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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

Percy Jenkins, individually and on behalf of all similarly situated individuals, Plaintiff, vs. **Beacon Property Management, Inc.**, a California Corporation; **James Notley**, an individual; and **Does 1-10**, inclusive; Defendants.	CASE NO. CIVSB2417563 (Assigned to The Hon. Charlie L. Hill, Jr., Dept. S30) **<u>CLASS ACTION</u>** **JOINT STIPULATION OF SETTLEMENT AND RELEASE OF CLASS AND PAGA ACTION** Complaint Filed: May 31, 2024 Trial Date: Not Set

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This Joint Stipulation of Settlement and Release of Class and PAGA Action ("Agreement" or "Settlement Agreement") is made and entered into by and between Plaintiff Percy Jenkins ("Plaintiff" or "Class Representative"), as an individual and on behalf of all others similarly situated, and Defendants Beacon Property Management, Inc. and James Notley (collectively, "Defendants"). Plaintiff and Defendants may be referred to herein as the "Parties," singularly as a "Party," or by their designated names.

This Agreement is subject to the approval of the Court, pursuant to California Rules of Court, Rule 3.769(c), (d) and (e), and is made for the sole purpose of attempting to consummate settlement of the Action on a class-wide basis subject to the following terms and conditions.

This Settlement Agreement shall be binding on Plaintiff, the Settlement Class, and the Aggrieved Employees, on the one hand, and Defendants, on the other hand, subject to the terms and conditions hereof and the approval of the Court.

RECITALS

1. Plaintiff Percy Jenkins filed a Class Action Complaint on May 31, 2024 against Defendants in the San Bernardino County Superior Court. Plaintiff's lawsuit, entitled *Percy Jenkins v. Beacon Property Management, Inc., et al.* Case Number No. CIVSB2417563 ("Action"), sets forth the following class-wide causes of action: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods or premium pay in lieu thereof; (4) failure to provide rest periods or premium pay in lieu thereof; (5) failure to reimburse necessary business expenses; (6) failure to provide and maintain complete and accurate records; (7) failure to timely pay wages when due during employment and at separation; (8) civil penalties under the Labor Code Private Attorneys General Act of 2004, Cal. Lab. Code §§ 2698, *et seq.* ("PAGA"); and (9) violation of California's unfair competition law.

2. Defendants deny any liability or wrongdoing of any kind associated with the claims alleged in the Action under state or federal law and further deny that, for any purpose other than settling the Action, this Action is appropriate for class treatment. Defendants contend, among other things, that they have complied at all times with the California Labor Code, the California Business & Professions Code, the applicable IWC Wage Orders, and all other applicable California and federal law.

Nonetheless, Defendants have concluded that further litigation would be protracted and expensive and would also divert Defendants' resources. Defendants have taken into account the uncertainty and risks inherent in litigation. Defendants have therefore concluded that it is desirable that the Litigation be fully and finally settled in the manner and upon the terms and conditions set forth in this Stipulation.

3. Notwithstanding the foregoing and in the interest of avoiding further litigation, the Parties desire to fully and finally settle all actual or potential class, and PAGA claims as pleaded in the operative Complaint or that could have been pleaded in the operative Complaint and this Action.

4. This Settlement Agreement is made and entered into by and between Plaintiff individually and on behalf of all other allegedly similarly situated and Aggrieved Employees and Settlement Class Members on the one hand, and Defendants on the other hand. This Settlement Agreement is subject to the terms and conditions hereof, as well as the Court's approval. The Parties expressly acknowledge that this Agreement is entered into solely for the purpose of compromising disputed claims and that nothing herein is an admission of any liability or wrongdoing by Defendants. If, for any reason the Settlement Agreement is not approved, it will be of no force or effect, and the Parties shall be returned to their original respective positions.

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

6. On November 12, 2024, the Parties participated in a full-day mediation before the Honorable Brian Walsh (Ret.) of JAMS ADR (the "Mediator"), a well-respected mediator in the field of employment law and wage-and-hour class actions. At the mediation, the Parties agreed to the principal terms of a class action and PAGA settlement and entered into a Class Action/Representative Action Memorandum of Understanding ("MOU") setting forth those terms.

7. The settlement discussions before, during, and after mediation were conducted at arm's length and the settlement of the Action is the result of an informed and detailed analysis of Defendants' potential liability in relation to the costs and risks associated with continued litigation and potential appeals.

8. Class Counsel conducted a significant investigation during the prosecution of the Action.

This investigation included, among other things, (a) numerous telephonic and Zoom conferences with Plaintiff; (b) inspection and analysis of numerous timekeeping, payroll, and policy documents and other information produced by Plaintiff and Defendants; (c) analysis of the legal positions taken by Defendant; (d) investigation into the viability of class treatment of the claims asserted in the Action; (e) analysis of potential class-wide damages, including information sufficient to understand Defendants' potential defenses to Plaintiff's claims; (f) research of the applicable law with respect to the claims asserted in the Action and the potential defenses thereto; (g) assembling and analyzing of data for calculating damages; (h) conducted telephonic conferences with potential witnesses and obtained declarations from Class Members, and (i) hired the services of an expert to analyse and prepare Defendants' exposure.

9. The extensive informal discovery conducted in this matter, as well as discussions between counsel, have been adequate to give the Class Representative and Class Counsel a sound understanding of the merits of their positions and to evaluate the risks of continued litigation and the value of the Settlement Class' claims. The informal discovery and investigation conducted in this Action and the information exchanged by the Parties through discovery and settlement discussions are sufficient to reliably assess the merits of the Parties' respective positions and to compromise the issues on a fair and equitable basis.

10. Plaintiff and Class Counsel believe that the claims, causes of action, allegations, and contentions asserted in the Action have merit. However, Plaintiff and Class Counsel recognize and acknowledge the expense and delay of continued lengthy proceedings necessary to prosecute the Action against Defendants through trial and appeals. Class Counsel has taken into account: 1) the uncertain outcome of the litigation; 2) the risk of continued litigation in complex actions such as this lawsuit; 3) the difficulties and delays inherent in such litigation; and 4) the potential risk of trying the claims of the class. Class Counsel is mindful of the potential problems of proof under, and possible defenses to, the claims alleged in the Action and litigation of those claims on a class-wide basis.

11. Class Counsel believes that the Settlement set forth in this Settlement Agreement confers substantial benefits upon Plaintiff and the Class Members, and that an independent review of this Settlement Agreement by the Court in the approval process will confirm this conclusion. Based on their

own independent investigation and evaluation, Class Counsel has determined that the Settlement set forth in the Stipulation is in the best interests of Plaintiff and the Class Members.

12. Based on the data, testimony, and documents produced during discovery and in response to a Labor Code sections 226 and 1198.5 records request, Class Counsel's own independent investigation and evaluation, and the Mediator's efforts, Class Counsel believes that Plaintiff's settlement with Defendants for the consideration provided and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate, and is in the best interest of the Class Members in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, various defenses asserted by Defendants, the contested legal and factual issues involved, and potential appellate issues.

13. It is also the desire of the Parties to fully, finally and forever settle, compromise, and discharge all disputes and claims that exist on behalf of the Plaintiff in his individual capacity, and the Plaintiff agrees to execute a general release, including a Section 1542 waiver.

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. "**Action**" means *Percy Jenkins v. Beacon Property Management, Inc., et al.*, San Bernardino County Case Number No. CV2023-0742.

2. **"Aggrieved Employees"** means those Class Members who worked during the period of May 31, 2020 through [February 20, 2025 or the date of preliminary approval, whichever date occurs first].

3. "**Class Counsel**" means Elliot J. Siegel, Julian Burns King of King & Siegel LLP, and Bardia A. Akhavan of Akhavan & Associates.

4. "**Class Counsel's Fees and Costs**" means attorneys' fees agreed upon by the Parties and approved by the Court for Class Counsel's litigation and resolution of this Action. Class Counsel's Fees and Costs shall include all costs incurred and to be incurred by Class Counsel in the Action, including, but not limited to, costs associated with documenting the Settlement, securing the Court's approval of the Settlement, responding to any objections to the settlement and appeals arising therefrom,

administering the Settlement, and obtaining entry of a Judgment terminating this Action, and expenses for any experts. Class Counsel will request attorneys' fees not in excess of one-third of the Maximum Settlement Amount, or up $154,583.33. Class Counsel's Fees and Costs will also mean and include the additional reimbursement of Class Counsel's actual reasonable costs incurred in connection with Class Counsel's litigation and settlement of the Action, up to Twenty-Five Thousand Dollars and Zero Cents ($25,000.00), subject to the Court's approval. Defendants agree not to oppose Class Counsel's request for fees and reimbursement of costs as set forth above.

5. "**Class List**" means a complete list of all Class Members that Defendants will diligently and in good faith compile from their records and provide to the Settlement Administrator within 5calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include, to the extent in the possession of Defendants or their agents, Class Members' names; last-known addresses; last-known telephone numbers; last-known email address; social security numbers; start dates of employment; end dates of employment; number of weeks worked by each Class Member during the Class Period; and the total number of work weeks of all Class Members during the Class Period.

6. "**Class Member(s)**" or "**Settlement Class**" or the "**Class**" refer to "*All persons who worked for Defendants at least one shift as a non-exempt direct hire or agency employee in the State of California from May 31, 2020 through the earlier of 90 days after November 20, 2024 or preliminary approval*." Defendants represented that there are approximately 277 direct employee Class Members who worked approximately 26,639 Pay Periods during the Class Period. Defendants' representation is a material term for Plaintiff entering into this Stipulation.

7. "**Class Period**" means the period from May 31, 2020 through the earlier of [February 20, 2025 or the date of preliminary approval].

8. "**Class Representative**" or "**Plaintiff**" means Plaintiff Percy Jenkins who serves as representative for the Settlement Class.

9. "**Class Representative Enhancement Payment**" means the amount to be paid to Plaintiff in recognition of his efforts and work in prosecuting the Action on behalf of Class Members and negotiating the Settlement. Defendants agree not to dispute that the Class Representative will be

paid, subject to Court approval, up to Fifteen Thousand Dollars and Zero Cents ($15,000.00) from the Maximum Settlement Amount for his services on behalf of the class, subject to the Court granting Final Approval of this Settlement Agreement and subject to the exhaustion of any and all appeals. Should the Court reduce the Class Representative Enhancement Payment, any such reduction shall revert to the Net Settlement distributed to Participating Class Members.

10. "**Court**" means the Superior Court of California, County of San Bernardino.

11. "**Defendants**" means Beacon Property Management, Inc. and James Notley.

12. "**Effective Date**" means the date on which the settlement embodied in this Settlement Agreement shall become effective and is the date after all of the following events have occurred: (i) this Settlement Agreement has been executed by Plaintiff and Defendants; (ii) the Court has given Preliminary Approval to the Settlement, including approving a provisional Settlement Class; (iii) notice has been given to the putative members of the Settlement Class, providing them with an opportunity to object to the terms of the Settlement or to opt-out of the Settlement; and (iv) *either* (1) the Court has held a formal fairness hearing and, having heard no objections to the Settlement, has given Final Approval to the Settlement, including entering a final order and judgment certifying the Class and approving this Settlement Agreement; or (2) in the event there are oral or written objections filed prior to or at the formal fairness hearing which are not later withdrawn or denied, the later of the following events: (a) five (5) business days after the period for filing any appeal, writ, or other appellate proceeding opposing the Court's Final Approval of the Settlement have elapsed without any appeal, writ, or other appellate proceeding having been filed; or (b) five (5) business days have elapsed following the final and conclusive dismissal or resolution of any appeal, writ, or other appellate proceeding opposing the Settlement, with no right to pursue further appellate remedies or relief.

