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Attorneys for Plaintiff  
TANIKA TURLEY

**SUPERIOR COURT OF CALIFORNIA**  
**COUNTY OF SAN FRANCISCO**

TANIKA TURLEY, individually and on  
behalf of all others similarly situated,

Plaintiffs,

v.

CHIPOTLE SERVICES, LLC, and DOE  
ONE through and including DOE ONE-  
HUNDED,

Defendants.

Case No. CGC-15-544936

ASSIGNED FOR ALL PURPOSES TO  
HON. ANNE-CHRISTINE MASSULLO  
DEPARTMENT 304

**STIPULATION OF CLASS ACTION  
SETTLEMENT AND SETTLEMENT  
AGREEMENT**

Complaint Filed: March 25, 2015

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## STIPULATION OF CLASS ACTION SETTLEMENT AND SETTLEMENT AGREEMENT

Subject to its terms and conditions and the approval of the Court, this Joint Stipulation of Class Action Settlement and Class Action Settlement Agreement and Release (the “Settlement” or “Agreement”) is made and entered into by and between Plaintiffs TANIKA TURLEY individually and on behalf of the putative class (“Plaintiff”), and Defendant CHIPOTLE SERVICES, LLC (herein “CHIPOTLE” or “Defendant”). Plaintiff and Defendant are collectively referred to in this Settlement as the “Parties.”

### I. DEFINITIONS

1. In addition to terms defined elsewhere in the Settlement, as used in this Settlement the following terms have the meanings indicated below:

a. “Action” means the civil action initiated on March 25, 2015, in San Francisco Superior Court styled as *TANIKA TURLEY v. CHIPOTLE Inc.*, Case No. CGC-15-544936 (the “Action”).

b. “Claims Administrator” means an administrator mutually agreed to by the Parties and approved by the Court that will perform the customary duties of a claims administrator including but not limited to, the duties enumerated in this Agreement.

c. “Class Member” shall refer to any current or former employee of Defendant who falls within the definition of the class. Subject to Court approval, the settlement class shall consist of all current and former non-exempt employees of Defendant that worked in California at any time between October 1, 2014 and the earlier of March 1, 2020 or preliminary approval (“Class Period”).

Each person in the class is a “Class Member,” and all such persons are referred to as the “Class.”

There are approximately 77,043 Class Members who have worked approximately 1,300,000 pay periods from October 2, 2014 to October 4, 2019, during the Class Period.

Of the total number of Class Members identified herein, approximately 7,000 are part of a certified subclass alleging claims for violation of Labor Code § 226 (as further defined below, the “Wage Statement Class Members”).

1 The remaining Class Members, i.e., approximately 70,000, are referred to herein (as further  
2 defined below) as the “Omnibus Class Members.”

3 Excluded from the Class are any California employees that have opted in to the currently  
4 pending *Turner v. Chipotle Mexican Grill, Inc., Case No. 1:14-cv-02612-JLK-CBS* or who have filed  
5 individual arbitrations related to that action, as well as any other person who has a pending  
6 arbitration against Defendant as of the date hereof.

7 d. The “Wage Statement Class Members” are all current and former non-  
8 exempt employees of Defendant, who were hired before August 1, 2014 and who worked in  
9 California at any time during the Class Period.

10 e. The “Omnibus Class Members” is any Class Member who is not a  
11 Wage Statement Class Member.

12 f. “Class Counsel” shall refer to Alan Harris, Priya Mohan and David  
13 Garrett of Harris & Ruble and David Harris of North Bay Law Group.

14 g. “Class Notice” means the Notice which the Claims Administrator will  
15 mail to each Class Member explaining the terms of the settlement contemplated by this Agreement,  
16 in a format that is mutually acceptable to the parties. The Class Notice shall be accompanied by a  
17 Voucher Option Form and Opt-Out Notice. The Class Notice, Voucher Option Form and Opt-Out  
18 Notice are collectively referred to as the “Notice Materials”. The form of Notice Materials to be  
19 used are attached collectively hereto as **Exhibit A**.

20 h. “Wage Statement Class Representative” shall refer to Plaintiff Tanika  
21 Turley. “Omnibus Class Representative” shall refer to Susan Carrithers. Collectively, the Wage  
22 Statement Class Representative and the Omnibus Class Representative shall be referred to as the  
23 Class Representatives.

24 i. “Class Representative Payment” means the Court-approved service  
25 payment to Class Representatives for their services as Class Representative and for their execution  
26 of a general release of claims known and unknown.

27 j. “Counsel for Defendant” or “Defense Counsel” means Angela C.  
28 Agrusa, Levi W. Heath, and Steve L. Hernández of DLA PIPER LLP (US).

k. "Class Period" shall be from October 1, 2014 through and the earlier of March 1, 2020 or preliminary approval.

l. "Defendant" means CHIPOTLE SERVICES, LLC.

m. "Final Approval Hearing" means the hearing contemplated by the Parties, at which the Court will approve, in final, the settlement and make such other final rulings as are contemplated by this Settlement Agreement.

n. "Final Approval Order" means the Court's order granting final approval of the Settlement, which will constitute a "judgment" within the meaning of Code of Civil Procedure section 577. The form of Final Approval Order to be submitted is attached hereto as **Exhibit C.**

o. "Final Effective Date" shall be the first date after all of the following events or conditions have been met or have occurred:

(1) the Court has, by entry of a Preliminary Approval Order:

(a) Approved the certification of the Class for settlement purposes;

(b) Preliminarily approved the settlement set forth in this Settlement Agreement, and the method of providing the Court-approved Class Notice to the certified class;

(2) The Court has entered a Final Approval Order approving this settlement and the Court has entered the Final Judgment as provided in Paragraph 1.p. below;

(3) No valid rescission of the Settlement Agreement has occurred;

(4) The time to appeal from the Final Approval Order has expired and no notice of appeal has been filed; and

(5) In the event that an appeal is actually filed, the latest of the following, if applicable, has occurred:

(a) Any appeal from the Final Approval Order has been finally dismissed;

(b) The Final Approval Order has been affirmed on appeal

1 in a form substantially identical to the form of the Final  
2 Approval Order entered by the Court;

3 (c) The time to petition for review with respect to any  
4 appellate decision affirming the Final Approval Order has  
5 expired; or

6 (d) If a petition for review of an appellate decision is filed,  
7 the petition has been denied or dismissed, or, if granted, has  
8 resulted in affirmance of the Final Approval Order in a form  
9 substantially identical to the form of the Final Approval Order  
10 entered by the Court.

11 p. “Final Judgment” means the judgment entered by the Court in  
12 conjunction with the Final Approval Order. The Parties shall submit an order of Final Judgment  
13 setting forth the terms of this Settlement Agreement, by incorporation or otherwise, for execution  
14 and entry by the Court at the time of the Final Approval Hearing or at such other time as the Court  
15 deems appropriate. The form of Final Judgment to be submitted is attached hereto as **Exhibit D**.

16 q. “Gross Individual Settlement Payment” means the gross amount of the  
17 Net Settlement Amount (cash or food voucher) each Participating Class Member will be paid. The  
18 sum of these Gross Individual Settlement Payments to individual Participating Class Members shall  
19 constitute the “Class Settlement Payment.” The allocation of payment of claims between the class  
20 members and tax treatment of such claims shall be 25% wages, 25% interest, and 50% penalties and  
21 expense reimbursement, with the exception of the Omnibus Settlement Amount, described below,  
22 which shall be treated as penalties and expense reimbursement.

23 r. In consideration for the release of claims, Defendant shall pay, or  
24 cause to be paid, the total sum of up to \$3,050,000.00, consisting of \$2,250,000 in cash and up to  
25 \$800,000 in food vouchers or cash, as described below, for payment of all claims, payment of claims  
26 administration, attorney fees, attorney expenses, a payment to the Labor Workforce Development  
27 Agency (the “LWDA”), and service awards for the named plaintiffs (the “Gross Settlement  
28 Amount”).

