (\$366,666.66),
15 plus the reimbursement of the actual costs and expenses associated with Class Counsel's litigation
16 and settlement of the Action, not to exceed Thirty-Five Thousand Dollars (\$35,000). In
17 consideration of their awarded attorneys' fees and costs and expenses, Plaintiffs and Class
18 Counsel waive any and all claims to any further attorneys' fees and expenses in connection with
19 the Action.

20 31. Class Representative Enhancement Payment. In exchange for named Plaintiffs'
21 executing a general release, and in recognition of their efforts in prosecuting the Action on behalf
22 of Class Members, Defendants agree not to oppose or impede any application or motion for a
23 Class Representative Enhancement Payment of up to Ten Thousand Dollars (\$10,000) each for a
24 total of Twenty Thousand Dollars (\$20,000). The Class Representative Enhancement Payment,
25 which will be paid from the Gross Settlement Amount, will be in addition to Plaintiffs' Individual
26 Settlement Payment paid pursuant to the Settlement. Plaintiffs will be solely and legally
27 responsible to pay any and all applicable taxes, penalties and interest on the payment made
28

pursuant to this paragraph and will hold Defendant harmless from any claim or liability for taxes, penalties, or interest arising as a result of the payment.

32. Settlement Administration Expenses. The Settlement Administrator will be paid for the reasonable fees and costs of administration of the Settlement, which are estimated not to exceed Nine Thousand Dollars (\$9,000). These will include, *inter alia*, fees and costs payable to the Settlement Administrator for printing, translating into Spanish, distributing (including with appropriate postage), and tracking documents for this Settlement in English and Spanish, any searches to locate any Class Members, calculating estimated amounts per Class Member, tax reporting, distributing the Individual Settlement Payments, Class Representative Enhancement Payment, Class Counsel Fees and Costs, payment to LWDA for PAGA penalties, and providing necessary certification of completion of notice, reports and declarations, establishing and administering a Qualified Settlement Fund account, required tax reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS forms, calculating the employer's share of payroll taxes on the wage portion of the Individual Settlement Payments and coordinating related reporting, and other responsibilities as requested by the Parties. Any Settlement Administration Expenses shall be paid from the Gross Settlement Amount.

33. Net Settlement Amount. The Net Settlement Amount will be used to satisfy Individual Settlement Payments to Participating Class Members from the Settlement Class and PAGA Group Members in accordance with the terms of this Agreement.

34. Individual Settlement Payment Calculations. Defendant will provide the Settlement Administrator with the total number of workweeks for each Class Member during the Class Period and total number of workweeks for each PAGA Group Member during the PAGA Period. The Settlement Administrator will divide the Net Settlement Amount, less \$7,500 (or the Court approved amount from the PAGA Settlement Amount allocated for PAGA penalties to PAGA Group Members), by the total number of workweeks ("Work Week Rate Amount") and then multiply this amount by each Class Member's total number of workweeks to yield that employee's Net Settlement Payment. In the event a Class Member submits a timely Request for Exclusion from the settlement, his/her share of the settlement will be added to the Net Settlement

Amount.

NET
SETTLEMENT
AMOUNT X

Participating
Class Member's
Workweeks

Total number of
Workweeks for
all Class
Members

In additional, each Class Member who is a PAGA Group Member will be paid a pro-rata share of the \$7,500 allocated for PAGA penalties to PAGA Group Members, as calculated by the Settlement Administrator, with a formula similar to payments to Participating Class Members.

\$2,500 for PAGA
Penalties to PAGA
Group Members

X

Individual PAGA
Group Member's
Workweeks during
PAGA Period

Total number of
Workweeks for all
PAGA Group Members
during PAGA Period

The Individual Settlement Payment for any Participating Class Member who is also a PAGA Group Member shall include the Participating Class Member's share of the PAGA Settlement Amount allocated for PAGA penalties to PAGA Group Members.

Class Members who are PAGA Group Members will not be permitted to exclude themselves from the PAGA claim portion of the Settlement. PAGA penalty settlement payments in the appropriate amounts will be distributed by the Settlement Administrator by mail to the PAGA Group Members including to those Class Members who are PAGA Group Members who submitted a request for exclusion.

