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| 6  | Attorneys for Plaintiff   |                                   |  |
| 7  | LILIA RODRIGUEZ, individually and on                            |                                   |  |
| 8  | behalf of others similarly situated                             |                                   |  |
| 9  | Ronald Z. Gomez, Esq. (SBN 229708)                              |                                   |  |
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| 14 | Attorneys for Defendants  |                                   |  |
| 15 | PERSONAL STAFFING GROUP, LLC                                    |                                   |  |
|    | and STAFFING SOLUTIONS, INC.                                    |                                   |  |
| 16 | SUPERIOR COURT OF THE STATE OF CALIFORNIA                       |                                   |  |
| 17 | FOR THE COUNTY OF ALAMEDA                                       |                                   |  |
| 18 |   | 1                                 |  |
| 19 | LILIA RODRIGUEZ, individually and on behalf of others similarly | Case No.: RG17846171              |  |
| 20 | situated,   | JOINT STIPULATION RE CLASS        |  |
| 21 | ,   | ACTION SETTLEMENT AND RELEASE     |  |
| 22 | Plaintiff,<br>vs.   |                                   |  |
| 23 | vs.   | Dept.: 17                         |  |
| 24 | PERSONNEL STAFFING GROUP,                                       | Judge: Hon. Frank Roesch          |  |
| 25 | LLC; STAFFING SOLUTIONS,<br>INC. d/b/a BALANCE STAFFING;        | Complaint filed: January 17, 2017 |  |
|    | and DOES 1 through 100, inclusive,                              | Complaint mod. January 17, 2017   |  |
| 26 |   |                                   |  |
| 27 | Defendants.   |                                   |  |
| 28 |   |                                   |  |

This Joint Stipulation of Class Action Settlement and Release ("Settlement" or "Settlement Agreement") is made and entered into by and between plaintiff LILIA RODRIGUEZ ("Plaintiff" or "Class Representative"), individually and on behalf of all others similarly situated, and Defendants PERSONAL STAFFING GROUP, LLC and STAFFING SOLUTIONS, INC. D/B/A BALANCE STAFFING ("Defendants") (collectively the "Parties").

**BACKGROUND** 

This action is entitled *Lilia Rodriguez. v. Personnel Staffing Group LLC et al.*, Case No. RG17846171, pending in the Superior Court of California for the County of Alameda. Defendants Staffing Solutions, Inc., which does business as Balance Staffing, (hereinafter "SSI" or "Balance Staffing") is a temporary staffing company that contracts with different venues and businesses to provide them with temporary staffing workers. For purposes of this action, at all relevant times herein, Defendants Staffing Solutions, Inc. had a contract with AEG Management Oakland, LLC to supply temporary staffing workers to perform janitorial services at the Oakland Coliseum and Oracle Arena. As janitorial workers, Plaintiff and Class Members were assigned to perform janitorial and clean-up work at the Oakland Coliseum and Oracle Arena during events, before events and after events. The service contract between Balance Staffing and AEG was entered into on or about July 1, 2012 and was subsequently terminated by AEG in or about March of 2018. Balance Staffing has not placed any temporary staffing workers at the two venues since March of 2018 - after AEG terminated their contract.

Defendants Personnel Staffing Group, LLC ("PSG") has been named in the lawsuit as a joint employer based on the allegations that PSG retained control over the wages, hours or working conditions of Class Members (including Plaintiff), that PSG suffered or permitted Class Members (including Plaintiff) to work, and/or that there was a commonlaw employment relationship between PSG and Class Members (including Plaintiff).

Defendants deny these allegations.

On January 17, 2017, Plaintiff Lillia Rodriguez filed this class action against Personnel Staffing Group, LLC and Staffing Solutions, Inc. d/b/a Balance Staffing for (1) failure to pay overtime wages, (2) failure to provide meal periods, (3) failure to provide rest periods, (4) failure to furnish accurate wage statements, (5) failure to pay earned wages upon termination or discharge, and (6) unfair competition.

On April 19, 2017, Plaintiff entered into a Confidential Settlement Agreement and General Release with Anschutz Entertainment Group, Inc., Management, Oakland, LLC ("AEG") to settle and resole Plaintiff's Charge with the Department of Fair Employment and Housing, No. 871607-282473 and the Equal Employment Opportunity Commission ("EEOC"), No. 37A-2017-01866-C against AEG and Tammy Ward, alleging claims of harassment, discrimination and retaliation on account of her race, language and for engaging in protected activity. In the Settlement Agreement, the Parties sought to fully and finally resolve "any and all other claims or disputes, whether known or unknown, that have been made or could have been made by or on behalf of Rodriguez against AEG."