1 The following litigation costs and costs of administration will be deducted from the Gross  
2 Settlement Amount: (a) attorneys' fees and recoverable costs; (b) settlement administration fees; (c)  
3 a payment to the Labor Workforce Development Agency in the amount of \$10,000; and (d) a service  
4 award to named plaintiffs not to exceed \$10,000 for each Class Representative.

5 The "Net Settlement Amount" will equal the net amount available for payment of claims to  
6 Class Members (after deducting the above-referenced fees and costs from the Gross Settlement  
7 Amount), as follows: \$1,750,000 payable to the Wage Statement Settlement Class ("Wage Statement  
8 Settlement Amount"), and up to \$800,000 in food vouchers or cash payable to the Omnibus Class  
9 Members ("Omnibus Settlement Amount").

10 Wage Statement Class Members who do not affirmatively opt-out of the settlement will  
11 receive a pro-rata share of the Wage Statement Settlement Amount based on pay periods worked  
12 during the Class Period. All checks not cashed within 180 days of payment shall be paid to a *cy pres*  
13 of Defendant's selection, and approved by the Court, in accordance with Code of Civil Procedure  
14 section 384. Accordingly, the sum of the uncashed checks and any other unpaid residue or  
15 unclaimed or abandoned class member funds, plus any interest on that sum, shall be made payable to  
16 the California pro bono law firm, Public Counsel, as the *cy pres* recipient, with Court approval,  
17 pursuant to Cal. Code Civ. Proc., § 384, subd. (b).

18 Omnibus Class Members who do not affirmatively opt-out of the settlement will receive  
19 payment in the form of a \$12.00 meal voucher ("Voucher Option") or \$6.00 in cash ("Cash  
20 Option"). The Omnibus Class Members shall have a sixty (60)-day period from the Notice Date  
21 within which to elect to receive the Cash Option or the Voucher Option. Any Omnibus Class  
22 Member who does not make an election within this time period shall receive the Voucher Option.  
23 The meal vouchers shall not expire, shall be fully transferable, and may be used in conjunction with  
24 other available vouchers, discounts or rebates.

25 If the number of Class Members exceeds 77,043 by more than 10 percent, or if the number of  
26 pay periods exceeds 1,300,000 by more than 10 percent, the Gross Settlement Amount will increase  
27 by a proportionate percentage for all additional Class Member or pay periods above the 10 percent  
28 allowance. If the number of Wage Statement Class Members exceeds 6,993 by more than 10

percent, or if the number of wage statements exceeds 73,665 by more than 10 percent, the Gross Settlement Amount will increase by a proportionate percentage for all additional Wage Statement Class Members or wage statements above the 10 percent allowance.

s. “PAGA Payment” means the net amount of Ten Thousand Dollars and No Cents (\$10,000.00) all of which shall be remitted to the California Labor and Workforce Development Agency for the resolution of all Class Members’ claims under the PAGA, California Labor Code Section 2698, *et. seq.*

t. “Participating Class Members” means those members of the Class who do not Opt Out.

u. “Preliminary Approval Order” means the order of the Court granting preliminary approval of this Settlement Agreement on the terms provided herein or as the same may be modified by subsequent mutual agreement of the Parties with, as appropriate, approval of the Court. The form of Preliminary Approval Order to be submitted is attached hereto as **Exhibit B**.

## **II. BACKGROUND AND REASONS FOR SETTLEMENT**

2. On March 25, 2015, Plaintiff TANIKA TURLEY filed a Complaint in the Superior Court of the State of California, County of San Francisco, entitled *TANIKA TURLEY v. CHIPOTLE Inc.*, Case No. CGC-15-544936, on behalf of herself and other non-exempt employees who worked for Defendant in California alleging claims for: 1) failure to pay all earned wages and compensation upon termination in violation of Labor Code sections 201, 202 and 203; (2) unfair business practices in violation of California Business and Professions Code section 17200; and (3) Violation of PAGA. On March 27, 2015, Plaintiff sent by certified mail a letter to the California Labor and Workforce Development Agency (“LWDA”) notifying the agency of her allegations that Defendant violated the California Labor Code, including the theories set forth in the Complaint. The Lawsuit seeks lost wages, interest, penalties, injunctive relief, attorneys’ fees and expenses.

3. On July 23, 2015, Plaintiff TANIKA TURLEY filed a First Amended Complaint (the “FAC”) in the Superior Court of the State of California, County of San Francisco, entitled *TANIKA TURLEY v. CHIPOTLE Inc.*, Case No. CGC-15-544936, on behalf of herself and other non-exempt employees who worked for Defendant in California alleging claims for: 1) failure

1 to pay all earned wages and compensation upon termination in violation of Labor Code sections 201,  
2 202 and 203; (2) failure to provide lawful wage statements in violation of Labor Code section 226;  
3 (3) failure to provide proper response to document request in violation of Labor Code section 226;  
4 (4) failure to provide proper rest breaks in violation of Labor Code section 226.7; (5) failure to  
5 provide proper meal breaks in violation of Labor Code section 226.7; (6) unfair business practices in  
6 violation of California Business and Professions Code section 17200; and (7) Violation of PAGA.

7 4. Defendant denies all of the allegations in Plaintiff's operative FAC and  
8 maintains that the Court should not certify the class or representative action proposed by Plaintiff,  
9 other than for the sole purpose of this Settlement, as set forth in its Answer to FAC and Affirmative  
10 Defenses, filed on August 27, 2015.

11 5. The parties agreed to attempt to resolve the matters through mediation and  
12 agreed to engage in informal discovery leading up to that mediation. To facilitate mediation in this  
13 case, Defendant provided data on the number of paystubs issued, the number of class members, and  
14 other relevant class data.

15 6. Using the data analysis, the parties engaged in mediation under the guidance  
16 of an experienced wage and hour neutral, Jeff Krivis, Esq. on October 1, 2019. With the mediator's  
17 assistance, the Parties reached a settlement and were able to sign a Memorandum of Understanding  
18 on or about October 17, 2019.

19 7. Prior to mediation, counsel for Plaintiff informed counsel for Defendant that  
20 Plaintiff intended to amend their operative class action complaint to add a new plaintiff and claims  
21 for overtime violations (Labor Code §§ 510, 1194 and 1198), unpaid minimum wages (Labor Code  
22 §§ 1194, 1194.2, 1197 and 1197.1) and failure to reimburse (Labor Code § 2802). As a condition of  
23 settlement, Plaintiff will amend her operative complaint to add a new plaintiff and claims for  
24 overtime violations (Labor Code §§ 510, 1194 and 1198), unpaid minimum wages (Labor Code §§  
25 1194, 1194.2, 1197 and 1197.1) and failure to reimburse (Labor Code § 2802). The Second  
26 Amended Complaint ("SAC") is attached hereby as Exhibit E, and deemed approved by Defendant.  
27 Prior or concurrent to the filing of the Motion for Preliminary Approval, the Parties will file a  
28 Stipulation and Order for filing of the SAC with the Court. The Parties will stipulate that no

responsive pleading need be filed in response to the SAC as the case has been settled.

8. Class Counsel represent that they have conducted a thorough investigation into the facts of this case, and have diligently pursued an investigation of the Class Members' claims against Defendant, including: (1) interviewing Class Members and analyzing the results of Class Member interviews; (2) reviewing relevant policy documents; (3) researching the applicable law and the potential defenses; and (4) reviewing relevant data including time records and pay data. Class Counsel reviewed payroll records for the named plaintiff and other class members and prepared a detailed damage analysis. Based on their own independent investigation and evaluation, Class Counsel are of the opinion that the Settlement is fair, reasonable and adequate and is in the best interest of the Class in light of all known facts and circumstances, including the risk of significant delay, defenses asserted by Defendant, and potential appellate issues. Without admitting any liability, Defendant agrees that the Settlement is fair, reasonable and adequate.

