

1 HAMMONDLAW, P.C.
Julian Hammond (SBN 268489)
2 jhammond@hammondlawpc.com
Polina Brandler (SBN 269086)
3 pbrandler@hammondlawpc.com
Ari Cherniak (SBN 290071)
4 acherniak@hammondlawpc.com
11780 W Sample Rd Suite 103
5 Coral Springs, FL 33065
(310) 601-6766
6 (310) 295-2385 (Fax)

7 Attorneys for Plaintiff

8 SEYFARTH SHAW LLP
9 Christian J. Rowley (SBN 187293)
crowley@seyfarth.com
10 Andrew M. McNaught (SBN 209093)
amcnaught@seyfarth.com
11 Parnian Vafaenia (SBN 316736)
pvafaenia@seyfarth.com
12 560 Mission Street, 31st Floor
San Francisco, California 94105
13 Telephone: (415) 397-2823
Facsimile: (415) 397-8549

14 Attorneys for Defendant

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16 **SUPERIOR COURT FOR THE STATE OF CALIFORNIA**

17
18 **COUNTY OF RIVERSIDE**

19 **DEAN PARSONS**, individually and on behalf of
20 all others similarly situated,

21 Plaintiff,

22 vs.

23 **LA SIERRA UNIVERSITY**, a California Non-
24 Profit Corporation,

25 Defendant.

CASE NO. CVRI2000104

**CLASS ACTION SETTLEMENT
AGREEMENT**

1 This Class Action Settlement Agreement (“Settlement Agreement”) is made and entered into
2 between Plaintiff Dean Parsons (“Plaintiff” or “Class Representative”) on the one hand, individually and
3 on behalf of the Settlement Classes (as defined below) and the State of California, by and through
4 HammondLaw, P.C. (“Class Counsel”), and Defendant La Sierra University (“Defendant”) on the other
5 hand subject to the approval of the Court, as provided below. This Settlement Agreement is intended by
6 Plaintiff and Defendant to fully, finally, and forever resolve, discharge, and settle the Action (as defined
7 below) and Released Claims (as defined below), upon and subject to the terms and conditions hereof, as
8 follows:

9 **1. Definitions.**

10 As used herein, for the purposes of this Settlement Agreement only, the following terms will be
11 defined as set forth below:

12 1.1 “Action” refers to the civil action entitled *Dean Parsons v. La Sierra University* (Riverside
13 County Superior Court Case No. CVRI2000104).

14 1.2 “Adjunct Class Member” refers to all current or former employees who, during the Adjunct
15 Class Period, performed the duties of an Adjunct Faculty for LSU in California while not classified as
16 hourly non-exempt employees.

17 1.3 “Adjunct Class Period” means November 12, 2016 through to the date the Court grants
18 preliminary approval.

19 1.4 “Class Counsel” refers to the attorneys of record for the Class Representative, *i.e.*,
20 HammondLaw, P.C.

21 1.5 “Class Members” refers to all Adjunct Class Members and Reimbursement Class Members.

22 1.6 “Class Notice” refers to the form of direct-mail notices substantially in the form attached as
23 “**Exhibit A**,” as may be modified by the Court.

24 1.7 “Complaint” refers to the operative Second Amended Complaint in this Action, and any
25 Complaints subsequently filed in this Action.

26 1.8 “Court” refers to the California Superior Court for the County of Riverside.

27 1.9 “Defendant” or “LSU” means La Sierra University.
28

1 1.10 “Enhancement Award” refers to a monetary award to the Plaintiff, in an amount not to
2 exceed Ten Thousand Dollars (\$10,000), or other lesser amount as approved by the Court, for his services
3 as Class Representative, to be paid for from the Gross Settlement Amount, subject to approval by the
4 Court, as described below.

5 1.11 “Final Approval Hearing” refers to the hearing at which the Court will make a final
6 determination whether the terms of the Settlement are fair, reasonable, and adequate for the Class and
7 meet all applicable requirements for approval.

8 1.12 “Final Approval Order” refers to the final order by the Court approving the Settlement
9 following the Final Approval Hearing and entering final judgment.

10 1.13 “Final Effective Date” refers to the date the Final Approval Order is entered if no objections
11 to the Settlement are filed. If objections are filed and overruled, and no appeal of the Final Approval
12 Order is filed, then the Final Effective Date will be thirty (30) calendar days following date the Final
13 Approval Order is entered. If an appeal is taken from the Final Approval Order overruling objections to
14 the settlement, then the Final Effective Date will be twenty (20) calendar days after the appeal is
15 withdrawn or after an appellate decision affirming the Final Approval Order becomes final.

16 1.14 “Gross Settlement Amount” (also referred to herein as “GSA”) refers to the maximum
17 settlement payment of Five Hundred and Fifty Thousand Dollars (\$550,000) Defendant will be obligated
18 to make, except that Defendant shall bear, in addition, all employer-side payroll tax payments due and
19 payable to federal and state tax authorities as a result of this Settlement. The GSA includes all payments
20 made to Settlement Class Members, Service Award payment to Class Representative, all Settlement
21 Administration Costs, the PAGA Award, and attorneys’ fees and litigation costs and expenses to Class
22 Counsel as approved by the Court.