On December 19, 2018, Plaintiff amended her complaint to name AEG as a Doe Defendants.

On August 16, 2019, AEG filed a Motion for Sanctions asking for an order dismissing Plaintiff's claims against AEG based on the Settlement Agreement.

On September 19, 2019, the Court granted the request of AEG for dismissal of the claims against AEG. The Court also dismissed the class claims against AEG without prejudice. The Court noted that "While the Doe amendment relates back to the filing of the complaint for purposes of assessing statutes of limitations, AEG was only added to the case in December 2018. Plaintiff did not lose her standing to litigate class claims against AEG - when she attempted to assert the claims she already entirely lacked standing to do so."

On November 1, 2019, Defendants Staffing Solutions, Inc. ("SSI" or Balance Staffing") and Personnel Staffing Group, LLC ("PSG") filed a Motion to Deny Class

Certification or, in the Alternative, to Strike Class Claims, based on the AEG Settlement Agreement.

On January 7, 2020, the Court issued an order denying the Motion.

On October 21, 2021, Plaintiff filed her Motion for Class Certification.

On November 4, 2021, Defendants filed their Opposition to Plaintiff's Motion for Class Certification.

On February 17, 2022, a hearing on the Motion for Class Certification was held.

After several continuances, the Motion for Class Certification was heard on February 17, 2022. After the hearing, the Court granted the Motion for Class Certification and certified a class consisting of "all temporary staffing employees hired or employed by Defendants to work at AEG-managed facilities, the Oakland Coliseum and the Oracle Arena, in California from January 17, 2014 through the present." For the Fourth and Fifth Causes of Action (which deals with failure to furnish accurate wage statements and failure to pay earned wages upon termination or discharge) only, the Court certifies subclasses consisting of "all temporary staffing employees hired or employed by Defendants to work at AEG-managed facilities, the Oakland Coliseum and the Oracle Arena, in California who received itemized earnings statements from Defendants during the period of February 23, 2016 through the present" and "all temporary staffing employees hired or employed by Defendants to work at AEG-managed facilities, the Oakland Coliseum and the Oracle Arena, in California and whose employment with Defendants ended during the period of February 23, 2016 through the present," respectively.

On September 26, 2022, Defendants PSG and SSI filed their Motions for Summary Judgment or, in the Alternative, for Summary Adjudication.

On November 7, 2022, Plaintiff filed a Motion for Leave to File Fourth Amended Complaint and to Add Class Representatives in light of the Motions for Summary Judgment.

On November 16, 2022, Plaintiff filed her Opposition to the Motions for Summary Judgment.

On November 21, 2022, Defendants filed their Opposition to Plaintiff's Motion for Leave to File Fourth Amended Complaint and to Add Class Representatives.

All three motions were heard on December 6, 2022. The Court took the Motions under submission.

On December 15, 2022, the Parties attended a mandatory settlement conference ("MSC") with Judge Herbert. At the MSC, the parties reached a class action settlement, the terms and conditions of which were memorialized in a Conditional Stipulation for Settlement, a true and correct copy of which is attached hereto as **Exhibit C** and which is incorporated by reference as though fully set forth herein. The terms of that settlement are now being memorialized with greater specificity in this Stipulation for Class Action Settlement.

#### **DEFINITIONS**

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

- 1. "Action" means *Lilia Rodriguez*. v. Personnel Staffing Group LLC et al., Case No. RG17846171, pending in the Superior Court of California for the County of Alameda.
  - 2. "Class Counsel" means Michael H. Kim, P.C. and its attorneys.
- 3. "Class," "Class Member(s)" or "Settlement Class" means all temporary staffing employees hired or employed by Defendants to work at AEG-managed facilities, the Oakland Coliseum and the Oracle Arena, in California from January 17, 2014 through the date of preliminary approval.
- 4. "Class Period" means the period of January 17, 2014 through the date of preliminary approval.
  - 5. "Court" means the Superior Court of California for the County of Alameda.

