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6 7	Attorneys for Defendants CAM-BAS, INC., WILLCO MANAGEMENT, INC and ORSA CORPORATION	C.,			
8 9	[ADDITIONAL COUNSEL LISTED ON NEXT PA	-			
10	FOR THE COUNTY OF SANTA CLARA				
3	VICTOR MANUEL MONROY CHAVEZ, an individually, and on behalf of other members of the general public similarly situated,	Case No.: 20CV372311 (Consolidated Case No.: 21CV378215)			
4	Plaintiff,	CLASS ACTION			
15 16 17 18 19 19 19 19 19 19 19	CAM-BAS, INC., a California Corporation; ORSA CORPORATION, a California corporation; WILLCO MANAGEMENT, INC., a California Corporation; and DOES 1-10, inclusive, Defendants. MONICA MELENDEZ, an individual, on behalf of herself and others similarly situated, and as a private attorney general on behalf of the State of California, PLAINTIFF, v. CAM-BAS, INC., a California Corporation, WILLCO MANAGEMENT, INC., a California Corporation and DOES 1 thru 50, inclusive, DEFENDANTS.	AMENDED JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE OF CLAIMS [Assigned for All Purposes to the Hon. Christopher G. Rudy; Dept. 7]			
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("Settlement" or "Agreement") is made and entered into by and between Plaintiffs VICTOR MANUEL MONROY CHAVEZ ("Chavez") and MONICA MELENDEZ ("Melendez") (Chavez and Melendez are collectively, "Plaintiffs" or "Class Representatives"), individually and on behalf of all putative class members, and Defendants CAM-BAS, INC., ORSA CORPORATION, WILLCO

This Amended Joint Stipulation of Class Action Settlement and Release of Claims

MANAGEMENT, INC. (collectively, "Defendants"). Plaintiffs and Defendants are collectively referred to herein as "the Parties."

I. **DEFINITIONS**

The following definitions are applicable to this Settlement, in addition to other terms defined elsewhere in this Settlement:

- 1. "Action" shall mean the operative Complaints of the civil actions initially commenced on October 30, 2020, and March 15, 2021, filed and maintained by Plaintiffs against Defendants in the Superior Court of California, County of Santa Clara, Case Nos. 20CV372311 and 21CV378215, respectively.
- 2. "Class" shall mean all persons who worked for Defendants as non-exempt, hourly paid employees in the State of California at any time from August 31, 2016, through the earlier of August 31, 2022, or the date of Preliminary Approval of this Settlement. "Class Member" shall mean an individual who is a member of the Class (or if any such person is incompetent, deceased, or unavailable due to military service, the person's legal representative or successor in interest evidenced by reasonable verification).
- 3. "Class Counsel" shall mean the attorneys representing Plaintiffs in the Action, Orlando Villalba, Esq., Helga Hakimi, Esq., and Roxanna Tabatabaeepour Esq. of Capstone Law APC and David Winston Esq. of Winston Law Group, P.C.
- 4. "Class Counsel Fees Payment" shall mean one-third (1/3) of the Maximum Settlement Amount, or One Million Dollars and Zero Cents (\$1,000,000.00), subject to approval by the Superior Court as Class Counsel's attorneys' fees incurred in connection with the Action, including fees incurred in pre-filing investigation, filing of the Action, and all related litigation activities, this Settlement, and all post-Settlement compliance procedures.

- 5. "Class Counsel Litigation Expenses Payment" shall mean the actual litigation expenses and/or costs expended by Class Counsel subject to approval by the Superior Court incurred in connection with the Action, including pre-filing investigation, filing of the Action, and all related litigation activities, this Settlement, and all post-Settlement compliance procedures. Class Counsel's expenses are not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00).
- 6. "Class Notice" shall mean the Notice of Proposed Settlement, Preliminary Approval of Settlement, and Hearing Date for Final Court Approval, a sample of which is attached hereto as Exhibit "A". The Class Notice shall further contain (i) a Class Member's first and last name, (ii) last known address, (iii) the Class Member's Individual Workweeks, (iv) the PAGA Group Member's Individual Pay Periods, if applicable; (v) the Class Member's estimated amount of the Settlement Share; and (vi) the PAGA Group Member's estimated PAGA Payment Share, if applicable. The Class Notice shall also provide the Class Members with instructions on how to opt-out of and/or object to the Settlement.
- 7. "Class Period" shall mean the period of time from August 31, 2016 through the earlier of August 31, 2022 or the date of Preliminary Approval of this Settlement.
- 8. "Class Representative Payments" shall mean the special payments made to Plaintiffs in their capacity as Class Representatives to compensate them for prosecuting the Action, performing work in support of the Action, and for a general release of all claims they may have against Defendants arising out of their employment, in the amount of Ten Thousand Dollars and Zero Cents (\$10,000.00) per Plaintiff, subject to approval by the Superior Court.
- 9. "Defense Counsel" shall mean the attorneys representing Defendants in the Action, Matthew C. Sgnilek, Esq. and Andrea Rosenkranz, Esq. of O'Hagan Meyer.
- 10. "Effective Date" shall mean the first business day following the last of the following occurrences: (i) if no Class Member both objects and also files either a timely motion to intervene and/or timely motion to vacate the judgment, then the date the Court enters an order granting Final Approval of the Settlement; (ii) if a Class Member both objects and either files a timely motion to intervene or timely motion to vacate the judgment, then sixty-one (61) days following the date the Court enters an order granting final approval, assuming no appeal is filed; or (iii) if a Class Member

- both objects and also files a timely motion to intervene or files a motion to vacate the Judgment and also files a timely appeal, then the date of final resolution of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final and complete judicial approval of the Settlement in its entirety, with no further challenge to the Settlement being possible. The occurrence of the Effective Date is a prerequisite to any obligation of Defendants to pay any funds into the Settlement Account.
- 11. "Employer's Payroll Taxes" shall mean Defendants' share of all payroll taxes payable to any and all government agencies incurred for any payments of Settlement Shares to Participating Class Members pursuant to this Settlement. Defendants' payment of the normal employer's share of payroll taxes will be made separately, according to each Defendant's proportionate share of the Maximum Settlement Amount, and shall not come from the Maximum Settlement Amount.
- 12. "Final Approval Hearing" shall mean the hearing to be conducted by the Superior Court to determine whether to finally approve and implement the terms of this Settlement.
- 13. "Individual Pay Periods" shall mean the number of Pay Periods for an individual PAGA Group Member.
- 14. "Individual Workweeks" shall mean the number of Workweeks for an individual Class Member.
- 15. "Judgment" shall mean the Order of Final Judgment entered by the Superior Court that the Parties anticipate will be entered following a Final Approval Hearing on the Settlement in this Action.
- 16. "LWDA Payment" shall mean the payment to the California Labor and Workforce Development Agency ("LWDA") constituting seventy-five percent (75%) of the value assigned to the claim for penalties under the California Labor Code Private Attorneys General Act, California Labor Code Section 2698, et seq. ("PAGA"). Specifically, Two Hundred Thousand Dollars and Zero Cents (\$200,000.00), which shall constitute the LWDA's seventy-five percent (75%) share One Hundred and Fifty Thousand Dollars and Zero Cents (\$150,000.00) in civil penalties paid under this Settlement. The remaining Fifty Thousand Dollars and Zero Cents (\$50,000.00) in civil penalties shall be distributed on a pro rata basis based upon the number of pay periods worked by each PAGA

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Group Member ("PAGA Payment").