23 1.15 “Net Settlement Amount” (also referred to herein as “NSA”) is the GSA minus Court-
24 approved attorney’s fees and litigation costs, Settlement Administration Costs, Court-approved
25 Enhancement Award, and the LWDA’s share of the amount of the GSA allocated to PAGA Award. The
26 NSA is the maximum amount that will be available for distribution to Settlement Class Members.
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1 1.16 "PAGA Award" refers to the Fifteen Thousand Dollars (\$15,000) set aside for the PAGA
2 penalty, with 25% paid to the Class Members, and 75% payable to the Labor and Workforce Development
3 Agency.

4 1.17 "Adjunct PAGA Period" means the period from October 20, 2019 through to the date the
5 Court grants preliminary approval.

6 1.18 "Reimbursement PAGA Period" means the period from March 4, 2020 and the earlier of the
7 date the Court grants preliminary approval or the date when LSU stops making the COVID reimbursement
8 payments.

9 1.19 "Parties" are Plaintiff and Defendant.

10 1.20 "Reimbursement Class Member" refers to all current or former LSU employees in California,
11 who, during the Reimbursement Class Period, worked remotely.

12 1.21 "Reimbursement Class Period" means the period between March 4, 2020 and the earlier of
13 the date the Court grants preliminary approval or the date when LSU stops making the COVID
14 reimbursement payments.

15 1.22 "Released Claims" are those defined in Section 16, below.

16 1.23 "Released Parties" include La Sierra University and any parent, subsidiary, affiliate,
17 predecessor or successor, and all agents, trustees, employees, officers, directors and attorneys thereof.

18 1.24 "Response Deadline" refers to a date that is sixty (60) calendar days after the date that the
19 Class Notice is mailed to Class Members and is the deadline by which Class Members' Requests for
20 Exclusion, disputes regarding Credits, and/or objections must be postmarked in order to be timely.

21 1.25 "Request for Exclusion" refers to a request to be excluded from the Settlement, which must
22 be made in writing in conformity with the requirements set forth in the Class Notice, the Court's order
23 granting preliminary approval, and herein, and mailed to the Administrator and postmarked on or before
24 the Response Deadline.

25 1.26 "Settlement Administrator" refers to CPT, Inc., the third-party administrator mutually
26 selected by the parties, subject to approval by the Court, to perform the notice, claims administration, and
27 distribution functions further described in this Settlement Agreement.
28

1 1.27 “Settlement Administration Costs” refers to the costs and expenses of the administrator, to
2 perform its tasks and duties as provided by this Settlement Agreement. These costs will be paid out of the
3 GSA in an amount not to exceed \$20,000. In the event that the Escalator Clause in Section 21 is triggered,
4 and the Settlement Administration Costs exceed \$20,000 because of this, any remaining additional
5 Settlement Administration Costs will be paid out of the GSA.

6 1.28 “Settlement Class Member” refers to Class Members who do not request exclusion from the
7 Settlement pursuant to Section 12, below.

8 1.29 “Settlement Payment” refers to the amount paid to a Settlement Class Member.

9 **2. Procedural History and Recitals.**

10 2.1 On November 12, 2020, Plaintiff filed an action alleging putative class claims against
11 Defendant for its (a) failure to pay wages for all hours worked as required under Labor Code §§ 226.2 and
12 1194 and IWC Wage Order No. 4-2001 § 4; (b) failure to authorize and permit paid rest breaks and pay
13 premium pay as required under Labor Code §§ 226.2 and 226.7 and Wage Order No. 4-2001, §§ 4, 12;
14 (c) failure to pay compensation due on discharge from employment in violation of Cal. Labor Code
15 §§ 201-203; (d) failure to issue accurate itemized wage statements in violation of Cal. Labor Code §§
16 226(a) and (e) and 226.2; (e) failure to reimburse business expenses in violation of Cal. Labor Code §
17 2802; and (f) unfair, unlawful, and/or fraudulent business practices in violation of Business & Professions
18 Code § 17200, *et seq.* (“UCL”). On January 26, 2021 Plaintiff filed a First Amended Complaint (“FAC”)
19 adding a cause of action for Private Attorneys General Act (“PAGA”) penalties under Cal. Labor Code
20 §§ 2698 *et seq.* for the Labor Code violations alleged in the Complaint.

21 2.2 On June 14, 2021, the Parties participated in a mediation session with Louis Marlin, an
22 experienced mediator who has mediated numerous wage-hour class and PAGA actions. There, the parties
23 reached an agreement in principle.

24 2.3 On July 2, 2021 Plaintiff filed a Second Amended Complaint, adding a cause of action for
25 failure to provide meal breaks as required under Labor Code § 512 and Wage Order No. 4-2001, § 11.

26 2.4 This Agreement is entered into solely for the purpose of compromising highly disputed
27 claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant of
28 liability or wrongdoing, or that the Action was not barred in its entirety by the ministerial exception.

1 Defendant makes no admission of liability or wrongdoing by virtue of entering into this Agreement.
2 Additionally, Defendant reserves the right to contest any issues relating to class certification and liability
3 if the Settlement is not approved. Defendant denies that it has engaged in any unlawful activity, has failed
4 to comply with the law in any respect, has any liability to anyone under the claims asserted in the Action,
5 or that but for the Settlement, a Class should be certified in the Action. This Settlement, and Plaintiff's
6 and Defendant's willingness to settle the Action will have no bearing on, and will not be admissible in
7 connection with, any litigation between the parties (other than in connection with this Settlement).