9. It is the mutual desire of the Parties to fully, finally, and forever settle, compromise, and discharge all disputes and claims raised in or related in any way to the Action. Thus, the entry of the Final Approval Order in this Action shall dismiss with prejudice all class claims which were or which could have been alleged in Plaintiff's Complaint. The Parties agree to cooperate and take all steps necessary and appropriate to obtain preliminary and final approval of this Settlement, to effectuate its terms, and to dismiss these claims with prejudice.

10. The Court must approve the settlement. The Parties will cooperate in good faith and utilize best efforts to obtain approval, including in the preparation of all paperwork necessary to obtain approval. Absent Court approval there is no settlement.

11. Plaintiff's counsel intends to apply to the Court for a fee award, plus expenses and costs incurred. Defendant will not object to a claim for attorney fees of up to 35% of the Gross Settlement Amount, actual costs as documented in billing statements of the attorneys for the named Plaintiffs, and a service award to each named plaintiff of up to \$10,000.00. If the Court believes the fees, costs, or service awards should be reduced, the other terms of the settlement will remain in effect and any such reduction will not affect the remaining terms, other than adjusting the Net Settlement Amount. A reduction to the fees, costs, or service awards is not a ground for rescission.

12. Wage Statement Class Members who do not affirmatively opt-out of the settlement will receive a pro-rata share of the Wage Statement Settlement Amount based on pay periods worked during the Class Period.

13. Omnibus Class Members who do not affirmatively opt-out of the settlement will receive payment in the form of their selection of either a \$12.00 meal voucher (“Voucher Option”) or \$6.00 in cash (“Cash Option”). The Omnibus Class Members shall have a sixty (60)-day period from the Notice Date within which to elect to receive the Cash Option or the Voucher Option. Any Omnibus Class Member who does not make an election within this time period shall receive the Voucher Option. The meal vouchers shall not expire, shall be fully transferable, and may be used in conjunction with other available vouchers, discounts or rebates.

14. If more than 10% of the class members opt-out of the settlement, Defendant may rescind the settlement.

15. The Parties and their counsel shall issue no public statements and shall make no comments to media or press with respect to the Action or the settlement at any time (including but not limited to press releases), except as required by law. In addition, the Parties and their counsel shall not make, publish, circulate or cause to be made, published or circulated any statements that represent or suggest any wrongdoing by Defendant, or that this settlement or any order by the Court regarding the settlement represents or implies any wrongdoing by, or any admission of liability by, Defendant, or a finding by the Court of liability or wrongdoing.

### **III. NO ADMISSION**

1. Nothing contained in this Joint Stipulation and the Settlement contemplated in the Joint Stipulation shall be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant and Defendant denies liability therefor. While Defendant believes that this Action meets the prerequisites for certification of a settlement class, the fact that Defendant seeks approval of this Settlement in the form of a class action shall not be construed as an admission that the underlying action was properly brought as a class action or a representative action under California Business and Professions Code section 17200 or California Labor Code 2699 for purposes other than settlement. Each of the Parties has entered into this Settlement with the

intention to avoid further disputes and litigation with the attendant inconvenience and expenses. Settlement of the Action, the negotiation and execution of this Joint Stipulation, and all acts performed or documents executed pursuant to or in furtherance of this Joint Stipulation or the Settlement: (1) are not, shall not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or liability on the part of Defendant, and each of them; (2) are not, shall not be deemed to be, and may not be used as, an admission or evidence of any fault or omission on the part of Defendant in any civil, criminal, administrative or arbitral proceeding in any court, administrative agency or other tribunal; and (3) are not, shall not be deemed to be, and may not be used as, an admission or evidence of the appropriateness of these or similar claims for class certification or administration other than for purposes of administering this Joint Stipulation. This Joint Stipulation is a settlement document and shall be inadmissible in evidence in any proceeding, except an action or proceeding to approve, interpret, or enforce the terms of the Joint Stipulation.

#### **IV. CERTIFICATION OF A CODE OF CIVIL PROCEDURE SECTION 382 CLASS**

2. For Settlement purposes only, the Parties stipulate to conditional certification of the Settlement Class ("Class"), an opt-out class under California Code of Civil Procedure 382, that is defined as follows:

The "Class Member" shall consist of any current or former employee of Chipotle that worked in California at any time between October 1, 2014 and the earlier of March 1, 2020 or preliminary approval ("Class Period"). Each person in the class is a "Class Member," and all such persons are referred to as the "Class."

Of the total number of Class Members identified herein, approximately 7,000 are part of a certified subclass alleging claims for violation of Labor Code § 226 (the "Wage Statement Class Members").

The "Wage Statement Class Members" are all current and former non-exempt employees of Defendant, who were hired before August 1, 2014 and who worked in California at any time during the Class Period.

The remaining Class Members, i.e., approximately 70,043, are referred to herein as the "Omnibus Class Members."

The "Omnibus Class Members" is any Class Member who is not a Wage Statement Class Member.

Excluded from the Class are any California employees that have opted in to the currently pending *Turner v. Chipotle Mexican Grill, Inc.*,

Case No. 1:14-cv-02612-JLK-CBS or who have filed individual arbitrations related to that action, as well as any other person who has a pending arbitration as of the date hereof.

3. The Parties stipulate that Plaintiff TANIKA TURLEY shall be appointed as the Class Representative for the Wage Statement Class.

4. The Parties stipulate that Plaintiff Susan Carrithers shall be appointed as the Class Representative for the Wage Statement Class.

5. The Parties stipulate that Harris & Ruble and North Bay Law Group shall be appointed Class Counsel for the Settlement Class.

6. The stipulations to certify the Settlement Class are completely contingent upon final approval of this Agreement by the Court and are made for settlement purposes only. If the Settlement is not approved by the Court, is overturned on appeal, or does not become final for any other reason, the Parties agree that the certification of the Settlement Class is void ab initio and that, if necessary, they shall stipulate to decertification of the Settlement Class without prejudice to the propriety of class certification being adjudicated on the merits.

## **V. TERMS OF THE SETTLEMENT**

### **A. Gross Settlement Amount**

1. In consideration for the release of claims, Defendant shall pay, or cause to be paid, the total sum of \$3,050,000.00, consisting of \$2,250,000 in cash and up to \$800,000 in food vouchers or cash, as described below, for payment of all claims, payment of claims administration, attorney fees, attorney expenses, a payment to the LWDA, and service awards for the named plaintiffs (the "Gross Settlement Amount").

2. The following litigation costs and costs of administration will be deducted from the Gross Settlement Amount: (a) attorneys' fees and recoverable costs; (b) settlement administration fees; (c) a payment to the Labor Workforce Development Agency in the amount of \$10,000; and (d) a service award to named plaintiffs not to exceed \$10,000 for each Class Representative.

3. The "Net Settlement Amount" will equal the net amount available for payment of claims to Class Members (after deducting the above-referenced fees and costs from the

Gross Settlement Amount), as follows: \$1,750,000 payable to the Wage Statement Settlement Class (“Wage Statement Settlement Amount”), and up to \$800,000 in food vouchers or cash payable to the Omnibus Class Members (“Omnibus Settlement Amount”).

4. This is a non-reversionary settlement and none of the Gross Settlement Amount will revert to the Defendant.

5. The allocation of payment of claims between the class members and tax treatment of such claims shall be 25% wages, 25% interest, and 50% penalties and expense reimbursement.

