

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

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF HUMBOLDT

Erick Grumm, individually and on behalf of all
others individually situated,

Plaintiff

vs.

T.J.S. Leasing & Holding Co, Inc., a California
Company, and DOES 1-10,

Defendants.

Case No. DR160492

CLASS ACTION

**JOINT STIPULATION OF SETTLEMENT
AND RELEASE OF CLASS ACTION**

Douglas J. Farmer (SBN 139646)
Michael D. Thomas (SBN 226129)
OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.
Steuart Tower, Suite 1300
One Market Plaza
San Francisco, CA 94105
Telephone: (415) 442-4810
Facsimile: (415) 442-4870

Attorneys for Defendant, T.J.S. Leasing & Holding Company, Inc.

Craig J. Ackerman (SBN 229832)	Jonathan Melmed (SBN 290218)
ACKERMANN & TILAJEF, P.C.	MELMED LAW GROUP P.C.
1180 South Beverly Drive, Suite 610	1180 South Beverly Drive, Suite 610
Los Angeles, California 90035	Los Angeles, California 90035
Telephone: (310) 277-0614	Telephone: (310) 824-3828
Facsimile: (310) 277-0635	Facsimile: (310) 862-6851

Attorneys for Plaintiff, Erick Grumm

This Joint Stipulation of Settlement and Release of Class Action (“Settlement Agreement”) is made and entered into by Plaintiff Erick Grumm, individually and as a representative of the Settlement Class, as defined below, and T.J.S. Leasing & Holding, Co., Inc. (“Defendant”). This Stipulation is subject to the approval of the Court, pursuant to California Rules of Court, Rule 3.769(c), (d) and (e), and is made for the sole purpose of attempting to consummate settlement of the Action on a class-wide basis subject to the following terms and conditions. As detailed below, in the event the Court does not enter an order granting final approval of the Class Settlement, as defined below, or the conditions precedent are not met for any reason, this Stipulation is void and of no force or effect whatsoever.

I. DEFINITIONS

As used in this Stipulation, the following terms shall have the meanings specified below. To the extent terms or phrases used in this Stipulation are not specifically defined below, but are defined elsewhere in this Stipulation, they are incorporated by reference into this definition section.

1. Action. “Action” shall mean the following civil action: *Erick Grumm v. T.J.S. Leasing & Holding, Co., Inc.* filed on September 28, 2016, in the Humboldt County Superior Court under Case No. DR160492.

2. Administrative Expenses. “Administrative Expenses” shall include all costs and expenses associated with and paid to the Settlement Administrator, which are anticipated not to exceed \$9,000.00.

3. Claims. “Claims” shall mean the claims asserted in the Complaint, including any claims derivative thereto and causes of action based on Defendant’s alleged: (1) failure to pay its current and former truck drivers assigned to work in California separately and on an hourly basis for time spent taken their statutory rest periods and on their pre- and post-trip inspections, loading/unloading time, time spent cleaning their trucks, time spent fueling their trucks, and time spent on work related paperwork (Cal. Labor Code §§ 1194, 1194.2, 226.2); (2) failure to provide paid rest periods and pay missed rest break premiums to its current and former drivers assigned to work in California (Cal. Labor Code §§ 226.7; IWC Wage Order No. 9); (3) its failure to pay all wages due to former employees based on the foregoing (Cal. Labor Code § 201 – 203); and (4) derivative UCL violations (Cal. Bus. & Prof. Code §§ 17200-17204).

1 **4. Settlement Class.** “Settlement Class” shall mean all truck drivers who have been
2 employed by T.J.S. Leasing & Holding, Co., Inc., in California and who were paid on a per mile basis
3 anytime from September 28, 2012 through the date of an order preliminarily certifying the class. The
4 Class is estimated to consist of approximately 74 drivers.

5 **5. Class Counsel.** “Class Counsel” shall mean Craig J. Ackermann of Ackermann &
6 Tilajef, P.C. and Jonathan Melmed of Melmed Law Group P.C.

7 **6. Class Attorney Fees and Expenses.** “Class Attorney Fees and Expenses” shall mean
8 Class Counsel’s attorney fees and expenses as set forth in Section IV, Paragraph 6.

9 **7. Settlement Class Member.** Settlement Class Member” shall mean any person who is
10 a member of the Settlement Class, or, if such person is incompetent or deceased, the person's legal
11 guardian, executor, heir or successor-in-interest.

12 **8. Class Notice.** “Class Notice” shall mean the Notice of Proposed Class Action
13 Settlement and Hearing Date for Court Approval, as set forth in the form of **Exhibit 1** attached hereto,
14 or as otherwise approved by the Court, which is to be mailed to Class Members along with the Claim
15 Form.

16 **9. Claim Form.** “Claim Form” shall mean the Claim Form, as set forth in the form of
17 **Exhibit 2** attached hereto, or as otherwise approved by the Court, which is to be mailed to Class
18 Members along with the Class Notice.

19 **10. Class Participants.** “Class Participants” shall mean any and all Class Members who
20 submit a timely valid Claim Form.

21 **11. Class Period.** “Class Period” shall mean the period from September 28, 2012 through
22 date of preliminary approval.

23 **12. Class Representative.** “Class Representative” shall mean Plaintiff Erick Grumm.

24 **13. Class Settlement.** “Class Settlement” shall mean the settlement embodied in this
25 Stipulation, which is subject to Court approval.

26 **14. Complaint.** “Complaint” shall mean the operative Class Action Complaint filed in the
27 Action by Plaintiff, in the Superior Court of Humboldt on September 28, 2016.

28 **15. Court.** “Court” shall mean the Superior Court of Humboldt County.

1 **16. Defense Counsel.** “Defense Counsel” shall mean Douglas J. Farmer and Michael
2 D. Thomas of Ogletree, Deakins, Nash, Smoak & Stewart, P.C., Steuart Tower, Suite 1300, One
3 Market Plaza, San Francisco, CA 94105.

4 **17. Effective Date.** “Effective Date” shall be the date when all of the following events
5 have occurred: (a) this Stipulation has been executed by all Parties and by Class Counsel and Defense
6 Counsel; (b) the Court has given preliminary approval to the Settlement; (c) notice has been given to
7 the Settlement Class Members providing them with an opportunity to Opt-Out of the Class Settlement;
8 (d) the Court has held a Final Approval and Fairness Hearing and entered a final order and judgment
9 certifying the Class and approving this Stipulation; and (e) the later of the following events: the
10 expiration of the period for filing any appeal, writ, or other appellate proceeding opposing the Class
11 Settlement has elapsed without any appeal, writ or other appellate proceeding having been filed; or the
12 dismissal of any appeal, writ, or other appellate proceeding opposing the Class Settlement with no
13 right to pursue further remedies or relief; or any appeal, writ, or the issuance of such other final
14 appellate order upholding the Court's final order with no right to pursue further remedies or relief. In
15 this regard, it is the intention of the Parties that the Class Settlement shall not become effective until
16 the Court’s order approving the Class Settlement is completely final and there is no further recourse by
17 an appellant or objector who seeks to contest the Class Settlement. In the event no objections are filed,
18 the Effective Date shall be after steps (a) through (d) are completed.