13. "**Individual Settlement Payment**" means each Participating Class Member's share of the Net Settlement Amount, to be distributed to the Class Members who do not submit a valid Request for Exclusion, to be paid without the need to submit a claim.

14. "**Labor and Workforce Development Agency Payment**" means the amount that the Parties have agreed that Defendants will pay in connection with Plaintiff's Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.* ("PAGA")) cause of action. The Parties

have agreed that $75,000 of the Maximum Settlement Amount will be allocated to the resolution of the Aggrieved Employees' claims arising under PAGA ("PAGA Settlement Amount"). Pursuant to PAGA, 75% of the PAGA Settlement Amount will be paid to the California Labor and Workforce Development Agency ("LWDA"), and 25% of the PAGA Settlement Amount will be paid to the Class Members, as allegedly Aggrieved Employees, as part of the Net Settlement Amount.

15. "**Maximum Settlement Amount**" means the maximum settlement amount of Four Hundred Sixty-Three Thousand Seven Hundred Fifty Dollars and Zero Cents ($463,750.00) to be paid by Defendants in full satisfaction of all claims arising from the Action. The Maximum Settlement Amount shall include all Individual Settlement Payments to Participating Class Members, the Class Representative Enhancement Payment, Settlement Administration Costs to the Settlement Administrator, the Labor and Workforce Development Agency Payment, and the Class Counsel's Fees and Costs. Defendants agree that it is responsible for employer-side payroll taxes, which are not included in the Maximum Settlement Amount and are to be paid in addition to the Maximum Settlement Amount. The Maximum Settlement Amount is non-reversionary.

16. "**Net Settlement Amount**" means the portion of the Maximum Settlement Amount remaining after deduction of the approved Class Representative Enhancement Payment, Settlement Administration Costs, Labor and Workforce Development Agency Payment, and Class Counsel's Fees and Costs. The Net Settlement Amount will be distributed to Participating Class Members.

17. "**Notice of Objection**" means a Class Member's valid and timely written objection to the Settlement Agreement. For the Notice of Objection to be valid, it must include: (a) the objector's full name, signature, address, telephone number, and the last four digits of the objector's social security number, (b) the dates the objector was employed by Defendants in California or worked for Defendants in California through a staffing agency, (c) a written statement of all grounds for the objection accompanied by any legal support for such objection, and (d) copies of any papers, briefs, or other documents upon which the objection is based.

18. "**Notice Packet**" or "**Notice**" means the Notice of Class Action Settlement and Share Form, substantially in the form attached as **Exhibit A**.

19. "**PAGA Released Claims**" shall mean the *limited* release being given by the State of

California and PAGA Release Members for those claims for civil penalties asserted in the Complaint or Plaintiff's LWDA letter under the Private Attorneys General Act, Labor Code section 2698 et seq. ("PAGA") based on predicate violations of California Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 233, 246, 248, 248.2, 248.5, 510, 512, 558, 1182.12, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1401, 2802, 2698,, et seq., California Industrial Commission Wage Orders, Cal. Code Regs., Title. 8, section 11040, et seq., during the PAGA Release Period.

20. "**PAGA Release Period**" shall run from May 30, 2023 through [February 20, 2025 or the date of preliminary approval, whichever date occurs first].

21. "**Parties**" means Plaintiff and Defendants, collectively.

22. "**Participating Class Members**" means all Class Members who do not submit valid and timely Requests for Exclusion.

23. "**Preliminary Approval**" means the Court order granting preliminary approval of the Settlement Agreement, in substantively the same form as **Exhibit B**.

24. **"Final Approval"** means the Court granting final approval of this Settlement Agreement, in substantively the same form as **Exhibit C**.

25. "**Released Claims**" means those claims made in the Complaint or that reasonably could have been alleged based on the facts and allegations contained in the operative complaint and LWDA letters, including but not limited to California Labor Code sections 200, 201, 202, 203, 204, 206, 210, 226, 226.3, 226.7, 233, 245, 246, 248, 248.2, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 1401, 2802, and 2698, et seq., California Industrial Commission Wage Orders, Cal. Code Regs., Title. 8, section 11040, et seq., Business and Professions Code sections 17200, et seq., and California Code of Civil Procedure section 1021.5 during the Release Period.

26. "**Release Period"** means the period from May 31, 2020 through [February 20, 2025 or the date of preliminary approval, whichever date occurs first].

27. "**Released Parties**" shall mean (i) Defendants; (ii) each of Defendants' respective past, present and future parents, subsidiaries, and affiliates including, without limitation, any corporation, limited liability company, or partnership; (iii) the past, present and future shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners, managers, contractors, agents,

consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors, and assigns of any of the foregoing; and (iv) any individual or entity which could be jointly liable with any of the foregoing, including, but not limited to, temporary staffing agencies.

28. "**Request for Exclusion**" means a timely letter submitted by a Class Member indicating a request to be excluded from the Settlement. The Request for Exclusion must: (a) be signed by the Class Member; (b) contain the name, address, telephone number, and the last four digits of the Social Security Number of the Class Member requesting exclusion; (c) clearly state that the Class Member received the Notice, does not wish to participate in the Settlement, and wants to be excluded from the Settlement; (d) be returned by first class mail or equivalent to the Settlement Administrator at the specified address; and, (e) be postmarked on or before the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. A Class Member who does not request exclusion from the Settlement will be deemed a Participating Class Member and will be bound by all terms of the Settlement, if the Settlement is granted Final Approval by the Court.

29. "**Response Deadline**" means the deadline by which Class Members must postmark to the Settlement Administrator valid Share Forms, Requests for Exclusion, or file and serve objections to the Settlement. The Response Deadline will be thirty (30) calendar days from the initial mailing of the Notice Packet by the Settlement Administrator, unless the 30th day falls on a Sunday or federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline for Objections or Requests for Exclusion will be extended fifteen (15) calendar days for any Class Member who is re-mailed a Notice Packet by the Settlement Administrator, unless the 15th day falls on a Sunday or federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defendants. Under no circumstances, however, will the Settlement Administrator have the authority to extend the deadline for Class Members to submit a Request for Exclusion, or objection to the Settlement other than as provided herein.

30. "**Settlement**" means the agreement to resolve the Action on terms and conditions as set forth in this Settlement Agreement.

31. "**Settlement Administrator**" means a third-party class action settlement claims administrator selected by Plaintiff and approved by the Court for purposes of administering this Settlement. The Parties each represent that they will not select a Settlement Administrator in which either Party has any financial interest or other relationship that could create a conflict of interest.

32. "**Settlement Administration Costs**" means the costs payable from the Maximum Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, calculating estimated amounts per Class Member, tax reporting, distributing the appropriate settlement amounts, and providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties. The Settlement Administration Costs will be paid from the Maximum Settlement Amount and shall not exceed $25,000.

33. "**Workweeks**" means the number of weeks worked by each Class Member as a non-exempt employee during the Class Period. Workweeks are determined by calculating the number of days each Class Member worked during the Class Period and dividing by seven (7). Partial workweeks will not be counted, meaning incomplete workweeks will be rounded down; however, a Class Member who worked only one day during the Class Period will be credited with having worked one Workweek for purposes of the Settlement.

CLASS CERTIFICATION FOR PURPOSES OF SETTLEMENT ONLY

34. Solely purposes of settling the Action, the Parties stipulate and agree that the requisites for establishing class certification with respect to the Settlement Class have been met and are met. If the Settlement is not approved by the Court, Defendant retains all rights and opportunities to contest class certification on all issues in the Action. More specifically, the Parties stipulate and agree for purposes of this Settlement only that:

a. The Settlement Class is ascertainable and so numerous as to make it impracticable to join all Class Members;

b. There are common questions of law and fact including, but not limited to, the following:

i. Whether Defendant had a common policy and/or practice of rounding non-exempt employees' time records to the detriment of those employees;

ii. Whether Defendant unlawfully and/or willfully failed to compensate Plaintiff and Class Members at a minimum wage for all hours worked as a result of its rounding policies;

iii. Whether Defendant unlawfully and/or willfully failed to compensate Plaintiff and Class Members required overtime wages as a result of its rounding policies;

iv. Whether Defendant's auto-deduct policy and practice unlawfully deprives employees of wages earned;

v. Whether Defendant had a common policy and/or practice of depriving Plaintiff and Class Members of compliant, off-duty meal and/or rest periods;

vi. Whether Defendant unlawfully and/or willfully deprived Plaintiff and Class Members of compliant, off-duty meal and/or rest periods;

vii. Whether Defendant paid Plaintiff and Class Members all required premium wages for non-compliant meal and/or rest periods;

viii. Whether Defendant had a common policy and/or practice of failing to reimburse necessary business expenses to the detriment of employees;

ix. Whether Defendant unlawfully and/or willfully failed to reimburse necessary business expenses to Plaintiff and Class Members as a result of its policies;

x. Whether Defendant had a common policy and/or practice of failing to maintain accurate payroll records in the State of California;

xi. Whether Defendant unlawfully and/or willfully failed to maintain accurate payroll records in the State of California;

xii. Whether Defendant had a policy and/or practice of failing to provide accurate wage statements reflecting hours worked and wages earned to Plaintiff and Class Members;

xiii. Whether Defendants unlawfully and/or willfully failed to provide accurate wage statements reflecting hours worked and wages earned to Plaintiff and Class Members;

xiv. Whether Defendant had a policy and/or practice of failing to timely pay wages during employment in violation of Labor Code §§ 204, 210.

xv. Whether Defendant had a policy and/or practice of failing to pay

Plaintiff and Class Members final wages owed upon termination;

xvi. Whether Defendant unlawfully and/or willfully failed to promptly pay compensation due to Plaintiff and Class Members upon termination of employment in violation of Labor Code §§ 201, 202, and 203;

xvii. Whether Plaintiff and Class Members sustained damages as a result of any of the aforementioned violations, and, if so, the proper measure of those damages, including interest, penalties, costs, attorneys' fees, and equitable relief;

xviii. Whether Defendants engaged in unlawful and unfair business practices in violation of California Business & Professions Code sections 17200, *et seq*.

c. That the Class Representative's claims are typical of the claims of the members of the Settlement Class.

d. That the Class Representative and Class Counsel will fairly and adequately protect the interests of the Settlement Class.

e. That the prosecution of separate actions by individual members of the Settlement Class would create the risk of inconsistent or varying adjudications, which would establish incompatible standards of conduct.

f. That questions of law and fact common to the members of the Settlement Class predominate over any questions affecting any individual member in such Class, and that a class action is superior to other available means for the fair and efficient adjudication of the controversy.

g. The Parties agree that this stipulation regarding class certification is for the sole purpose of facilitating settlement approval. Nothing herein is intended to disturb, challenge, or later the Court's prior Order granting class certification.

TERMS OF AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

35. Funding of the Maximum Settlement Amount. Within 7 calendar days of the Effective Date, the Settlement Administrator will provide the Parties with an accounting of the amounts to be paid by Defendants pursuant to the terms of the Settlement. Within 60 calendar days of the "Effective Date"

or January 26, 2026, whichever is later, Defendants will pay the entire Maximum Settlement Amount *plus* all required employer-side payroll taxes to the Settlement Administrator. Payment will be deposited into a Qualified Settlement Account to be established by the Settlement Administrator. Within five (5) calendar days of the funding of the Maximum Settlement Amount, the Settlement Administrator will issue payments to: (a) the Settlement Administrator; (b) the Labor and Workforce Development Agency; (c) Class Representative; (d) Class Counsel; and (e) Participating Class Members.