35. No Credit Toward Benefit Plans. All Settlement Awards to Class Members shall be deemed to be income to such Class Members solely in the year in which such awards actually are received by the Class Members. It is expressly understood and agreed that the receipt of such Settlement Awards will not entitle any Class Member to additional compensation or benefits under any company bonus, paid time off (including vacation and sick leave), or other

1 compensation or benefit plan or agreement in place during the period covered by the Settlement,
2 nor will it entitle any Class Member to any increased retirement, 401(k) benefits or matching
3 benefits, or deferred compensation benefits. It is the intent of this Settlement that the Settlement
4 Awards provided for in this Agreement are the sole payments to be made by Defendant to the
5 Class Members in connection with this Settlement, and that the Class Members are not entitled
6 to any new or additional compensation or benefits as a result of having received the Settlement
7 Awards (notwithstanding any contrary language or agreement in any benefit or compensation
8 plan document that might have been in effect during the period covered by this Settlement).

9 36. Settlement Administration Process. The Parties agree to cooperate in the
10 administration of the settlement and to make all reasonable efforts to control and minimize the
11 costs and expenses incurred in administration of the Settlement.

12 37. Delivery of the Class List. Within seven (7) calendar days of Preliminary
13 Approval, Defendant will provide the Class List to the Settlement Administrator.

14 38. Notice by First-Class U.S. Mail. Within five (5) calendar days after receiving the
15 Class List from Defendant, the Settlement Administrator will mail the Notice to all Class
16 Members via regular First-Class U.S. Mail.

17 39. Confirmation of Contact Information in the Class Lists. Prior to mailing, the
18 Settlement Administrator will perform a search based on the National Change of Address
19 Database for information to update and correct for any known or identifiable address changes.
20 Any Notice returned to the Settlement Administrator as non-deliverable on or before the
21 Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding
22 address, and the Settlement Administrator will indicate the date of such re-mailing on the Notice.
23 If no forwarding address is provided, the Settlement Administrator will promptly attempt to
24 determine the correct address using a skip-trace, or other search using the name, address and/or
25 Social Security number of the Class Member involved and will then perform a single re-mailing.
26 Those Class Members who receive a re-mailed Notice will have between the latter of (i) an
27 additional fifteen calendar (15) days or (ii) the Response Deadline to fax or postmark a Request
28 for Exclusion, submit an objection to the Settlement or dispute workweeks.

1 40. Notice. All Class Members will be mailed the Notice by the Settlement
2 Administrator. The Notice will provide: (1) information regarding the nature of the Action, (2)
3 a summary of the Settlement's principal terms, (3) the Settlement Class definition, (4) each Class
4 Member's number of workweeks worked during the Class Period, (5) each Class Member's
5 estimated Individual Settlement Payment; (6) the dates which comprise the Class Period, (7)
6 instructions on how to submit valid Requests for Exclusion, objections or dispute workweeks, (8)
7 the deadlines by which the Class Member must fax or postmark Request for Exclusions, submit
8 objections to the Settlement or dispute workweeks, and (9) the claims to be released, as set forth
9 in this Settlement Agreement.

10 41. Request for Exclusion Procedures. Any Class Member wishing to opt out from the
11 Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the
12 Settlement Administrator within the Response Deadline. The date of the fax or postmark on the
13 return mailing envelope will be the exclusive means to determine whether a Request for
14 Exclusion has been timely submitted. The Parties to this Agreement and their counsel agree that
15 they will not solicit or encourage Class Members to opt-out or object to this Settlement
16 Agreement. If the Court approves the compromise of the PAGA claim, all PAGA Group Members
17 are bound by the Court's resolution of that claim. Class Members who are also PAGA Group
18 Members submitting a request for exclusion will nevertheless receive their pro-rata share of the
19 25% of the PAGA Settlement Amount allocated for PAGA penalties to PAGA Group Members.

20 42. Defective Submissions. If a Class Member's Request for Exclusion is defective as
21 to the requirements listed in this Settlement Agreement, that Class Member will be given an
22 opportunity to cure the defect(s). The Settlement Administrator will mail the Class Member a
23 cure letter within three (3) calendar days of receiving the defective submission to advise the Class
24 Member that his or her submission is defective and that the defect must be cured to render the
25 Request for Exclusion valid. The Class Member will have until the later of (i) Response Deadline
26 or (ii) fifteen (15) calendar days from the date of the cure letter to fax or postmark a revised
27 Request for Exclusion.