- 17. "Maximum Settlement Amount" shall mean the maximum settlement amount of Three Million Dollars and Zero Cents (\$3,000,000.00) payable by Defendants as provided by this Agreement, unless that amount is increased as outlined below, exclusive of the normal employer's share of any payroll taxes attributable to the Settlement Share payments allocated to wages. Defendants' payment of the normal employer's share of payroll taxes will be made separately, according to each Defendants' agreed upon proportionate share of the Maximum Settlement Amount, and shall not come from the Maximum Settlement Amount. The Maximum Settlement Amount was calculated with, and is premised on, the understanding that as of May 31, 2022, there are approximately Two Hundred and Twenty-Four Thousand, Twenty-Five (224,025) Workweeks covered by the Settlement. If the actual number of Workweeks is greater than Ten Percent (10%) of this estimate (i.e., more than Two Hundred and Forty-Six Thousand, Four Hundred and Twenty-Eight (246,428) Workweeks), then Defendants shall have the option of either (1) increasing the Maximum Settlement Amount by an amount determined by the following formula: (Actual Class Workweeks – 246,428) ÷ 224,025 × Net Settlement Amount ("Escalator Provision"); or (2) changing the end date of the Class Period to a date for which there are no more than 246,428 Workweeks within the Class Period.
- 18. "Net Settlement Amount" shall mean the Maximum Settlement Amount, less (i) the Class Representative Payments approved by the Superior Court; (ii) the Class Counsel Fees Payment approved by the Superior Court; (iii) the Class Counsel Litigation Expenses Payment approved by the Superior Court; (iv) the LWDA Payment approved by the Superior Court; (v) the PAGA Payment approved by the Superior Court; (vi) the Settlement Administrator Payment approved by the Superior Court; and (vii) any other fees or expenses (other than Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment) incurred in implementing the terms and conditions of this Agreement as approved by the Superior Court.
- 19. "Non-Participating Class Member" shall mean a Class Member who submits a complete, valid, and timely request to be excluded from the Settlement pursuant to the instructions provided in the Class Notice.

- 20. "PAGA Group" mean all persons who worked for Defendants as non-exempt, hourly paid employees in the State of California at any time from August 31, 2019 through the earlier of August 31, 2022 or the date of Preliminary Approval of this Settlement. "PAGA Group Member" shall mean an individual who is a member of the PAGA Group (or if any such person is incompetent, deceased, or unavailable due to military service, the person's legal representative or successor in interest evidenced by reasonable verification).
- 21. "PAGA Payment Share" shall mean the value of each PAGA Group Member's share of the PAGA Payment as provided by this Agreement.
- 22. "PAGA Period" shall mean the period of time from August 31, 2019 through the earlier of August 31, 2022 or the date of Preliminary Approval of this Settlement.
- 23. "Participating Class Member" shall mean all Class Members who have not submitted a complete, valid, and timely request to be excluded from the Settlement pursuant to the instructions provided in the Class Notice.
- 24. "Pay Period" shall mean any pay period in which a Class Member actually received payment from Defendants as an hourly-paid, non-exempt employee.
- 25. "Preliminary Approval" shall mean the Superior Court's preliminary approval of the Settlement without material change that the Parties anticipate will be made following submission of this Agreement to the Court.
- 26. "Settlement Administrator" shall mean CPT Group, Inc. proposed by the Parties and appointed by the Superior Court to administer the Settlement.
- 27. "Settlement Administrator Payment" shall mean the payment to the Settlement Administrator for its fees and expenses in administering this Settlement.
- 28. "Settlement Share" shall mean the value of each Participating Class Member's share of the Net Settlement Amount as provided by this Agreement.
- 29. "Superior Court" shall mean the Superior Court of California for the County of Santa Clara.
- 30. "Workweek" shall mean any week in which a Class Member actually performed paid work for Defendants during the Class Period as an hourly-paid, non-exempt employee.

II. <u>RECITALS</u>

- 31. On October 30, 2020, Chavez filed a Class Action Complaint against Defendants in the Santa Clara County Superior Court, Case No. 20CV372311. In his Complaint, Chavez pled causes of action for: (1) Failure to Pay Overtime Wages; (2) Failure to Pay Minimum Wages; (3) Failure to Provide Meal Periods or Pay Meal Period Premiums; (4) Failure to Provide Rest Breaks or Pay Rest Break Premiums; (5) Failure to Provide Accurate Itemized Wage Statements and Maintain Payroll Records; (6) Failure to Timely Pay Final Wages; (7) Failure to Timely Pay Wages During Employment; (8) Failure to Reimburse Necessary Business Expenses; (9) Unlawful Business Practices; and (10) Unfair Business Practices.
- 32. On November 12, 2020, Class Counsel, on behalf of Chavez and the PAGA Group, gave written notice to the Labor Workforce and Development Agency ("LWDA") of the Labor Code violations Defendants are alleged to have violated ("Chavez LWDA Exhaustion Letter").
- 33. On January 19, 2021, Chavez amended his Complaint to add an eleventh cause of action for Civil Penalties pursuant to PAGA.
- 34. On March 2, 2021, Class Counsel, on behalf of Melendez and the PAGA Group, gave written notice to the Labor Workforce and Development Agency ("LWDA") of the Labor Code violations Defendants are alleged to have violated ("Melendez LWDA Exhaustion Letter").
- 35. On March 16, 2021, Melendez filed a Class Action Complaint against Defendants in the Santa Clara County Superior Court, Case No. 21CV378215. In her Complaint, Melendez pled causes of action for: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Overtime Wages; (3) Failure to Provide Meal Periods or Pay Meal Period Premiums; (4) Failure to Provide Rest Breaks or Pay Rest Break Premiums; (5) Failure to Provide Accurate Itemized Wage Statements; (6) Failure to Reimburse Necessary Business Expenses; (7) Unlawful & Unfair Business Practices; and (8) Civil Penalties pursuant to PAGA.
- 36. On March 22, 2021, Melendez amended her Complaint to add a ninth cause of action for Failure to Pay Final Wages.
- 37. Defendants deny and continue to deny all of Plaintiffs' material allegations. Specifically, Defendants contend (1) they did not fail to pay the Class the minimum, straight time,

and/or overtime wages; (2) they paid the Class for all hours worked; (3) they provided the Class with all meal periods according to law; (4) they provided the Class with all rest periods according to law; (5) they did not fail to timely pay the Class wages due and owing during employment and/or upon separation; (6) they provided the Class with accurate itemized wage statements, consistent with Labor Code Section 226; (7) it properly maintained all payroll records; (8) they reimbursed employees for all necessary business expenditures; (9) they did not violate Business & Professions Code Section 17200, et seq.; (10) the PAGA Group is not entitled to penalties under PAGA; and (11) Defendants are not liable for damages, including unpaid wages, liquidated damages, statutory penalties, attorneys' fees, or costs of litigation to the Class.

- 38. In connection with the Action, and in order to work toward a mediated resolution without the time and expense of formal discovery, the Parties produced voluminous documents and data (including, by Defendants, human resources documents and policies, time records, and payroll data during the Class Period) which were reviewed, investigated, and analyzed by Class Counsel.
- 39. On May 31, 2022, the Parties in Action participated in a full day of mediation before an experienced employment and class action mediator, Louis Marlin, Esq. (the "Mediation") and the Parties reached a settlement at the Maximum Settlement Amount.
- 40. The Settlement described in this Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Settlement is intended or will be construed as an admission by Defendants that Plaintiffs' claims in the Action have any merit or that they have any liability to Plaintiffs, the Class, the PAGA Group or the State on those claims, or as an admission by Plaintiffs that Defendants' defenses in Action have any merit. This Settlement is intended to fully, finally, and forever compromise, release, resolve, discharge, and settle the released claims subject to the terms and conditions set forth in this Settlement.
- 41. Based on its own thorough, independent investigation and evaluation of this case, Class Counsel is of the opinion that the Settlement of this Action with Defendants for the consideration and on the terms set forth in this Settlement is fair, reasonable, adequate, and in the best interest of the Class in light of all known facts and circumstances, including the risk of significant costs and delay, the risk of non-certification of the Class, the defenses asserted by Defendants

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27 28 including the risks of adverse determinations on the merits and numerous potential appellate issues. Although Defendants contend that they have no liability in the Action, Defense Counsel shares Class

Counsel's belief that the Settlement represents a fair and adequate settlement given the respective risks associated with the case.