19 **18. Employee’s Taxes and Required Withholding.** “Employee’s Taxes and Required
20 Withholding” shall mean the employee’s share of any and all applicable federal, state or local payroll
21 taxes, including those collected under authority of the Federal Insurance Contributions Act (“FICA”),
22 FUTA and/or SUTA on the portion of any Class Participant’s Individual Settlement Amount that
23 constitutes wages as set forth in section IV, paragraph 4. The Employee’s Taxes and Requirement
24 Withholdings will be withheld from and paid out of the Net Settlement Amount.

25 **19. Employer’s Taxes.** “Employer’s Taxes” shall mean and refer to Defendant’s share of
26 corporate federal, state and/or local payroll taxes that is owed on the portion of any Class Participant’s
27 Individual Settlement Amount that constitutes wages as set forth in section IV, paragraph 4. The
28 Employer’s Taxes shall be paid from the Gross Settlement Amount.

1 **20. Final Approval and Fairness Hearing.** “Final Approval and Fairness Hearing” shall
2 mean the final hearing held to ascertain the fairness, reasonableness, and adequacy of the Class
3 Settlement.

4 **21. Defendant.** “Defendant” shall mean T.J.S. Leasing & Holding, Co., Inc.

5 **22. Hearing on Preliminary Approval.** “Hearing on Preliminary Approval” shall mean
6 the hearing held on the motion for preliminary approval of the Class Settlement.

7 **23. Individual Settlement Amount.** “Individual Settlement Amount” shall mean the
8 amount which is ultimately distributed to each Class Participant, net of any Employee’s Taxes and
9 Required Withholdings.

10 **24. Plaintiff.** “Plaintiff” shall mean the named Plaintiff Erick Grumm.

11 **25. Net Settlement Amount.** “Net Settlement Amount” shall mean the Gross Settlement
12 Amount minus deductions for (a) the Class Attorney’s Fees and Expenses, (b) Administrative
13 Expenses and (c) the Incentive Award, as approved by the Court.

14 **26. Opt-Out(s).** “Opt-Out(s)” shall mean any and all persons who timely and validly
15 request exclusion from the Class in accordance with the terms of the Class Notice.

16 **27. Parties.** “Parties” shall mean Plaintiff and Defendant.

17 **28. Preliminary Approval Date.** “Preliminary Approval Date” shall mean the date upon
18 which the Court enters an order preliminarily approving this Stipulation.

19 **29. Released Claims.** “Released Claims” shall mean all claims in the operative Class
20 Action Complaint (“Complaint”), under Cal. Labor Codes §§ 201-203, 226, 226.2, 226.7, 1194,
21 1194.2, IWC Wage Order No. 9, section 12, and claims under Section 17200-17204 of the California
22 Business and Professions Code based on foregoing. “Released Claims” also includes causes of action
23 or legal theories that could have been asserted based on the same facts, and from any and all claims,
24 causes of action, damages, wages, benefits, expenses, penalties, interest, debts, liabilities, demands,
25 obligations, attorneys’ fees, costs, and any other form of relief or remedy in law, equity, or whatever
26 kind or nature that were asserted or could have been asserted based on the facts alleged in the
27 Complaint. The period of the Release shall extend to the limits of the Class Period. The res judicata
28 effect of the Judgment will be the same as that of the Release. The definition of Released Claims shall

not be limited in any way by the possibility that Plaintiff or Class Members may discover new facts or legal theories or legal arguments not alleged in the Lawsuit but which might serve as an alternative basis for pursuing the same claims, causes of action, or legal theories of relief falling within the definition of Released Claims.

It is understood and agreed that this Stipulation will not release any person, party or entity from claims, if any, by Class Members for workers compensation, unemployment, or disability benefits of any nature, nor does it release any claims, actions, or causes of action which may be possessed by Settlement Class Members under state or federal discrimination statutes, including, without limitation, the Cal. Fair Employment and Housing Act, the Cal. Government Code § 12940, *et seq.*; the Unruh Civil Rights Act, the Cal. Civil Code §51, *et seq.*; the California Constitution; Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000, *et seq.*; the Americans with Disabilities Act, as amended, 42 U.S.C. § 12101, *et seq.*; the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. § 1001 *et seq.*; and all of their implementing regulations and interpretive guidelines.

30. Released Parties. “Released Parties” shall mean T.J.S. Leasing & Holding, Co., Inc., and all of its affiliated entities, and all of their shareholders, owners, officers, directors, agents, managing agents, employees, insurers, and attorneys. The Released Parties does not include Peoplease LLC and all of its affiliated entities, and all of their shareholders, owners, officers, directors, agents, managing agents, employees, insurers, and attorneys.

31. Response Deadline. “Response Deadline” shall mean the date forty-five (45) days following the date on which the Settlement Administrator first mails the Class Notice to the Settlement Class Members.

32. Incentive Award. “Incentive Award” shall mean any additional monetary payment provided to the Class Representative for his efforts and risks on behalf of the Settlement Class in this Action.

33. Settlement. “Settlement” shall mean the settlement between the Parties, which is memorialized in this Stipulation and subject to approval by the Court.

34. Settlement Administrator. “Settlement Administrator” shall mean CPT Group, Inc., which the Parties have agreed will be responsible for administration of the Settlement and related

1 matters.

2 **35. Gross Settlement Amount.** "Gross Settlement Amount" is the agreed upon partially
3 reversionary settlement amount totaling \$200,000 to be paid by Defendant in full settlement of the
4 Released Claims asserted in this case, including the Administrative Expenses, Employee's Taxes and
5 Required Withholdings, Class Attorney Fees and Expenses, and Incentive Awards.

6 **36. Stipulation.** "Stipulation" shall mean this Joint Stipulation of Settlement and Release
7 of Class Action, including any attached exhibits.

8 **37. Final Payment Date.** The "Final Payment Date" shall be the date which Defendant
9 makes its third and final payment, pursuant to the "Payment Plan."

10 **38. Payment Plan.** The "Payment Plan" shall be Defendant's series of three payments to
11 the Settlement Administrator encompassing the Gross Settlement Amount, as follows: the "First
12 Payment" of \$66,666.67 shall be made by Defendant within 180 days of the court's granting final
13 approval to the Settlement. The "Second Payment" of up to \$66,666.67 (or whatever amount was
14 claimed above for Initial Payment plus the Incentive Award and the litigation costs) shall be made by
15 Defendant within 180 days of the First Payment. The "Third Payment" of up to \$66,666.66 for fees
16 and costs shall be made by Defendant within 180 days of the second payment. The First Payment,
17 Second Payment and Third Payment shall be collectively referred to as the "Payment Plan."

18 **II. FACTUAL AND PROCEDURAL BACKGROUND OF ACTION**

19 **1. Plaintiff's Claims.** On behalf of the Settlement Class, Plaintiff alleged the following
20 causes of action: (1) failure to pay its current and former truck drivers assigned to work in California
21 separately and on an hourly basis for time spent taking their statutory rest periods and on their pre- and
22 post-trip inspections, loading/unloading time, time spent cleaning their trucks, time spent fueling their
23 trucks, and time spent on work-related paperwork (Cal. Labor Code §§ 1194, 1194.2, 226.2); (2)
24 failure to provide paid rest periods and pay missed rest break premiums to its current and former
25 drivers assigned to work in California (Cal. Labor Code §§ 226.7; 512; IWC Wage Order No. 9); (3)
26 its failure to pay all wages due to former employees based on the foregoing (Cal. Labor Code § 201 –
27 203); and (4) derivative UCL violations based on the foregoing (Cal. Bus. & Prof. Code §§ 17200-
28 17204).