1 43. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
2 Member who does not affirmatively opt out of the Settlement Agreement by submitting a timely
3 and valid Request for Exclusion will be bound by all of its terms, including those pertaining to
4 the Released Claims (other than as it applies to the PAGA claims with respect to the PAGA Group
5 Members), as well as any Judgment that may be entered by the Court if it grants final approval
6 to the Settlement. If the Court approves the compromise of the PAGA claim, Class Members who
7 are also PAGA Group Members submitting a request for exclusion will nevertheless be bound by
8 the Court's resolution of that claim and receive their pro-rata share of the 25% of the PAGA
9 Payment allocated to the PAGA Group Members.

10 44. Objection Procedures. To object to the Settlement Agreement, a Class Member
11 may not submit a Request for Exclusion and must mail a valid Notice of Objection to the
12 Settlement Administrator by the Response Deadline. The Settlement Administrator will notify
13 counsel for the Parties forthwith via email. Class Counsel will lodge the objection with the Court.
14 The Notice of Objection must be signed by the Class Member and contain all information required
15 by this Settlement Agreement. The postmark date of the mailing will be deemed the exclusive
16 means for determining that the Notice of Objection is timely. Class Members who wish to object
17 will have a right to appear at the Final Approval Hearing, with or without counsel at his/her own
18 expense, in order to have their objections heard by the Court. At no time will any of the Parties
19 or their counsel seek to solicit or otherwise encourage Class Members to submit written
20 objections to the Settlement Agreement or appeal from the Final Approval Order and Judgment.

21 45. Certification Reports Regarding Individual Settlement Payment Calculations. The
22 Settlement Administrator will provide Defendant's counsel and Class Counsel a weekly report
23 which certifies: (i) the number of Class Members who have submitted valid Request for Exclusion
24 and objections; and (ii) the number of any deficient Request for Exclusion. Additionally, the
25 Settlement Administrator will provide to counsel for both Parties any updated reports regarding
26 the administration of the Settlement Agreement as needed or requested.

27 46. Timing of Distribution of Individual Settlement Payments. Within three (3)
28 calendar days of Defendant depositing the Gross Settlement Amount and employer's share of

1 payroll taxes, the Settlement Administrator will issue payments to (1) Participating Class
2 Members and PAGA Group Members; (2) Plaintiffs; (3) Class Counsel; and payment to LWDA.
3 The Settlement Administrator will also issue a payment to itself for Court-approved services
4 performed in connection with the settlement.

5 47. Uncashed or Undeliverable Settlement Checks. Individual settlement checks paid
6 to Participating Class Members and PAGA Group Members will be valid for 180 days.
7 Participating Class Members and PAGA Group Members will have one hundred eighty (180)
8 calendar days from the date of issuance of the check to cash their check. For any check not cashed
9 after 180 calendar days, the Settlement Administrator will send the amount represented by the
10 check to the California State Controller Unclaimed Property, with the identity of the Participating
11 Class Member and PAGA Group Member to whom the funds belong, to be held for the
12 Participating Class Member and PAGA Group Member per California Unclaimed Property Law,
13 in the interest of justice. The money paid to the California State Controller Unclaimed Property
14 will remain the Participating Class Member and PAGA Group Members' property. This will
15 allow Participating Class Members and PAGA Group Member who did not cash their checks to
16 collect their Individual Settlement Amounts at any time in the future. Therefore, there will be no
17 unpaid residue or unclaimed or abandoned class member funds, and the California Code of Civil
18 Procedure section 384 shall not apply. The funds will be held by the State until claimed by the
19 employee and the uncashed check never ceases to be the employee's property.

20 48. Workweeks Escalation. Defendant has represented that there are a total of 15,000
21 (Fifteen Thousand) workweeks during the Class Period. In the event the total workweeks increase
22 by more than 7% (seven percent), i.e., 16,050 (Sixteen Thousand Fifty) total workweeks,
23 Defendant shall increase the Net Settlement Amount by the workweek value calculated off of
24 16,050 total workweeks and multiplied by the additional workweeks to be calculated by the
25 Settlement Administrator. For example, if the total workweeks are 16,500 and the workweek
26 value is \$20.00 per workweek, Defendant would have to increase the Net Settlement Amount by
27 \$9,000 (16,500 – 16,050 = 450 x \$20 = \$9,000).

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1 49. Certification of Completion. Upon completion of administration of the Settlement,
2 the Settlement Administrator will provide a written declaration under oath to certify such
3 completion to the Court and counsel for all Parties.