8 2.5 As set forth above, without admitting any wrongdoing or liability, Defendant is willing to
9 agree to the terms of the Settlement in order to settle, compromise, and fully resolve the Action and
10 Released Claims (as defined below).

11 2.6 The Settlement will not constitute, in this or any other proceeding, an admission of any kind
12 by Defendant, including without limitation, that certification of a class is appropriate or proper or that
13 Plaintiff could establish any of the requisite elements for class treatment of any of the claims in the Action.
14 In the event that the Settlement is not finally approved, or the Settlement is otherwise terminated, and any
15 class and representative action, which were certified for settlement purposes only, shall be vacated, and
16 shall be of no force or effect whatsoever and shall not be admissible nor construed as an admission or
17 concession of any kind by the Parties, in whole or part, and Defendant expressly reserves all rights to
18 challenge certification of a class on all available grounds.

19 **3. Establishment of the GSA.**

20 This Settlement will be made on a non-claims-made basis and will be non-reversionary. Under no
21 circumstances will any of the GSA revert to Defendant. Defendant shall pay a total of no more than the
22 GSA, which will cover payment by Defendant pursuant to this Settlement Agreement, to Settlement Class
23 Members, Settlement Administration Costs, attorneys' fees and litigation costs to Class Counsel, and
24 Service Award to Plaintiff, except that Defendant shall pay, in addition, all employer-side payroll tax
25 payments (e.g., FICA, FUTA, etc.) due and payable to federal and state tax authorities as a result of this
26 Settlement. Within fifteen (15) days of the Final Effective Date, Defendant will deposit money into an
27 account, through the Settlement Administrator, in an amount equal to the GSA, plus Defendant's portion
28 of payroll taxes in connection with the wages portion of the NSA. Any interest accrued on the GSA will

1 be distributed to the Settlement Class except that if final approval is reversed on appeal, LSU is entitled
2 to prompt return of the principal and all interest accrued.

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

4 Class Counsel shall request attorneys' fees up to 1/3 of the GSA, i.e., \$183,333.33 for attorneys'
5 fees; and up to \$20,000 for reimbursement of litigation costs. Defendant agrees to not oppose Class
6 Counsel's request for attorneys' fees and costs in these amounts. Defendant will not oppose a request for
7 attorneys' fees up to one-third of the GSA or a request for litigation costs and expenses of up to \$20,000,
8 but retains the right to oppose and requests above these amounts. The terms of this Settlement Agreement
9 will not be abrogated and will continue in full force even if the Court awards a lower amount of attorneys'
10 fees or costs than requested by Class Counsel. Any unapproved amount of attorneys' fees and litigation
11 costs will be added to the NSA and be distributed to the Settlement Class Members.

12 **5. Enhancement Award.**

13 Class Counsel shall request an Enhancement Award of up to \$10,000 for Plaintiff. Defendant
14 retains the right to object to an Enhancement Award in excess of this amount. The terms of this Settlement
15 Agreement will not be abrogated and will continue in full force even if the Court awards a lower
16 Enhancement Award than requested by Class Counsel. Any unapproved amounts will be added to the
17 NSA and be distributed to the Settlement Class Members.

18 **6. PAGA Award**

19 Subject to Court approval, \$15,000 shall be attributed to Plaintiff's claims under PAGA. The
20 Settlement Administrator shall apportion and distribute the PAGA payment as follows: (a) \$11,250 shall
21 be paid to the LWDA as its 75% share of the settlement of civil penalties for PAGA claims; and (b) \$3,750
22 shall be added to the NSA and distributed to the Class Members who worked during the relevant PAGA
23 Period as their 25% share of the settlement of civil penalties for PAGA claims.

24 **7. Costs of Settlement Administration.**

25 The Parties have mutually agreed to the selection of CPT ("Settlement Administrator"), to undertake
26 the administration of the Settlement in this Action. The costs of settlement administration shall not exceed
27 Twenty Thousand Dollars (\$20,000). In the event that the Escalator Clause is triggered, and the Settlement
28

1 Administration Costs exceed \$20,000 because of this, any remaining additional Settlement Administration
2 Costs will be paid out of the GSA.

3 **8. Calculation and Distribution of the NSA**

4 8.1.1 This settlement is a “non-claims-made” settlement. Each Settlement Class Member will be
5 entitled to a share of the NSA in accordance with the formula set forth below. Payments will be made
6 from the NSA only to Settlement Class Members, as set forth herein.

7 8.1.2 The NSA is defined as the GSA, less Court-approved administration costs, attorney’s fees
8 and costs, enhancement payment, and PAGA payment.

9 8.1.3 \$8,800 of the NSA will be allocated to the Reimbursement Class (“Reimbursement NSA”).
10 Each Reimbursement Class Member will receive a pro rata share of the Reimbursement NSA. By way of
11 example, if 176 Reimbursement Class members were to participate in the Settlement, each would receive
12 \$50.00.

13 8.1.4 \$3,750 of the amount allocated to the PAGA claim (“PAGA Payment”) shall be paid to Class
14 Members who worked for LSU in California during the Adjunct / Reimbursement PAGA Periods (“PAGA
15 Group”). PAGA Payment shares will be paid to the PAGA Group on a per capita basis. Class Members
16 who opt out from the Class will still receive their PAGA Payment share and will release the Released
17 PAGA Claims.