1 **2. Discovery, Investigation, Motion Practice and Research.** Class Counsel has
2 conducted significant discovery during the prosecution of the Action. This discovery, investigation,
3 and prosecution has included, among other things, (a) multiple telephonic conferences with Plaintiff;
4 (b) inspection and analysis of hundreds of pages of documents and other information produced by
5 Plaintiff and Defendant; (c) analysis of the legal positions taken by Defendant; (d) investigation into
6 the viability of class treatment of the claims asserted in the Action; (e) analysis of potential class-wide
7 damages, including information sufficient to understand Defendant's potential defense to the unpaid
8 rest break and non-driving time claims under Labor Code § 226.2; (f) research of the applicable law
9 with respect to the claims asserted in the Complaint and the potential defenses thereto; and (g)
10 assembling and analyzing of data for calculating damages. In addition, the Parties have determined
11 that the estimated size of the Class is approximately 74 truck drivers.

12 The Class Representative has vigorously prosecuted this case, and Defendant has vigorously
13 contested it. The Parties have engaged in sufficient investigation and discovery to assess the relative
14 merits of the claims of the Class Representative and of Defendant's defenses to them.

15 **3. Allegations of the Class Representative and Benefits of Class Settlement.** The
16 extensive discovery conducted in this matter, as well as discussions between counsel, have been
17 adequate to give the Class Representative and Class Counsel a sound understanding of the merits of
18 their positions and to evaluate the worth of the claims of the Settlement Class. The discovery
19 conducted in this Action and the information exchanged by the Parties through discovery and
20 settlement discussions are sufficient to reliably assess the merits of the Parties' respective positions and
21 to compromise the issues on a fair and equitable basis.

22 Plaintiff and Class Counsel believe that the claims, causes of action, allegations and
23 contentions asserted in the Action have merit. However, Plaintiff and Class Counsel recognize and
24 acknowledge the expense and delay of continued lengthy proceedings necessary to prosecute the
25 Action against Defendant through trial and through appeals. Class Counsel has taken into account the
26 uncertain outcome of the litigation, the risk of continued litigation in complex actions such as this, as
27 well as the difficulties and delays inherent in such litigation, the potential difficulty of obtaining
28 certification of the Action, Defendant's financial hardship, as well as trying the claims of the Class.

Class Counsel is mindful of the potential problems of proof under, and possible defenses to, the claims alleged in the Action. Class Counsel has also taken into account Defendant's potential defenses under Cal. Labor Code § 226.2, the possibility of a "pick-up" sticks being implemented, and the possibility of legislation being passed by Congress that would preempt claims against trucking companies based on California's meal and/or rest break laws. Further, class counsel has taken into account Defendant's financial health and potential challenges to its ability to pay a final judgment.

Class Counsel believes that the Settlement set forth in this Stipulation confers substantial benefits upon Plaintiff and the Settlement Class Members and that an independent review of this Stipulation by the Court in the approval process will confirm this conclusion. Based on their own independent investigation and evaluation, Class Counsel has determined that the Settlement set forth in the Stipulation is in the best interests of Plaintiff and the Settlement Class Members.

4. Defendant's Denials of Wrongdoing and Liability. Defendant has denied and continues to deny each and all of the allegations, claims, and contentions alleged by Plaintiff in the Action. Defendant has expressly denied and continues to deny all charges of wrongdoing or liability against it arising out of any of the conduct, statements, acts or omissions alleged in the Action. Defendant contends that it complied in good faith with California and federal wage and hour laws and has dealt legally and fairly with Plaintiff and Settlement Class Members. Defendant further denies that, for any purpose other than settling this Action, these claims are appropriate for class or representative treatment. Nonetheless, Defendant has concluded that further proceedings in the Action would be protracted and expensive and that it is desirable that the Action be fully and finally settled in the manner and upon the terms and conditions set forth in this Stipulation in order to dispose of burdensome and protracted litigation, to permit the operation of Defendant's business without further expensive litigation and the distraction and diversion of its personnel with respect to matters at issue in the Action. Defendant has also taken into account the uncertainty and risks inherent in any litigation, especially in complex cases such as the Action. Defendant has, therefore, determined that it is desirable and beneficial to it that the Action be settled in the manner and upon the terms and conditions set forth in this Stipulation.

5. Intent of the Class Settlement. The Class Settlement set forth herein intends to

1 achieve the following: (1) entry of an order approving the Class Settlement; (2) entry of judgment of
2 the Action; (3) discharge of Released Party from liability for any and all of the Released Claims; and
3 (4) discharge of Plaintiff from liability for any and all claims arising out of the Action.

4 **III. CONDITIONAL CLASS CERTIFICATION AND APPOINTMENT OF CLASS**
5 **COUNSEL**

6 **1. The Settlement Class.** For the purposes of this Stipulation and the Class Settlement of
7 this Action only, the Parties stipulate to conditional class certification of the Settlement Class.
8 Defendant's counsel believes this conditional certification is appropriate because the Released Claims
9 are being compromised without need to establish the elements of those claims on which liability turns.

10 **2. Appointment of Class Counsel.** For purposes of this Stipulation and subject to the
11 Court's approval, the Parties hereby stipulate to the appointment of Class Counsel as counsel for the
12 Class and the effectuation of the Class Settlement pursuant to this Stipulation.

13 **IV. CLASS SETTLEMENT CONSIDERATION**

14 **1. Gross and Net Settlement Amounts and Distribution.** This Settlement shall be made
15 on a claims-made basis to those class members who submit valid timely Claim Forms pursuant to this
16 Agreement. Regardless of the amount actually claimed by Class Members, a minimum of 70% of the
17 Net Settlement Amount shall be distributed to the Class Participants who submitted valid timely Claim
18 Forms. If more than 70% of the Net Settlement Amount is claimed, then Defendant shall pay the
19 actual amount claimed. However, any amount unclaimed from the Net Settlement Amount above the
20 70% floor shall remain with Defendant. The claims of all Settlement Class Members are settled for a
21 Gross Settlement Amount of \$200,000.00. The Gross Settlement Amount and other actions and
22 forbearances taken by Defendant shall constitute adequate consideration for the Class Settlement and
23 will be made in full and final settlement of: (a) the Released Claims, (b) Class Attorney Fees and
24 Expenses, (c) the Administrative Expenses, (d) the Incentive Award, (e) any other obligation of
25 Defendant under this Stipulation (other than the Employer's Taxes and Required Withholding on the
26 portion of the Net Settlement Amount allocated to the payment of wages). The Gross Settlement
27 Amount shall be paid to the Settlement Administrator pursuant to the "Payment Plan." After the Court
28 issues an order preliminarily approving this Class Settlement, the Settlement Administrator will

1 distribute the Class Notice to the Settlement Class Members, which shall describe the terms of the
2 Class Settlement and procedures to opt out, object or participate in the Class Settlement as well as the
3 Claim Form, which shall identify the Settlement Class Member, the number of weeks worked by each
4 Settlement Class Member, as well as the estimated amount of the Individual Settlement Amount the
5 Settlement Class Member can expect to receive once the Class Settlement becomes Effective.
6 Settlement Class Members shall be given the opportunity to challenge their weeks worked
7 information. As described in Section V below, and according to the Payment Plan, within 180 days
8 after the expiration of the Effective Date, Defendant shall be obligated to deposit with the Settlement
9 Administrator the First Payment.