42. Based on the foregoing Recitals, the Parties agree as follows:

III. PROCEDURE FOR APPROVING SETTLEMENT

- 43. Motion for Preliminary Approval of Settlement by the Superior Court. Plaintiffs will move the Superior Court for an order granting Preliminary Approval of the Settlement, setting a date for the Final Approval Hearing no earlier than 120 days from the date of the order granting Preliminary Approval of the Settlement, and approving the Class Notice (attached as Exhibit "A" to this Stipulation) ("Motion for Preliminary Approval"). Any unresolved disagreement among the Parties concerning the Class Notice or other documents necessary to implement the Settlement will be referred first to Louis Marlin, Esq., and if no resolution is reached, then to the Superior Court.
- 44. At the hearing on the Motion for Preliminary Approval, the Parties anticipate that they will jointly appear, support the granting of the Motion for Preliminary Approval, and obtain an order granting Preliminary Approval, granting approval of the Class Notice, and setting a date for the Final Approval Hearing no earlier than 120 days from the date of the order granting Preliminary Approval.
- 45. Should the Superior Court require any amendments to this Agreement or the Motion for Preliminary Approval, the Parties agree to work jointly to resolve any issues in order to secure the Superior Court's Preliminary Approval.
- 46. Should the Superior Court decline to preliminarily approve any material aspects of the Settlement, the Settlement will be null and void and the Parties will have no further obligations under it. In such event, the Parties shall be returned to their respective positions as of the date and time immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects as if this Agreement had not been executed.
- 47. Class Notice. After the Superior Court enters its order granting Preliminary Approval, every Class Member will be provided with the Class Notice (in English and Spanish) which will include the Class Notice completed to reflect the order granting Preliminary Approval of the

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Settlement and the Class Member's information as follows:

- Within twenty-one (21) days after the Motion for Preliminary Approval is granted, Defendants will provide to the Settlement Administrator the "Class Members' Data," which shall consist of an electronic database containing, to the extent such data is available in Defendants' records: (i) each Class Member's first and last name, (ii) last known mailing address, (iii) the Class Member's Social Security number or Tax ID, (iv) the Class Member's total number of Individual Workweeks, and (v) the Class/PAGA Group Members' total number of Individual Pay Periods, if applicable. If any or all of the Class Members' Data are unavailable to Defendants, Defendants will so inform Class Counsel prior to the date on which Defendants are required to submit the Class Members' Data to the Settlement Administrator and the Parties will make their best efforts to agree on a method for Defendants to reconstruct the missing Class Members' Data, or otherwise agree upon the Class Members' Data prior to when it must be submitted to the Settlement Administrator. If the Parties are unable to agree, the dispute will be resolved by the Settlement Administrator as provided in Paragraph 50. This information will otherwise remain confidential and will not be disclosed to anyone, except as required to applicable taxing authorities, as required to carry out the reasonable efforts to identify Class Member information as described in Paragraph 47(c), pursuant to Defendants' express written authorization, or by order of the Superior Court. Defendants represent and warrant that they are not presently aware of any potential unavailable data issue that would necessitate the need to reconstruct any data using the process detailed in this Paragraph.
- (b) Within fourteen (14) days after receiving the Class Members' Data, or as soon thereafter as it is able to do so, the Settlement Administrator will mail the Class Notice to all identified Class Members via first-class U.S. Mail using the mailing address information provided by Defendants, unless modified by any updated address information that the Settlement Administrator obtains in the course of administration of the Settlement.
- (c) If a Class Notice is returned by the U.S. Postal Service because of an incorrect address, the Settlement Administrator will promptly, and not later than five (5) days from receipt of the returned packet, search for a more current address for the Class Member and re-mail the Class Notice to the Class Member. The Settlement Administrator will use the Class Members' Data and

otherwise work with Defense Counsel or utilize its own resources such as skip traces to find a more current address. The Settlement Administrator will be responsible for taking reasonable steps, consistent with its agreed-upon job parameters, court orders, and fee, to trace the mailing address of any Class Member for whom a Class Notice is returned by the U.S. Postal Service. These reasonable steps shall include the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing to Class Members for whom new addresses are found. Any such Class Members who failed to receive a Class Notice, or who were subject to a re-mailing of the Class Notice as described herein shall be given an additional fourteen (14) days to opt out or object to the Settlement.

- (d) The Settlement Administrator will inform Class Counsel and Defense Counsel of the number of returned Class Notices it receives and Class Notices re-mailed in a weekly status report.
- (e) Not later than sixteen (16) court days prior to the Final Approval Hearing, the Settlement Administrator will serve on the Parties a declaration of due diligence setting forth its compliance with its obligations under this Settlement. The declaration will be filed with the papers submitted with the Motion for Final Approval. Prior to the Final Approval Hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.
- 48. Participating Class Members; Requests for Exclusion from Class Settlement; and Objections to Settlement. Class Members may submit requests to be excluded from the effect of the Settlement; or objections to the Settlement, pursuant to the following procedures:
- (a) Participating Class Members. Each Class Member shall be deemed to be a Participating Class Member unless they submit a complete, timely, and valid request to be excluded from the effect of the Settlement as provided below. All Participating Class Members shall be bound by the provisions and releases contained in this Settlement.
- (b) **Request for Exclusion from Settlement.** Class Members who wish to exclude themselves from the Settlement ("opt out" of the Settlement) must submit to the Settlement Administrator, not later than forty-five (45) days after the date that the Settlement Administrator first

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mails the Class Notices, an Exclusion Request ("the Exclusion Period"). Exclusion Requests may be submitted to the Settlement Administrator via U.S. Mail only. Class Members must complete, sign, date, and timely return an Exclusion Request to the Settlement Administrator to exclude themselves from the Settlement, setting forth their (i) name, and (ii) the following statement or a similar statement: "I wish to exclude myself from the settlement reached in the matter of Chavez, et al. v. Cam-Bas, Inc., et al. I understand that by excluding myself, I will not receive any money from the Class settlement reached in this matter." A Class Member who does not complete and submit a valid and timely Exclusion Request in the manner and by the conclusion of the Exclusion Period will remain a Participating Class Member and, if the Court approves the Settlement, will be bound by all terms and conditions of the Settlement and by the Judgment. A Class Member who timely submits a valid Exclusion Request will not participate in, or be bound by, the Settlement of the Judgment and will not receive any payment pursuant to the Settlement except for a payment from the portion of the PAGA Payment to the PAGA Group if the Class Member is a PAGA Group Member, and will not be bound by the terms of the Settlement, except for the release of the PAGA Group Released Claims if the Class Member is a PAGA Group Member, and will not have any right to object, appeal, or comment thereon. To be valid, Exclusion Requests must be completed in full, signed, and returned to the Settlement Administrator before the expiration of the Exclusion Period. Non-Participating Class Members will not be permitted to file objections to the Settlement and/or appear at the Final Approval Hearing to voice any objections to the Settlement. Members of the PAGA Group cannot seek to exclude themselves from the Settlement of the PAGA claim, but retain all rights to exclude themselves from the Class Settlement as delineated herein. The Settlement Administrator will provide Class Counsel, Defense Counsel, and the Superior Court with only the names of the Non-Participating Class Members.