18 8.1.5 The remainder of the NSA shall be distributed to the Adjunct Class (“Adjunct NSA”): Each
19 Adjunct Class Member’s Settlement Payment will be calculated by dividing the number of credits taught
20 by the Adjunct Class Member during the Adjunct Class Period as an Adjunct Faculty in California by all
21 the number of credits taught by all Adjunct Class Members as an Adjunct Faculty in California during the
22 Adjunct Class Period, and then multiplying the resulting figure by the Adjunct NSA. Zero-credit courses
23 will be treated as one-credit courses for the purposes of this calculation. Adjunct Class Members’ credits
24 will be weighted as follows: the credits taught as part of a course that was solely online will be reduced
25 by one-quarter (i.e. they will be multiplied by 0.75).

26 8.2 The amount distributed to Settlement Class Members, plus all required withholdings, shall
27 not exceed the NSA, except as contemplated in Section 3, above.

1 8.3 If an Adjunct Class Member timely and validly submits a Request for Exclusion, as set forth
2 herein, his or her share will return to the Adjunct NSA and will be distributed to the remaining Adjunct
3 Settlement Class Members. Similarly, if a Reimbursement Class Member timely and validly submits a
4 Request for Exclusion, as set forth herein, his or her share will return to the Reimbursement NSA and will
5 be distributed to the remaining Reimbursement Settlement Class Members. However, Class Members will
6 receive their portion of the PAGA Award, whether or not the Class Member opts out.

7 8.4 Payments to Class Members pursuant to this Settlement Agreement will not be construed as
8 compensation for purposes of determining eligibility for or benefit calculations of any health and welfare
9 benefit plan, retirement benefit plan, vacation benefit plan, unemployment compensation, including,
10 without limitation, all plans, subject to Employee Retirement Income Security Act (“ERISA”). The
11 Parties agree these payments do not represent any modification of any employee’s previously-credited
12 hours of service or other eligibility criteria under any employee pension benefit plan, employee welfare
13 benefit plan, or other program or policy.

14 8.5 Within twenty-five (25) calendar days of the Final Effective Date, the Settlement
15 Administrator will pay all Class Members’ Settlement Payments, and attorney’s fees, costs, enhancement
16 payment, and administration costs, as approved by the Court.

17 8.6 Class Member Settlement Payment checks that are not cashed within one hundred and eighty
18 days (180) calendar days from the date of issuance by the Settlement Administrator, will be cancelled.
19 Class Members whose Class Member Settlement Payment checks are not timely cashed and which are
20 cancelled, will be deemed to have irrevocably waived any right in or claim to any payment under the
21 Settlement, but the settlement and their release of Released Claims will remain binding upon them. The
22 value of the cancelled Class Member Payment checks will be transmitted in conformity with California
23 Civil Procedure Code section 384, as follows: one-hundred percent (100%) to the non-profit organization
24 Interdisciplinary Center for Healthy Workplaces.

25 **9. Tax Treatment.**

26 9.1 Tax Treatment of Adjunct Class Payments: 20% of each Adjunct Settlement Payment will
27 be allocated as wages and reported on an IRS Form W-2; 40% will be allocated as penalties, and 40%
28 interest and reported on IRS Form 1099.

1 9.2 Tax Treatment of Reimbursement Class Member Payments: 100% of each Reimbursement
2 Settlement Payment will be deemed penalties and reported on an IRS Form 1099.

3 9.3 Employer's Portion of Payroll Taxes: Defendant shall pay the employer's portion of payroll
4 taxes with respect to the wage portion of Adjunct Class Payments separately and in addition to the GSA.

5 9.4 Tax Treatment of Service Award: Plaintiff will receive an IRS Form 1099 for his individual
6 Service Award and will be responsible for payment of any taxes owing on said amount.

7 9.5 Tax Treatment of Attorneys' Fees and Cost Award: Class Counsel will receive an IRS Form
8 1099 for any amount awarded to Class Counsel in the form of attorneys' fees or costs and will be
9 responsible for payment of any taxes owing on said amount.

10 9.6 No Tax Advice: Neither Plaintiff nor Defendant, nor the Parties' attorneys, shall give or are
11 giving any tax advice in connection with the settlement or any payments to be made pursuant to this
12 settlement. Each Settlement Class Member agrees to indemnify, and hold harmless Defendant from any
13 liability for taxes, fees, costs, or assessments resulting from his or her failure to timely pay his or her
14 share of taxes, interest, fees, or penalties owed.

15 **10. Notice Administration.**

16 10.1.1 Within ten (10) calendar days of the later of the Preliminary Approval Order or Court
17 approval of settlement notice to the class Defendant shall provide the Settlement Administrator with the
18 following information ("Class Data List"):

19 (a) the names, employment identification number, last known addresses, last known telephone
20 numbers, and Social Security numbers of each Class Member;

21 (b) the number of Credits being attributed to each Adjunct Class Member.

22 10.1.2 Upon its receipt of the Class Data List, the Settlement Administrator shall access the
23 National Change of Address ("NCOA") Database, and update the addresses contained therein.