36. <u>Class Counsel's Fees and Costs</u>. Defendants agree not to oppose or impede any application or motion by Class Counsel for Class Counsel's Fees and Costs of up to one-third of the Maximum Settlement Amount, plus the reimbursement of actual reasonable costs and expenses incurred in connection with Class Counsel's litigation and settlement of the Action, up to $25,000, both of which will be paid from the Maximum Settlement Amount.

37. <u>Class Representative Enhancement Payment</u>. In exchange for a general release, and in recognition of his efforts and work in prosecuting the Action on behalf of Class Members and negotiating the Settlement, Defendants agree not to oppose or impede any application or motion for a Class Representative Enhancement Payment of up to a total of $10,000.00 to the Class Representative, subject to the Court's approval. The Class Representative Enhancement Payment, which will be paid from the Maximum Settlement Amount, is in addition to the payment to which he is entitled as Settlement Class Member. The Class Representative agrees to execute a general release of all claims, including a waiver of California Civil Code § 1542, against Defendants in exchange for his Enhancement Payment, which this Stipulation includes. The Settlement Administrator will issue an IRS Form 1099 for the Enhancement Payment to the Class Representative, and the Class Representative shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amount received. Should the Court reduce the Class Representative Enhancement Payment, any such reduction shall revert to the Net Settlement Amount distributed to Participating Class Members.

38. <u>Settlement Administration Costs</u>. The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Maximum Settlement Amount, which is capped at no more than $25,000.00. These costs, which will be paid from

the Maximum Settlement Amount, will include, for instance, costs incurred for the required tax reporting on the Individual Settlement Payments, the issuing of W-2 and 1099 IRS Forms, distributing the Notice Packet, calculating Class Members' workweeks, and calculating and distributing the Maximum Settlement Amount and Class Counsel's Fees and Costs, and providing necessary reports and declarations.

39. Net Settlement Amount. "Net Settlement Amount" shall mean the Maximum Settlement Amount *minus* Settlement Administration Costs, Class Counsel's Fees and Costs, Class Representative Enhancement Payment, and the Labor and Workforce Development Agency Payment.

40. Settlement Administration Cost Decreases. Any portion of the estimated or designated Settlement Administration Costs which are not required to fulfill the total Settlement Administration Costs will become part of the Net Settlement Amount.

41. Individual Settlement Payment Calculations. Individual Settlement Payments will be calculated and apportioned from the Net Settlement Amount based on the Workweeks a Participating Class Member worked during the Class Period. Specific calculations of Individual Settlement Payments will be made as follows:

a. The Settlement Administrator will calculate the number of Workweeks per Participating Class Member during the Class Period based on records in Defendants' possession, custody, or control.[1] Workweeks are determined by calculating the number of days each Class Member worked during the Class Period, dividing by seven (7). Partial workweeks will not be counted, meaning incomplete workweeks will be rounded down; however, a Class Member who worked only one day during the Class Period will be credited with having worked one Workweek for purposes of the Settlement.

b. The Settlement Administrator will calculate the total Workweeks for all Settlement Class Members by adding the number of Workweeks worked by each Settlement

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[1] Defendants' Workweek data will be presumed to be correct unless a particular Class Member proves otherwise to the Settlement Administrator by credible written evidence (including copies of pay stubs or other records). All Workweek disputes will be resolved and decided by the Settlement Administrator in consultation with Class Counsel and counsel for Defendants. The Settlement Administrator's decision on all Workweek disputes will be final and non-appealable.

Class Member during the Class Period.

c. The respective Workweeks for each Settlement Class Member will be divided by the total Workweeks for each Settlement Class Member, resulting in the Payment Ratio for each Settlement Class Member.

d. Each Settlement Class Member's Payment Ratio will then be multiplied by the Net Settlement Amount to calculate each Settlement Class Member's estimated Individual Settlement Payments.

e. Using the Class Data, the Settlement Administrator will calculate the total number of pay periods in the PAGA Period and will divide each Aggrieved Employees' individual number of eligible pay periods in the PAGA Period to determine their pro rata portion of the portion of the PAGA payment allocated to Aggrieved Employees. Partial pay periods will not be counted, meaning incomplete pay periods will be rounded down; however, an Aggrieved Employee who worked only one day during the PAGA Period will be credited with having worked one pay period for purposes of the Settlement.

42. <u>Limited Confidentiality</u>. The Parties agree not to issue press releases, communicate with, or respond to, any media or publication entities concerning the Settlement, including the fact of the Settlement, its terms or contents, and the negotiations underlying the Settlement prior to final approval and Entry of Judgment, except as required by law or as shall be contractually required to effectuate the terms of the Settlement as set forth herein. Nothing stated herein shall prohibit Class Counsel from discussing the Settlement, the fact of Settlement, and its terms and conditions: (i) with Class Members; (ii) in court filings, including in their respective firm resumes; and/or (iii) in all necessary motions and supporting memoranda related to preliminary and final approval of the Settlement or for other class action settlements. This provision also does not limit Class Counsel (i) from complying with ethical obligations; or (ii) from posting a neutral description of publicly available facts regarding the Settlement, provided that such posting does not expressly identify Defendant by name. Class Counsel agrees not to publicize the Settlement in any manner that would identify Defendants as the defendants in this Action.

43. <u>Class Member Communications.</u> Defendants will instruct Defendants' officers, directors,

and exempt managers that that, should they be contacted by Class Members or persons who believe they may be Class Members in relation to this Agreement, such officers, directors, and exempt managers should make no comment except by directing the employees to Defendants' Human Resources Department, who will be instructed to direct such Class Members to the Settlement Administrator and the Class Notice, or Class Counsel, and to provide such Class Members with contact information for the Settlement Administrator and Class Counsel. Defendants agree not to discourage or prevent Class Members from exercising any of their rights or obligations pursuant to this Agreement. At no time will any of the Parties or their counsel take any action to encourage, support, require, or induce Class Members to object to the Settlement Agreement, opt-out from the Settlement, or appeal from the Order and Judgment.

44. <u>Settlement Awards Do Not Trigger Additional Benefits.</u> All Individual Settlement Payments to Participating Class Members shall be deemed to be paid to such Participating Class Members solely in the year in which such payments are received by the Participating Class Members. It is expressly understood and agreed that the receipt of such Individual Settlement Payments will not entitle any Participating Class Member to additional compensation or benefits under any company bonus, commission, or other compensation or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle any Participating Class Member to any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits. It is the intent of the Parties to this Settlement that the Individual Settlement Payments provided for in this Settlement are the sole payments to be made by Defendants to the Participating Class Members, and that the Participating Class Members are not entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Payments (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Settlement).

45. <u>Settlement Administration Process</u>. The Parties agree to cooperate in the administration of the Settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement.

46. <u>Delivery of the Class List</u>. Within five (5) calendar days of Preliminary Approval,

Defendants will provide the Class List to the Settlement Administrator.

47. Notice by First-Class U.S. Mail. Within ten (10) calendar days following receipt of the Class List, the Settlement Administrator will mail a Notice Packet, substantially in the form attached hereto as **Exhibit A**, to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List. Each Notice Packet will provide: (a) information regarding the nature of the Action; (b) a summary of the Settlement's principal terms; (c) the Settlement Class definition; (d) each Class Member's estimated Individual Settlement Payment and the formula for calculating Individual Settlement Payments; (e) the dates which comprise the Class Period; (f) instructions on how to submit valid Requests for Exclusion or objections; (g) the deadlines by which the Class Member must fax or postmark Requests for Exclusions or file and serve objections to the Settlement; (h) the claims to be released, as set forth herein; and (i) the date for the Final Approval Hearing.

48. Confirmation of Contact Information in the Class Lists. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any Notice Packets returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Notice Packet. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Class Member involved and will then perform a single re-mailing. Those Class Members who receive a re-mailed Notice Packet, whether by skip-trace or by request, will have between the later of: (a) an additional fifteen (15) calendar days; or (b) the Response Deadline to fax or postmark a Request for Exclusion, or file and serve an objection to the Settlement.

49. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Class Member. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member.

50. Disputed Information on Notice Packets. Class Members will have an opportunity to

dispute the information provided in their Notice Packets. To the extent Class Members dispute the number of weeks he/she worked during the Class Period, or the amount of their Individual Settlement Payment, Class Members may produce evidence to the Settlement Administrator showing that such information is inaccurate. Any disputes, along with supporting documentation, must be postmarked on or before the Response Deadline. Absent evidence rebutting Defendants' records, Defendants' records will be presumed determinative. However, if a Class Member produces evidence to the contrary, the Settlement Administrator will evaluate the evidence submitted by the Class Member in consultation with Class Counsel and counsel for Defendants and will make the final decision as to the Individual Settlement Payment to which the Class Member may be entitled with input from Class and Defense Counsel. This determination shall be binding on the Class Member.

51. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the Settlement Agreement must sign and postmark a written Request for Exclusion to the Settlement Administrator within the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. All Requests for Exclusion will be submitted to the Settlement Administrator, who will certify jointly to Class Counsel and Defendants' Counsel the Requests for Exclusion that were timely submitted. Any Class Member who submits a Request for Exclusion shall be prohibited from objecting to the Settlement Agreement.

52. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class Member who does not affirmatively opt-out of the Settlement Agreement by submitting a timely and valid Request for Exclusion will be bound by all of the terms of the Settlement Agreement, including those pertaining to the Released Claims, as well as any Judgment that may be entered by the Court if it grants Final Approval to the Settlement.

53. Objection Procedures. To object to the Settlement Agreement, a Class Member must file a valid Notice of Objection with the Settlement Administrator on or before the Response Deadline. The Settlement Administrator shall serve all objections as received on Class Counsel and Defendants' Counsel. It shall not be a breach of this Agreement for Class Counsel to file the Objections with the Court per the Court's instruction, local rules, or as otherwise required for approval of this Settlement

Agreement. The Notice of Objection shall be signed by the Class Member and contain all information required by this Settlement Agreement. The postmark date of the filing and service will be deemed the exclusive means for determining that the Notice of Objection is timely. Class Members may also raise objections orally at the Final Fairness and Approval hearing, whether or not they previously submitted a valid Notice of Objection. At no time will any of the Parties or their counsel take any action to encourage, support, or induce Class Members to object to the Settlement Agreement, opt-out from the Settlement, or appeal from the Order and Judgment. Class Counsel will not represent any Class Members with respect to any such objections to this Settlement.

54. <u>Certification Reports Regarding Individual Settlement Payment Calculations</u>. The Settlement Administrator will provide Defendants' counsel and Class Counsel a weekly report which certifies: (a) the number of Class Members who have submitted valid Requests for Exclusion; and (b) whether any Class Member has submitted a challenge to any information contained in their Claim Form or Notice Packet. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested. No later than 30 days prior to the deadline for Class Counsel to file its motion in support of the Final Approval and Fairness Hearing, the Settlement Administrator will compile and deliver to Class Counsel and Defense Counsel a declaration with summary information of the Notice process, including but not limited to: (a) the total amount of final Individual Settlement Payments of each Settlement Class Member; (b) the number of Settlement Class Members to receive such payments; (c) the final number of requests for exclusion/Opt-Outs and objections; (d) the Settlement Administrator's qualifications for administration; and (e) an explanation of the steps taken to implement the Notice process as set forth in this Agreement.