6. If the number of Class Members exceeds 77,043 by more than 10%, or if the number of pay periods exceeds 1,300,000 by more than 10%, the Gross Settlement Amount will increase by a proportionate percentage for all additional Class Member or pay periods above the 10% allowance.

7. If the number of Wage Statement Class Members exceeds 6,993 by more than 10%, or if the number of wage statements exceeds 73,665 by more than 10%, the Gross Settlement Amount will increase by a proportionate percentage for all additional Wage Statement Class Member or wage statements above the 10 percent allowance.

8. This Settlement does not establish a fund for the payment of claims except as expressly provided for herein. The maximum Gross Settlement Amount shall remain in the possession, custody, and control of Defendant until the settlement amounts are distributed as set forth herein. The maximum Gross Settlement Amount shall not be segregated but shall remain in Defendant’s general funds until distributed or shall be provided to the Claims Administrator for distribution sufficiently in advance for the Claims Administrator to meet its obligations under the Settlement Agreement.

9. In the event that this Settlement Agreement is canceled, rescinded, terminated, voided, or nullified, however that may occur, or the settlement of the Action is barred by operation of law, is invalidated, is not approved or otherwise is ordered not to be carried out by the Court or any court of competent jurisdiction, Defendant will cease to have any obligation to pay or provide

1 any portion of the maximum Gross Settlement Amount to anyone under the terms of this Settlement  
2 Agreement.

3 **B. Attorneys' Fees and Costs**

4 10. The Action alleges a potential claim for attorneys' fees and costs pursuant to,  
5 inter alia, the California Labor Code. The Parties agree that any and all such claims for attorneys'  
6 fees and costs have been settled in this Joint Stipulation subject only to approval by the Court.

7 11. Defendant understands that Class Counsel will apply to the Court for an award  
8 of attorneys' fees and costs, which will be scheduled for determination at the final fairness and  
9 approval hearing described below. Plaintiff's counsel intends to apply to the Court for a fee award,  
10 plus expenses and costs incurred. Defendant will not object to a claim for attorney fees of up to 35%  
11 of the Gross Settlement Amount, costs as documented in billing statements of the attorneys for the  
12 named Plaintiffs, and a service award to each named plaintiff of up to \$10,000.00. If the Court  
13 believes the fees, costs, or service awards should be reduced, the other terms of the settlement will  
14 remain in effect and any such reduction will not affect the remaining terms, other than adjusting the  
15 Net Settlement Amount. A reduction to the fees, costs, or service awards is not a ground for  
16 rescinding the settlement.

17 12. The fee award shall be paid exclusively from the maximum Gross Settlement  
18 Amount, and will compensate Class Counsel for all of the work already performed in the Action and  
19 all work remaining to be performed in documenting the Settlement, securing Court approval of the  
20 Settlement, administering the Settlement, ensuring that the Settlement is fairly administered and  
21 implemented, obtaining dismissal of the Action with prejudice, and defending against any appeals,  
22 as well as all associated expenses. The litigation costs and expenses shall be those costs and  
23 expenses incurred by Plaintiff as set forth on Class Counsel's billing statement, including but not  
24 limited to mediation fees, expert and consultant fees, filing fees, attorney service charges, online  
25 research charges, travel expenses (including mileage, parking, meals, hotels and flights), copying  
26 expenses, deposition expenses, Belaire West class notice expenses (if not covered by the claims  
27 administrator bid), courier fees, postage and delivery charges. Neither the Class Representatives,  
28

1 Class Counsel, nor any other Class Member shall seek payment of attorneys' fees or reimbursement  
2 of costs or expenses from Defendant except as expressly set forth in this Joint Stipulation.

3 13. The substance of Class Counsel's application for attorneys' fees and costs is  
4 not a material part of this Joint Stipulation, and is to be considered separately from the consideration  
5 of the fairness, reasonableness, adequacy, and good faith of the settlement of the Action. However,  
6 all claims for attorneys' fees and costs or expenses that the Settlement Class may possess against  
7 Defendant have been compromised and resolved in this Joint Stipulation. Any proceedings related  
8 to Class Counsel's application for attorneys' fees and costs shall not terminate or cancel this Joint  
9 Stipulation. If Class Counsel appeals an adverse ruling of the Court regarding its fee and cost  
10 application, the ruling of the appellate court (regardless of its substance) shall not constitute a  
11 material alteration of a term of this Joint Stipulation. Class Counsel waives and releases any claim  
12 for fees and costs in excess of that which are allowed by the Court or on appellate review of the  
13 Court's fees and costs decision or otherwise. The amount, if any, by which the finally approved fees  
14 and costs are less than the maximum amount which can be sought pursuant to this Agreement shall  
15 be a part of the wages and non-wage income provided Class Members in equal proportions.

16 14. No later than fifteen (15) calendar days after the Court's approval of Class  
17 Counsel's application for attorneys' fees and costs, Class Counsel shall deliver to the Claims  
18 Administrator written instructions that describe the manner and mode of payment of such attorneys'  
19 fees and costs (and, in the absence of such instructions, such attorneys' fees and costs shall be sent  
20 by wire transfer as set forth below), and fully-executed Form W-9s with respect to all persons or  
21 entities to whom some or all of the attorneys' fees and costs shall be paid.

22 15. No later than ten (10) calendar days after the Final Effective Date, Defendant  
23 shall wire transfer the maximum Gross Settlement Amount to the Claims Administrator. Assuming  
24 the conditions in Paragraph 17 have been met, no later than five (5) calendar days after the receipt of  
25 the maximum Gross Settlement Amount from Defendant, the Claims Administrator shall issue a  
26 payment to Class Counsel for the amount of attorneys' fees and costs approved by the Court and in  
27 accordance with the instructions provided by Class Counsel.  
28

1                   16.     The Claims Administrator will issue to Class Counsel IRS Form 1099s for the  
2 amounts paid for attorneys' fees and costs under this Settlement.

3                   **C.     Payment to Claims Administrator**

4                   17.     The fees and expenses of the Claims Administrator are estimated at \$231,129  
5 i.e. approximately \$3 per class member. To the extent that the costs of administration exceed the  
6 amount agreed upon, the shortfall will be taken from the Net Settlement Amount and thereby reduce  
7 the amount of penalties payable to the Participating Class Members. To the extent the cost of  
8 administration is less than the amount agreed upon, the excess shall become part of the Net  
9 Settlement Amount and shall increase the amount of penalties payable to the Participating Class  
10 Members.

11                  18.     On or before the date of the Final Approval Hearing, the Claims  
12 Administrator shall deliver to counsel for Defendant a fully-executed Form W-9.

13                  19.     No later than ten (10) calendar days after the Final Effective Date, Defendant  
14 shall mail or wire transfer the maximum Gross Settlement Amount to the Claims Administrator. At  
15 the time it receives the maximum Gross Settlement, the Claims Administrator may issue a payment  
16 to itself for the amount of fees approved by the Court.

17                  20.     Defendant will issue to the Claims Administrator an IRS Form 1099 for the  
18 sum paid to it under this Settlement.

19                  **D.     Class Representative Payments to Class Representatives**

20                  21.     Defendant understands that Plaintiffs and Class Counsel will apply to the  
21 Court for Class Representative Payments, which will be scheduled for determination at the final  
22 fairness and approval hearing. Plaintiff and Class Counsel will apply for a Class Representative  
23 Payment in an amount up to, but not to exceed, Ten Thousand Dollars and No Cents (\$10,000.00) to  
24 each of the Class Representatives, which shall be paid exclusively from the maximum Gross  
25 Settlement Amount, and will compensate Plaintiff for their services as the Class Representatives.  
26 Defendant will not oppose Plaintiff's application for the Class Representative Payments up to the  
27 stated amount. The amount, if any, by which the Class Representative Payment are less than the  
28

1 maximum amount which can be sought pursuant to this Agreement shall be part of the Net  
2 Settlement Distribution Amount.