4 50. Treatment of Individual Settlement Payments. All Individual Settlement Payments
5 will be allocated as follows: 100% of each PAGA Groups Members pro-rate share of the \$7,500
6 allocated for PAGA penalties shall be allocated as penalties; 20% of each Individual Settlement
7 Payment will be allocated for the settlement of wage claims; and the remaining 80% will be
8 allocated to the settlement of claims for interest and statutory penalties. The portion allocated to
9 wages in each Individual Settlement Payment will be reported on an IRS Form W-2 and the
10 portion allocated to interest and penalties will be reported on an IRS Form-1099 by the Settlement
11 Administrator.

12 51. Administration of Taxes by the Settlement Administrator. The Settlement
13 Administrator will be responsible for issuing to Plaintiffs, Participating Class Members, PAGA
14 Group Members, Class Counsel, and Defendant any W-2, 1099, or other tax forms as may be
15 required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement
16 Administrator will also be responsible for forwarding all payroll taxes and other legally required
17 withholdings, and related reporting, to the appropriate government authorities.

18 52. Defendant's Responsibility for Employer Taxes: For any portion of the Class
19 Members' Individual Settlement Payments that are designated as "wages" for purposes of tax
20 reporting, the employer's taxes, employer contributions of all federal, state, and local taxes
21 (including, but not limited to, FICA, FUTA, and SDI), will be paid in addition to the Gross
22 Settlement Amount, via and with the Settlement Administrator's assistance.

23 53. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR
24 PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY
25 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER
26 PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
27 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
28 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS

1 INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE
2 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN
3 THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31
4 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED
5 EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX
6 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS
7 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE
8 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
9 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
10 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
11 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
12 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
13 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
14 OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF
15 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
16 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
17 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
18 AGREEMENT.

19 54. No Prior Assignments. The Parties and their counsel represent, covenant, and
20 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported
21 to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,
22 action, cause of action or right released and discharged in this Settlement Agreement.

23 55. Release by Plaintiffs. Upon the date the Court enters an order granting final
24 approval of the settlement and Defendant fully funds the Gross Settlement Amount and the
25 employer's share of payroll taxes, in addition to the claims being released by all Class Members,
26 Plaintiffs will provide the following additional general release ("General Release"): Plaintiffs, on
27 their own behalf and on behalf of their heirs, spouses, executors, administrators, attorneys, agents
28 and assigns, fully and finally releases the Released Parties from all claims, demands, rights,

1 liabilities and causes of action of every nature and description whatsoever, known or unknown,
2 asserted or that might have been asserted, whether in tort, contract, or for violation of any state
3 or federal statute, rule or regulation arising out of, relating to, or in connection with any act or
4 omission by or on the part of any of the Released Parties committed or omitted prior to the
5 execution of this Agreement. This General Release includes any unknown claims Plaintiffs do
6 not know or suspect to exist in their favor at the time of this General Release, which, if known
7 by them, might have affected her settlement with, and release of, the Released Parties or might
8 have affected their decision not to object to this Settlement or this Release. To the extent the
9 foregoing releases are releases to which Section 1542 of the California Civil Code or similar
10 provisions of other applicable law may apply, Plaintiffs expressly waive any and all rights and
11 benefits conferred upon them by the provisions of Section 1542 of the California Civil Code or
12 similar provisions of applicable law which are as follows:

13 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT
14 THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR
15 SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF
16 EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR
17 HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER
18 SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

19 The significance of this release and waiver of Civil Code Section 1542 has been explained to
20 Plaintiffs by their counsel. Release by Plaintiffs expressly excludes any claims for workers
21 compensation against Defendant.

22 56. Neutral Reference. Defendants agree that they will only provide a neutral reference
23 for Plaintiffs should any prospective employers or anyone contact them regarding Plaintiffs'
24 employment. Defendant shall only provide the dates of employment and Plaintiffs' last job title
25 held with Defendant.

26 57. Nullification of Settlement Agreement. In the event that: (i) the Court does not
27 finally approve the Settlement as provided in this Settlement Agreement; or (ii) the Settlement
28 does not become final for any other reason, then this Settlement Agreement and any documents

1 generated to bring it into effect will be null and void. Any order or judgment entered by the Court
2 in furtherance of this Settlement Agreement will likewise be treated as void from the beginning.
3 In such case, the Settlement shall not be used or be admissible in any subsequent proceedings,
4 either in this Action, this Court, or any other Court or forum.