55. <u>Uncashed Settlement Checks</u>. Any checks issued by the Settlement Administrator to Participating Class Members will be negotiable for 120 calendar days from the date the check was issued (the "Void Date"). For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the Void Date, the Administrator shall transmit the funds represented by such checks to the cy pres recipient, the State Bar of California's Justice Gap Fund.

56. <u>Certification of Completion</u>. Upon completion of administration of the Settlement, the

Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

57. Treatment of Individual Settlement Payments. All Individual Settlement Payments will be allocated as follows: of each Individual Settlement Payment, 20% will be allocated as alleged unpaid wages, 40% will be allocated as alleged unpaid civil penalties, and 40% will be allocated as alleged unpaid interest, and expense reimbursement. The percentage of each Individual Settlement Payment allocated as wages will be reported on an IRS Form W-2 by the Settlement Administrator. The remaining percentage of each Individual Settlement Payment shall be allocated as interest, penalties, and reimbursement, and will be reported on an IRS Form-1099 by the Settlement Administrator.

58. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Participating Class Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Agreement. Within five (5) business days after the Effective Date, the Settlement Administrator will provide the Parties with an accounting of the amounts to be paid by Defendants pursuant to the terms of the Settlement, including the amount of the employer contribution for payroll taxes to be paid by Defendants.

59. Tax Liability. The Parties acknowledge that no tax advice has been offered or given by any other Party, their attorneys, agents, or any other representatives, in the course of these negotiations, and that each Party is relying upon the advice of his/her/its own tax consultant with regard to any tax consequences that may arise as a result of the execution of this Agreement. The Class Representatives and Class Counsel acknowledge that they may be required to submit a Form W-9, and the Class Representative, Class Members, and Class Counsel acknowledge that the Settlement Administrator may be required to issue a Form 1099 or other tax form reporting the consideration flowing to the Class Representative, Class Members, and Class Counsel under this agreement to the Internal Revenue Services and/or other taxing authority. Nothing herein shall obligate the Class Representative, Class Members, and Class Counsel to pay, indemnify, or otherwise assume responsibility for any taxes that would be owed by Defendants in the first instance or as a result of any re-classification of the treatment of the payments, such as, for example, employer-side payroll contributions.

60. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

61. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right herein released and discharged.

62. Release of Claims by Class Members. Upon the latter of the Effective Date and the date that Defendants fully fund the Maximum Settlement Amount, the Settlement Class and each

Participating Class Member, fully releases and discharges, to the maximum extent permitted by the law, the Released Parties for the Released Claims for the Class Period. Participating Class Members will be deemed to have acknowledged and agreed that their claims for wages and penalties in the Action are disputed, and that their Individual Settlement Payment constitutes payment of all sums allegedly due to them. Participating Class Members will be deemed to have acknowledged and agreed that California Labor Code Section 206.5 is not applicable to the Individual Settlement Payment.

63. Release by PAGA Settlement Members and the LWDA. Upon the latter of the Effective Date and the date that Defendants fully fund the Maximum Settlement Amount, for and in consideration of the mutual promises and consideration set forth in this Agreement, Plaintiff, the PAGA Settlement Members, and the LWDA are deemed to release against the Released Parties the PAGA Released Claims. The PAGA Released Claims are expressly limited to claims for PAGA penalties and not any underlying predicate claims or causes of action.

64. Plaintiff's Released Claims. In addition to the Participating Class Members' Released Claims described above, in exchange for the consideration recited in this Stipulation, including but not limited to the Class Representative Enhancement Award, Plaintiff Percy Jenkins releases, acquits, and discharges and covenants not to sue any of the Released Parties for any claim, whether known or unknown, which he or it has ever had, or hereafter may claim to have, arising on or before the date he signs this Stipulation, including without limitation to, any claims relating to or arising out of any aspect of his relationship with Defendants, or the termination of that relationship, including any claims for unlawful retaliation, any claims for unpaid compensation, wages, reimbursement for business expenses, penalties, or waiting time penalties under the California Labor Code, the California Business and Professions Code, the federal Fair Labor Standards Act, 29 U.S.C. section 201, *et seq.,* or any state, county, or city law or ordinance regarding wages or compensation; any claims for employee benefits including without limitation, any claims under the Employment Retirement Income Security Act of 1974; any claims of employment discrimination on any basis, including without limitation, any claims under Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1866, 42 U.S.C. section 1981, the Civil Rights Act of 1991, the Americans with Disabilities Act of 1991, the Family and Medical Leave Act of 1993, the California Government Code, or any other state, county, or city law or ordinance

regarding employment discrimination. Plaintiff acknowledges and agrees that the foregoing general release is given in exchange for the consideration provided to him under this Stipulation by Defendants. However, this release shall not apply to any claim for workers' compensation benefits, unemployment insurance benefits, pension or retirement benefits, or any other claim or right that as a matter of law cannot be waived or released.

Plaintiff expressly waives any rights or benefits available to him under the provisions of Section 1542 of the California Civil Code, which provides 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.*

Plaintiff understands fully the statutory language of Civil Code Section 1542 and, with this understanding, nevertheless elects to, and does, assume all risks for claims that have arisen, whether known or unknown, which he had, or hereafter may claim to have, arising on or before the date of his signature to this Stipulation, and specifically waives all rights he may have under the California Civil Code section 1542.

65. <u>Duties of the Parties Prior to Court Approval.</u> The Parties shall promptly submit this Settlement Agreement to the Court in support of Plaintiff's Motion for Preliminary Approval and determination by the Court as to the fairness, adequacy, and reasonableness of the Settlement Agreement. Promptly upon execution of this Settlement Agreement, the Parties shall apply to the Court for the entry of an order for:

a. Scheduling a fairness hearing on the question of whether the proposed Settlement, including but not limited to, payment of Class Counsel's fees and costs, and the Class Representative Enhancement Payment, should be finally approved as fair, reasonable, and adequate as to the members of the Settlement Class;

b. Approving, as to form and content, the proposed Notice;

c. Approving the manner and method for Class Members to request exclusion from the Settlement as contained herein and within the Notice;

d. Directing the mailing of the Notice, by first class mail to the Class Members; and

e. Giving Preliminary Approval to Settlement subject to final review by the Court.

66. Duties of the Parties Following Preliminary Court Approval. Following Preliminary Approval by the Court of the Settlement provided for in this Settlement Agreement and Notice to the Class, Class Counsel will submit a proposed final order of approval and judgment for:

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

b. Approval of Class Counsel's application for an award of attorneys' fees and costs;

c. Approval of the Class Representative Enhancement Payment to the Class Representative;

d. Approval of the Settlement Administration Costs of the Settlement Administrator; and

e. That judgment be entered in this Action.

67. Rescission of Settlement Agreement (by Defendants). If more than 10% of the Class Members opt-out of the Settlement by submitting Requests for Exclusion, Defendants may, at their option, rescind and void the Settlement and all actions taken in furtherance of it will thereby be null and void. Defendants must exercise this right of rescission, in writing, to Class Counsel within fourteen (14) calendar days after the Settlement Administrator notifies the Parties of the total number of Requests for Exclusion received by the Response Deadline. If the option to rescind is exercised, Defendants shall be solely responsible for all costs of the Settlement Administrator accrued to that point.

68. Additional Confirmatory Discovery. Defendant agrees to provide Claimant with reasonable confirmatory discovery to allow Claimant to verify the information relied upon in agreeing to settle, including all signed arbitration agreements or handbook acknowledgement.

69. Escalator Clause. Defendants have represented that there are approximately 277 current and former non-exempt class members who worked during the Class Period of May 31, 2020 through the lesser of 90 days from mediation or the date of the Court's Preliminary Approval of the Settlement who worked a combined approximate 26,639 weekly pay periods during that period. Plaintiff has relied upon these material representations in entering into this Settlement. If the actual number of workweeks exceeds 10% of this estimate, the Maximum Settlement Sum will be increased by the same proportion. For the avoidance of doubt, any increase to the Maximum Settlement Amount caused by this Paragraph shall apply to Class Counsel's fees such that they shall be equal to one-third of the amount of the

escalated Maximum Settlement Amount.

70. Adjustments to Components of Maximum Settlement Amount. This Agreement contemplates those future adjustments to the amounts of components of the Maximum Settlement Amount listed above may be necessary and/or may be ordered by the Court. Any such future adjustments shall be made only by written stipulation of the Parties or by an order of the Court. For the avoidance of doubt, this Paragraph does not apply to the Escalator Clause above, and modifications to this Settlement and the Notice shall be implemented upon the Escalator Clause triggering without the need for a written stipulation or Court Order.

71. Nullification of Settlement Agreement. In the event that: (a) the Court does not finally approve the Settlement as provided herein; or (b) the Settlement does not become final for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning. In such event, if the Court rejects the Settlement despite the Parties' best efforts, Defendants shall be liable for all Settlement Administration costs incurred.

72. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order for: (a) conditional certification of the Settlement Class for settlement purposes only, (b) Preliminary Approval of the proposed Settlement Agreement, and (c) setting a date for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the Notice Packet to be sent to all Class Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will submit this Settlement Agreement, which sets forth the terms of this Settlement, and will include the proposed Notice Packet; *i.e.*, the proposed Notice of Class Action Settlement document, attached as **Exhibit A**. Class Counsel will be responsible for drafting all documents necessary to obtain Preliminary Approval. Defendants agree not to oppose the Motion for Preliminary Approval.

73. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the deadlines for Class Members to submit Requests for Exclusion, or objections to the Settlement Agreement, and with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to determine the Final Approval of the Settlement Agreement along with the amounts

properly payable for: (a) Individual Settlement Payments; (b) the Labor and Workforce Development Agency Payment; (c) the Class Counsel's Fees and Costs; (d) the Class Representative Enhancement Payment; (e) all Settlement Administration Costs; and (f) the Defendants' share of payroll taxes for wages paid in connection with the Individual Settlement Payments. Class Counsel will be responsible for drafting all documents necessary to obtain Final Approval, including responding to any objections and appeals arising therefrom. Class Counsel will also draft the attorneys' fees and costs application to be heard at the Final Approval hearing. Defendants agree not to oppose the Motion for Final Approval.

74. Termination of Settlement. Subject to the obligation(s) of cooperation set forth herein, any Party may terminate this Settlement if the Court declines to enter the Preliminary Approval Order, the Final Approval Order, or final judgment in substantially the form submitted by the Parties, or the Settlement Agreement as agreed does not become final because of appellate court action. The Terminating Party shall give to all other Parties (through his/its counsel) written notice of his/its decision to terminate this Agreement no later than ten (10) business days after receiving notice that one of the enumerated events has occurred. Termination of this Agreement shall have the following effects:

a. The Settlement Agreement shall be terminated and shall have no force or effect, and no Party shall be bound by any of its terms;

b. In the event the Settlement is terminated, Defendants shall have no obligation to make any payments to any Party, Class Member or Class Counsel. The Terminating Party shall pay the Settlement Administrator for services rendered up to the date the Settlement Administrator is notified that the Settlement has been terminated;

c. The Preliminary Approval Order, Final Approval Order, and Judgment, including any order of class certification, shall be vacated;

d. The Settlement Agreement and all negotiations, statements, and proceedings relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective positions in the Action prior to the Settlement;

e. Neither this Stipulated Settlement, nor any ancillary documents, actions, statements, or filings in furtherance of settlement (including all matters associated with the mediation) shall be admissible or offered into evidence in the Action or any other action for any purpose whatsoever.