24 10.1.3 Within thirty five (35) days of the later of the Preliminary Approval Order or Court
25 approval of settlement notice to the class, the Settlement Administrator shall provide the Class Notice by
26 bulk first class mail, forwarding requested, to the Class Members at the addresses identified through the
27 process described above.
28

1 10.1.4 As to any Class Notices that are returned as undeliverable, or where the NCOA
2 Database indicates that the last known address of any Class Member is invalid or otherwise undeliverable,
3 the Settlement Administrator will perform a skip trace procedure and re-mail all returned, undelivered
4 mail within five (5) calendar days of the date on which the Settlement Administrator is informed that a
5 Class Notice is undeliverable or otherwise invalid.

6 10.1.5 Other than the obligations set forth in this Settlement Agreement, Parties will have
7 no additional obligation to identify or locate any Class Member.

8 10.1.6 Parties will not be responsible for nor have any liability in connection with the
9 provision of Class Member data to the Settlement Administrator, outside of the obligations set forth in the
10 Settlement Agreement. The Settlement Administrator and all those working through, in concert with, or
11 on behalf of the Settlement Administrator, shall be obligated to take all reasonable steps to maintain the
12 confidentiality of Class Member information and to carry out the other duties enumerated in the Settlement
13 Agreement, including calculating each Class Member's potential share of the Settlement.

14 10.1.7 The Settlement Administrator shall provide Defendant's counsel and Class Counsel
15 with weekly summary reports, including the total number of Class Notices that were returned as
16 undeliverable, the total number of objections, and disputes regarding Credits, and/or Requests for
17 Exclusion. The Settlement Administrator shall maintain records of its work, which will be available for
18 inspection upon request by Defendant's counsel.

19 **11. Class Notice.**

20 11.1 The Class Notice will be a pre-printed notice, in substantially the form attached hereto as
21 **Exhibit A** and to be approved by the Court.

22 **12. Request for Exclusion.**

23 12.1 Any Class Member may elect to opt out of the Settlement by submitting a written Request
24 for Exclusion from the Settlement to the Settlement Administrator, postmarked no later than the Response
25 Deadline. The Request for Exclusion must contain the following: Class Member's full name, signature,
26 address, last four digits of his or her social security number, case name, case number, and a clear statement
27 that he or she seeks to be excluded from the Settlement. The Settlement Administrator shall immediately
28 send all Requests for Exclusion to Defendant's counsel and Class Counsel. A Class Member who fails to

1 comply with the opt-out procedure set forth herein on or before the Response Deadline will not be
2 excluded and will instead be bound by all provisions of the Settlement Agreement and all orders issued
3 pursuant thereto.

4 12.2 Any Class Member who elects to opt out of the Class in the manner and within the time limits
5 specified above and in the Class Notice: (1) will not have any rights under the Settlement Agreement; (2)
6 will not be entitled to receive any compensation under the Settlement Agreement; (3) will not have
7 standing to submit any objection to the Settlement Agreement; and (4) will not be bound by the Settlement
8 Agreement, subject to the following exception: Class Members who worked during the relevant PAGA
9 Period will receive their portion of the PAGA Award, whether or not the Class Member opts out.

10 12.3 Except for persons who elect to opt out of the Settlement in the manner and within the time
11 limits specified above, in the Preliminary Approval Order, and in the Class Notice, all Class Members,
12 will be deemed to be within the Class for all purposes under this Settlement Agreement, will be bound by
13 the terms and conditions of this Settlement Agreement, including all orders issued pursuant thereto.

14 12.4 If the Settlement Agreement is given final approval, it will operate as a full, complete, and
15 final release of all the Released Claims of the Class Representative and all Settlement Class Members,
16 and as an effective covenant not to sue.

17 **13. Objections.**

18 Any Class Member who does not request exclusion from the Settlement may object to the
19 Settlement Agreement by sending the Settlement Administrator, not later than the Response Deadline, a
20 written statement objecting to the Settlement. The written objection must contain: Class Member's full
21 name, address, last four digits of his or her social security number, case name, case number, and a clear
22 statement of the basis for his or her objection. The Settlement Administrator shall immediately send all
23 objections to counsel for Defendant and Class Counsel.

24 Counsel for the Parties shall file any responses to any objections at the time the Motion for Final
25 Approval is filed. Class Members may, prior to the Final Approval Hearing, withdraw their objections or
26 opt out requests in a writing to the Settlement Administrator, which may then be filed with the Court.

27 All Parties and their counsel will not seek to solicit or otherwise encourage any Class Member to
28 submit an opt out request or objection, nor encourage any Class Member to appeal from the final judgment.

1 **14. Resolution of Disputes.**

2 If a Class Member timely disputes the number of Credits listed on his or her Class Notice, the
3 dispute will be submitted to the Settlement Administrator, who will examine the records and either verify
4 the calculation or provide a corrected calculation. Disputes must be in writing that is submitted to the
5 Settlement Administrator, postmarked on or before the Response Deadline. The dispute must contain:
6 Class Member’s full name, address, signature, last four digits of his or her Social Security number, case
7 name and number, and any facts supporting the Class Member’s dispute, along with any supporting
8 materials confirming that the Credits attributed to him or her are incorrect. The Settlement Administrator’s
9 determination of disputes will be final and non-appealable.