10 **2. Incentive Award for Plaintiff.** Plaintiff may petition the Court to approve an Incentive
11 Award in an amount up to \$5,000 for Plaintiff's efforts on behalf of the Settlement Class in this
12 Action, including assisting in the investigation and consulting with Class Counsel and providing
13 crucial documents to Class Counsel. Defendant shall not oppose any request by Plaintiff for an
14 Incentive Award in such an amount. Any Incentive Award approved by the Court shall be paid to
15 Plaintiff from the Gross Settlement Amount and shall be in addition to any distribution to which he
16 may otherwise be entitled as a Settlement Class Member. The Incentive Award shall not be
17 considered wages, and the Settlement Administrator shall issue Plaintiff a IRS Form 1099 reflecting
18 such payment. Plaintiff shall be responsible for the payment of any and all taxes with respect to his
19 Incentive Award and shall hold Defendant harmless from any and all liability with regard thereto.

20 **3. Payment to Class Participants.** Each Class Participant shall be eligible to receive
21 payment of the Individual Settlement Amount, which is a share of the Net Settlement Amount based
22 on the number of weeks worked by the Settlement Class Members during the Class Period as a
23 proportion of all weeks worked by all Settlement Class Members. The Individual Settlement Amount
24 for each Settlement Class Member shall be calculated in accordance with section VII, paragraph 2.
25 Each Class Participant, including Plaintiff, shall be responsible for the payment of the Employee's
26 Taxes and Required Withholding with respect to his or her Individual Settlement Amount and shall
27 hold Defendant harmless from any and all liability with regard thereto. As part of the Class Notice
28 process, Class Members shall be given the opportunity to challenge their weeks-worked data by

1 supplying information or documents of their own. To the extent that the total of these Individual
2 Settlement Amounts is less than 70% of the Net Settlement Amount, each Individual Settlement
3 Amount will be proportionally increased, until the total of the Individual Settlement Amounts equal
4 70% of the Net Settlement Amount. Payments to Class Participants and to Class Representative for
5 Incentive Award shall be made after the Second Payment under the Payment Plan.

6 **4. Tax Treatment and Payment.** For the purpose of calculating Employee's Taxes and
7 Required Withholding for the Individual Settlement Amounts for Class Participants (including any
8 payments to the Class Representative but exclusive of his Incentive Award), the Parties agree that 1/3
9 of each Individual Settlement Amount shall constitute wages in the form of back pay (and each Class
10 Participant will be issued an IRS Form W-2 for such payment to him or her), and 1/3 of each
11 Individual Settlement Amount shall constitute interest, and 1/3 of each Individual Settlement Amount
12 shall constitute penalties, premiums, and other non-wage payments (and each Class Participant will be
13 issued an IRS Form 1099 for such payment to him or her). Prior to final distribution to the Class
14 Participants, the Settlement Administrator shall calculate the total Employee's Taxes and Required
15 Withholding due as a result of the wage portion of Class Participants' anticipated Individual
16 Settlement Amounts and such actual amount will be deducted from the Net Settlement Amount. The
17 Parties understand that Plaintiff and the Class Participants who receive any payment pursuant to this
18 Stipulation shall be solely responsible for any and all other individual tax obligations associated with
19 this Class Settlement.

20 **5. No Effect on Employee Benefit Plans.** Neither the Class Settlement nor any amounts
21 paid under the Class Settlement will modify any previously credited hours, days, or weeks of service
22 under any employee benefit plan, policy or bonus program sponsored by Defendant. Such amounts
23 will not form the basis for additional contributions to, benefits under, or any other monetary
24 entitlement under Defendant's sponsored benefit plans, policies or bonus programs. The payments
25 made under the terms of this Stipulation shall not be applied retroactively, currently, or on a going
26 forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of any of
27 Defendant's benefit plan, policy or bonus program. Defendant retains the right to modify the language
28 of its benefits plans, policies and bonus programs to effect this intent and to make clear that any

amounts paid pursuant to this Stipulation are not for “weeks worked,” “weeks paid,” “weeks of service,” or any similar measuring term as defined by applicable plans, policies and bonus programs for purpose of eligibility, vesting, benefit accrual, or any other purpose, and that additional contributions or benefits are not required by this Stipulation. Defendant does not consider the Class Settlement payments “compensation” for purposes of determining eligibility for, or benefit accrual within, any benefit plans, policies, or bonus programs, or any other plan sponsored by Defendant.

6. Class Attorney Fees and Costs. As part of the motion for final approval of the Class Settlement, Class Counsel may submit an application for an award of Class Attorney Fees and Costs with the fee portion not to exceed one-third of the Gross Settlement Amount (*i.e.*, \$66,666.66) and costs not to exceed \$8,000.00. Defendant agrees not to object to any such fee, cost or expense application in those amounts. As a condition of this Class Settlement, Class Counsel has agreed to pursue fees only in the manner reflected by this Section. Any Class Attorney Fees and Expenses awarded by the Court shall be paid from the Gross Settlement Amount in arriving at the Net Settlement Amount and shall not constitute payment to any Settlement Class Members. If Class Counsel voluntarily reduces the request for Class Attorney Fees or Expenses or the Court’s award of Class Attorney Fees or Expenses is less than set forth above, the Net Settlement Amount shall be recalculated to reflect the actual Class Attorney Fees and Expenses awarded.

The Class Attorney Fees and Expenses approved by the Court shall encompass: (a) all work performed and costs and expenses incurred by, or at the direction of, any attorney purporting to represent the Settlement Class through the date of this Stipulation; (b) all work to be performed and costs to be incurred in connection with approval by the Court of the Class Settlement; (c) all work to be performed and costs and expenses, if any, incurred in connection with administering the Class Settlement through dismissal of the Action, with prejudice; and (d) may be based on the Catalyst Theory and/or Common Fund Doctrine.

7. Payment of Class Attorney Fees and Expenses. Class Attorney Fees and Expenses as awarded by the Court shall be paid by the Settlement Administrator out of the Gross Settlement Amount within five days of each of the last two settlement payments with expenses to be paid from the Second Payment and fees from the Third Payment.

V. **CLAIMS ADMINISTRATION COSTS AND EXPENSES**

1. **The Settlement Administrator's Costs and Expenses.** All costs and expenses due the Settlement Administrator in connection with its administration of the Class Settlement, including, but not limited to, providing the Class Notice, locating Settlement Class Members, processing Opt-Out requests and objections, and calculating, and administering and distributing Individual Settlement Amounts to the Class Participants and related tax forms, and payments to the LWDA for PAGA Penalties, shall be paid from the Gross Settlement Amount, and shall not exceed \$9,000.00.

2. **Payment by Defendant.** The Settlement Administrator will calculate the Employer's Taxes and inform Defendant of the total amount of such Employer's Taxes within five days after the Effective Date. Defendant shall pay those portions of the Gross Settlement Amount that are due and payable to the Settlement Administrator pursuant to the Payment Plan.