75. Judgment and Continued Jurisdiction. Upon Final Approval of the Settlement by the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the Judgment pursuant to California Code of Civil Procedure section 664.6 to the Court for its approval. After entry of the Judgment, the Court will have continuing jurisdiction for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) Settlement administration matters, and (c) such post-Judgment matters as may be appropriate under court rules or as set forth in this Agreement.

76. Exhibits Incorporated by Reference. The terms of this Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Agreement are an integral part of the Settlement.

77. Entire Agreement. This Settlement Agreement, the general release of all claims by the Class Representative, and any attached Exhibits constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil Code section 1625 and California Code of Civil Procedure section 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms will modify, vary, or contradict the terms of this Agreement.

78. Amendment or Modification. This Settlement Agreement may be amended or modified only by a written instrument signed by the named Parties or their successors-in-interest.

79. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effectuate the implementation of the Settlement. If 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 may seek the assistance of the Court to resolve such disagreement.

80. Signatories. It is agreed for the purposes of this Settlement Agreement only that because the members of the Class are so numerous, it is impossible or impractical to have each member of the Class execute this Settlement Agreement. The Notice, attached hereto as **Exhibit A**, will advise all Class Members of the binding nature of the release, and the release shall have the same force and effect as if this Settlement Agreement were executed by each member of the Class.

81. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

82. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto will be governed by and interpreted according to the laws of the State of California.

83. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. The Agreement may be executed in one or more counterparts either by ink or electronic signature. All executed counterparts and each of them, including electronic, facsimile, and scanned copies of the signature page, will be deemed to be one and the same instrument.

84. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action. The Parties further agree that they have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Agreement.

85. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

86. Plaintiff's Waiver of Right to Be Excluded and Object. Plaintiff agrees to sign this Settlement Agreement and, by signing this Settlement Agreement, is hereby bound by the terms herein. For good and valuable consideration, Plaintiff further agrees that he will not request to be excluded from the Settlement Agreement, nor object to any terms herein. Any such request for exclusion or objection

by Plaintiff will be void and of no force or effect. Any efforts by Plaintiff to circumvent the terms of this paragraph will be void and of no force or effect.

87. Waiver of Certain Appeals. Provided the Judgment is consistent with the terms and conditions of this Agreement, the Parties, their respective counsel, and all Class Members who did not object to the Settlement as provided in this Agreement, agree to waive appeals and to stipulate to class certification for purposes of this Settlement only (and to the extent the Court has given final approval of the Settlement); except, however, that Plaintiff or Class Counsel may appeal any reduction in the Class Counsel's Fees and Costs below the amount requested from the Court but must inform Defense Counsel and the Class Administrator of any intent to appeal prior to the distribution of any funds from the Class Administrator to any Settlement Class Members or any other Parties. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount. Any Party may terminate this Settlement or appeal any Court order which is not in substantially the form submitted by the Parties.

88. Non-Admission of Liability. The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Agreement, Defendants do not admit, and specifically deny, they have violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to Plaintiff, Class Members, and its employees. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendants of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendants or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local, or other applicable law.

89. Captions. The captions and section numbers in this Agreement are inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the provisions of this Agreement.

90. Waiver. No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such Party of the same or any other condition, covenant, right, or remedy.

91. Enforcement Actions. In the event that one or more of the Parties institute any legal action, motion, petition, or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred.

92. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly against one Party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Agreement.

93. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel, and reviewed in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

94. All Terms Subject to Final Court Approval. All amounts and procedures described in this Settlement Agreement herein will be subject to the Court's Final Approval.

95. Notices. Unless otherwise specifically provided herein, all notices, demands, or other communications given hereunder shall be in writing and shall be transmitted to a Party via email:

To Plaintiff and the Settlement Class:

Elliot J. Siegel
elliot@kingsiegel.com

Julian Burns King
julian@kingsiegel.com
KING & SIEGEL LLP
724 S. Spring Street, Suite 201
Los Angeles, California 90014

Xavier Villegas
xavier@xaviervillegas.com
LAW OFFICE OF XAVIER VILLEGAS, APC
2390 Las Posas Road, C168
Camarillo, CA 93010

To Defendants:

Alfonso Estrada (SBN 260400)
aestrada@hansonbridgett.com
Kathleen B. Roney (SBN 268446)
kroney@hansonbridgett.com
HANSON BRIDGETT LLP
777 S. Figueroa Street, Suite 4200
Los Angeles, California 90017
Telephone: (213) 395-7620
Facsimile: (213) 395-7615

96. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

97. Binding Agreement. The Parties warrant that: 1) they understand and have full authority to enter into this Agreement; 2) they intend that this Agreement will be fully enforceable and binding on all Parties; and 3) agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Settlement and Release Between Plaintiff and Defendants as of the date(s) set forth below:

<u>**SIGNATURES**</u>

READ CAREFULLY BEFORE SIGNING

PLAINTIFF: Percy Jenkins

Dated: Jan 15, 2025

Percy L Jenkins (Jan 15, 2025 18:22 PST)

Percy Jenkins

DEFENDANT: Beacon Property Management, Inc.

Dated: 1/17/2025

DocuSigned by:

Jim Notley

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Beacon Property Management, Inc.
James Jim Notley, Chief Executive Officer

DEFENDANT: James Notley

Dated: 1/17/2025

DocuSigned by:

Jim Notley

090F9FEB25B14C5...

James Jim Notley

KING & SIEGEL LLP
AKHAVAN & ASSOCIATES

Dated: 01/16/2025

Elliot J. Siegel
Bardia A. Akhavan
Counsel for Plaintiff Percy Jenkins

HANSON BRIDGETT LLP

Dated: 01/17/2025

Kathleen B. Roney

Alfonso Estrada
Katie B. Roney
Counsel for Defendant Beacon Property Management, Inc.; James Notley

4885-0383-6563, v. 1

NOTICE OF PROPOSED CLASS AND PAGA ACTION SETTLEMENT AND HEARING DATE FOR COURT APPROVAL

Percy Jenkins v. Beacon Property Management, Inc. et al.
Superior Court of the State of California, San Bernardino County
Case No. CIVSB2417563

*You are **not** being sued. This is **not** an advertisement. This notice affects your rights.*

YOU ARE ELIGIBLE TO RECEIVE A SETTLEMENT PAYMENT.

PLEASE READ THIS NOTICE CAREFULLY.

PLEASE DO NOT CONTACT THE COURT WITH QUESTIONS ABOUT THIS NOTICE; CONTACT THE SETTLEMENT ADMINISTRATOR WHOSE INFORMATION APPEARS AT THE BOTTOM OF EACH PAGE.

You have received this Notice of Class Action Settlement because Beacon Property Management, Inc.'s records show you are what is called a "Class Member," and are entitled to a payment from this class action settlement (the "Settlement"). Class Members are all current and former employees of Beacon Property Management, Inc. who worked at least one shift in California from May 31, 2020 through [February 20, 2025 or the date of preliminary approval, whichever date occurs first].

On __________, the Honorable Charlie L. Hill, Jr. of the Superior Court of California for the County of San Bernardino granted preliminary approval of this Class Action Settlement and ordered that all Class Members be notified of the Settlement.

Unless you choose not to participate in the Settlement (in other words, should you choose to "opt out") by following the procedures described below, you will be considered a Participating Class Member. If the Court grants final approval of the Settlement, you will be mailed a check for your share of the Settlement fund, which is estimated to be <<estAmount>>. [For PAGA Aggrieved Employees only: For purposes of this Settlement, you are also considered a PAGA Aggrieved Employee, and will be mailed a check for you portion of the civil penalties under PAGA allocated in this Settlement**, which is estimated to be <<estAmount>>.**[1]]

[1] By law, under the Private Attorney Generals Act ("PAGA"), the amount recovered in settlement, after paying for attorney's fees and costs, and costs of administration of settlement, are to be split between the State of California and the PAGA Settlement Members. The State receives 65% of the net settlement amount and the PAGA Settlement Members receive 35% of the net settlement (to be allocated on a pro rata basis). Each PAGA Settlement Member will receive a pro rata share of the PAGA Settlement Members Payment based on their Eligible Pay Periods relative to the total Eligible Pay Periods of all PAGA Settlement Members ("Individual PAGA Settlement Member Payment"). You worked <<**PayPeriods**>> pay periods during the PAGA Period. The total amount of pay periods worked by all Aggrieved Employees during the PAGA Period is

IF YOU STILL WORK FOR BEACON PROPERTY MANAGEMENT, INC, PARTICIPATION IN THIS SETTLEMENT WILL NOT AFFECT OR DISRUPT YOUR WORK IN ANY MANNER. YOU WILL NOT BE RETALIATED AGAINST BY DEFENDANT FOR YOUR PARTICIPATION.

California law strictly prohibits retaliation. Defendant is prohibited by law from taking any adverse action against any Class Member or otherwise targeting, retaliating, or discriminating against any Class Member because of the Class Member's participation in or decision not to participate in this Settlement.

You can view the proposed Final Approval Order, Final Judgment, and payment schedule at www.____________________________.

What Is This Case About?

Percy Jenkins was an employee of Defendants. He is the "Plaintiff" in this case and is suing Beacon Property Management, Inc. ("Beacon")and Beacon's President James Notley ("Defendants") on behalf of himself and all Class Members. Plaintiff sued Defendants, alleging (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods or premium pay in lieu thereof; (4) failure to provide rest periods or premium pay in lieu thereof; (5) failure to reimburse necessary business expenses; (6) failure to provide and maintain accurate records; (7) failure to timely pay wages during employment and at separation; (8) civil penalties under the Labor Code Private Attorneys General Act of 2004, Cal. Lab. Code §§ 2698, *et seq.* ("PAGA"); and (9) violation of California's unfair competition law.

Defendants deny that they violated the law or committed any wrongdoing. In agreeing to the settlement, Defendants have not admitted to any allegations or wrongdoing in this case, and in fact expressly deny that any of Beacon's practices were or are unlawful. Specifically, Defendants assert that the Class Members were properly compensated at all times during the Class Period. Defendants further assert that Beacon has and had lawful wage-and-hour policies, practices, and procedures, including legally compliant timekeeping policies.

This notice is not intended to be, and should not be construed as, an expression of any opinion by the Court with respect to the truth of the allegations raised in the Action or the merits of the claims or defenses asserted. The Court has made no ruling on the merits of Plaintiff's claims or Defendants' defenses thereto.

Given the cost and uncertainty of protracted litigation, the parties entered into settlement discussions in an attempt to resolve the disputed claims in this case. On November 20, 2024, the Parties negotiated a settlement with the assistance of a third-party mediator. The Parties' agreement has been documented in a Joint Stipulation of Settlement and Release of Class and PAGA Action ("Joint Stipulation").

<<**PayPeriods**>>. Therefore, your Individual PAGA Settlement Member Payment is **<<CheckAmount>>.**

The Court has preliminarily approved the Joint Stipulation. The Court will decide whether to give final approval to the Settlement at the Final Fairness and Approval Hearing. The Final Fairness and Approval Hearing ("Hearing") on the adequacy, reasonableness, and fairness of the Settlement will be held at ______ on ________________, in Department S30 of the Superior Court of California for the County of San Bernardino, 655 W. 2nd Street, San Bernardino, CA 92415. You are not required to attend the Hearing.