10 **15. Non-Materiality of Attorneys’ Fees, Costs and Enhancement Award.**

11 Any denial or reduction in amount by the Court of the application for attorneys’ fees and litigation
12 costs, Enhancement Award, and/or Settlement Administration Costs will in no way affect the validity the
13 remainder of this Settlement Agreement, or give rise to a right to abrogate this Settlement Agreement.

14 **16. Release of Claims:**

15 16.1 Adjunct Released Claims: Upon issuance of the Settlement Payments to the Adjunct
16 Class, each Adjunct Class Member releases Released Parties from any and all claims, debts, liabilities,
17 demands, obligations, penalties, premium pay, guarantees, costs, expenses, attorney’s fees, damages, actions
18 or causes of action of whatever kind or nature, whether known or unknown, contingent or accrued, under any
19 legal theory under state law for any alleged failure to pay all wages due (including minimum wage and
20 overtime wages), failure to pay for all hours worked (including off-the clock and on-call work), failure to
21 provide meal and authorize and permit rest periods, short/late meal and rest periods, failure to relieve of all
22 duties during meal and rest periods, failure to reimburse business expenses, failure to timely pay wages and
23 final wages, failure to furnish accurate wage statements including claims derivative and/or related to these
24 claims, liquidated damages, and conversion of wages, up to and including the date of preliminary approval
25 by the Court. This Release shall include, claims that were raised, or that reasonably could have been raised
26 based on the facts and allegations in the Complaint. This Release shall include all claims and theories arising
27 under the applicable regulations, Wage Orders and Labor Code, as well as claims under Business and
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1 Professions Code §§ 17200 *et seq.*, and/or Labor Code §§ 2698 *et seq.* based on violations of the above Labor
2 Code provisions. This release shall apply to all claims arising at any point during the Adjunct Class Period.

3 16.2 **Reimbursement Released Claims:** Upon issuance of the Settlement Payments to the
4 Reimbursement Class, each Reimbursement Class Member releases Released Parties from any and all
5 claims, debts, liabilities, demands, obligations, penalties, premium pay, guarantees, costs, expenses,
6 attorney’s fees, damages, actions or causes of action of whatever kind or nature, whether known or
7 unknown, contingent or accrued, under any legal theory under state law for any alleged failure to
8 reimburse business expenses, including claims derivative and/or related to that claim, up to and including
9 the date of preliminary approval by the Court. This Release shall include, reimbursement-related claims
10 that were raised, or that reasonably could have been raised based on the facts and allegations in the
11 Complaint. This Release shall include all claims and theories arising under the applicable regulations,
12 Wage Orders and Labor Code, as well as claims under Business and Professions Code §§ 17200 *et seq.*,
13 and/or Labor Code §§ 2698 *et seq.* based on violations of the above Labor Code provisions. This release
14 shall apply to all claims arising at any point during the Reimbursement Class Period.

15 16.3 **Plaintiff’s General Release:** In addition to the Released Claims, Plaintiff shall be bound by
16 a complete and general release of all claims under any and all applicable federal and state laws and/or
17 regulations as to Released Parties, and shall also be bound by a California Civil Code § 1542 release and
18 waiver of all claims known and unknown, without exception, except as may be prohibited by law, such as
19 claims for workers’ compensation benefits. California Civil Code section 1542 reads as follows:

20 “A general release does not extend to claims that the creditor or releasing party does not know or
21 suspect to exist in his or her favor at the time of executing the release and that, if known by him
22 or her, would have materially affected his or her settlement with the debtor or released party.”

23 **17. Application for Preliminary Approval.**

24 17.1 After the Parties’ execution of this Settlement Agreement, Plaintiff shall file a motion for
25 preliminary approval of the Settlement, requesting a Preliminary Approval Order that contains the
26 following provisions:

- 27 17.1.1 preliminarily approving the Settlement Agreement and its terms;
- 28 17.1.2 preliminarily approving and certifying the Class for settlement purposes only;

1 17.1.3 approving the form of the Class Notice, and finding that the proposed method of
2 disseminating the Class Notice meets the requirements of due process and is the best notice practicable
3 under the circumstances;

4 17.1.4 establishing the procedures and the deadline by which Settlement Class Members
5 may assert objections to the Settlement, seek exclusion from the Settlement, and/or dispute their
6 Settlement Shares; and

7 17.1.5 setting a date for the Final Approval Hearing.

8 17.2 Counsel for Defendant will be given an opportunity to review and comment on the motion
9 for preliminary approval of the Settlement prior to its being filed with the Court, and such comments will
10 be implemented to the extent reasonable.

11 **18. Final Approval Order and Final Judgment.**

12 18.1 If the Settlement is preliminarily approved by the Court, the Parties shall thereafter request
13 that the Court enter an order granting final approval of the Settlement and judgment based thereon (“Final
14 Approval Order and Judgment”), which includes the following provisions:

15 18.1.1 confirming certification of the Class for settlement purposes only;

16 18.1.2 finding that the dissemination of the Class Notice in the form and manner ordered by
17 the Court was accomplished as directed, met the requirements of due process; and

18 18.1.3 finally approving the Settlement Agreement and the Settlement as fair, reasonable
19 and adequate and directing consummation of the Settlement in accordance with its terms and provisions;

20 18.1.4 directing the Parties to implement the terms of the Settlement Agreement;

21 18.1.5 releasing and discharging the Released Parties from any and all liability with respect
22 to the Released Claims as hereinabove provided;

23 18.1.6 resolving and settling all the Released Claims by the Class Representative and all
24 Settlement Class Members, as herein above provided, with the release precluding them from instituting,
25 commencing, or continuing to prosecute, directly or indirectly, as an individual or collectively,
26 representatively, derivatively, or on behalf of himself or herself, or in any other capacity of any kind
27 whatsoever, any action in this Court, any other state court, or any arbitration or mediation proceeding or
28 any other similar proceeding, against any of the Released Parties, that asserts any Released Claims.