3 22. As condition precedent to the payment of this Class Representative Payment,  
4 Plaintiff releases any and all claims against Defendant as set forth in the Class Representative  
5 Release.

6 23. Any Class Representative Payment awarded by the Court shall be in addition  
7 to the payment, if any, Plaintiff may otherwise receive as a Participating Class Member and shall not  
8 be subject to payroll tax withholding and deductions for this payment.

9 24. No later than seven (7) calendar days after the receipt of the maximum Gross  
10 Settlement Amount from Defendant, the Claims Administrator shall issue the Class Representative  
11 Payment to Class Counsel on behalf of Plaintiff in the amount approved by the Court, subject to all  
12 authorized and required deductions.

13 25. The Claims Administrator will issue IRS Form 1099-MISC to Plaintiff for the  
14 amount of the Class Representative Payment.

15 **E. Distribution to Participating Class Members**

16 26. The following litigation costs and costs of administration will be deducted  
17 from the Gross Settlement Amount: (a) attorneys' fees and recoverable costs; (b) settlement  
18 administration fees; (c) a payment to the Labor Workforce Development Agency in the amount of  
19 \$10,000; and (d) a service award to named plaintiffs not to exceed \$10,000 for each Class  
20 Representative.

21 27. The "Net Settlement Amount" will equal the net amount available for  
22 payment of claims to Class Members (after deducting the above-referenced fees and costs from the  
23 Gross Settlement Amount), as follows: \$1,750,000 payable to the Wage Statement Settlement Class  
24 ("Wage Statement Settlement Amount"), and up to \$800,000 in food vouchers or cash payable to the  
25 Omnibus Class Members ("Omnibus Settlement Amount").

26 28. Wage Statement Class Members who do not affirmatively opt-out of the  
27 settlement will receive a pro-rata share of the Wage Statement Settlement Amount based on pay  
28

1 periods worked during the Class Period. All checks not cashed within 180 days of payment shall be  
2 paid to a *cy pres* of Defendant's selection, in accordance with Code of Civil Procedure section 384.

3 29. Omnibus Class Members who do not affirmatively opt-out of the settlement  
4 will receive payment in the form of either a \$12.00 meal voucher ("Voucher Option") or \$6.00 in  
5 cash ("Cash Option"). The Omnibus Class Members shall have a sixty (60)-day period from the  
6 Notice Date within which to elect to receive the Cash Option or the Voucher Option. Any Omnibus  
7 Class Member who does not make an election within this time period shall receive the Voucher  
8 Option. The meal vouchers shall not expire, shall be fully transferable, and may be used in  
9 conjunction with other available vouchers, discounts or rebates.

10 30. The Participating Class Members shall be paid their respective Individual  
11 Settlement Payments as provided in this Agreement pursuant to section IX below. The allocation of  
12 payment of claims between the class members and tax treatment of such claims shall be 25% wages,  
13 25% interest, and 50% penalties and expense reimbursement.

14 **F. PAGA Payment**

15 31. The Parties have agreed to allocate Ten Thousand Dollars and Zero Cents  
16 (\$10,000.00) for the resolution of all Class Members' claims under the California Private Attorney  
17 General Act, California Labor Code Section 2698, et. seq. The PAGA Payment will be remitted to  
18 the California Labor and Workforce Development Agency.

19 32. This amount is subject to review and approval by the Court as part of the  
20 settlement process pursuant to Labor Code section 2699(1)(2). This Settlement is contingent on the  
21 Court approving the PAGA release and payment. Plaintiff's counsel will submit a copy of the  
22 Settlement to the LWDA at the same time the Settlement is submitted to the Court in accordance  
23 with Labor Code section 2699 (1)(2).

24 33. Within five (5) calendar days after the receipt of the maximum Gross  
25 Settlement Amount from Defendant, the Claims Administrator will remit the PAGA Payment to the  
26 California Labor and Workforce Development Agency.

**VI. APPOINTMENT AND DUTIES OF CLAIMS ADMINISTRATOR**

34. The Claims Administrator shall perform the following duties in connection with administration of the Settlement: (1) using the data provided by Defendant to prepare the Notice Materials for each Class Member, as described in section VII.A of this Settlement; (2) mailing the Notice Materials to Class Members; (3) tracking non-delivered Notice Materials and taking reasonable steps to re-send them to Class Members' current addresses; (4) sending out reminder postcards to Class Members; (5) setting up a settlement website which contains copies of all papers and orders filed in connection with preliminary and final approval, including the final Settlement Agreement, Complaint, and Final Judgment; (6) tracking and timely reporting to Class Counsel and Counsel for Defendant about the received Voucher Option Forms and any Opt-Outs/requests for exclusion; (7) calculating and paying the amounts due to each Participating Class Member pursuant to the Settlement; (8) resolving disputes (if any) by Class Members regarding the categorization in Group 1, 2 or 3, or other matters, after timely notice to and consultation with Class Counsel and counsel for Defendant; (10) transmitting funds as required by applicable garnishments and liens; (11) contacting all Participating Class Members who have not cashed their Settlement Checks to remind them to do so before the six-month deadline for doing so expires; (12) transmitting funds to resolve the PAGA claim to the State of California as designated; (13) issuing payments to Class Counsel and Class Representative and associated tax forms; (14) escheating the funds to the agreed upon *cy pres* recipient.

35. All disputes relating to the Claims Administrator's performance of its duties will be referred to the Court, if necessary, which will have continuing jurisdiction over this Settlement until all payments and obligations contemplated by this Settlement have been fully carried out.

**VII. NOTICE TO THE CLASS OF THE SETTLEMENT**

**A. Mailing or Emailing the Notice Packets to the Class Members**

36. Within fifteen (15) calendar days after the Court enters its Preliminary Approval Order, Defendant will provide to the Claims Administrator a database that lists, for each Class Member, the individual's name, Social Security Number, last known email and/or address and

1 telephone number; and dates of employment with Defendant during the Covered Period. This  
2 database will be drawn from Defendant's payroll and other business records and will be in a format  
3 acceptable to the Claims Administrator and Defendant. Defendant will consult with the Claims  
4 Administrator prior to the date for providing this information to ensure that the format will be  
5 acceptable to the Claims Administrator. The data provided to the Claims Administrator and Class  
6 Counsel will remain confidential and will not be disclosed to anyone, except as required to  
7 applicable tax authorities, pursuant to Defendant's express written consent, or by order of the Court.

8 37. Within fifteen (15) calendar days after Defendant provides the Claims  
9 Administrator the information stated pursuant to Paragraph 36, above, the Claims Administrator will  
10 either email or mail, by first-class mail (as approved by the Court), the Notice Materials to all Class  
11 Members at their last known address, unless modified by any updated address information that the  
12 Claims Administrator obtains in the course of administration of the Settlement.

13 38. If Notice Materials are mailed, then the Claims Administrator will use  
14 standard devices, including the National Change of Address database or equivalent, to obtain  
15 forwarding addresses prior to mailing and will use appropriate skip tracing to take appropriate steps  
16 to maximize the probability that the Class Notice and Voucher Option Form will be received by all  
17 Class Members. Class Members to whom the Class Notice Materials are resent after having been  
18 returned undeliverable to the Claims Administrator shall have ten (10) calendar days thereafter, or  
19 until the response deadline has expired, whichever is later, to mail, fax or email the request for  
20 exclusion, or an objection. Notice Materials that are resent shall inform the recipient of this adjusted  
21 deadline. If a Class Member's Notice Materials are returned to the Claims Administrator more than  
22 once as non-deliverable, no additional Notice Materials shall be sent.