Attorneys for Plaintiff and the Class Members ("Class Counsel") are:

Elliot J. Siegel
KING & SIEGEL LLP
(213) 465-4802
724 S. Spring Street, Ste. 201
Los Angeles, California 90014

and

Bardia A. Akhavan
AKHAVAN & ASSOCIATES
(855) 463-4733
15760 Ventura Blvd. Ste. 1720
Encino, California 91436

Summary of the Settlement Terms

Plaintiff and Defendant have agreed to settle this case on behalf of themselves and the Class Members for $463,750.00 ("Maximum Settlement Amount").

The Maximum Settlement Amount includes: (1) Individual Settlement Payments to Participating Class Members; (2) a $10,000 service payment to the Representative Plaintiff for his time and effort in pursuing this case and in exchange for a general release of claims against Defendants, subject to Court approval; (3) Settlement Administration Costs not to exceed $25,000; (4) $56,250 to the California Labor & Workforce Development Agency, representing the State of California's portion of civil penalties under PAGA (or 75% of the $75,000.00 allocated to PAGA penalties); (5) an aggregate of $18,750 to alleged PAGA Aggrieved Employees (or 25% of the $75,000.00 allocated to PAGA penalties); and (6) subject to Court approval of an application for fees and costs, an award of up to $154,428.75 in attorneys' fees and up to $25,000 in litigation costs and expenses to Class Counsel.

It is estimated that after deducting the service payments to Plaintiff, the Settlement Administration Costs, the portion of the PAGA payment to be paid to the California Labor and Workforce Development Agency, payments to PAGA Aggrieved Employees, and attorneys' fees and costs/expenses, a total of approximately [$______] will be available to Class Members who do not opt out of the Settlement ("Net Settlement Amount"). Employer-side payroll taxes will be paid by Beacon Property Management, Inc. *outside* of the Maximum Settlement Amount.

Plan of Distribution to Class Members and PAGA Aggrieved Employees

Individual Settlement Payments will be calculated and apportioned from the Net Settlement Amount based on the number of weeks a Participating Class Member worked during the Class Period ("Workweeks"). Individual PAGA Payments will be separately calculated and apportioned from the portion of the PAGA amount intended for PAGA Aggrieved Employees.

Specific calculations of Individual Settlement Payments will be made as follows:

a. The Settlement Administrator will calculate the number of Workweeks per Participating Class Member during the Class Period based on records in Defendant's possession, custody or control.[2] Workweeks are determined by identifying each week an employee actually worked based on Defendant's timekeeping and/or payroll data. A Class Member who worked only one day during the Class Period will be credited with having worked one Workweek for purposes of the Settlement.

b. Using the Class Data, the Settlement Administrator will calculate the total Workweeks for all Settlement Class Members by adding the number of Workweeks worked by each Settlement Class Member during the Class Period. The respective Workweeks for each Settlement Class Member will be divided by the total Workweeks for all Settlement Class Members, resulting in the Payment Ratio for each Settlement Class Member.

c. Each Settlement Class Member's Payment Ratio will then be multiplied by the Net Settlement Amount to calculate each Settlement Class Member's estimated Individual Settlement Payments.

d. Using the Class Data, the Settlement Administrator will calculate the total number of pay periods in the PAGA Period and will divide each Aggrieved Employee's individual number of eligible pay periods in the PAGA Period to determine their pro rata portion of the portion of the PAGA Payment allocated to each Aggrieved Employees. Partial pay periods will not be counted, meaning incomplete pay periods will be rounded down; however, an Aggrieved Employee who worked only one day during the PAGA Period will be credited with having worked one pay period for purposes of the Settlement.

If you believe the information provided above as to the number of your Individual Workweeks is incorrect and you wish to dispute it, please submit the Challenge Form attached to your Share Form to the Settlement Administrator at *Jenkins v. Beacon Property Management, Inc.*, *et al.*

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[2] Defendant's Workweek data will be presumed to be correct, unless a particular Class Member proves otherwise to the Settlement Administrator by credible written evidence. All Workweek disputes will be resolved and decided by the Settlement Administrator in consultation with Class Counsel and counsel for Defendant. The Settlement Administrator's decision on all Workweek disputes will be final and non-appealable.

Settlement Administrator, c/o _______________ no later than 30 days after the date this Notice of Class Action Settlement was mailed to you.[3]

If you dispute the information stated above, the information provided to the Settlement Administrator will control unless you are able to provide documentation that establishes otherwise. Any disputes, along with supporting documentation ("Disputes"), must be postmarked no later than _____________. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

Class Member Tax Matters

IRS Forms W-2 and 1099-MISC will be distributed to participating Class Members and Aggrieved Employees, and the appropriate taxing authorities reflecting the payments Class Members and Aggrieved Employees receive under the Settlement. Class Members should consult with their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this Settlement, 20% of each Individual Settlement Payment will be allocated to alleged unpaid wages, 80% will be allocated as alleged unpaid civil penalties and interest. All Individual PAGA Payments will be allocated as penalties and will be reported on an IRS Form-1099 by the Settlement Administrator. Again, please consult with a tax advisor regarding the significance of how each Individual Settlement Payment is allocated between wages, penalties, and interest. This notice is not intended to provide legal or tax advice. To the extent this notice or any of its attachments is interpreted to contain or constitute advice regarding any United States or Federal tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding penalties under the Internal Revenue Code.

Your Options Under the Settlement

Option 1 – *Automatically Receive a Payment from the Settlement*

If you want to receive your payment from the Settlement, then no further action is required on your part. You will automatically receive your Individual Settlement Payment and Individual PAGA payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1** and the Court grants final approval of the Settlement, you will be mailed a check for your share of the Settlement funds. In addition, you will be deemed to have released or waived the following claims ("Released Claims") against the Released Parties for the Release Period.

The Released Claims are defined as:

> Those claims asserted in the Complaint or that reasonably could have been alleged based on the factual allegations contained in the operative complaint or LWDA letter, including but not limited to all of the following claims for relief: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide

[3] Unless the 45th day falls on a Sunday or federal holiday, in you have until the next day on which the U.S. Postal Service is open.

> meal periods or premium pay in lieu thereof; (4) failure to provide rest periods or premium pay in lieu thereof; (5) failure to reimburse necessary business expenses; (6) failure to provide and maintain accurate records; (7) failure to timely pay wages during employment; (8) failure to timely pay wages after employment; (9) civil penalties under the Labor Code Private Attorneys General Act of 2004, Cal. Lab. Code §§ 2698, *et seq.* ("PAGA"); and (10) Unlawful Business Practices, Cal. Bus. & Prof. Code §§ 17200, *et seq*.

The Released PAGA Claims include:

> All claims by Aggrieved Employees for civil penalties under PAGA asserted in the Complaint or LWDA letter, or that could have reasonably been alleged based on the factual allegations contained in the Operative Complaint and PAGA Notice. The Released PAGA Claims shall be released through the PAGA Release Period.

Released Parties means (i) Defendants Beacon Property Management, Inc. and James Notley; (ii) its respective past and present direct and indirect subsidiaries and affiliates of any of the foregoing; (iii) the past and present shareholders, directors, officers, agents, employees, clients, attorneys, insurers, predecessors, successors and assigns of any of the foregoing; and (iv) any individual or entity which could be jointly liable with any of the foregoing.

The "Release Period" is the period from May 31, 2020 through [February 20, 2025 or the date of preliminary approval, whichever date occurs first]. The "PAGA Release Period" is the period from May 30, 2023 through [February 20, 2025 or the date of preliminary approval, whichever date occurs first].

Option 2 – *Opt-Out of the Settlement*

You will be treated as a participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator, in writing, not later than [date], that you wish to op-out.

If you do not wish to participate in the Settlement, you may exclude yourself from participating by submitting a written "Request for Exclusion from The Class Action Settlement" letter or card to the Settlement Administrator postmarked no later than __________________. Your written request should clearly state your intent to opt out or be excluded. For instance, you could write:

"I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE *JENKINS V. BEACON PROPERTY MANAGEMENT, INC., ET. AL.* LAWSUIT."

The written request for exclusion should also include sufficient information to identify you, including your name, address, telephone number, or last four digits of your Social Security Number. Sign, date, and mail your written request for exclusion by U.S. First-Class Mail or equivalent, to the address below.

Jenkins v. Beacon Property Management, Inc. Settlement Administrator
c/o ___________

____

____

Telephone: ___________

The written request to be excluded from the Settlement must be postmarked to the Settlement Administrator not later than _____________ [30 days from mailing]. If you submit a request for exclusion which is not postmarked by ____________, your request for exclusion will be rejected, and you will be included in the Settlement Class.

If you choose **Option 2**, you will <u>no longer</u> be a Class Member. Therefore, you (1) will **<u>not</u>** receive any payment from the Settlement, with the <u>exception</u> of your pro-rata portion of the Aggrieved Employees' portion of the civil penalties allocated to PAGA[4]; (2) will <u>not</u> be deemed to have released any claims due to this Settlement with the exception of the PAGA cause of action, and (3) will be <u>barred</u> from filing an objection to the Settlement.

Do not submit both a Dispute and a Request for Exclusion. If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement.

Option 3 – *File an Objection to the Settlement*

If you wish to object to the Settlement, you can mail a written objection to the Settlement Administrator. Your objection should provide: your full name, address and telephone number, the last four digits of your Social Security Number, the dates you were employed by Beacon Property Management, Inc. in California, and your objections to the Settlement, including each specific reason in support of each objection and any legal support for each objection together with any evidence in support of your objection. Your objection should be mailed to the Settlement Administrator on or before ______________. All objections or other correspondence should state the name and number of the case, which is *Percy Jenkins v. Beacon Property Management, Inc., et. al.,* San Bernardino County Case Number No. CIVSB2417563.

You may also appear at the Final Fairness and Approval Hearing set for ________________ at ______. in Department S30 of the Superior Court of California for the County of San Bernardino located at 655 W. 2nd Street, San Bernardino, CA 92415, and discuss your objections with the Court and the Parties at your own expense.

You may appear at the Hearing regardless of whether you submitted a written objection. You can appear remotely by using the Court's zoom link at https://saccourt-ca-gov.zoomgov.com/my/sscdept22 or by calling using the phone number: dial (833) 568-8864; ID 16184738886. You may also retain an attorney to represent you at the Hearing at your own expense.

[4] By law, Aggrieved Employees cannot opt out of the Settlement with respect to the PAGA claims and will release their claims for civil penalties under PAGA as set forth in the Settlement regardless of whether they cash their Individual PAGA Payment.

If you choose **Option 3**, you will still be entitled to the money from the Settlement. You will remain a member of the Settlement Class, and if the Court overrules your objections and approves the Settlement, you will receive your Individual Settlement Payment and will be bound by the terms of the Settlement in the same way as Class Members who do not object, including being deemed to have released the Released Claims. You cannot both object to the settlement and exclude yourself. You must choose one option only.

Additional Information

This Notice of Class Action Settlement is only a summary of this case and the Settlement. For a more detailed statement of the matters involved in this case and the Settlement, you may refer to the pleadings, the Joint Stipulation of Settlement, and other papers filed in this case, which may be inspected at the Office of the Clerk of the Superior Court of California for the County of San Bernardino, during regular business hours of each court day.

All questions by Class Members regarding this Notice of Class and PAGA Action Settlement and/or the Settlement should be directed to the Settlement Administrator or Class Counsel.

You can view the final approval order and final judgment and payment schedule at www.______________________________.

PLEASE DO NOT CONTACT THE COURT WITH QUESTIONS ABOUT THIS NOTICE.