1 18.1.7 awarding reasonable attorneys' fees and litigation costs to Class Counsel as
2 determined by the Court;

3 18.1.8 awarding an Enhancement Award to Class Representative as determined by the
4 Court;

5 18.1.9 awarding Settlement Administration Costs to the Settlement Administrator as
6 determined by the Court and other administration costs as provided herein;

7 18.1.10 approving the allocation of PAGA Penalties to the LWDA;

8 18.1.11 entering final judgment on the Complaint; and

9 18.1.12 preserving continuing and exclusive jurisdiction over all matters related to the
10 administration and consummation of the terms of this Settlement and enforcement of the Judgment.

11 18.2 Counsel for Defendant will be given an opportunity to comment on the motion for final
12 approval of the Settlement prior to its being filed with the Court, and such comments will be implemented
13 to the extent reasonable.

14 **19. Effect of Settlement Not Being Final.**

15 In the event that the Settlement does not become final, then the Settlement Agreement will become
16 null and void, and all negotiations, proceedings, and statements relating thereto will be without prejudice
17 as to the rights of any and all Parties hereto, and all Parties and their respective predecessors and successors
18 will be deemed to have reverted to their respective positions in the Action as of the date and time
19 immediately prior to the execution of this Settlement Agreement. If the Court does not approve either
20 preliminarily or finally any material term or condition of the Settlement Agreement, or if the Court effects
21 a material change to the Parties' settlement (including but not limited to the scope of release to be granted
22 by Class Members or the binding effect of the Settlement on Class Members), the Parties shall work
23 together in good faith to address any concerns raised by the Court and propose a revised Settlement for
24 the Court's approval.

25 **20. Tolerance of Requests for Exclusion.**

26 Defendant shall retain the right, in the exercise of its sole discretion, to nullify the Settlement if ten
27 percent (10%) or more of Class Members opt out of the Settlement. Defendant must provide written
28 notice to Class Counsel of its withdrawal within thirty (30) calendar days of the Response Deadline. All

1 signatories and their counsel agree not to encourage opt-outs. Class Counsel and Defendant specifically
2 agree not to solicit opt-outs, directly or indirectly, through any means. If Defendant exercises its rights
3 under this Section, it shall be solely responsible for the costs incurred for settlement administration up to
4 the date of nullification.

5 **21. Escalator Clause.**

6 21.1 If the total number of Adjunct Class Members exceed 363 by more than 10% (i.e.
7 more than 399), then the GSA attributed to Adjunct Class Members (i.e., \$541,200) shall be increased
8 proportionally for each additional Adjunct Settlement Class Member above the ten percent (10%)
9 threshold. For example, if the number of Adjunct Settlement Class members increases by twelve percent
10 (12%), the GSA attributed to Adjunct Class Members shall be increased by two percent (2%).

11 22.2. If the total number of Reimbursement Class Members exceed 176 by more than 10%
12 (i.e. more than 194), then the portion of the GSA attributed to Reimbursement Class Members (i.e. \$8,800)
13 shall be increased proportionally for each additional Reimbursement Settlement Class Member above the
14 ten percent (10%) threshold.

15 **22. No Admissions.**

16 The Parties understand and agree that this Settlement Agreement is the result of a good faith
17 compromise settlement of disputed claims, and no part of this Settlement Agreement, or any conduct or
18 written or oral statements made in connection with this Settlement and this Settlement Agreement,
19 including the unfinished Memorandum of Understanding, whether or not the Settlement is finally
20 approved and/or consummated, or the negotiations leading to the Settlement Agreement, or any document
21 filed in support thereof, should be construed as an admission or concession of any kind by Defendant or
22 any of the Released Parties.

23 **23. Avoidance of Undue Publicity.**

24 Except as required to obtain preliminary or final approval in this case, Plaintiff and Class Counsel
25 agree not to publicize the amount or other terms of this settlement to any person. Nothing herein will
26 restrict Class Counsel from including publicly available information regarding this settlement in future
27 judicial submissions regarding Class Counsel's qualifications and experience.
28

1 **24. Non-Disparagement.**

2 Defendant agrees that all inquiries about Plaintiff’s employment with Defendant shall be referred
3 to Defendant’s Director of Human Resources, who will confirm Plaintiff’s dates of employment. No other
4 comments shall be made about Plaintiff or his work history.

5 **25. Construction.**

6 This Settlement Agreement was entered into after substantial good faith, arm’s-length negotiations
7 between the Parties. This Settlement Agreement has been entered into without any coercion and under no
8 duress. The Parties acknowledge and agree that all Parties had an equal hand in drafting this Settlement
9 Agreement so that it will not be deemed to have been prepared or drafted by one party or another.