(c) **Objections to Settlement.** The Class Notice will provide that any Class Member who does not request exclusion from the Settlement and who wishes to object to the Settlement must serve on the Settlement Administrator, not later than forty-five (45) days after the Settlement Administrator initially mails the Class Notice, a written objection to the Settlement which sets forth the grounds for the objection and the other information required by Paragraph 48(d). The

1	objection must be served as follows:				
2	Chavez, et al. v. Cam-Bas, Inc., et al.				
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6	(d) The written objection must state the Class Member's (i) name, (ii) the basis				
7	for each objection in clear and concise terms, and (iii) whether the Class Member intends to appear				
8	and object at the Final Approval Hearing. A Class Member who does not serve a written objection				
9	in the manner and by the deadline specified may appear at the Final Approval Hearing to state their				
10	objection to the Settlement. If a Class Member fails to submit a written objection or to appear at the				
11	Final Approval hearing to make an oral objection, the Class Member will be deemed to have waived				
12	all objections and will be foreclosed from making any objections – whether by appeal or otherwise –				
13	to the Settlement.				
14	(e) If a Class Member submits both a Request for Exclusion and a written				
15	objection, the Settlement Administrator shall attempt to contact and determine whether the Class				
16	Member would like to withdraw either the Request for Exclusion or the objection. If the Class				
17	Member does not withdraw the Request for Exclusion or if the Settlement Administrator cannot				
18	contact a Class Member who submits both a Request for Exclusion and an objection, the Request for				
19	Exclusion shall be valid and it shall be presumed that the Class Member does not wish to participate				
20	in the Settlement.				
21	(f) If the Superior Court rejects the Class Member's objection, or if the Superior				
22	Court approves the settlement despite any objections, the Class Member will be deemed to be a				
23	Participating Class Member and will be bound by the terms of this Settlement.				
24	(g) A Class Member who timely submits a valid Exclusion Request will not				
25	participate in, or be bound by, the Settlement of the Judgment and will not receive any payment				
26	pursuant to the Settlement except for a payment from the portion of the PAGA Payment to the PAGA				
27	Group if the Class Member is a PAGA Group Member, and will not be bound by the terms of the				
28	Settlement and Judgment, except for the release of the PAGA Group Released Claims if the Class				

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Member is a PAGA Group Member, and will not have any right to object, appeal, or comment thereon.

- 49. **Report.** Not later than seven (7) days after the deadline for submission of requests to be excluded and/or objections, the Settlement Administrator will provide each Defendant, through its respective Defense Counsel, with a complete and accurate list of names for all Participating Class Members, all Non-Participating Class Members, all PAGA Group Members, and all Class Members who objected to the settlement. The report shall also be accompanied by an itemized calculation of the Settlement Shares for each Participating Class Member. The Settlement Administrator shall also provide both Parties with a report identifying the number of Participating Class Members, the number of Non-Participating Class Members, the number of PAGA Group Members, and the number of Class Members who submitted a valid, timely, and complete objection. Class Counsel shall also receive a list of Class Members who object to the Settlement.
- 50. Resolution of Class Member and PAGA Group Member Disputes. If a Class Member and/or PAGA Group Member disputes the number of his or her Individual Workweeks and/or Individual Pay Periods stated in their Class Notice, the Class Member and/or PAGA Group Member must, within forty-five (45) days after the Settlement Administrator initially mails the Class Notice, ask the Settlement Administrator to resolve the matter by returning the Class Notice with a statement of the number of Workweeks and/or Pay Periods that he or she contends were worked and include any documentation the Class Member and/or PAGA Group Member has to support their contention. The Settlement Administrator shall notify Defendants of the dispute and provide them with a copy of the Class Notice and any documentation received in support of the dispute within three (3) court days of receipt thereof. Defendants shall review their payroll and personnel records and verify the correct number of Workweeks and/or Pay Periods within five (5) court days of the Settlement Administrator's notification. Defendants' records will have a rebuttable presumption of accuracy. After consultation with Class Counsel, Defense Counsel, and the applicable Class Member and/or PAGA Group Member, the Settlement Administrator will, within three (3) court days of Defendants' verification, make a determination of the Class Member's and/or PAGA Group Member's number of Workweeks and/or Pay Periods and that determination will be final, binding on

the Parties and the Class Member and/or PAGA Group Member, and is not appealable.

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51. No Solicitation of Objection; Right to Void. Neither the Parties, nor their respective counsel, will directly or indirectly solicit or otherwise encourage any Class Member to exclude him or herself from the Settlement, object to the Settlement, and/or appeal from the Judgment. If ten percent (10%) or more of the Class Members submit a complete, valid, and timely request to be excluded from the Settlement and are deemed to be Non-Participating Class Members, then Defendants shall have the unilateral right to void this Settlement. Defendants may do so by giving notice to Plaintiffs and the Court of its election to void the Settlement not later than fourteen (14) days after the Settlement Administrator issues its report identifying the number of Participating Class Members, the number of Non-Participating Class Members, and the number of Class Members who objected to the settlement as described in Paragraph 48(c). Notwithstanding any other provisions in this Settlement, no sums shall be payable by Defendants in the event that this Settlement is voided as provided for herein, except that Defendants will pay the Settlement Administrator's costs and expenses incurred up to the date on which the Settlement is voided.

52. Additional Briefing and Final Approval.

- (a) Not later than sixteen (16) court days before the Final Approval Hearing, the Plaintiffs will prepare and file with the Superior Court a Motion for Final Approval of the Settlement, including payment of the Settlement Administrator's Payment, and a memorandum in support of their motion ("Motion for Final Approval"). Not later than sixteen (16) court days before the Final Approval Hearing, Plaintiffs and Class Counsel will serve on Defendants and file with the Superior Court a Motion for Awards of the Class Representative Payments, Class Counsel Fees Payment, and the Class Counsel Litigation Expenses Payment, pursuant to this Settlement, and memoranda in support of its motion. Absent the Escalator Provision, if applicable, Plaintiffs will not seek additional fees from Defendants or an increase in the Maximum Settlement Amount as part of the Motion for awards of the Class Representative Payments, Class Counsel Fees Payment, and the Class Counsel Litigation Expenses Payment.
- Not later than five (5) court days before the Final Approval Hearing, the Parties shall be entitled to file and serve a response to any Class Member's objection to the Settlement and/or

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reply in support of their Motion for Final Approval, to the extent that any opposition to said Motion is filed. Plaintiffs and Class Counsel may file a reply in support of their Motion for Awards of the Class Representative Payments, Class Counsel Fees Payment, and the Class Counsel Litigation Expenses Payment, to the extent that any opposition to said Motion is filed.

- (c) If the Superior Court ultimately does not grant final approval of the Settlement or grants final approval conditioned on any material change to the Settlement that is not agreed to by one of the Parties, then any Party will have the right to void the Settlement. If the Settlement is voided in this manner, the Parties will have no further obligations under the Settlement, including any obligation by Defendants to pay any amounts that otherwise would have been payable under this Settlement, except that the voiding Party will pay the Settlement Administrator's reasonable fees and expenses incurred as of the date that the Party exercises the right to void the Settlement under this Paragraph. An award by the Superior Court of a lesser amount than that sought by Plaintiffs and Class Counsel for the Class Representative Payments, the Class Counsel Fees Payment, and/or the Class Counsel Litigation Expenses Payment, will not constitute a material change to the Settlement within the meaning of this Paragraph.
- (d) Upon final approval of the Settlement by the Superior Court at or after the Final Approval Hearing, the Parties will present for the Superior Court's approval and entry a Proposed Final Order and Judgment. The entry of the Final Order and Judgment shall permanently bar all Participating Class Members from prosecuting against Defendants any of the Released Claims during the Class Period.
- (e) After entry of the Judgment, the Superior Court will have continuing jurisdiction over the Action and the Settlement solely for purposes of (i) enforcing this Settlement, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as may be appropriate under court rules or applicable law.
- 53. Waiver of Right to Appeal. Provided that the Judgment is consistent with the terms and conditions of this Settlement, Plaintiffs, Participating Class Members, Defendants, and their respective counsel hereby waive any and all rights to appeal from the Judgment, including all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate judgment, a

motion for new trial, a motion under Code of Civil Procedure Section 473, and any extraordinary writ, and the Judgment therefore will become non-appealable by them at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceedings, or post-judgment proceedings, and does not include any waiver of the right to appeal a reduction by the Court of the Class Counsel Fees Payment. If an appeal is taken from the Judgment, the time for consummation of the Settlement (including making payments under the Settlement) will be suspended until such time as the appeal is finally resolved and the Judgment, consistent with the terms of this Settlement, becomes Final.