5 58. Preliminary Approval Hearing. Plaintiffs will obtain a hearing before the Court to
6 request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary
7 Approval Order for: (i) conditional certification of the Settlement Class for settlement purposes
8 only, (ii) preliminary approval of the proposed Settlement Agreement, and (iii) setting a date for
9 a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for
10 the Notice to be sent to all Class Members as specified in this Settlement Agreement. In
11 conjunction with the Preliminary Approval motion, Plaintiffs will submit this Settlement
12 Agreement, which sets forth the terms of this Settlement and will include the proposed Notice.

13 59. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of
14 the deadlines to fax or postmark Request for Exclusion or submit objections to the Settlement
15 Agreement, and with the Court's permission, a Final Approval/Settlement Fairness Hearing will
16 be conducted to determine the Final Approval of the Settlement Agreement along with the
17 amounts properly payable for (i) Individual Settlement Payments; (ii) the Class Counsel Fees and
18 Costs; (iii) the Class Representative Enhancement Payment; (iv) payment to LWDA for PAGA
19 penalties; and (v) all Settlement Administration Expenses. Class Counsel will be responsible for
20 drafting all documents necessary to obtain final approval. Class Counsel will also be responsible
21 for drafting the attorneys' fees and costs application to be heard at the Final Approval/Settlement
22 Fairness Hearing.

23 60. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by
24 the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present a
25 proposed Judgment to the Court for its approval. Pursuant to California Rules of Court, Rule
26 3.771(b), the Settlement Administrator shall post on its website a copy of the Judgment for a
27 period of thirty days from the date the Court signs the Judgment. After entry of the Judgment,
28 the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation

1 and enforcement of the terms of the Settlement Agreement, (ii) settlement administration matters,
2 and (iii) such post- Judgment matters as may be appropriate under court rules or as set forth in
3 this Settlement Agreement.

4 61. Satisfaction of Judgment. Within 10 (ten) business days upon confirmation from
5 the Settlement Administrator that Defendant has paid the Settlement Administrator the Gross
6 Settlement Amount and the Defendant's share of payroll taxes described in Section 52 herein,
7 and such funds have cleared the Settlement Administrator's account, Plaintiff shall file and serve
8 a Satisfaction of Judgment with the court in this action.

9 62. Exhibits Incorporated by Reference. The terms of this Settlement Agreement
10 include the terms set forth in any attached Exhibits, which are incorporated by this reference as
11 though fully set forth in this Settlement Agreement. Any Exhibits to this Agreement are an
12 integral part of the Settlement.

13 63. Entire Agreement. This Settlement Agreement and any attached Exhibits
14 constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written
15 or oral agreements may be deemed binding on the Parties. The Parties expressly recognize
16 California Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a),
17 which provide that a written agreement is to be construed according to its terms and may not be
18 varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or
19 written representations or terms will modify, vary or contradict the terms of this Agreement.

20 64. Amendment or Modification. This Settlement Agreement may be amended or
21 modified only by a written instrument signed by counsel for all Parties or their successors-in-
22 interest.

23 65. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant
24 and represent they are expressly authorized by the Parties whom they represent to negotiate this
25 Settlement Agreement and to take all appropriate action required or permitted to be taken by such
26 Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other
27 documents required to effectuate the terms of this Settlement Agreement. The Parties and their
28 counsel will cooperate with each other and use their best efforts to effect the implementation of

1 the Settlement. If the Parties are unable to reach agreement on the form or content of any
2 document needed to implement the Settlement Agreement, or on any supplemental provisions
3 that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may
4 seek the assistance of the Court to resolve such disagreement.

5 66. Binding on Successors and Assigns. This Settlement Agreement will be binding
6 upon, and inure to the benefit of, the successors or assigns of the Parties to this Settlement
7 Agreement, as previously defined.

8 67. Execution and Counterparts. This Settlement Agreement is subject only to the
9 execution of all Parties. However, the Settlement Agreement may be executed in one or more
10 counterparts. All executed counterparts and each of them, including facsimile, scanned copies of
11 the signature page, and electronic signature will be deemed to be one and the same instrument
12 provided that counsel for the Parties will exchange among themselves original signed
13 counterparts.