<u>**Share Form**</u>

Percy Jenkins v. Beacon Property Management, Inc. et al.
Superior Court of the State of California, San Bernardino County
Case No. CIVSB2417563

For all persons who are or previously were employed by Beacon Property Management, Inc. ("Defendant") as a non-exempt employee in the State of California from May 30, 2020 through [February 20, 2025 or the date of preliminary approval, whichever date occurs first] ("Class Period").

<u>**Your Estimated Payment**</u>

Your total Individual Settlement Payment is currently estimated at $________. [Your total Individual PAGA Payment is currently estimated at $________.] Your estimated pro-rata share of the Net Settlement Amount, as defined in the accompanying Notice of Proposed Class and PAGA Action Settlement and Hearing Date for Court Approval ("Notice"), may increase depending on factors such as, but not limited to, the number of Class Members who effectively exclude themselves from the Settlement. The Net Settlement Amount to be distributed to all Class Members who do not opt-out of the Settlement is currently estimated to be $_______.

Your estimated award is based on your pro-rata percentage of the Net Settlement Amount. Your award is calculated based on your Workweeks as a non-exempt employee in California during the Class Period, as a percentage of all of Class Members' Workweeks in California during the Class Period, as adjusted per the allocation method set forth in the Joint Stipulation of Settlement and Release of Class Action and the accompanying Notice. "Workweeks" means the number of weeks actually worked by each Class Member as a non-exempt employee during the Class Period. Workweeks are determined by identifying each week an employee actually worked based on Defendant's timekeeping and/or payroll data. A Class Member who worked only one day during the Class Period will be credited with having worked one Workweek for purposes of the Settlement. Defendant's records show that during the Class Period, you worked a total of _______________ Workweeks. [Defendant's records show that during the PAGA Period you worked a total of __________ Pay Periods.]

YOU DO <u>NOT</u> NEED TO DO ANYTHING IN ORDER TO RECEIVE MONEY UNDER THE SETTLEMENT.

If you believe the total number of your Workweeks during the Class Period or Pay Periods during the PAGA Period (listed above) are accurate, you do <u>not</u> need to take any further action in order to receive your payment(s).

TO CHALLENGE THE NUMBER OF YOUR WORKWEEKS DURING THE CLASS PERIOD OR PAY PERIODS DURING THE PAGA PERIOD, <u>THE SHARE FORM AND THE CHALLENGE PORTION OF THE FORM BELOW MUST BE SIGNED AND POSTMARKED NO LATER THAN [DATE]</u>.

CHALLENGE FORM

Important:

1. You do NOT have to complete this part of the Share Form if the total number of your Workweeks during the Class Period as stated above is accurate.
2. If you do submit this form, it is strongly recommended that you keep proof of timely mailing of this form until receipt of your settlement payment.
3. If you change your mailing address, please provide your new mailing address to the Settlement Administrator. It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your settlement payment.

Check the box below ONLY if you wish to challenge the total number of your Workweeks or Pay Periods as stated above. All fields on this Challenge Form must be complete for your challenge to be accepted:

☐ I wish to challenge the total number of my Workweeks or Pay Periods. I have included a written statement detailing what I believe to be the correct number of weeks or pay periods I was employed as an hourly, non-exempt employee in California during the Class Period or PAGA Period. I have also included information and/or documentary evidence that support my challenge. I understand that by submitting this challenge I authorize the Settlement Administrator to review Defendant's records and determine the validity of my challenge.

____
Signature

Name of Class Member ________________________________ **[preprinted]**

Class Member ID Number (from address label): ______________ **[preprinted]**

I believe that the correct number of Workweeks I was employed by Defendant as an hourly, non-exempt employee in California during the Class Period is:__________

I believe that the correct number of Pay Periods I was employed by Defendant as an hourly, non-exempt employee in California during the PAGA Period is:__________

The following is a statement of my reasons and documentation to support this number of Workweeks or Pay Periods:

____

____

____

____

[Attach documentation and use separate page(s) as necessary]

Mail to: insert address

Elliot J. Siegel (Bar No. 286798)
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Phone: (855) 463-4733

Attorneys for Plaintiff and the Putative Class

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

Percy Jenkins, individually and on behalf of all similarly situated individuals,

Plaintiff,

v.

Beacon Property Management, Inc., a California Corporation; **James Notley**, an individual; and **Does 1-10**, inclusive;

Defendant.

CASE NO. CIVSB2417563

[Assigned to The Hon. Charlie L. Hill, Jr., Dept. S30]

CLASS ACTION

[PROPOSED] ORDER PRELIMINARILY APPROVING CLASS ACTION SETTLEMENT PURSUANT TO THE TERMS OF JOINT STIPULATION RE: CLASS ACTION SETTLEMENT

Date: ________ [Reserved]
Time: ________
Dept.: ________

Plaintiff's Unopposed Motion for Preliminary Approval of the proposed settlement of this action on the terms set forth in the Joint Stipulation of Settlement and Release of Class and PAGA Action (the "Settlement" or "Stipulation") came on for hearing on _________, 2024.

Having considered the Settlement, all papers and proceedings held herein, and having reviewed the entire record in this action, Case No. CIVSB2417563, entitled *Percy Jenkins v. Beacon Property Management, Inc. et al.* (the "Action"), and good cause appearing, the Court finds that:

WHEREAS, Plaintiff Percy Jenkins ("Plaintiff" or "Class Representative"), has alleged claims against Defendant Beacon Property Management, Inc. and James Notley ("Defendant") as an individual and on behalf of all others similarly situated, comprising: "*all persons who worked at least one 3.5-hour shift as a non-exempt employee in the State of California from the period four years prior to the filing of the Action to [February 20, 2025 or the date of preliminary approval, whichever date occurs first]*." ("Class Members"); and

WHEREAS, Plaintiff asserts class and PAGA claims in the Action against Defendant for: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods or premium pay in lieu thereof; (4) failure to provide rest periods or premium pay in lieu thereof; (5) failure to reimburse necessary business expenses; (6) failure to provide and maintain accurate records; (7) failure to timely pay wages during employment and at separation; (8) civil penalties under the Labor Code Private Attorneys General Act of 2004, Cal. Lab. Code §§ 2698, *et seq.* ("PAGA"); and (9) violation of California's unfair competition law.

WHEREAS, Defendants expressly deny the allegations of wrongdoing and violations of law alleged in this Action, and further deny any liability whatsoever to Plaintiff or to the Class Members; and

WHEREAS, without admitting any liability, claim, or defense, Plaintiff and Defendant (collectively, the "Parties") determined that it was mutually advantageous to settle this Action and to avoid the costs, delay, uncertainty, and business disruption of ongoing litigation; and

WHEREAS, the Parties agreed to resolve the Action and entered into the Joint Stipulation re: Class and PAGA Action Settlement on _____, 2025, which provides for the final resolution of all class and PAGA claims asserted by Plaintiff against Defendant in the Action, on the terms and conditions set forth in the Stipulation, subject to the approval of this Court;

NOW, therefore, the Court grants preliminary approval of the Settlement, and

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. To the extent defined in the Stipulation, incorporated herein by reference, the terms in this Order shall have the meanings set forth therein.

2. The Court has jurisdiction over the subject matter of this Action, Defendant, and the Class.

3. The Class is defined as follows: "*all persons who worked at least one 3.5-hour shift as a non-exempt employee in the State of California from May 31, 2020 to [February 20, 2025 or the date of preliminary approval, whichever date occurs first]*."

4. The Court has determined that the Class Notice fully and accurately informs all persons in the Class of all material elements of the proposed Settlement, constitutes the best notice practicable under the circumstances, and constitutes valid, due, and sufficient notice to all Class Members. The Class Notice is attached as **Exhibit A** and incorporated by reference.

5. The Court hereby grants preliminary approval of the Settlement and Stipulation as fair, reasonable, and adequate in all respects to the Class Members, and orders the parties to consummate the Settlement in accordance with the terms of the Stipulation, including the terms and procedures for Class Members to object or request exclusion to the Settlement.

6. The plan of distribution as set forth in the Stipulation providing for the distribution of the Net Settlement Amount to Settlement Class Members is preliminarily approved as being fair, reasonable, and adequate.

7. The Court preliminarily appoints as Class Counsel the following attorneys: Elliot J. Siegel and Julian Burns King of King & Siegel LLP, 724 S. Spring Street, Suite 201, Los Angeles, California 90014 and Bardia A. Akhavan of Akhavan & Associates, 15760 Ventura Boulevard, Suite 1720, Encino, California 91436.

8. The Court preliminarily approves the payment of attorneys' fees in the amount of $154,428.75 (or one-third of the Maximum Settlement Amount) to Class Counsel, which shall be

paid from the Maximum Settlement Amount.

9. The Court preliminarily approves the payment of incurred reasonable costs in an amount not to exceed $25,000.00 to Class Counsel, which shall be paid from the Maximum Settlement Amount as defined in the parties' Stipulation.

10. The Court preliminarily approves of the $75,000.00 allocation assigned for claims under the Labor Code Private Attorneys General Act of 2004, and orders 75% thereof (*i.e.*, $56,250) to be paid to the California Labor and Workforce Development Agency and orders 25% thereof (i.e., $18,750) to be paid to alleged Aggrieved Employees in accordance with the terms of the Settlement Agreement.

11. The Court preliminarily approves the payment of incurred reasonable claims administration costs to the Settlement Administrator, in an amount not to exceed $25,000, which shall be paid from the Maximum Settlement Amount.

12. The Court preliminarily approves an enhancement award to the Class Representative, Percy Jenkins, in the amount of $10,000.00 which amount shall be paid from the Maximum Settlement Amount.

13. The Court preliminarily approves the California Bar's Justice Gap Fund as the *cy pres* beneficiary for all uncashed funds.

14. This Preliminary Approval Order and the Stipulation, and all papers related thereto, are not, and shall not be construed to be, an admission by Defendant of any liability, claim, or wrongdoing whatsoever, and shall not be offered as evidence of any such liability, claim, or wrongdoing in this Action or in any other proceeding.

15. In the event that the Settlement does not become effective in accordance with the terms of the Stipulation, then this Preliminary Approval Order shall be rendered null and void to the extent provided by and in accordance with the Stipulation and shall be vacated. In such event, all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Stipulation, and each party shall retain his or its rights to proceed with litigation of the Action.

16. The Court orders the following Implementation Schedule[1] for further proceedings:

a.	Deadline for Defendant to submit Class Member data to the Settlement Administrator	___________ *[5 calendar days from the date of the Court's Order Granting Preliminary Approval].*
b.	Deadline for the Settlement Administrator to mail Notice of the Settlement to the Class Members	___________ *[10 calendar days following the Settlement Administrator's receipt of Class data]*
c.	Deadline for Class Members to postmark Requests for Exclusion from the Settlement	___________ *[30 calendar days after the Settlement Administrator mails the Notice]*
d.	Deadline for Class Members to submit objections to the Settlement	___________ *[30 calendar days after the Settlement Administrator mails the Notice, unless the Settlement Administrator is required to re-mail the notice, in which case the deadline shall be extended by 15 calendar days]*
e.	Settlement Administrator to provide update to Class Counsel regarding Requests for Exclusion, disputed amounts, and claims made for inclusion of the Settlement	________ *[45 days prior to the Final Approval Hearing]*
f.	Deadline for Class Counsel to file the Motion for Final Approval of Settlement, including Request for Attorneys' Fees, Costs, and Enhancement Award	________ *[16 Court days prior to the Final Settlement Approval Hearing]*
g.	**Final Settlement Approval Hearing**	**____________________, 202_ at _______ a.m./p.m.**
h.	Settlement Administrator to Provide an Accounting of Funds	________*[7 calendar days following the Effective Date of the Settlement]*
i.	Deadline for Defendant to deposit the entire Maximum Settlement Amount under the Settlement, plus all employer-side payroll taxes to the Settlement Administrator	________ [*Within 60 calendar days of the "Effective Date" or January 26, 2026, whichever is later*]
j.	Deadline for Settlement Administrator to distribute payments to: (a) the Settlement Administrator; (b) the Labor and Workforce Development Agency;	________ [*7 calendar days following receipt by the Settlement Administrator of the Maximum Settlement Amount*]

[1] If any date provided for by the Stipulation falls on a weekend or court holiday, the time to act shall be extended to the next business day, and will be as stated in this Implementation Schedule.