- 54. Vacating, Reversal, or Material Modification of Judgment on Appeal or Review. If, after a notice of appeal, a petition for review, or a petition for *certiorari*, or any other motion, petition, writ, or application, the reviewing court vacates, reverses, or modifies the Judgment such that there is a material modification to the Settlement, and that court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher court, then either Party will have the right to void the Settlement, which the Party must do by giving written notice to the other Parties, the reviewing court, and the Superior Court, not later than fourteen (14) days after the reviewing court's decision vacating, reversing, or materially modifying the Judgment becomes final. A vacation, reversal, or modification of the Superior Court's award of the Class Representative Payments, the Class Counsel Fees Payment, and/or Class Counsel Litigation Expenses Payment will not constitute a vacation, reversal, or material modification of the Judgment within the meaning of this Paragraph.
- 55. **Establishment of Settlement Account.** The Settlement Administrator shall establish a Settlement Account within ten (10) business days of the Effective Date and notify the Parties when the Settlement Account has been established. The Settlement Administrator shall also provide Defendants with an itemized statement for the total amount to be deposited into the Settlement Account, which shall equal the Maximum Settlement Amount ("Settlement Account Deposit"). Within ten (10) business days after receiving notification of the Settlement Account and statement for the Settlement Account Deposit, Defendants shall pay into the Settlement Account an amount equal to the Settlement Account Deposit. Defendants shall have no obligation to pay any additional

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funds into the Settlement Account.

- 56. **Payment of Settlement Shares.** The Settlement Administrator shall pay to each Participating Class Member his or her Settlement Share from the Settlement Account. The Settlement Administrator shall pay each Settlement Share by sending a check in the appropriate amount after withholdings to the Participating Class Member at the address indicated in the Class Member's Data. Such payment shall be sent by the Settlement Administrator via U.S. Mail within fourteen (14) days of its receipt of the Settlement Account Deposit from Defendants.
- PAGA Group Member his or her PAGA Payment Share from the Settlement Account. The Settlement Administrator shall pay each PAGA Payment Share by sending a check in the appropriate amount to the PAGA Group Member at the address indicated in the PAGA Group Member's Data. Such payment shall be sent by the Settlement Administrator via U.S. Mail within fourteen (14) days of its receipt of the Settlement Account Deposit from Defendants.
- 58. Uncashed Settlement Share and PAGA Payment Share Checks. Any checks paid to Participating Class Members and/or PAGA Group Members shall be negotiable for one hundred and eighty (180) calendar days from the date of their issuance. A Participating Class Member must cash his or her Settlement Share check within one hundred and eighty (180) calendar days after it is mailed to him or her. A PAGA Group Member must cash his or her PAGA Payment Share check within one hundred and eighty (180) calendar days after it is mailed to him or her. If a check remains uncashed after one hundred and eighty (180) calendar days from the initial mailing, or if a check is returned to the Settlement Administrator as undeliverable during the one hundred eighty-day period, the Settlement Administrator shall take all reasonable efforts to identify the Participating Class Member's and/or PAGA Group Member's correct address, including the performance of a "skiptrace." If an updated address can be identified, the Settlement Administrator shall issue another check to the Participating Class Member and/or PAGA Group Member and mail it to the Participating Class Member and/or PAGA Group Member at his or her updated address. If an updated address for the Participating Class Member and/or PAGA Group Member cannot be identified, if a reissued check is once again returned to the Settlement Administrator as undeliverable, or if the reissued check remains

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uncashed after one hundred eighty (180) calendar days, the Settlement Administrator will keep an accounting of such funds and shall give notice to the Parties of the total balance of uncashed Settlement Shares and/or PAGA Payment Shares. A Participating Class Member who fails to negotiate or receive their Settlement Share check despite the procedures described above shall nevertheless remain bound by the Settlement and the releases contained herein. A PAGA Group Member who fails to negotiate or receive their PAGA Payment Share check despite the procedures described above shall nevertheless remain bound by the Settlement and the releases contained herein.

- 59. The funds represented by Settlement Share and/or PAGA Payment Share checks remaining uncashed for more than one hundred and eighty (180) calendar days after issuance shall be voided and then shall be transmitted to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code Section 1500, et seq., in the names of those Participating Class Members and/or PAGA Group Members who did not cash their checks until such time they claim their property. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to Participating Class Members, whether or not they all cash their settlement checks.
- 60. Final Report by Settlement Administrator to Superior Court. Within ten (10) days after final disbursement of all funds from the Settlement Account, the Settlement Administrator will serve on the Parties and file with the Superior Court a declaration providing a final summary report on the disbursements of all funds from the Settlement Account. Within ten (10) days after transmission of any remaining unclaimed funds to Controller of the State of California the Settlement Administrator will serve on the Parties and file with the Superior Court a declaration providing a final summary report on the transmission of any remaining unclaimed funds to Controller of the State of California as outlined Paragraph 58.

IV. SETTLEMENT TERMS AND CONDITIONS

61. Conditional Certification for Settlement Purposes. Solely for the purposes of effectuating this Settlement, and subject to Court approval, the Parties hereby stipulate to the conditional certification of the following Settlement Class: "all persons who worked for Defendants as non-exempt, hourly paid employees in the State of California at any time from August 31, 2016,

through the earlier of August 31, 2022, or the date of Preliminary Approval of this Settlement." The Parties agree that if for any reason the Settlement is not preliminarily and/or finally approved, the conditional certification of the Settlement Class will be of no force or effect, does not constitute an admission by Defendants that class certification is proper, and will not be deemed admissible in this or any other proceeding, and that the Parties will litigate the issue of class certification.

- 62. **Settlement Shares.** Subject to the terms and conditions of this Settlement, the Settlement Administrator will calculate the Settlement Shares for each Class Member within ten (10) days after Defendants provide the Settlement Administrator with the Class Members' Data. The Settlement Share for each Class Member will be calculated as follows, understanding that the formulas below do not constitute an admission by either Party, and are intended only to provide a practical means to simplify and administer the claims process:
- (a) **Number of Class Members and Workweeks**. Defendants shall determine the total number of Class Members and the aggregate number of Workweeks for those Class Members. This information shall be provided to the Settlement Administrator along with the Class Members' Data as described in Paragraph 47(a) above.
- (b) Calculation of the Workweek Value. The Settlement Administrator shall determine the value of a Workweek ("Workweek Value") by taking the Net Settlement Amount and dividing it by the sum of all Class Members' Workweeks who do not opt out of the Settlement.
- (c) Calculation of Settlement Shares. The Settlement Administrator shall assign to each Participating Class Member a Settlement Share which shall be equal to the Workweek Value multiplied by each Participating Class Member's Individual Workweeks. Upon calculation of the Participating Class Members' Settlement Shares, the Settlement Administrator shall furnish to Class Counsel and Defense Counsel a worksheet containing a list of employee identification numbers for the Class Members with their corresponding Individual Workweeks and Settlement Shares.
- 63. **PAGA Payment Shares.** Subject to the terms and conditions of this Settlement, the Settlement Administrator will calculate the PAGA Payment Shares for each PAGA Group Member within ten (10) days after Defendants provide the Settlement Administrator with the PAGA Group Members' Data. The PAGA Payment Share for each PAGA Group Member will be calculated as

follows, understanding that the formulas below do not constitute an admission by either Party, and are intended only to provide a practical means to simplify and administer the claims process:

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- (a) **Number of PAGA Group Members and Pay Periods**. Defendants shall determine the total number of PAGA Group Members and the aggregate number of Pay Periods for those PAGA Group Members. This information shall be provided to the Settlement Administrator along with the Class Members' Data as described in Paragraph 47(a) above.
- (b) Calculation of the Pay Period Value. The Settlement Administrator shall determine the value of a Pay Period ("Pay Period Value") by taking the PAGA Payment amount and dividing it by the sum of all PAGA Group Members' Pay Periods.
- (c) Calculation of PAGA Payment Shares. The Settlement Administrator shall assign to each PAGA Group Member a PAGA Payment Share which shall be equal to the Pay Period Value multiplied by each PAGA Group Member's Individual Pay Periods. Upon calculation of the PAGA Group Members' PAGA Payment Shares, the Settlement Administrator shall furnish to Class Counsel and Defense Counsel a worksheet containing a list of employee identification numbers for the PAGA Group Members with their corresponding Individual Pay Periods and PAGA Payment Shares.
- 64. Taxes and Withholdings. Each Settlement Share is intended to settle the Class Members' claims for unpaid wages and penalties. Accordingly, ten percent (10%) of each Settlement Share shall represent unpaid wages and the remaining ninety percent (90%) of each Settlement Share shall represent penalties and interest. The portion of the Settlement Share representing unpaid wages shall be paid to each Participating Class Member subject to any applicable employee-side tax withholdings and deductions, and the Settlement Administrator shall issue an IRS Form W-2 to each Participating Class Member for that amount. The portion of the Settlement Share representing penalties shall be paid to the Participating Class Member in full without deductions or withholdings, and the Settlement Administrator shall issue an IRS Form 1099 to each Participating Class Member for that amount. Each Participating Class Member shall be individually responsible for their own share of applicable income tax withholdings and deductions from the Settlement Share attributable to the portion of the settlement for which an IRS Form 1099 will be issued. Defendants' payment of the

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- Employer Payroll Tax attributable to the Settlement Share payments constituting wages will be made separately, according to each Defendants' agreed upon proportionate share of the Maximum Settlement Amount, and shall not come from the Maximum Settlement Amount. The Parties agree and understand that Defendants have not made any representations regarding the tax obligations or consequences, if any, related to this Settlement. The Parties agree that Defendants and each Participating Class Member are solely responsible for determining the tax consequences of payments made pursuant to this Settlement and for paying taxes, if any, which are determined to be owed by each of them on such payments (including penalties and interest related thereto) by any taxing authority, whether state, local, or federal.
- 65. Each PAGA Payment Share is intended to settle the PAGA Group Members' claims for civil penalties. Accordingly, one hundred percent (100%) of each PAGA Payment Share shall represent civil penalties. The PAGA Payment Share shall be paid to the PAGA Group Member in full without deductions or withholdings, and the Settlement Administrator shall issue an IRS Form 1099 to each PAGA Group Member for that amount, to the extent the PAGA Group Member's PAGA Payment Share is Six Hundred Dollars and Zero Cents (\$600.00) or more. Each PAGA Group Member shall be individually responsible for their own share of applicable income tax withholdings and deductions for his or her PAGA Payment Share.
- 66. **Total Payment Amount.** In no event will Defendants be required to pay more than the Maximum Settlement Amount (unless that amount is increased pursuant to the Escalator Provision) for distribution to the Plaintiffs, Class Counsel, Participating Class Members, PAGA Group Members, LWDA, Settlement Administrator, or for any other costs or expenses not otherwise enumerated. However, Defendants' payment of the Employer Payroll Tax attributable to the Settlement Share payments constituting wages will be made separately, according to each Defendants' agreed upon proportionate share of the Maximum Settlement Amount, and shall not come from the Maximum Settlement Amount.
- 67. **Payments to Plaintiffs and Class Counsel and Others.** Subject to the terms and conditions of this Settlement, the Settlement Administrator will make the following payments out of the Maximum Settlement Amount as follows:

- (b) To Class Counsel: Class Counsel will apply to the Superior Court for the Class Counsel Fees Payment in an amount not to exceed one-third (1/3) of the Maximum Settlement Amount, or One Million Dollars and Zero Cents (\$1,000,000.00). Class Counsel will also submit to the Superior Court a memorandum of costs for the Class Counsel Litigation Expenses Payment in an amount not to Thirty Thousand Dollars and Zero Cents (\$30,000.00) as request reasonable costs of suit to be paid from the Maximum Settlement Amount. Defendants will not oppose these requests. The Settlement Administrator will pay the amounts approved by the Superior Court out of the Maximum Settlement Amount. Withholding and deductions will not be taken from the Class Counsel Fees Payment or Class Counsel Litigation Expenses Payment and one or more IRS Forms 1099 will be issued to Class Counsel with respect to those payments.
- (c) To the LWDA: As part of their Motions for Preliminary and Final Approval, Plaintiffs will apply to the Superior Court for approval of the LWDA Payment in the amount of Two Hundred Thousand Dollars and Zero Cents (\$200,000.00), which shall constitute the LWDA's seventy-five percent (75%) share of One Hundred and Fifty Thousand Dollars and Zero Cents (\$150,000.00) in civil penalties paid under this Settlement. The remaining Fifty Thousand Dollars and Zero Cents (\$50,000.00) in civil penalties shall be distributed on a *pro rata* basis based upon the number of pay periods worked by each PAGA Group Member ("PAGA Payment").
- (d) **To the Settlement Administrator:** The Settlement Administrator will be paid from the Maximum Settlement Amount its reasonable fees and expenses as approved by the Superior Court, which are estimated not to exceed Twenty-Eight Thousand Dollars and Zero Cents (\$28,000.00).

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68. **Appointment of Settlement Administrator.** The Parties will ask the Superior Court to appoint CPT, a qualified and experienced administrator based in California where the Action is venued, to serve as the Settlement Administrator, which, as a condition of appointment, will agree to be bound by this Agreement with respect to the performance of its duties and its compensation. The Settlement Administrator's duties will include (i) calculating Settlement Shares and PAGA Payment Shares; (ii) preparing, printing, and mailing the Class Notice to all Class Members; (iii) using reasonable measures to contact all Class Members, including conducting a National Change of Address search on all Class Members before mailing the Class Notice to each Class Member's address; (iv) re-mailing the Class Notice to the Class Member's new address for those Class Members whose address had changed; (v) setting up a toll-free telephone number to receive calls from Class Members; (vi) receiving requests for exclusion and objections to the Settlement; (vii) providing the Parties with weekly status reports about the delivery of Class Notices and any requests for exclusion and objections; (viii) issuing the checks to effectuate the payments due under the Settlement; (ix) using reasonable measures to deliver issued checks to Participating Class Members, including use of a "skip-trace" for undeliverable checks; and (x) otherwise administering the Settlement pursuant to this Agreement including paying and reporting the employer's share of the payroll taxes to the appropriate taxing agency. The Settlement Administrator will have the final authority to resolve all disputes concerning the calculation of a Participating Class Member's Settlement Share and/or PAGA Group Member's PAGA Payment Share, subject to the terms set forth in this Agreement. The Settlement Administrator's reasonable fees and expenses are estimated to not exceed Forty-Five Thousand Dollars and Zero Cents (\$45,000.00) and will be paid out of the Maximum Settlement Amount, as set forth herein, subject to Court approval.