VI. **NOTICE TO CLASS MEMBERS AND CLAIMS ADMINISTRATION PROCESS**

1. **The Settlement Administrator.** The Settlement Administrator will be responsible for mailing the Class Notice to Settlement Class Members, handling inquiries from Settlement Class Members concerning the Class Notice determination of Individual Settlement Amounts, maintaining the settlement funds in an appropriate interest bearing account, preparing, administering and distributing Individual Settlement Amounts to Class Participants, issuing a final report and performing such other duties as the Parties may direct.

On a weekly basis, the Settlement Administrator will provide reports to Class Counsel and Defense Counsel summary information updating them as to the number of validated and timely Objections and Opt-Out Requests. The Settlement Administrator will serve on Class Counsel and Defense Counsel via e-mail date-stamped copies of the original Opt-Outs and Objections no later than seven days after their receipt. The Settlement Administrator will provide Class Counsel with proof of mailing of the Class Notice, without listing individual Class Member names which the Settlement Administrator will file with the Court at the time Class Counsel files its motion in support of the Court's Final Approval and Fairness Hearing. No later than seven days prior to the Final Approval and Fairness Hearing, the Settlement Administrator will compile and deliver to Class Counsel and Defense Counsel a report with summary information regarding (a) the total amount of final Individual

1 Settlement Amounts of each Class Participant (b) the number of Class Participants to receive such
2 payments, and (c) the final number of Opt-Outs and Objections.

3 Administrative Expenses are not anticipated to exceed \$9,000.00. Prior to the calculation and
4 distribution of the Individual Settlement Amounts, the Settlement Administrator shall calculate the
5 total Administrative Expenses through the conclusion of their services and such actual amount will be
6 deducted from the Gross Settlement Amount prior to the final calculation of the Individual Settlement
7 Amounts.

8 **2. Notice to Settlement Class Members.** Notice shall be provided to Settlement Class
9 Members in the following manner: Within 14 days after entry by the Court of its Order of Preliminary
10 Approval, Defendant shall provide the Settlement Administrator with an updated list of Class
11 Members containing names, social security numbers, dates of employment, last-known addresses and
12 phone numbers (the "Database"). The Database shall be marked "Confidential – Settlement
13 Administrator's Eyes Only." Class Counsel shall not receive a copy of this list.

14 Within 28 days following the Preliminary Approval Date, the Settlement Administrator shall
15 determine the number of pay periods for each Settlement Class Member, populate the Individual
16 Settlement Amount for each accordingly, send each Settlement Class Member the Class Notice and
17 Claim Form via first-class, United States mail. The Class Notice shall also contain an easily
18 understood statement alerting the Class Members that, unless they elect to opt-out of the Class
19 Settlement, the Settlement Class Member is releasing and waiving all Released Claims against the
20 Released Parties.

21 The Class Notice will inform Settlement Class Members of his/her estimated share of the
22 settlement and the number of pay periods he/she worked during the Class Period. Class Members may
23 dispute their weeks worked if they believe they worked more weeks in the Class Period than
24 Defendant's records show by submitting information to the Settlement Administrator no later than 30
25 days after being mailed the Class Notice and Explanation Form by the Settlement Administrator,
26 which is the defined Response Deadline. The Settlement Administrator will jointly work with Plaintiff
27 and Defendant to resolve the dispute in good faith. If Plaintiff and Defendant cannot agree over the
28 pay periods to be credited, the Settlement Administrator shall make the final decision based on the

information presented by the Settlement Class Member and Defendant.

3. **Opt-Out Procedure**. In order to Opt-Out of the Class Settlement, the Settlement Class Member must submit a letter or postcard to the Settlement Administrator by the Response Deadline. The Opt-Out request must state the Settlement Class Member's name, address, telephone number, and signature. The Opt-Out request should state to the effect of: "I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE GRUMM V. T.J.S. LEASING & HOLDING CO., INC., LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE CLASS SETTLEMENT OF THIS LAWSUIT AND WILL NOT BE RELEASING ANY CLAIMS I MIGHT HAVE." Any Opt-Out request that is not postmarked by the Response Deadline will be invalid. In the event that, prior to the Response Deadline, any Class Notice mailed to a Settlement Class Member is returned as having been undelivered by the U.S. Postal Service, the Settlement Administrator shall perform a skip trace search and seek an address correction for such Settlement Class Member(s), and a second Class Notice will be sent to any new or different address obtained. Such Settlement Class Member(s) shall have an additional 14 days in which to Opt-Out.

It will be presumed that, if an envelope containing the Class Notice has not been returned within 28 days of the mailing, the Settlement Class Member received the Class Notice. At least 30 days prior to the Final Approval and Fairness Hearing, the Settlement Administrator shall provide Class Counsel and Defense Counsel with a Declaration of Due Diligence and Proof of Mailing with regard to the mailing of the Class Notice and its attempts to locate Class Members. The declaration shall specify the number of Settlement Class Members to whom Class Notices were sent and the number of Settlement Class Members to whom Class Notices were not delivered, as well as information relating to the number of Opt-Outs and Objectors. Class Counsel shall file this declaration with the Court.

If the Settlement Administrator determines that an Opt-Out request returned by a Settlement Class Member before the Response Deadline is deficient, then the Settlement Administrator shall mail a deficiency letter to that Settlement Class Member identifying the problem.

Those Settlement Class Members who do not timely Opt-Out will be bound by the Release of

Released Claims set forth in Section I, Paragraph 29 of this Stipulation.

4. **Objections.** The Class Notice shall inform the Settlement Class Members of their right to object to the Class Settlement. Any Settlement Class Member who wishes to object to the Class Settlement must submit a written objection to the Settlement Administrator no later than the Response Deadline. The objection must include the case name and number and must set forth, in clear and concise terms, a statement of the reasons why the objector believes that the Court should find that the proposed Class Settlement is not in the best interest of the Settlement Class and the reasons why the Class Settlement should not be approved, including the legal and factual arguments supporting the objection. If an objector also wishes to appear at the Final Approval Hearing, in person or through an attorney, he or she *must also* file a notice of intention to appear at the same time as the objection is filed. The Settlement Administrator will promptly serve copies of any objection or notice of intention to appear on Class Counsel and Defense Counsel. Unless otherwise allowed by the Court, Settlement Class Members shall not be entitled to appear and or object at the Final Approval Hearing unless they have submitted a timely written objection and notice of intention to appear pursuant to this Section. Settlement Class Members who have properly and timely submitted objections may appear at the Final Approval Hearing, either in person or through a lawyer retained at their own expense.

VII. CLASS SETTLEMENT FUNDING AND DISTRIBUTION

1. **Allocation of the Gross Settlement Amount.** The claims of all Settlement Class Members are settled for the Gross Settlement Amount of \$200,000, which will be allocated as follows:

- a. The Administrative Expenses, not to exceed \$9,000.00;
- b. The Class Attorney Fees and Costs not to exceed \$66,666.66 in fees and not to exceed \$8,000 in costs;
- c. The Incentive Award, not to exceed \$5,000.00; and

For purposes of calculating the estimated Individual Settlement Amounts, the Settlement Administrator shall calculate the estimated Net Settlement Amount based on the estimated values in Section 1(a-c) prior to sending Notice to the Settlement Class Members. Prior to final distribution, the Settlement Administrator shall calculate the final Net Settlement Amount based on the actual values in Section 1 (a-c).