	(c) Class Representative; and (d) Class Counsel, in the amount approved by the Court in the Final Approval. The Settlement Administrator shall also send to Participating Class Members their Individual Settlement Payments	
k.	Compliance Hearing	________ [*240 calendar days following Effective Date of the Settlement*]

IT IS SO ORDERED, ADJUDGED, AND DECREED.

DATED: ______________

____
Hon. Charlie L. Hill, Jr.
San Bernardino County Superior Court Judge

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

Percy Jenkins, individually and on behalf of all similarly situated individuals, Plaintiff, v. **Beacon Property Management, Inc.**, a California Corporation; **James Notley**, an individual; and **Does 1-10**, inclusive; Defendant.	CASE NO. CIVSB2417563 [Assigned to The Hon. Charlie L. Hill, Jr., Dept. S30] **CLASS ACTION** **[PROPOSED] ORDER FINALLY APPROVING CLASS AND PAGA ACTION SETTLEMENT PURSUANT TO THE TERMS OF JOINT STIPULATION RE: CLASS AND PAGA ACTION SETTLEMENT** Date: _________ [Reserved] Time: _________ Dept.: _________

[PROPOSED] ORDER

Plaintiffs' Unopposed Motion for Final Approval of the Settlement of this action on the terms set forth in the Joint Stipulation of Settlement (the "Settlement" or "Stipulation") came on for hearing on _______, 2025.

In conformity with California Rules of Court, rule 3.769, with due and adequate notice having been given to Class Members (as defined in the Settlement Agreement), and having considered the supplemental declaration of the Settlement Administrator, Settlement Agreement, all of the legal authorities and documents submitted in support thereof, all papers filed and proceedings had herein, all oral and written comments received regarding the Settlement Agreement, and having reviewed the record in this litigation, and good cause appearing, the Court **GRANTS** final approval of the Settlement Agreement and orders and makes the following findings and determinations and enters final judgment as follows:

1. All terms used in this order shall have the same meanings given as those terms are used and/or defined in the parties' Settlement Agreement and Plaintiffs' Motion for Order Granting Final Approval of Class and PAGA Action Settlement. A copy of the Joint Stipulation of Settlement is attached to the Declaration of Elliot J. Siegel in Support of Plaintiff's Motion for Preliminary Approval of Class Action Settlement as **Exhibit 1** and is made a part of this Order.[1]

2. The Court has personal jurisdiction over the Parties to this litigation and subject matter jurisdiction to approve the Settlement Agreement and all exhibits thereto.

3. The previously certified Class, as further defined in the Settlement is as follows:

> *"All persons who worked at least one 3.5-hour shift as a non-exempt employee in the State of California from [May 31, 2020 through 90 days after November 20, 2024 or the date of preliminary approval, whichever date occurs first]."*

4. The Court deems this definition sufficient for the purpose of Rule 3.765(a) of the California Rules of Court for the purpose of effectuating the Settlement.

5. The Court finds that an ascertainable class of ________ Participating Class Members exists and a well-defined community of interest exists on the questions of law and fact involved

[1] The Court previously granted preliminary approval of the Settlement on ______________.

because in the context of the Settlement: (i) all related matters, predominate over any individual questions; (ii) the claims of the Plaintiff are typical of claims of the Class Members; and (iii) in negotiating, entering into and implementing the Settlement, Plaintiff and Class Counsel have fairly and adequately represented and protected the interest of the Class Members.

6. The Court finds that the Settlement Agreement has been reached as a result of informed and non-collusive arm's-length negotiations. The Court further finds that the Parties have conducted extensive litigation, investigation, and research, and their attorneys were able to reasonably evaluate their respective positions over the course of this litigation.

7. The Court finds that the Settlement constitutes a fair, adequate, and reasonable compromise of the Class's claims and will avoid additional and potentially substantial litigation costs, as well as the delay and risks of the Parties if they were to continue to litigate the case. After considering the monetary recovery provided as part of the Settlement, in light of Defendant's denial of wrongdoing and liability, Defendant's defenses to the claims asserted, and the challenges posed by continued litigation, trial, and appeals, the Court concludes that Class Counsel secured significant relief for Class Members.

8. The Court hereby approves the terms set forth in the Settlement Agreement and finds that the Settlement is, in all respects, fair, adequate, and reasonable, consistent with all applicable requirements of the California Code of Civil Procedure, the California and United States Constitutions, including the Due Process clauses, the California Rules of Court, and any other applicable law, and in the best interests of each of the Parties and Class Members.

9. The Court appoints Elliot J. Siegel and Julian Burns King of King & Siegel LLP and Bardia A. Akhavan of Akhavan & Associates as Class Counsel, and finds each of them to be adequate, experienced, and well-versed in class action litigation.

10. The Court appoints Plaintiff as Class Representative and finds him to be adequate.

11. The Court is satisfied that ________, which functioned as the Settlement Administrator, completed the distribution of Class Notice to the Class in a manner that comports with California Rules of Court, Rule 3.766. The Class Notice informed the prospective Class Members of the Settlement terms, their right to do nothing and receive their settlement share, their

right to submit a request for exclusion, their rights to comment on or object to the Settlement, and their right to appear at the Final Approval and Fairness Hearing, and be heard regarding approval of the Settlement and adequate periods of time to respond and to act were provided by each of these procedures.

12. As part of administration, the Court notes that [___] Class Members filed written objections to the Settlement as part of this notice process, and [___] Class Members filed a written statement of intention to appear at the Final Approval and Fairness Hearing, and [___] Class Member submitted a request for exclusion. The Class Member(s) who requested exclusion, specifically __________, will not be bound by the Settlement and will not receive any portion of the Net Settlement Amount, but will be bound by the PAGA Release to the extent they are Aggrieved Employees under the Settlement.

13. The terms of the Settlement Agreement, including the Maximum Settlement Amount of $463,750.00 and the allocation for determining Individual Settlement Payments, are fair, adequate, and reasonable to the Class and to each Class Member, and the Courts grants final approval of the Settlement set forth in the Settlement Agreement, subject to this Order.

14. The Court further approves the following distributions from the Maximum Settlement Amount, which fall within the ranges stipulated by and through the Settlement Agreement:

a. The $154,583 amount, representing one-third of the Maximum Settlement Amount, requested by Plaintiff and Class Counsel for the Class Counsel's attorneys' fees is fair and reasonable in light of the benefit obtained for the Class. Class Counsel's fee request is also supported by its lodestar cross-check, and the Court finds that Class Counsel's time spent on the matter and hourly rates charged by the attorneys who worked on the matter are fair and reasonable in light of their background, experience, and quality of representation. The Court grants final approval of, awards, and orders the Class Counsel fees payment to be made in accordance with the Settlement Agreement.

b. The Court awards Class Counsel $________ in litigation costs, which is an amount which the Court finds to be reflective of the actual and reasonable costs incurred.

The Court grants final approval of Class Counsel's litigation expenses payment and orders payment of this amount to be made in accordance with the Settlement Agreement.

c. The $10,000 class representative incentive payment requested to the Named Plaintiff is fair and reasonable. The Court grants final approval of the payment and orders the payment to be made in accordance with the Settlement Agreement.

d. The amount of $______ designated for payment to the Settlement Administrator is fair and reasonable. The Court grants final approval of it and orders the Parties to make the payment to the Settlement Administrator in accordance with the Settlement Agreement.

e. The Court approves of the $75,000.00 allocation assigned for claims under the Labor Code Private Attorneys General Act of 2004, and orders 75% thereof (*i.e.*, $56,250) to be paid to the California Labor and Workforce Development Agency and orders 25% thereof (i.e., $18,750) to be paid to alleged Aggrieved Employees in accordance with the terms of the Settlement Agreement.

15. The Court orders the Parties to otherwise comply with, effectuate, and carry out all terms and provisions of the Settlement Agreement, to the extent that the terms thereunder do not contradict with this order, in which case the provisions of this order shall take precedence and supersede the Settlement Agreement.

16. All Participating Class Members shall be bound by the Settlement and this order, including the release of claims as set forth in the Settlement Agreement.

17. The Parties shall bear their own respective attorneys' fees and costs except as otherwise provided in this order and the Settlement Agreement.

18. All checks mailed to the Class Members must be cashed within one hundred and eighty (180) days after mailing.

19. Plaintiff shall file with the Court a report regarding the status of distribution no later than fifty (50) days after all funds have been distributed.

20. All checks mailed to the Class Members must be cashed within 180 days of issuance and will be negotiable through that date (the "Void Date"). Any envelope transmitting a settlement

distribution to a class member shall bear the notation, "YOUR CLASS ACTION SETTLEMENT CHECK IS ENCLOSED."

21. The Court approves the California Bar's Justice Gap Fund as the *cy pres* beneficiary and finds that it complies with all requirements under C.C.P. § 384. Per Section 384(b), the Court will amend this Judgment after Counsel provides the Court with the report regarding distribution of funds to direct that any uncashed funds be paid to the California Bar's Justice Gap Fund.

22. No later than 10 days from this order, the Settlement Administrator shall give notice of judgment to Class Members pursuant to California Rules of Court, rule 3.771(b) by posting a copy of this Order and Final Judgment on its website assigned to this matter.

23. The Court retains continuing jurisdiction over the Action and the Settlement, including jurisdiction pursuant to rule 3.769(h) of the California Rules of Court and Code of Civil Procedure section 664.6, solely for purposes of (a) enforcing the Settlement Agreement, (b) addressing settlement administration matters, and (c) addressing such post-judgment matters as may be appropriate under court rules or applicable law.

24. This Final Judgment is intended to be a final disposition of the above-captioned action in its entirety and is intended to be immediately appealable. This final judgment resolves all claims released by the Settlement Agreement against Defendants.

25. The Court hereby sets a hearing date of __________, 202_ at ______ for a hearing on the final accounting and distribution of the settlement funds. Counsel shall file with the Court a report regarding the status of distribution at least five days before the hearing and not more than 21 days after the Void Date.[2] Class Counsel shall also file with the report a proposed amended judgment that complies with C.C.P. § 384.5.

[2] The report shall be in the form of a declaration from the Settlement Administrator and shall describe (i) the date the checks were mailed, (ii) the total number of checks mailed to class members, (iii) the average amount of those checks, (iv) the number of checks that remain uncashed, (v) the total value of those uncashed checks, (vi) the average amount of the uncashed checks, and (vii) the nature and date of the disposition of those unclaimed funds.

IT IS SO ORDERED, ADJUDGED, AND DECREED.

DATED: ______________ ____________________________________

Hon. Charlie L. Hill, Jr.
San Bernardino County Superior Court Judge