V. **RELEASE OF CLAIMS**

69. General Release by Plaintiffs. Upon the Effective Date, Plaintiffs will release and forever discharge the Released Parties, to the fullest extent permitted by law, of and from any and all claims, known and unknown, asserted and not asserted, which Plaintiffs have or may have against the Released Parties as of the date of execution of this Settlement. To the extent the foregoing release is a release to which Section 1542 of the California Civil Code or similar provisions of other applicable

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law may apply, Plaintiffs expressly waive any and all rights and benefits conferred upon them by the provisions of Section 1542 of the California Civil Code or similar provisions of applicable law which are as follows: A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

70. Participating Class Members Released Claims. As of the date of the Judgment, each Participating Class Member, and without the need to manually sign a release document, shall release the Released Parties from all causes of action and claims that were alleged in the Action or reasonably could have been alleged based on any matter or fact set forth or referred to in the Action, including all of the following claims for relief: (i) failure to pay all regular wages, minimum wages and overtime wages due (Cal. Lab. Code §§ 510, 558, 1194, 1194.2, 1197, 1197.1, & 1198); (ii) failure to provide compliant meal periods (Cal. Lab. Code §§ 226.7 & 512); (iii) failure to provide compliant rest breaks (Cal. Lab. Code § 226.7); (iv) failure to timely pay wages during employment (Cal. Lab. Code §§ 204 & 210); (v) failure to provide complete, accurate wage statements (Cal. Lab. Code § 226); (vi) failure to pay wages timely at time of termination or resignation (Cal. Lab. Code §§ 201-203); (vii) failure to reimburse necessary business expenditures (Cal. Lab. Code §§ 2800 & 2802); (viii) unfair business practices that could have been premised on the any matter or fact set forth or referred to in the Action (Cal. Bus. & Prof. Code § 17200, et seq.); (ix) any claim for costs and attorneys' fees and expenses; and (x) any claim arising from the claims described above under applicable federal, state, local or territorial law as well as applicable regulations and Wage Orders (collectively, the "Released Claims"). Participating Class Members who cash their checks are deemed to have waived all Released Claims inclusive of claims under the Fair Labor Standards Act. Participating Class Members who do not cash their checks shall be deemed to waive all Released Claims except for a claim under the Fair Labor Standards Act. Released Claims for Class Members who worked for Defendants in California during the Class Period shall have their claims released during the Class Period.

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- 71. PAGA Group Released Claims. As of the date of the Judgment, each PAGA Group Member, and without the need to manually sign a release document, shall release the Released Parties and the State of California for claims for civil penalties pursuant to PAGA based upon all causes of action and claims that were alleged in the Action or reasonably could have been alleged based on any matter or fact set forth or referred to in the Action, the Chavez LWDA Exhaustion Letter, and/or the Melendez LWDA Exhaustion Letter including all of the following claims for relief: (i) failure to pay all regular wages, minimum wages and overtime wages due (Cal. Lab. Code §§ 510, 558, 1194, 1194.2, 1197, 1197.1, & 1198); (ii) failure to provide compliant meal periods (Cal. Lab. Code §§ 226.7 & 512); (iii) failure to provide compliant rest breaks (Cal. Lab. Code § 226.7); (iv) failure to timely pay wages during employment (Cal. Lab. Code §§ 204 & 210); (v) failure to provide complete, accurate wage statements (Cal. Lab. Code § 226); (vi) failure to pay wages timely at time of termination or resignation (Cal. Lab. Code §§ 201-203); (vii) failure to maintain accurate records (Cal. Lab. Code §§ 1174(d) & 1174.5); (viii) failure to reimburse necessary business expenditures (Cal. Lab. Code §§ 2800 & 2802); and (ix) all claims under the California Labor Code Private Attorneys General Act of 2004 that could have been premised on any matter or fact set forth or referred to in the Action; (x) any claim for costs and attorneys' fees and expenses; and (xi) any claim under PAGA arising from the claims described above and the related sections of the applicable state and/or local law as well as applicable regulations and Wage Orders) (collectively, the "PAGA Released Claims"). PAGA Released Claims for PAGA Group Members who worked for Defendants in California during the PAGA Period shall have their claims released during the PAGA Period.
- 72. Released Parties includes Defendants and their past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, including but not limited to O'Hagan Meyer, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.
- 73. In light of the binding nature of a PAGA judgment on non-party employees pursuant to *Arias v. Sup. Ct. (Angelo Dairy)* (2009) 46 Cal.4th 969 and *Cardenas v. McLane Foodservice, Inc.* (2011) 796 F.Supp.2d 1246, individuals otherwise meeting the definition of a Class Member who

exclude themselves from the Settlement shall nonetheless receive a payment for the amount of each such individual's estimated share of the PAGA Payment and shall have released PAGA claims, as outlined in Paragraph 71.

- 74. The Released Claims and PAGA Released Claims described in Paragraphs 70 and 71 expressly exclude all claims made by a Participating Class Member and/or PAGA Group Member for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, claims while classified as exempt, and claims outside of the Class Period and/or PAGA Period.
- 75. Class Counsel. As of the Effective Date, and except as otherwise provided by this Settlement, Class Counsel and any counsel associated with Class Counsel waive any further claims to costs and attorneys' fees and expenses against Defendants or the Released Parties arising from or related to the Released Claims and PAGA Released Claims.
- 76. **No Effect on Other Benefits.** The payment of Settlement Shares and/or PAGA Payment Shares will not result in any additional employee benefit payments (such as 401(k), vacation, or bonus) and shall not have any effect on the eligibility for, or calculation of, any employee benefit.

VI. DUTIES OF THE PARTIES

- 77. **Mutual Full Cooperation.** The Parties agree to cooperate fully with one another to accomplish and implement the terms of this Stipulation. Such cooperation shall include, but not be limited to, execution of such other documents and the taking of such other actions as may reasonably be necessary to fulfill the terms of this Settlement unless the Court denies the Settlement with prejudice. The Parties shall use their best efforts, including all efforts contemplated by this Stipulation and any other efforts that may become necessary by court order or otherwise, to effectuate this Stipulation and the terms set forth herein. As soon as practicable after execution of this Stipulation, Class Counsel, with the cooperation of Defendants and Defense Counsel, shall take all necessary and reasonable steps to secure the Court's approval of this Stipulation. The Parties will work together to make any non-material modifications of the Settlement requested by the Court to obtain approval of the Parties' Settlement.
 - 78. **Duty to Support and Defend the Class Settlement.** The Parties agree to abide by

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all of the terms of the Settlement in good faith and to support the Settlement fully and to use their best efforts to defend this Settlement from any legal challenge, whether by appeal or collateral attack.

- 79. Duties Prior to Court Approval. Class Counsel shall promptly submit this Stipulation 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, scheduling a hearing on the question of whether the proposed Class Settlement should be approved as fair, reasonable, and adequate as to the Class Members, approving as to form and content the proposed Class Notice attached hereto as Exhibit "A", respectively, and directing the mailing of the Class Notice to Settlement Class Members.
- Non-Monetary Relief and Catalyzation of Policy Change. Although Defendants denies any liability of any kind associated with the claims alleged in the Lawsuit, denies any liability or intentional wrongdoing, Defendants revised and updated their wage and hour policies and practices, including but not limited to their meal period and rest break policies and procedures.