1 **2. Calculation of the Individual Settlement Amounts.** Individual Settlement Amounts
2 to be paid to Class Participants shall be paid from the Net Settlement Amount. The portion of the Net
3 Settlement Amount payable to each Class Participant will be calculated as follows:

4 The Settlement Administrator shall divide the Net Settlement Amount by the total number of
5 workweeks Settlement Class Members were employed during the Class Period, in order to determine
6 the amount each Settlement Class Member is entitled to for each workweek s/he was employed by
7 Defendant (the “Weekly Amount”). The Settlement Administrator will multiply the Weekly Amount
8 by the total number of workweeks that each Settlement Class Member was employed and deduct all
9 Employee’s Taxes and Required Withholding attributable to wages to arrive at the Individual
10 Settlement Amount for that Class Member. Defendant will provide the Settlement Administrator with
11 any information reasonably necessary to perform the calculation of number of pay periods for each
12 Settlement Class Member, and any other reasonably required information the Settlement
13 Administrator requests to perform the calculations required under this Settlement Agreement.
14 Defendant shall have no responsibility for deciding the validity of the Individual Settlement Amounts
15 or any other payments made pursuant to this Stipulation, shall have no involvement in or responsibility
16 for the determination or payment of Employee’s Taxes and Required Withholding, and shall have no
17 liability for any errors made with respect to such Employee’s Taxes and Required Withholding.
18 Although the Settlement Administrator will calculate and pay the standard Employee’s Taxes and
19 Required Withholding on the portion of the Individual Settlement Amounts constituting wages on their
20 behalf, Plaintiff and Class Participants represent and understand that they shall be solely responsible
21 for any and all tax obligation associated with their respective Individual Settlement Amounts and
22 Incentive Awards.

23 **3. Time for Payment of Attorney Fees and Expenses to Class Counsel.** The
24 Settlement Administrator shall distribute to Class Counsel any attorney fees and expenses approved by
25 the Court to Class Counsel no later than five days after the Second and Third Payments have been
26 made, as described in Section IV, paragraph 7.

27 **4. Time for Payment of Incentive Award to Class Representative.** The Settlement
28 Administrator shall distribute to Plaintiff the Incentive Award approved by the Court no later than five

1 days after the Second Payment has been made.

2 **5. Time for Payment of Taxes and Required Withholding and Individual Settlement**

3 **Amounts.** The Settlement Administrator shall make every effort to pay the Employee's Taxes and
4 Required Withholding associated with each Class Participant's Individual Settlement Amount and
5 mail the Individual Settlement Amount to each Class Participant, by first-class U.S. mail, to the last-
6 known address no later than five days after the Second Payment has been made in accordance with the
7 Payment Plan. If the Settlement Administrator is not able to do so within the time period set forth
8 above, it shall so inform Class Counsel and Defense Counsel and provide an approximate date by
9 which the Employee's Taxes and Required Withholding shall be paid and the Individual Settlement
10 Amounts will be mailed. Under no circumstances shall the Settlement Administrator distribute checks
11 to Class Participants until all Individual Settlement Amounts have been considered, calculated, and
12 accounted for, and the all of the remaining monetary obligations have been calculated and accounted
13 for. Within 120 days after the Payment Plan has been completed, the Settlement Administrator shall
14 provide to Class Counsel for filing with the Court a declaration of payment.

15 In the event that any Class Participant is deceased, payment shall be made payable to the estate
16 of that Settlement Class Member and delivered to the executor or administrator of that estate, unless
17 the Settlement Administrator has received an affidavit or declaration pursuant to Cal. Probate Code §
18 13101, in which case payment shall be made to the affiant(s) or declarant(s).

19 **6. Non-Cashed Settlement Checks.** Any funds associated with checks that have not been
20 cashed within 90 days, will become void and the Individual Settlement Amount associated with that
21 un-cashed check shall be paid to the State of California's Department of Industrial Relations in the
22 name of class members who did not cash their check.

23 **7. Distribution of Residuals.** If a Class Member does not return a timely Claim Form,
24 the Individual Settlement Amount offered to that Class Members shall remain with Defendant,
25 provided that regardless of the actual claim rate at least 70% of the Net Settlement Amount shall be
26 distributed to the Class Participants.

27 **VIII. NULLIFICATION OF THIS STIPULATION**

28 **1. Non-Approval of the Stipulation.** If (a) the Court should for any reason fail to

1 approve this Stipulation in the form agreed to by the Parties, or (b) the Court should for any reason fail
2 to enter a judgment with prejudice of the Action, or (c) the approval of the Class Settlement and
3 judgment is reversed, modified or declared or rendered void, then the Class Settlement and conditional
4 class certification shall be considered null and void, and neither the Class Settlement, conditional class
5 certification, nor any of the related negotiations or proceedings, shall be of any force or effect, and all
6 parties to the Class Settlement shall stand in the same position, without prejudice, as if the Class
7 Settlement had been neither entered into nor filed with the Court. Notwithstanding the foregoing, the
8 Parties may attempt in good faith to cure any perceived defects in the Stipulation to facilitate approval.

9 **2. Parties' Rights to Void Class Settlement.** If more than 10 percent of the Class timely
10 Opts-Out, Defendant shall have the exclusive right to void this Class Settlement. In the event that the
11 class list contains more than 80 Class Members, then the Gross Settlement Value shall increase on a
12 pro-rata basis for each Class Member above 80. Should either party choose to void the Class
13 Settlement under this paragraph, such party shall be responsible for all Settlement Administrator fees
14 and costs actually incurred.

15 **3. Invalidation.** Invalidation of any material portion of the Class Settlement shall
16 invalidate the Class Settlement in its entirety, unless the Parties shall subsequently agree in writing
17 that the remaining provisions of the Class Settlement are to remain in full force and effect.

18 **4. Stay Upon Appeal.** In the event of a timely appeal from the approval of the Class
19 Settlement and judgment, the judgment shall be stayed, and Defendant shall not be obligated to fund
20 the Gross Settlement Amount or take any other actions required by this Stipulation until all appeal
21 rights have been exhausted by operation of law.

22 **IX. MOTION FOR COURT APPROVAL**

23 **1. Preliminary Approval.** Class Counsel will submit this Stipulation to the Court along
24 with a Motion for Preliminary Approval of the Class Settlement. Each party shall cooperate to present
25 the Class Settlement to the Court for preliminary approval in a timely fashion. The Court's
26 preliminary approval of the Class Settlement shall be embodied in an Order substantially in the form
27 attached hereto as **Exhibit 3**.

28 **2. Final Approval.** The Final Approval and Fairness Hearing shall be held before the

1 Court. At the Final Approval and Fairness Hearing, Plaintiff shall move the Court for the entry of the
2 final order certifying the Class for settlement purposes only and approving the Class Settlement as
3 being fair, reasonable and adequate to the Class Participants within the meaning of California Rules of
4 Court, Rule 3.769(c), (d) and (e) and for the entry of a final judgment of the Action consistent with the
5 terms of the Class Settlement and California Rule of Court 3.769(h). Class Counsel and Defense
6 Counsel shall submit to the Court such pleadings and/or evidence as may be required for the Court's
7 determination.

8 **X. RELEASES AND WAIVERS**

9 **1. Release of Claims by Settlement Class.** Upon the Effective Date, each Settlement
10 Class Member who has not submitted a timely Opt-Out request, and Plaintiff, each releases the
11 Released Parties, and each of them, of and from any and all Released Claims through date of
12 preliminary approval.