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- "Defendants" means Personnel Staffing Group, LLC and Staffing Solutions, 6. Inc. d/b/a Balance Staffing.
  - "PSG" means Personnel Staffing Group, LLC. 7.
- "SSI" and "Balance Staffing" mean Staffing Solutions, Inc. d/b/a Balance 8. Staffing.
- "Released Parties" means Defendants and all of their present and former parents and joint ventures, and all of their shareholders, members, managers, officers, officials, directors, employees, agents, servants, registered representatives, attorneys, insurers, successors, and assigns, and any other persons acting by, through, under, or in concert with any of them.
- "Effective Date" means the latest of the following dates: (i) the date upon 10. which the Court grants final approval of the Settlement if no Settlement Class members file objections to the Settlement; or (ii) if a Class Member files an objection to the Settlement, sixty (60) days after the date upon which the Court grants final approval of the Settlement if no appeal is initiated by an objector; or (iii) if a timely appeal is initiated by an objector, the Effective Date shall be the date of final resolution of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement.
- "Employer's Share of Payroll Taxes" means Defendants' portion of payroll taxes, including, but not limited FICA and FUTA, on the portion of the Individual Settlement Payments that constitutes wages. Defendants' share of payroll taxes shall not be included in the Gross Settlement Amount and shall be paid separately by Defendants. The Settlement Administrator shall handle the calculation of the taxes owed, payment of such amounts to the appropriate agencies and reporting.
- "Gross Settlement Amount" is the amount of Two Hundred and Fifty 12. Thousand Dollars (\$250,000.00), which is the amount to be paid by Defendants pursuant to this Settlement Agreement. The Gross Settlement Amount is non-reversionary and includes: (a) all Individual Settlement Payments to Participating Class Members; (b) the

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27 28 Class Representative Enhancement Payment to Plaintiff; (c) Attorney's Fees and Costs to Class Counsel, and (d) Settlement Administration Costs to the Settlement Administrator. The Gross Settlement Amount does not include the Employer's Share of Payroll Taxes.

- "Individual Settlement Payment" means each Participating Class Member's 13. share of the Net Settlement Amount. IRS forms 1099 and W-2 will be distributed at times and in the manner required by the Internal Revenue Code of 1986, as amended (the "Code") and consistent with this Agreement with respect to payments made to the Participating Class Members.
- "Net Settlement Amount" means the Gross Settlement Amount less 14. deductions for the Class Representative Enhancement Payment, Attorneys' Fees and Costs, and Settlement Administration Costs. The Net Settlement Amount does not include the Employer's Share of Payroll Taxes.
- 15. "Notice of Class Action Settlement" means the Notice of Class Action Settlement and Request for Exclusion Form, together attached as Exhibit A and Exhibit **B** respectively, to be mailed to all members of the Settlement Class upon Preliminary Approval.
- "Participating Class Members" means all Class Members who do not submit 16. valid Requests for Exclusion.
- "Preliminary Approval" means the Court order granting preliminary 17. approval of the Settlement Agreement.
- 18. "Released Claims" means all claims released by Plaintiff and Class Members, as defined below.
- 19. "Released Claims Period" means the period from January 17, 2014 through the date of preliminary approval.
- "Response Deadline" means the deadline by which Class Members must 20. postmark to the Settlement Administrator Requests for Exclusion or Objections to the Settlement. The Response Deadline will be sixty (60) calendar days from the initial mailing of the Notice of Class Action Settlement by the Settlement Administrator, unless

the 60th 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.

- 21. "Settlement Administrator" and "Administrator" mean CPT Group, Inc., or any other third-party class action settlement administrator approved by the Parties and the Court for the purposes of administering this Settlement. The Parties represent that they do not have a financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.
- 22. "Workweeks" means the number of calendar weeks during which the Class Members performed work for Defendants during the Released Claims Period as calculated by the Settlement Administrator based on pay records previously produced by Defendants and rounding up to the nearest whole number.

#### TERMS OF THE AGREEMENT

Plaintiff, on behalf of herself and the Settlement Class, and Defendants agree as follows:

- 23. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and 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 Settlement.
- 24. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Settlement, Defendants do not admit, and specifically deny, that they 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

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conduct with respect to the Class Members. Neither this Settlement, nor any of its terms or provisions, nor any of the negotiations connected with it, will 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 Settlement, this Settlement and its terms and provisions will 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. If, for any reason, the Settlement is not fully and finally approved and/or the Effective Date does not occur, the stipulation will be void *ab initio*, and Defendants will not be deemed to have waived or limited any objections or defenses to any matter.