14 68. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe
15 this Settlement Agreement is a fair, adequate and reasonable settlement of the Action and have
16 arrived at this Settlement Agreement after arm's-length negotiations and in the context of
17 adversarial litigation, taking into account all relevant factors, present and potential. The Parties
18 further acknowledge that they are each represented by competent counsel and that they have had
19 an opportunity to consult with their counsel regarding the fairness and reasonableness of this
20 Settlement Agreement.

21 69. Invalidity of Any Provision. Before declaring any provision of this Settlement
22 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest
23 extent possible consistent with applicable precedents so as to define all provisions of this
24 Settlement Agreement valid and enforceable.

25 70. Captions. The captions and section numbers in this Agreement are inserted for the
26 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
27 provisions of this Agreement.

28 ///

1 71. Waiver. No waiver of any condition or covenant contained in this Agreement or
2 failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
3 constitute a further waiver by such party of the same or any other condition, covenant, right or
4 remedy.

5 72. Enforcement Actions. In the event that one or more of the Parties institutes any
6 legal action or other proceeding against any other Party to enforce the provisions of this
7 Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement,
8 the successful Party will be entitled to recover from the unsuccessful Party reasonable attorneys'
9 fees and costs, including expert witness fees incurred in connection with any enforcement actions.

10 73. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms
11 and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not
12 be construed more strictly against one party than another merely by virtue of the fact that it may
13 have been prepared by counsel for one of the Parties, it being recognized that, because of the
14 arms-length negotiations between the Parties, all Parties have contributed to the preparation of
15 this Agreement.

16 74. Representation By Counsel. The Parties acknowledge that they have been
17 represented by counsel throughout all negotiations that preceded the execution of this Settlement
18 Agreement, and that this Settlement Agreement has been executed with the consent and advice
19 of counsel.

20 75. All Terms Subject to Final Court Approval. All amounts and procedures described
21 in this Settlement Agreement will be subject to final Court approval.

22 76. Cooperation and Execution of Necessary Documents. All Parties will cooperate
23 in good faith and execute all documents to the extent reasonably necessary to effectuate the terms
24 of this Settlement Agreement.

25 77. Binding Agreement. The Parties warrant that they understand and have full
26 authority to enter into this Agreement, and further intend that this Agreement will be fully
27 enforceable and binding on all Parties and agree that it will be admissible and subject to disclosure
28

1 in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions
2 that otherwise might apply under federal or state law.

3 78. No Admission of Liability. Nothing contained in this Settlement Agreement shall
4 be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the
5 part of Defendant. Each of the Parties has entered into this Settlement Agreement with the
6 intention to avoid further disputes and litigation, and the attendant inconvenience and expense,
7 and to fully and forever buy their respective peace. This Settlement Agreement shall be
8 inadmissible in evidence in any action or proceeding, by any party, except an action or proceeding
9 by one of the Parties to approve, interpret, or enforce the Settlement Agreement's terms.

10 79. Disputes. Any dispute between the Parties concerning the interpretation or
11 implementation of this Settlement Agreement will be resolved by the Court. Prior to any such
12 resort to the Court, counsel for the Parties will confer in good faith to resolve the dispute. If the
13 Parties are unable to resolve the dispute themselves, the dispute will be submitted to Lynn Frank,
14 Esq. for mediation before being submitted to the Court, unless the Parties agree otherwise.

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

18 SIGNATURES

19 READ CAREFULLY BEFORE SIGNING

20
21
22 Dated: 08/07/2023

PLAINTIFF



Larry Taylor

23
24 PLAINTIFF

25 Dated: _____

26 Miguel Montoya

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18 SIGNATURES

19 READ CAREFULLY BEFORE SIGNING

20
21 PLAINTIFF

22 Dated: _____

23 Larry Taylor

24 PLAINTIFF

25 Dated: Aug 4, 2023

26 
Miguel Lugo Montoya (Aug 4, 2023 18:05 PDT)

27 Miguel Montoya

DEFENDANT

Dated: _____

Transform Partners, LLC

By:

Its:

APPROVED AS TO FORM ONLY:

Dated: _____, 2023

By: _____

Mandy D. Hexom

Attorneys for Defendant

Dated: August 7, 2023

By: _____

Jean-Claude Lapuyade

Shani O. Zakay

Attorneys for Plaintiff

Dated: 8/8, 2023

By: _____

Michael Nourmand

Attorneys for Defendant