23 39. Within thirty (30) calendar days after the Claims Administrator mails out the  
24 Notice Materials, the Claim Administrator will mail out mutually acceptable reminder postcards (or  
25 emails, as appropriate) to Class Members reminding them of their right to submit a Voucher Option  
26 Form, submit an Opt-Out Form, object to the settlement, or dispute the Defendant's employment  
27 records used to determine the Class Members' Gross Individual Settlement Payment.  
28

40. The Claims Administrator shall provide regular reports to Class Counsel and Defendant's counsel as to the mailings of Notice Materials, and the receipt of Voucher Option Forms, Opt-Out Forms, and objections prior to the close of the period in which claims can be made.

**B. Voucher Option Forms**

41. Omnibus Class Members will be sent a Voucher Option Form either by mail or email, as appropriate. The Omnibus Class Members shall have a sixty (60)-day period from the Notice Date within which to elect to receive the Cash Option or the Voucher Option by selecting an option on the Voucher Option Form and returning it to the Claims Administrator. Any Omnibus Class Member who does not make an election by returning the Voucher Option Form with a selection made within this time period shall receive the Voucher Option. The meal vouchers shall not expire, shall be fully transferable, and may be used in conjunction with other available vouchers, discounts or rebates. The Class Member must submit a valid, fully-executed Voucher Option Form to the Claims Administrator that is postmarked by no later than sixty (60) calendar days after the initial date of mailing of the Notice Materials. No Voucher Option Forms will be accepted if physically postmarked after the deadline indicated and any Class Member submitting a late form shall receive the voucher option. All original Voucher Option Forms shall be sent directly to the Claims Administrator at the address indicated on the Form.

**C. Disputes**

42. Defendant's records will be presumed correct, but the Claims Administrator will evaluate the evidence submitted by the Class Member and will make a final determination based on its evaluation of all the evidence presented. All determinations will be made no later than fifteen (15) calendar days within receipt of the challenge.

**D. Objections to Settlement**

43. The Class Members will have sixty (60) calendar days after the date on which the Claims Administrator mails the Class Notice to object to the Settlement by serving on the Claims Administrator, by the sixty (60)-day deadline, a written objection to the Settlement.

44. Nevertheless, the Court may entertain subsequently filed objections or oral argument from a class member or his or her counsel at the final fairness hearing.

45. Any Class Member who has elected to opt-out of the Settlement (pursuant to the procedure set forth below) may not submit an objection to the Settlement.

46. The Claims Administrator shall provide the Parties a copy of any objections received within three (3) days of receipt. Counsel for the Parties shall file any objections and any response thereto at least seven (7) calendar days before the Final Approval Hearing.

**E. Election Not to Participate in the Class Settlement**

47. In order for a Class Member to validly and effectively request exclusion from, and opt out of, this Settlement, the Class Member must submit to the Claims Administrator an Opt-Out Form according to the procedures set forth in the Class Notice. Substantial compliance with the requirements set forth in the Class Notice will in most cases be sufficient. To the extent additional information is required, the Claims Administrator will communicate with the Class Member. In order to be valid, the Opt-Out Form must be postmarked for delivery to the Claims Administrator no later than sixty (60) calendar days after the date of mailing of the Class Notice. No request for exclusion will be accepted if postmarked for delivery to the Claims Administrator after the deadline indicated.

48. Any Class Member who does not properly and timely submit an Opt-Out Form will automatically be bound by all terms and conditions of the Settlement, including its release of claims, if the Settlement is approved by the Court, and be bound by the Final Approval Order, regardless of whether he or she has submitted a Voucher Option Form or objected to the Settlement.

49. A Class Member who properly and timely submits an Opt-Out Form will not be bound by the Settlement, and will remain free to contest any claim brought by Plaintiff that would have been barred by the Settlement, and nothing in this Settlement will constitute or be construed as a waiver of any defense Defendant has or could assert against such a claim.

50. Plaintiff may not opt-out of the Settlement Class.

**F. Reports and Declaration by Claims Administrator**

51. By no later than fifteen (15) calendar days after expiration of the 60-day deadline for submission of Voucher Option and Opt-Out Forms, the Claims Administrator will submit to Class Counsel and Counsel for Defendant a report setting forth the number of individuals

1 who as of that date have submitted (a) valid Voucher Option Forms, (b) valid Opt-Out Forms , and  
2 (c) invalid requests to be excluded from the Settlement. In the event that the Claims Administrator  
3 subsequently receives a Voucher Option Form or an Opt-Out Form, it will promptly distribute an  
4 updated report.

5 52. By no later than the date when Plaintiff files her motion for final approval of  
6 the Settlement, the Claims Administrator will prepare and submit for filing in support of the motion a  
7 declaration attesting to its mailing of the Class Notice, its receipt of requests for exclusion and  
8 objections, and its inability to deliver the Class Notice to potential Class Members due to invalid  
9 addresses. As applicable, the Claims Administrator will prepare and submit for filing in support of  
10 the motion for final approval, any supplemental declaration.

#### 11 **G. Settlement Website**

12 53. The Claims Administrator will create a settlement website which contains  
13 copies of all papers and orders filed in connection with preliminary and final approval, including the  
14 final Settlement Agreement and Complaint. These documents will be posted no later than the mailing  
15 of the Notice Materials and will remain posted until the date of final approval. The Claim  
16 Administrator will also post on its website Notice of Final Judgment.

#### 17 **VIII. RIGHT TO RESCIND**

18 54. In the event that ten percent (10%) or more of the Class Members submit valid  
19 requests not to participate in the Settlement, Defendant will have the exclusive right in its sole  
20 discretion to rescind the Settlement, and all actions taken in its furtherance will be null and void.  
21 Defendant must exercise this right within fifteen (15) days after the date on which the Claims  
22 Administrator first informs Defendant that at least ten percent (10%) of the potential Class Members  
23 have made valid requests to be excluded from the Settlement.

#### 24 **IX. DISTRIBUTION OF THE SETTLEMENT PAYMENTS**

25 55. Defendant or Class Counsel shall serve the Claims Administrator with notice  
26 of the Final Effective Date as soon as possible. No later than fifteen (15) calendar days after the  
27 Final Effective Date, the Claims Administrator will prepare and provide counsel for Defendant and  
28 Class Counsel with a report summarizing the total Participating Class Members and the Gross

1 Individual Settlement Payment for each Participating Class Member on that list. The sum of the  
2 Gross Individual Settlement Payments due to the individuals on that list shall constitute the “Class  
3 Settlement Payment.”

4 56. Defendant will cause the maximum Gross Settlement Amount to be wired to  
5 the Claims Administrator no later than fifteen (15) calendar days after the Final Effective Date.  
6 Within the same fifteen (15) calendar days, Defendant also will provide the Claims Administrator a  
7 list identifying all Participating Class Members who have garnishments and liens, the amounts of  
8 each individual’s garnishments and liens, and the name and address of the person or entity that is  
9 entitled to receive payment of such garnishments and liens.

10 57. Within fifteen (15) calendar days after the receipt of the maximum Gross  
11 Settlement Amount from Defendant, the Claims Administrator will distribute to every Participating  
12 Class Member his or her Net Individual Settlement Payment. The Claims Administrator shall make  
13 appropriate tax reporting and withholdings in accordance with this Agreement and applicable law  
14 and regulations.

15 58. The Claims Administrator will timely remit any taxes associated with the  
16 settlement payments to the proper authorities, as required by law. In addition, the Claims  
17 Administrator will timely issue an IRS Form 1099-MISC to each Participating Class Member that  
18 reflects the non-wage income portion of the settlement payment to the extent required by law.

19 59. If any Participating Class Member does not cash his or her settlement check(s)  
20 within six (6) months after issuance, fifteen (15) calendar days after the check-cashing deadline the  
21 Claims Administrator shall escheat the funds to Public Counsel as the *cy pres* recipient hereto. The  
22 Parties agree that this obligation shall satisfy and fully discharge Defendant’s obligations under  
23 California Code of Civil Procedure Section 384 and the doctrines of *Cy Pres* and *escheat*.

