

**FURTHER MODIFICATION TO LAVERNE HARBOR AND CORPORATE SECURITY  
SERVICE, INC. "WAGE AND HOUR" CLASS ACTION SETTLEMENT AGREEMENT  
AND RELEASE OF CLAIMS**

The Parties, through their Counsel of Record, hereby agree to further modify the Settlement Agreement and Release of Claims ("Settlement Agreement"). This further modification is made pursuant to Paragraph 77 of the Settlement Agreement. Subject to approval by the Court, the Parties agree to modify the Settlement Agreement to read as follows:

2. "Attorneys' Fees and Costs" means attorneys' fees for Class Counsel's litigation and resolution of the Action, and all costs incurred and to be incurred by Class Counsel in the Action, including but not limited to, costs associated with documenting the Settlement, providing any notices required as part of the Settlement or Court order, securing the Court's approval of the Settlement, administering the Settlement, obtaining entry of a Judgment terminating the Action, and expenses for any experts. Class Counsel will apply for, and Defendant will not oppose, attorneys' fees not to exceed one-third (1/3) of the Gross Settlement Fund, or Two Hundred Thousand Dollars (\$200,000). The Attorneys' Fees and Costs will also mean and include the additional reimbursement of any costs and expenses associated with Class Counsel's litigation and settlement of the Action, up to Twenty Thousand Dollars (\$20,000), subject to the Court's approval. Defendant has agreed not to oppose Class Counsel's request for fees and reimbursement of costs as set forth above. If the Court does not approve an award of 33 1/3% of the Gross Settlement Fund, the difference between this amount and the actual amount approved shall be returned to the Net Settlement Fund to be distributed to the Settlement Class Members, according to the formula set forth below. These fees and costs are included in, and come from, the Gross Settlement Fund and will be paid directly to Class Counsel by the Settlement Administrator. Only

Class Counsel will be issued an IRS Form 1099 for their award of attorneys' fees. No portion of these fees shall be part of any Form 1099 issued to the Representative Plaintiff.

10. "Gross Settlement Fund" refers to the amount of Six Hundred Thousand Dollars (\$600,000), which represents the maximum amount payable in this Settlement by Defendant (notwithstanding payment by the employer of its share of payroll taxes), which includes, without limitation, the cash payments to the members of the Plaintiff Class, the attorneys' fees and costs, the costs of settlement administration by the Settlement Administrator, the enhancement awards to the Representative Plaintiff, and payment to the California Labor & Workforce Development Agency ("LWDA") for release of claims under the Private Attorneys General Act ("PAGA") under Labor Code §§ 2699, et seq., all as further described below.

29. Settlement Amount: Defendant agrees to pay a Maximum Settlement Amount of Six Hundred Thousand Dollars (\$600,000). This amount includes: (i) payments made to Settlement Class Members as described in this Settlement Agreement; (ii) an enhancement award (i.e., service payment) to the Representative Plaintiff (of up to \$5,000); (iii) \$7,500 (75% of the \$10,000 allocated as PAGA penalties) to the LWDA for its share of the settlement of claims; (iv) fees and expenses of the Settlement Administrator; (v) Class Counsel's approved attorneys' fees; and (vi) Class Counsel's approved litigation costs. Defendant will pay Three Hundred and Thirty-Eight Thousand Dollars (\$338,000) of the Gross Settlement Fund on or before the Effective Date ("First Payment") and, thereafter, Defendant will pay the remaining Two Hundred and Sixty-Two Thousand Dollars (\$262,000) on or before eighteen months following the First Payment (i.e., no more than 18 months following the Effective Date) ("Second Payment"). Defendant shall make the Second Payment in equal monthly installments of Fourteen Thousand Five Hundred and Fifty-Five Dollars and Fifty-Five Cents (\$14,555.55) into an interest bearing account held by the

Settlement Administrator, with the first installment being due 30 days after the First Payment. Once the remaining Two Hundred and Sixty-Two Thousand Dollars (\$262,000) has been fully tendered to the Settlement Administrator, the Settlement Administrator will make the second disbursement of Settlement Awards to Settlement Class Members. The First Payment includes the payments to the LWDA, to Representative Plaintiff for his awarded representative payment, to Class Counsel for their awarded attorneys' fees and expenses, and to the Settlement Administrator for its fees and expenses. Class Counsel's Attorney's Fees shall be paid proportionally out of the First and Second Payments (i.e., 1/3 (one-third) of the First and Second Payments).

30. The LWDA, the Representative Plaintiff (for his enhancement award payment), to Class Counsel (for their awarded Attorneys' Fees and Costs, subject to the proportionality provision in Paragraph 29), the Settlement Administrator (for its fees and expenses) and Settlement Class Members will be mailed their portions of the First Payment by the Settlement Administrator within ten (10) business days after the Effective Date.

- c. Attorney's Fees and Costs: In conjunction with final approval of this Settlement Agreement, Class Counsel will apply to the Court for an award of attorneys' fees in an amount totaling up to 33 1/3% of the Gross Settlement Fund (i.e., \$200,000), plus actual costs. Defendant will not oppose such application. If the Court does not approve an award of 33 1/3% of the Gross Settlement Fund, the difference between this amount and the actual amount approved shall be returned to the Net Settlement Fund to be distributed to the Settlement Class Members, according to the formula set forth below. These fees and costs are included in, and come from, the Gross Settlement Fund and will be paid directly to Class Counsel by the


Settlement Administrator. Only Class Counsel will be issued an IRS Form 1099 for their award of attorneys' fees. No portion of these fees shall be part of any Form 1099 issued to the Representative Plaintiff.

- d. Cost of Settlement Administration: The fees and expenses of the Settlement Administrator shall be paid from the Gross Settlement Fund within ten (10) business days after Defendant fully funds the Gross Settlement Fund, but any settlement administration costs in excess of Eleven Thousand Dollars (\$11,000) shall be the sole obligation of Defendant. If Defendant opts to terminate the Settlement Agreement pursuant to the terms of this agreement, then Defendant shall bear the entire cost of such fees and expenses. If the Settlement Agreement is not given final approval by the Court for any other reason, the Parties shall bear the cost of such fees and expenses equally, but Defendant shall be solely responsible for any costs of settlement administration over and above Eleven Thousand Dollars (\$11,000).

**IT IS SO AGREED,**

**REPRESENTATIVE PLAINTIFF:**

DATED: 7/11/2019, 2019

By:   
043D8D3B45E342E  
LAVERNE HARBOR  
Representative Plaintiff

**DEFENDANT:**

DATED: \_\_\_\_\_, 2019

**CORPORATE SECURITY SERVICE, INC.**

By:   
Judy McReynolds, President

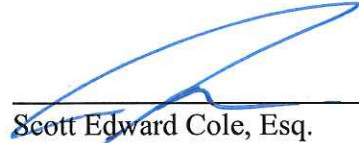
***APPROVED AS TO FORM,***

**CLASS COUNSEL:**

DATED: July 16, 2019

**SCOTT COLE & ASSOCIATES, APC**

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


  
Scott Edward Cole, Esq.  
Attorneys for the Representative Plaintiff  
and the Plaintiff Class

**DEFENDANT'S COUNSEL:**

DATED: July 11, 2019

**BRADLEY & GMELICH LLP**

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

  
Barry A. Bradley, Esq.  
Jaimee K. Wellerstein, Esq.  
Arin Norijanian, Esq.  
Attorneys for Defendant  
Corporate Security Service, Inc.