13 It is the desire of the Parties and the Settlement Class Members to fully, finally, and forever
14 settle, compromise, and discharge the Released Claims.

15 Each Settlement Class Member, except those who timely Opt-Out, will be bound to the release
16 of Released Claims as a result of the Class Settlement and to the terms of the final judgment and the
17 satisfaction of such judgment.

18 Settlement Class Members who do not opt out will be deemed to have acknowledged and
19 agreed that their claims for wages and/or penalties in the Lawsuit are disputed, and that the Settlement
20 payments constitute payment of all sums allegedly due to them. Class Members will be deemed to
21 have acknowledged and agreed that California Labor Code Section 206.5 is not applicable to the
22 Settlement payments. That section provides in pertinent part as follows:

23 **“An employer shall not require the execution of a release of a claim or
24 right on account of wages due, or to become due, or made as an
25 advance on wages to be earned, unless payment of those wages has
26 been made.”**

27 **2. Release of Claims by Plaintiff.** Plaintiff, on behalf of himself and his heirs, executors,
28 administrators, and representatives, shall and does hereby forever release, discharge and agree to hold
harmless the Released Parties from any and all charges, complaints, claims, liabilities, obligations,

promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts and expenses (including attorney fees and costs), known or unknown, at law or in equity, which he may now have or may have after the signing of this Stipulation, against Defendant arising out of or in any way connected with his employment with Defendant including, the Released Claims, claims that were asserted or could have been asserted in the Complaint, and any and all transactions, occurrences, or matters between the parties occurring prior to September 28, 2016. Without limiting the generality of the foregoing, this release shall include, but not be limited to, any and all claims under the (a) Americans With Disabilities Act, as amended; (b) Title VII of the Civil Rights Act of 1964, as amended; (c) the Civil Rights Act of 1991; (d) 42 U.S.C. § 1981, as amended; (e) the Age Discrimination in Employment Act, as amended; (f) the Fair Labor Standards Act, as amended; (g) the Equal Pay Act; (h) the Employee Retirement Income Security Act, as amended; (i) the Consolidated Omnibus Budget Reconciliation Act; (j) the Rehabilitation Act of 1973; (k) the Family and Medical Leave Act; (l) the Civil Rights Act of 1966; (m) the California Fair Employment and Housing Act; (n) the California Constitution; (o) the California Labor Code; (p) the California Government Code; (q) the California Civil Code; and (r) any and all other federal, state and local statutes, ordinances, regulations, rules and other laws, and any and all claims based on constitutional, statutory, common law or regulatory grounds as well as any other claims based on theories of wrongful or constructive discharge, breach of contract or implied contract, fraud, misrepresentation, promissory estoppel or intentional and/or negligent infliction of emotional distress, or damages under any other federal, state or local statutes, ordinances, regulations, rules or laws. This release is for any and all relief, no matter how denominated, including, but not limited to, back pay, front pay, vacation pay, bonuses, compensatory damages, tortious damages, liquidated damages, punitive damages, damages for pain and suffering, and attorney fees and costs, and Plaintiff hereby forever release, discharge and agree to hold harmless Defendant and the Released Parties from any and all claims for attorney fees and costs arising out of the matters released in this Stipulation.

Plaintiff specifically acknowledge that he is aware of and familiar with the provisions of Section 1542, which provides as follows:

A general release does not extend to claims which the creditor does

1 **not know or suspect to exist in his or her favor at the time of executing**
2 **the release, which if known by him or her must have materially**
3 **affected his or her settlement with the debtor.**

4 Plaintiff, being aware of Section 1542, hereby expressly waives and relinquishes all rights and benefits
5 he may have under Section 1542 as well as any other statutes or common law principles of a similar
6 effect. Plaintiff may hereafter discover facts in addition to or different from those which he now knows
7 or believes to be true with respect to the subject matter of all the claims referenced herein, but
8 stipulates and agrees that, upon the Effective Date, Plaintiff shall and hereby does fully, finally and
9 forever settle and release any and all claims against the Released Parties, known or unknown,
10 suspected or unsuspected, contingent or non-contingent, that were asserted or could have been asserted
11 upon any theory of law or equity without regard to the subsequent discovery of existence of such
12 different or additional facts.

13 **XI. DUTIES OF THE PARTIES**

14 **1. Mutual Full Cooperation.** The Parties agree to cooperate fully with one another to
15 accomplish and implement the terms of this Stipulation. Such cooperation shall include, but not be
16 limited to, execution of such other documents and the taking of such other actions as may reasonably
17 be necessary to fulfill the terms of this Class Settlement. The Parties shall use their best efforts,
18 including all efforts contemplated by this Stipulation and any other efforts that may become necessary
19 by court order or otherwise, to effectuate this Stipulation and the terms set forth herein. As soon as
20 practicable after execution of this Stipulation, Class Counsel, with the cooperation of Defendant and
21 Defense Counsel, shall take all necessary and reasonable steps to secure the Court's final approval of
22 this Stipulation.

23 **2. Duty to Support and Defend the Class Settlement.** The Parties agree to abide by all
24 of the terms of the Class Settlement in good faith and to support the Class Settlement fully and to use
25 their best efforts to defend this Class Settlement from any legal challenge, whether by appeal or
26 collateral attack.

27 **3. Duties Prior to Court Approval.** Class Counsel shall promptly submit this Stipulation
28 to the Court for preliminary approval and determination by the Court as to its fairness, adequacy, and
 reasonableness. Promptly upon execution of this Stipulation, Class Counsel shall apply to the Court

for the entry of a preliminary order substantially in the form filed concurrently herewith as **Exhibit 3**, scheduling a hearing on the question of whether the proposed Class Settlement should be approved as fair, reasonable, and adequate as to the Settlement Class Members, approving as to form and content the proposed Class Notice and Claim Form attached hereto as **Exhibit 1** and **Exhibit 2**, respectively, and directing the mailing of the Class Notice and Claim Form to Settlement Class Members. While Defendant can reserve its right to object to facts or assertions made in the moving papers, Defense Counsel shall file a notice of non-opposition to the granting of the motion for preliminary approval or join in the motion.

XII. MISCELLANEOUS PROVISIONS

1. Voiding the Stipulation. Pending Court approval and other than as provided in Section VIII herein, if any of the conditions set forth in this Stipulation are not met and satisfied, this Stipulation shall, at the option of either Plaintiff or Defendant, be ineffective, void, and of no further force and effect, and shall not be used or be admissible in any subsequent proceeding, either in this Court or in any other court or forum. If either party decides to void the Settlement, then the Settlement and conditional class certification shall be considered void, and neither the Settlement Agreement, conditional class certification, nor any of the related negotiations or proceedings, shall be of any force or effect, and the Parties shall stand in the same position, without prejudice, as if this Stipulation had been neither entered into nor filed with the Court. Should either party choose to void the Class Settlement under this paragraph, such party shall be responsible for all Settlement Administrator fees and costs actually incurred.

2. Different Facts. The Parties hereto, and each of them, acknowledge that, except for matters expressly represented herein, the facts in relation to the dispute and all claims released by the terms of this Stipulation may turn out to be other than or different from the facts now known by each party and/or its counsel, or believed by such party or counsel to be true, and each party therefore expressly assumes the risk of the existence of different or presently unknown facts, and agrees that this Stipulation shall be in all respects effective and binding despite such difference.