24 **X. RELEASE OF CLAIMS**

25 **A. Released Claims by Class Members Who Do Not Opt Out**

26 60. Class members who do not opt-out of the settlement will be bound by a  
27 release of claims.  
28

1           61.     The release of claims includes Released Claims which could have been pled  
2 based on or reasonably related to the facts and claims alleged in the Complaint, FAC, SAC, or  
3 arising out of or reasonably related to the transactions and occurrences pled in the Complaint, FAC,  
4 or SAC of which a Class Member does not know or suspect to exist in his or her favor against  
5 Defendant as of the date of Final Approval.

6           62.     As of the date the Final Approval Order is entered by the Court and except as  
7 to such rights or claims as may be created by this Settlement, to the maximum extent allowed by  
8 law, each Class Member who has not timely and effectively opted out will be deemed to have  
9 released claims as both a matter of contract and judicial procedure as follows, which release shall be  
10 incorporated into the Class Notice:

11         Once the settlement is finalized, all Class Members who have not submitted timely  
12 and valid Exclusion Letters will release and discharge Defendant, their past or present  
13 officers, directors, shareholders, employees, agents, principals, heirs, representatives,  
14 accountants, auditors, consultants, insurers and reinsurers, and their respective  
15 successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys  
16 (the "Released Parties") from all claims, demands, rights, liabilities and causes of  
17 action that were or could have been asserted (whether in tort, contract or otherwise)  
18 for violation of the California Labor Code, the California Business and Professions  
19 Code, the applicable Industrial Welfare Commission Orders or any similar state or  
20 federal law, whether for economic damages, non-economic damages, liquidated  
21 damages, punitive damages, restitution, penalties, other monies, or other relief based  
22 on any facts, transactions, events, policies, occurrences, acts, disclosures, statements,  
23 omissions or failures to act pled or arising out of or reasonably related to the facts,  
24 transactions, and occurrences pled in the Complaint, the First Amended Complaint,  
25 Second Amended Complaint, or the Third Amended Complaint, which are or could  
26 be the basis of claims for: (1) unpaid wages; (2) unpaid minimum wages; (3) unpaid  
27 or underpaid overtime wages; (4) failure to provide meal periods and claims  
28 regarding meal period premium pay; (5) failure to provide rest periods and claims

1 regarding rest period premium pay; (6) failure to reimburse expenses; (7) failure to  
2 provide accurate wage statements; (8) failure to timely pay wages upon termination  
3 and during employment; (9) claims for unfair competition arising from the facts  
4 alleged in the operative complaints; and (10) any related claims for penalties pursuant  
5 to the Labor Code Private Attorneys General Act of 2004 (the “Released Claims”).  
6 The release will exclude claims for vested benefits, wrongful termination (apart from  
7 that of Plaintiff Turley and any other named Plaintiff who will execute general  
8 releases of claims under Civil Code section 1542), unemployment insurance,  
9 disability, workers’ compensation, and claims outside of the Class Period.

10 63. The Gross Individual Settlement Payment to Participating Class Members will  
11 not result in any additional benefit payments beyond those provided by this Agreement to Plaintiff  
12 and Participating Class Members. Participating Class Members will be deemed to have waived all  
13 such claims for benefits premised upon the Gross Individual Settlement Payments to them, whether  
14 known or unknown by them, as part of their Released Claims under this Agreement.

15 **B. Released Claims by the Class Representative**

16 64. As of the date the Final Approval Order is entered by the Court and except as  
17 to such rights or claims as may be created by this Settlement, to the maximum extent allowed by  
18 law, the Class Representatives will be deemed to have released claims as follows:

19 The Class Representative hereby fully and finally releases and discharges the  
20 Released Parties (defined in Paragraph 63, above) from any and all of the Released  
21 Claims (defined in Paragraph 63, above) and from any and all claims, charges,  
22 complaints, liens, demands, causes of action, obligations, damages and liabilities,  
23 known or unknown, suspected or unsuspected, that the Class Representative had, now  
24 has, or may hereafter claim to have against the Released Parties arising out of, or  
25 relating in any way to, the Class Representative’s hiring by, employment with,  
26 separation of employment with, or otherwise relating to the Released Parties, arising  
27 or accruing from the beginning of time up through the date of the Final Approval  
28 Hearing (“Class Representative’s Released Period”) with the exception of any other

claims which cannot be released by law (“Class Representative’s Released Claims”).

**With respect to the Class Representative’s Released Claims only**, the Parties stipulate and agree that, upon the Effective Date, the Class Representative waives California Civil Code Section 1542, which provides:

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.

#### **XI. DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

65. The Parties shall submit this Joint Stipulation to the Court in support of Plaintiff’s Motion for Preliminary Approval and determination by the Court as to its fairness, adequacy, and reasonableness. As soon as reasonably possible upon execution of this Joint Stipulation, the Parties shall apply to the Court for the entry of an Order Granting Preliminary Approval of the Settlement and Notice which shall provide for, among other things, the following:

a. Scheduling a final fairness and approval hearing on the question of whether the proposed Settlement should be finally approved as fair, reasonable and adequate as to the Settlement Class.

b. Approving as to form and content the proposed Class Notice and Voucher Option Form described herein;

c. Directing the mailing of the Class Notice and Voucher Option Form by first class mail to the Class Members;

d. Preliminarily approving the Settlement;

e. Preliminary certifying the Class for settlement purposes only; and

f. Approving Alan Harris, David Garrett and Priya Mohan of Harris & Ruble as Class Counsel, Plaintiffs as Class Representatives, and an administrator mutually agreed to by the Parties and approved by the court, as Claims Administrator.

66. After the Preliminary Approval Order is entered by the Court, and prior to the deadline for objections, Plaintiff shall file the motion for an award of attorneys’ fees and costs to be heard on the same hearing date as set by the Court for the final fairness and approval hearing.

1 **XII. DUTIES OF THE PARTIES REGARDING FINAL COURT APPROVAL**

2 67. In connection with the final approval by the Court of the Settlement, the  
3 Parties will submit a proposed Order Granting Final Approval of the Class Action Settlement and  
4 Final Judgment in the form attached as **Exhibits C** and **D**, respectively, which shall provide, among  
5 other things, as follows:

6 a. Approving the Settlement, adjudging the terms thereof to be fair,  
7 reasonable and adequate, and directing consummation of its terms and provisions;

8 b. Approving Class Counsel's application for an award of attorneys' fees  
9 and reimbursement of costs;

10 c. Approving the Class Representative's service payment;

11 d. Certifying the Settlement Class for purposes of this Settlement only;

12 e. Entering Judgment pursuant to California Rules of Court, rule 3.769(h)  
13 which retains jurisdiction and permanently bars the Class Members who do not timely and validly  
14 exclude themselves from the Settlement from prosecuting any and all Released Claims against the  
15 Released Parties, and permanently bars the Class Representative from prosecuting any and all Class  
16 Representative's Released Claims against the Released Parties. Notice of the Final Judgment shall  
17 be given by Plaintiff to Defendant as set forth in the Class Notice, which notice shall satisfy the  
18 requirements of California Rules of Court, rule 3.771.