VII. **MISCELLANEOUS TERMS**

- 81. No Admission of Liability. Defendants deny that they have engaged in any unlawful activity, have failed to comply with the law in any respect, or have any liability to anyone under the claims asserted in the Action. This Settlement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Settlement is intended or will be construed as an admission of liability or wrongdoing by Defendants, an admission by Plaintiffs that any of their claims were non-meritorious, or any defense asserted by Defendants was meritorious. This Settlement and the fact that Plaintiffs and Defendants were willing to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with the Settlement).
- 82. The Parties also agree that this release constitutes a resolution of a good faith dispute concerning wages and complies with Labor Code Section 206.5, which reads in part:
 - "Execution of release of claim or right on account of wages due. No employer shall require the execution of any release of any claim or

has been made."

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right on account of wages due, or to become due, or made, or made as an advance on wages to be earned, unless payment of those wages

- 83. Whether or not the Judgment becomes Final, neither the Settlement, any document, statement, proceeding or conduct related to the Settlement, nor any reports or accounting of those matters, will be (i) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendants or any of the Released Parties, including, but not limited to, evidence of a presumption, concession, indication or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession or damage; or (ii) disclosed, referred to or offered in evidence against any of the Released Parties, or any other civil, criminal or administrative action or proceeding except for purposes of effectuating this Settlement.
- 84. Notwithstanding Paragraph 83 of this Settlement, any and all provisions of this Settlement may be admitted in evidence and otherwise used in any and all proceedings to enforce any or all terms of this Settlement, or in defense of any claims released or barred by this Settlement.
- 85. **Non-Disparagement**. Plaintiffs and Class Counsel agree not to make any untruthful, malicious, disparaging or defamatory statements, allegations, comments or communications, regardless of form (whether written, oral, electronic, including but not limited to Glassdoor, Yelp, or otherwise), regarding the Released Parties. Plaintiffs and Class Counsel further agree not to encourage authorize or permit any such statements, allegations, comments or communications to be made by others on their behalf. To the extent Plaintiffs and/or Class Counsel have posted any negative comments about the Released Parties on Glassdoor, Yelp, or other websites, Plaintiffs and/or Class Counsel agree to request that these comments be removed and to provide a copy of such request to Defense Counsel within 30 days of the execution of this Agreement.
- 86. **Waiver of Reemployment.** Plaintiffs acknowledge that they have no intent to apply for employment and/or re-employment with Defendants. Plaintiffs further acknowledge that Defendants or any related, successor, parent, or subsidiary companies has the right to refuse rehire Plaintiffs for non-discriminatory and non-retaliatory reasons and Plaintiffs acknowledge that

Defendants' position is that such legitimate non-discriminatory and non-retaliatory reasons exist.

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- 87. **Integrated Agreement.** After this Settlement is signed and delivered by all Parties and their counsel, this Settlement and its exhibits will constitute the entire agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any Party concerning this Settlement or its exhibits other than the representations, warranties, covenants, and inducements expressly stated in this Settlement and its exhibits.
- 88. Attorney Authorization. Class Counsel and Defense Counsel warrant and represent that they are authorized by Plaintiffs and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties will seek the assistance of mediator Louis Marlin, Esq., and if no resolution is reached the Superior Court, and in all cases all such documents, supplemental provisions and assistance of the court will be consistent with this Settlement.
- 89. **Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties, their successors-in-interest, and/or the Parties' respective counsel, as authorized.
- 90. **Settlement Binding on Successors.** This Settlement Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 91. **Applicable Law.** All terms and conditions of this Settlement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.
- 92. **Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation of this Settlement. This Settlement will not be construed against any Party on the basis that the Party

1	DATED: _	10/27/2022		VICTOR MANUEL MONROY CHAVEZ
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3				Docusigned by:
4				054E354F9B4F4A4
5	DATED: _			MONICA MELENDEZ
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9	DATED: _			CAM-BAS, INC.
10				
11			By:	
12			Its:	
13	DATED.			WILL CO MANACEMENT INC
14	DATED: _			WILLCO MANAGEMENT, INC.
15			By:	
16			Its:	
17 18			165.	
19	DATED: _			ORSA CORPORATION
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21			By:	
22			Its:	
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1	DATED:		VICTOR MANUEL MONROY CHAVEZ
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5	DATED: 10 / 27 / 2022		MONICA MELENDEZ
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9	DATED:		CAM-BAS, INC.
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14	DATED:		WILLCO MANAGEMENT, INC.
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17		Its:	
18	DATED:		ORSA CORPORATION
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	AMENDED JOINT STIPULATION	ON OF CI	LASS ACTION SETTLEMENT AND RELEASE OF CLAIMS

1	DATED:	VICTOR MANUEL MONROY CHAVEZ
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5	DATED:	MONICA MELENDEZ
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9	DATED:	_ CAM-BAS, INC.
10		DocuSigned by:
11		By:
12		Its: Director, Human Resources
13	10 /25 /2022	
14	DATED: 10/25/2022	_ WILLCO MANAGEMENT, INC.
15		By:
16		7E0C3618002647B
17		Its:Director, Human Resources
18	DATED: 10/25/2022	ORSA CORPORATION
19		DocuSigned by:
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21		Its: Director, Human Resources
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1	DATED: _	10/27/2022		CAPSTONE LAW APC
2				
3			By:	Men
4			2).	Orlando Villalba, Esq. Helga Hakimi, Esq.
5				Roxanna Tabatabaeepour, Esq.
6				Attorneys for Plaintiff VICTOR MANUEL MONROY CHAVEZ
7				
8	DATED: _			WINSTON LAW GROUP, P.C.
9				
10			By:	D '10 W'
11				David S. Winston, Esq.
12				Attorneys for Plaintiff MONICA MELENDEZ
13	DATED:			O'HAGAN MEYER
14	DATED			O HAGAN WIE I EK
15				
16			By:	Matthew C. Sgnilek, Esq.
17				Andrea Rosenkranz, Esq.
18				Attorneys for Defendants
19				CAM-BAS, INC., WILLCO MANAGEMENT, INC., and ORSA CORPORATION
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1	DATED:		CAPSTONE LAW APC
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4		By:	Orlando Villalba, Esq.
5			Helga Hakimi, Esq. Roxanna Tabatabaeepour, Esq.
6			Attorneys for Plaintiff
7			VICTOR MANUEL MONROY CHAVEZ
8	DATED: 10 / 27 / 2022		WINSTON LAW GROUP, P.C.
9			
10		By:	David Winston
11			David S. Winston, Esq.
12			Attorneys for Plaintiff MONICA MELENDEZ
13	DATED:		O'HAGAN MEYER
14	DATED.		O HAGAN METER
15			
16		By:	Matthew C. Sgnilek, Esq.
17			Andrea Rosenkranz, Esq.
18			Attorneys for Defendants
19			CAM-BAS, INC., WILLCO MANAGEMENT, INC., and ORSA CORPORATION
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	AMIENDED JOIN I STIPULATION	OF CL	ASS ACTION SETTLEMENT AND RELEASE OF CLAIMS

1	DATED:		CAPSTONE LAW APC
2	DATED:		CAI STONE DAW AIC
3			
4		By:	Orlando Villalba, Esq.
5			Helga Hakimi, Esq. Roxanna Tabatabaeepour, Esq.
6			
7			Attorneys for Plaintiff VICTOR MANUEL MONROY CHAVEZ
8	DATED:		WINSTON LAW GROUP, P.C.
9			
10		By:	
11			David S. Winston, Esq.
12			Attorneys for Plaintiff MONICA MELENDEZ
13	10/25	/2022	
14	DATED:		O'HAGAN MEYER
15			DocuSigned by:
16		By:	andrea Rosenkranz
17			Matthew C. Sgrifteles Esq. Andrea Rosenkranz, Esq.
18			Attorneys for Defendants
19			CAM-BAS, INC., WILLCO MANAGEMENT, INC., and ORSA CORPORATION
20			inc., and ORSA CORT ORATION
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