3. No Prior Assignments. The Parties represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or

encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right herein released and discharged except as set forth herein.

4. Non-Admission. Nothing in this Stipulation shall be construed as or deemed to be an admission by any Party of any liability, culpability, negligence, or wrongdoing toward any other Party, or any other person, and the Parties specifically disclaim any liability, culpability, negligence, or wrongdoing toward the each other or any other person. Each of the Parties has entered into this Stipulation with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and contingencies. Nothing herein shall constitute any admission by Defendant of wrongdoing or liability, or of the truth of any factual allegations in the Action. Nothing herein shall constitute any admission by Defendant regarding the merits of the Claims in this Action, including but not limited to claims for unpaid wages under California and/or federal law. Nothing herein shall constitute an admission by Defendant that the Action was properly brought as a class or representative action other than for settlement purposes. To the contrary, Defendant has denied and continues to deny each and every material factual allegation and all Claims. To this end, the Class Settlement of the Action, the negotiation and execution of this Stipulation, and all acts performed or documents executed pursuant to or in furtherance of this Stipulation or the Class Settlement 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 or of the truth of any of the factual allegations in the Complaint in the Action; and 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 or administrative proceeding in any court, administrative agency or other tribunal.

5. Media Or Press. Plaintiff and Defendant, and their respective counsel, recognize, and accept that the Parties to this Stipulation desire that the terms of this Stipulation, the fact of the Class Settlement embodied in this Stipulation, the disposition of the Action, the Action, and all matters relating to the litigation of the Action, including discovery proceedings therein, and evidence obtained during the course of the Action, shall not be discussed with or presented to the media or press.

6. Non-Retaliation. Defendant understands and acknowledge that it has a legal obligation not to retaliate against any Settlement Class Member who elects to participate in the Class

1 Settlement or elects to Opt-Out of the Class Settlement. Defendant will refer any inquiries regarding
2 this Class Settlement to the Settlement Administrator or Class Counsel and will not discourage
3 Settlement Class Members who are employees, directly or indirectly, from making claims, opting out
4 or objecting to the Class Settlement.

5 **7. Construction.** The Parties hereto agree that the terms and conditions of this
6 Stipulation are the result of lengthy, intensive, arms-length non-collusive negotiations between the
7 Parties and that this Stipulation is not to be construed in favor of or against any party by reason of the
8 extent to which any party or its counsel participated in the drafting of this Stipulation. If any of the
9 dates in the Stipulation fall on a weekend, bank or court holiday, the time to act shall be extended to
10 the next business day.

11 **8. Governing Law.** This Stipulation is intended to and shall be governed by the laws of
12 the State of California, without regard to conflict of law principles, in all respects, including execution,
13 interpretation, performance, and enforcement.

14 **9. Notices.** Except for Settlement Class Member notices required to be made by the
15 Settlement Administrator, any and all notices or other communications required or permitted under
16 this Stipulation shall be in writing and shall be sufficiently given if delivered in person to the party or
17 their counsel by U.S. certified mail, postage prepaid, e-mail, facsimile, or overnight delivery addressed
18 to the address of the party appearing in this Stipulation.

19 **10. Captions and Interpretations.** Section titles or captions contained herein are inserted
20 as a matter of convenience and for reference only and in no way define, limit, extend, or describe the
21 scope of this Stipulation or any provision thereof.

22 **11. Modification.** This Stipulation may not be changed, altered, or modified, except in
23 writing signed by the Parties and approved by the Court. This Stipulation may not be discharged
24 except by performance in accordance with its terms or by a writing signed by the Parties.

25 **12. Integration Clause.** This Stipulation contains the entire agreement between the Parties
26 relating to the Class Settlement of the Action and the transactions contemplated thereby, and all prior
27 or contemporaneous agreements, understandings, representations, and statements, whether oral or
28 written, and whether by a party or such party's legal counsel, are hereby superseded. No rights under

1 this Stipulation may be waived except in writing as provided above.

2 **13. Successors and Assigns.** This Stipulation shall be binding upon and inure to the
3 benefit of the Parties and Settlement Class Members (excluding only persons who timely Opt-Out) and
4 their respective present and former heirs, trustees, executors, administrators, representatives, officers,
5 directors, shareholders, agents, employees, insurers, attorneys, accountants, auditors, advisors,
6 consultants, pension and welfare benefit plans, fiduciaries, parent companies, subsidiaries, affiliates,
7 related companies, joint ventures, predecessors, successors, and assigns.

8 **14. Corporate Signatories.** Any person executing this Stipulation or any such related
9 document on behalf of a corporate signatory or on behalf of a partnership hereby warrants and
10 promises, for the benefit of all Parties hereto, that such person has been duly authorized by such
11 corporation or partnership to execute this Stipulation or any such related document.

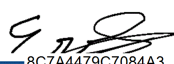
12 **15. Execution in Counterparts.** This Stipulation shall become effective upon its
13 execution by all of the undersigned. The Parties may execute this Stipulation in counterparts, and
14 execution of counterparts shall have the same force and effect as if all Settling Parties had signed the
15 same instrument.

16 **16. Attorney Fees, Costs and Expenses.** Except as otherwise specifically provided for
17 herein, each party shall bear his or its own attorney fees, costs and expenses, taxable or otherwise,
18 incurred by them in or arising out of the Action and shall not seek reimbursement thereof from any
19 other party to this Stipulation.

20 **17. Action to Enforce Agreement.** In any suit or court action to enforce the terms of this
21 Agreement, the prevailing party shall be entitled to recover his or its attorney fees and costs.

22 **IN WITNESS WHEREOF,** the Parties and their counsel have executed this Stipulation on the
23 date below their signatures or the signature of their representatives. The date of the Stipulation shall
24 be the date of the latest signature.

Erick Grumm

DocuSigned by:

8C7A4479C7084A3...

T.J.S Leasing & Holding, Co., Inc.

Dated: 8/2/2017

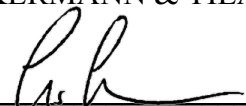
Title: _____

Dated: _____

APPROVED AS TO FORM AND CONTENT

ACKERMANN & TILAJEF, P.C

OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.

By: 
Craig J. Ackermann, Esq.
Attorney for Plaintiff Erick Grumm and
the Putative Class

By: _____
Douglas J. Farmer, Esq.
Michael D. Thomas, Esq.
Attorneys for Defendant, T.J.S. Leasing &
Holding, Co., Inc.

MELMED LAW GROUP P.C.

By: 
Jonathan Melmed, Esq.
Attorney for Plaintiff Erick Grumm and
the Putative Class

1 Erick Grumm

T.J.S Leasing & Holding, Co., Inc.

2
3 Dated: _____

Title: Resident

4 Dated: 08/03/2017

5
6
7
8
9
10 **APPROVED AS TO FORM AND CONTENT**

11
12 ACKERMANN & TILAJEF, P.C

OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.

13 By: _____
14 Craig J. Ackermann, Esq.
15 Attorney for Plaintiff Erick Grumm and
the Putative Class

By: Michael D. Thomas
Douglas J. Farmer, Esq.
Michael D. Thomas, Esq.
Attorneys for Defendant, T.J.S. Leasing &
Holding, Co., Inc.

16 MELMED LAW GROUP P.C.

17 By: _____
18 Jonathan Melmed, Esq.
19 Attorney for Plaintiff Erick Grumm and
the Putative Class