10 **26. Due Authority of Attorneys.**

11 Each of the attorneys executing this Settlement Agreement on behalf of one or more Parties hereto
12 warrants and represents that he or she has been duly authorized and empowered to execute this Settlement
13 Agreement on behalf of each such respective Party and to bind them to the terms hereof. The parties also
14 warrant that this Agreement is entered into knowingly and willingly and there is no fraud, duress, or undue
15 influence.

16 **27. Entire Agreement.**

17 This Settlement Agreement (including Exhibits hereto) sets forth the entire agreement of the
18 Parties with respect to its subject matter and supersedes any and all other prior agreements and all
19 negotiations leading up to the execution of this Settlement Agreement, whether oral or written, regarding
20 the subjects covered herein. The Parties acknowledge that no representations, inducements, warranties,
21 promises, or statements relating to the subjects covered herein, oral or otherwise, have been made by any
22 of the Parties that are not embodied or incorporated by reference herein. Except as otherwise set forth in
23 this Agreement, any notice, order, judgment, or other exhibit that requires approval of the Court must be
24 approved without material alteration that substantially changes or increases the cost of compliance with
25 this Settlement Agreement in order for this Settlement Agreement to become effective. Before invoking
26 this provision to challenge the effectiveness of this Settlement Agreement, the invoking party shall consult
27 with, and if necessary mediate in good faith with, the other party in an effort to resolve any such challenge.
28

1 **28. Modification or Amendment.**

2 This Settlement Agreement may not be modified or amended except in a writing signed by all
3 signatories hereto or their attorneys or their successors in interest.

4 **29. Successors.**

5 This Settlement Agreement will be binding upon and inure to the benefit of the Parties hereto and
6 their respective heirs, executors, administrators, successors and assigns, and upon any corporation,
7 partnership or other entity into or with which any Party hereto may merge, combine, or consolidate.

8 **30. Counterparts.**

9 This Settlement Agreement may be executed in counterparts, each of which will be deemed an
10 original, and all of which together will constitute one and the same instrument.

11 **31. Waivers.**

12 The waiver by any Party of any breach of this Settlement Agreement will not be deemed or
13 construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this
14 Settlement Agreement.

15 **32. Governing Law.**

16 This Settlement Agreement will be governed by and construed, enforced, and administered in
17 accordance with the internal laws of the State of California.

18 **33. Headings.**

19 The headings contained in this Settlement Agreement are for convenience and reference purposes
20 only, and will not be given weight in its construction.

21 **34. Notices.**

22 Any notices, requests, demands, or other communications required or permitted to be given
23 pursuant to this Settlement Agreement, other than the contemplated Class Notice to the Class Members,
24 must be in writing and mailed as follows:

25 To Class Counsel to the attention of Julian Hammond, Esq., HammondLaw, P.C., 11780 W
26 Sample Rd., Suite 103, Coral Springs, FL 33065; Telephone: (310) 601-6766.

27 To Defendant and counsel for Defendant, to the attention of Andrew McNaught, Esq., Seyfarth
28 Shaw, 560 Mission Street, Suite 3100, San Francisco, CA 94105-2930; Telephone: (415) 544-1022.

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IN WITNESS WHEREOF, this Settlement Agreement has been duly executed by and on behalf of the Parties, as follows:

Plaintiff and Proposed Class Representatives

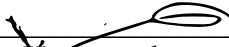
Dated: _____, 2021 By: Dean Parsons
Dean Parsons
Plaintiff

La Sierra University

Dated: _____, 2021 By: _____
Name: David Geriguis
Title: CFO, Vice President - Finance
On behalf of Defendant

APPROVED AS TO FORM:

Counsel for Plaintiff and Proposed Class Counsel

Dated: August 5, 2021 By: 
Julian Hammond
HammondLaw, P.C.
Counsel for Plaintiff

Counsel for Defendant

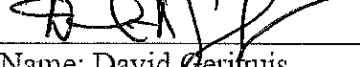
Dated: _____, 2021 By: _____
Andrew M. McNaught
Seyfarth Shaw LLP
Counsel for Defendant

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4 **IN WITNESS WHEREOF, this Settlement Agreement has been duly executed by and on**
5 **behalf of the Parties, as follows:**
6

7 **Plaintiff and Proposed Class Representatives**

8 Dated: _____, 2021 By: _____
9 Dean Parsons
10 Plaintiff

11 **La Sierra University**

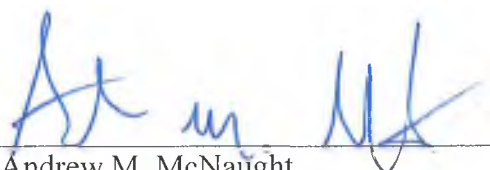
12 Dated: 8/9, 2021 By: 
13 Name: David Geriguis
14 Title: CFO, Vice President - Finance
15 On behalf of Defendant

16 ***APPROVED AS TO FORM:***

17 **Counsel for Plaintiff and Proposed Class Counsel**

18 Dated: _____, 2021 By: _____
19 Julian Hammond
20 HammondLaw, P.C.
21 Counsel for Plaintiff

22 **Counsel for Defendant**

23 Dated: August 9, 2021, 2021 By: 
24 Andrew M. McNaught
25 Seyfarth Shaw LLP
26 Counsel for Defendant
27
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