19 **XIII. EFFECT OF NON-APPROVAL**

20 68. If this Agreement is not preliminarily or finally approved by the Court and/or  
21 if a Final Approval Order is not entered or if Defendant exercises the option to rescind (*e.g.*, because  
22 the Court does not approve the settlement, or the opt-outs from the Class exceed five percent and  
23 Defendant revokes the Agreement), this Agreement shall be null and void. In such event, (1)  
24 nothing in this Agreement shall be construed as a determination, admission, or concession of any  
25 issue in the Action, and nothing in this Joint Stipulation may be offered into evidence in any trial on  
26 the merits of the claims asserted in the Complaint filed in the Action or in any subsequent pleading;  
27 (2) the Parties expressly reserve their rights with respect to the prosecution and defense of the Action  
28 as if this Agreement never existed; and (3) Defendant shall be responsible for any costs for Notice or

1 claims administration incurred by the Claims Administrator through that date. If there is any  
2 reduction in the attorneys' fees or costs awards or the Class Representative Payments, such reduction  
3 may be appealed but is not a basis for rendering this Agreement void, voidable and/or unenforceable.

#### 4 **XIV. CONFIDENTIALITY PRECEDING MOTION FOR PRELIMINARY APPROVAL**

5           16. Except for disclosures authorized by Defendant or necessary to prepare the  
6 motion for preliminary approval, the terms of this Settlement shall remain confidential until they are  
7 presented to the Superior Court in connection with the motion for preliminary approval. The Parties  
8 and their counsel shall issue no public statements and shall make no comments to media or press  
9 with respect to the Action or the settlement at any time (including but not limited to press releases),  
10 except as required by law. In addition, the Parties and their counsel shall not make, publish, circulate  
11 or cause to be made, published or circulated any statements that represent or suggest any  
12 wrongdoing by Defendant, or that this settlement or any order by the Court regarding the settlement  
13 represents or implies any wrongdoing by, or any admission of liability by, Defendant, or a finding by  
14 the Court of liability or wrongdoing.

#### 15 **XV. MUTUAL FULL COOPERATION**

16           69. The Parties will fully cooperate with each other and use their best efforts,  
17 including all efforts contemplated by this Settlement and any other efforts that may become  
18 necessary or ordered by the Court, or otherwise, to accomplish the terms of this Settlement in  
19 accordance with the terms of the parties' memorandum of understanding, including but not limited  
20 to, executing such documents and taking such other action as may reasonably be necessary to obtain  
21 preliminary and final approval of this Settlement and to implement its terms.

#### 22 **XVI. NO PRIOR ASSIGNMENTS**

23           70. The Parties represent, covenant, and warrant that they have not directly or  
24 indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any  
25 person or entity any portion of any claims, causes of action, demands, rights and liabilities of every  
26 nature and description released under this Settlement.

1 **XVII. NOTICES**

2 71. Unless otherwise specifically provided by this Settlement, all notices,  
3 demands or other communications given under this Settlement will be in writing and be deemed to  
4 have been duly given as of the third business day after mailing by United States registered or  
5 certified mail, return-receipt requested, addressed as follows:

6 **To Plaintiff and the Settlement Class:**

7 ALAN HARRIS  
8 PRIYA MOHAN  
9 DAVID GARRETT  
10 HARRIS & RUBLE  
11 655 North Central Avenue, 17<sup>th</sup> Floor  
12 Glendale, CA 91203  
13 Telephone: 323.962.3777

14 David Harris  
15 North Bay Law Group  
16 116 E. Blithedale Ave., Ste. 2  
17 Mill Valley, CA 94941  
18 Telephone: (415) 388-8788  
19 Facsimile: (415) 388-8770  
20 dsh@northbaylawgroup.com

21 **To Defendant:**

22 Angela C. Agrusa  
23 angela.agrusa@us.dlapiper.com  
24 Levi W. Heath  
25 levi.heath@us.dlapiper.com  
26 Steve L. Hernández  
27 Steve.hernandez@dlapiper.com  
28 DLA PIPER LLP (US)  
2000 Avenue of the Stars  
Suite 400 North Tower  
Los Angeles, California 90067-4704  
Tel: (310) 595-3000  
Fax: (310) 595-3300

MESSNER REEVES LLP  
Charles C. Cavanagh  
1430 Wynkoop Street, Suite 300  
Denver, Colorado 80202  
Telephone: 303.623.1800  
Facsimile: 303.623.0552

25 **XVIII. CONSTRUCTION**

26 72. This Settlement is the result of lengthy, arms-length negotiations between the  
27 Parties. This Settlement will not be construed in favor of or against any Party by reason of the extent  
28 to which any Party or her or its counsel participated in the drafting of this Settlement.

1 **XIX. CAPTIONS AND INTERPRETATIONS**

2 73. Paragraph and section titles, headings, or captions contained in this Settlement  
3 are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or  
4 describe the scope of this Settlement or any of its provisions. Each term of this Settlement is  
5 contractual and not merely a recital, except for those set forth in Section I, above.

6 **XX. MODIFICATION**

7 74. This Settlement may not be changed, altered, or modified, except in writing  
8 and signed by the Parties and approved by the Court. This Settlement may not be discharged except  
9 by performance in accordance with its terms or by a writing signed by the Parties.

10 **XXI. APPLICABLE LAW**

11 75. All terms and conditions of this Agreement will be governed by and  
12 interpreted according to the laws of the State of California, without giving effect to any conflict of  
13 law or choice of law principles.

14 **XXII. INTEGRATION CLAUSE**

15 76. This Settlement and all the attached Exhibits, which by this reference are  
16 incorporated into this Settlement, constitutes the entire agreement between the Parties relating to the  
17 Settlement and transactions contemplated by the Settlement. All prior or contemporaneous  
18 agreements, understandings, representations, and statements, whether oral or written and whether by  
19 a Party or a Party's counsel, are merged into this Settlement. No rights under this Settlement may be  
20 waived except in writing.

21 **XXIII. BINDING ON ASSIGNS**

22 77. This Settlement will be binding upon and will inure to the benefit of the  
23 Parties and their respective heirs, trustees, executors, administrators, successors and assigns.

24 **XXIV. CLASS MEMBER SIGNATORIES**

25 78. It is agreed that because the members of the Class are so numerous, it is  
26 impossible or impractical to have each Class Member who does not timely and validly opt-out  
27 execute this Settlement. The Class Notice will inform all Class Members of the binding nature of  
28

the release contained herein will have the same force and effect as if this Settlement were executed by each Class Member who does not timely and validly opt-out.

### XXV. COUNTERPARTS

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

80. This Settlement may be signed by facsimile signature or digital signature, each of which will have the same force and effect as an original signature.

### XXVI. PARTIES' AUTHORITY TO SIGN

81. The signatories to this Settlement hereby represent that they are fully authorized to enter into this Settlement on behalf of themselves or their respective principals.

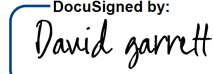
#### EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this document to evidence their acceptance of and agreement to the Settlement.

Dated: 1/7/2020, 2019

DocuSigned by:  
  
 TANIKA TURLEY  
 Plaintiff

Dated: 1/3/2020, 2019

DocuSigned by:  
  
 ALAN HARRIS  
 PRIYA MOHAN  
 DAVID GARRETT  
 HARRIS & RUBLE  
 Attorneys for Plaintiff and Settlement Class

Dated: \_\_\_\_\_, 2019

\_\_\_\_\_  
CHIPOTLE INC.

Defendant

By: \_\_\_\_\_

Dated: \_\_\_\_\_, 2019

\_\_\_\_\_  
LEVI HEATH

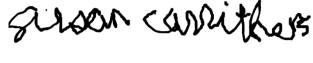
ANGELA AGRUSA

STEVE HERNANDEZ

DLA PIPER LLP (US)

Attorneys for Defendant

Dated: 1/7/2020 \_\_\_\_\_, 2019

DocuSigned by:  


\_\_\_\_\_  
SUSAN CARRITHERS

Plaintiff

Dated: 1/6/2020 \_\_\_\_\_, 2019

DocuSigned by:  


\_\_\_\_\_  
DAVID HARRIS

NORTH BAY LAW GROUPD

Attorneys for Plaintiff and Settlement Class