25. Release by Class Members: Providing there is final approval of this Settlement, then as of the Effective Date, each Settlement Class Member, individually and on behalf of their respective successors, assigns, agents, attorneys, executors, heirs and personal representatives, shall fully and finally release and discharge, and shall be deemed to have fully and finally released and discharged, the Released Parties, and each of them from the Released Class Claims. The Released Class Claims with respect to the Settlement Class Members include all claims, rights, demands, liabilities, statutory causes of action, and theories of liability of every nature and description, whether known or unknown, that were alleged in the Action, or could have been alleged based on any facts, transactions, events, policies, occurrences, acts, disclosures, statements, omissions or failure to act pled in the Action against any of the Released Parties, including, but not limited to, failure to pay wages including, but not limited to, overtime wages and minimum wages, failure to pay wages semi-monthly at designated times, failure to pay wages upon termination and failure to provide accurate itemized wage statements, penalties, damages, interest, costs or attorneys' fees, and violations of any other state or federal law, whether for economic damages, non-economic damages, liquidated damages, restitution, tort, contract, equitable relief, injunctive or declaratory relief, to the extent

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necessary to effect a full and complete release of the Released Class Claims, including, but not limited to, all claims under any common laws, contract, Cal. Code of Regulations, Title 8, Sections 11000, et seq., Wage Order 9 or any other applicable Wage Order, California Labor Code Sections 200-204, 208, 210, 218.5, 218.6, 223, 224, 225.5, 226, 510, 558, and 1194-1197.1 and any related provisions, the California Code of Civ. Proc. Section 1021.5, and/or the California Business & Professions Code Sections 17200, et seq. This release shall extend to all such claims accrued during the Class Period. Notwithstanding the foregoing, Released Class Claims do not include any individual claim under Section 216(b) of the FLSA, 29 U.S.C. § 216(b), as to a Settlement Class Member who does not opt-in to the Settlement by cashing, depositing, or endorsing his or her Individual Settlement Payment check, to the extent that opting-in is required to release such FLSA claims. This waiver and release will be final and binding on the Effective Date and will have every preclusive effect permitted by law. Class Members will not file and will not request any other party or entity to file on their behalf, any claim, complaint, charge or request for damages or any other relief released above, including with any local, state, or federal governmental or quasi-governmental agency or any state, administrative, or federal court, or any licensing or accreditation organization, against the Released Parties.

26. Release by Plaintiff. Upon final approval of the Settlement, Plaintiff for herself, her successors, assigns, agents, executors, heirs and personal representatives, and spouses, and any and all of them, voluntarily waives and releases any and all claims, obligations, demands, actions, rights, causes of action, and liabilities against any of the Released Parties of whatever kind and nature, character, and description, whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, constitution, common law, or other source of law or contract, whether known or unknown, and whether anticipated or unanticipated, including all claims arising from or relating to any and all acts, events and omissions occurring prior to the date of final approval of this Agreement including, but not limited to, all claims which

relate in any way to her employment with or the termination of her employment with the Released Parties and/or her provision of services to the Released Parties at any of Defendants' locations during the Class Period. Plaintiff further releases all unknown claims against any of the Released Parties, covered by California Civil Code Section 1542, which states: "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." Notwithstanding the provisions of section 1542, and for the purpose of implementing a full and complete release and discharge of all of his Released Claims, Plaintiff expressly acknowledges that this Settlement is intended to include in its effect, without limitation, all Released Claims which Plaintiff does not know or suspect to exist in her favor at the time of execution hereof, and that the Settlement contemplates the extinguishment of all such Released Claims.

27. Individual Settlement Payment Calculations. Individual Settlement
Payments will be calculated and apportioned from the Net Settlement Amount based on
the number of Workweeks a Participating Class Member worked for Defendants during
the Released Claims Period. The Settlement Administrator will calculate the total
number of Workweeks worked by each Class Member for Defendants during the
Released Claims Period and the aggregate total number of Workweeks worked by all
Settling Class Members for Defendants during the Released Claims Period. For purposes
of making these calculations, the Settlement Administrator will use the payroll records
produced by Defendants which Defendants will provide to the Settlement Administrator
within twenty-one (21) days of Preliminary Approval. Using these payroll records, the
Settlement Administrator will deem any week for which a Class Member received pay a
Workweek. To determine each Class Member's estimated "Individual Settlement
Payment," the Settlement Administrator will use the following formula: The Net
Settlement Amount will be divided by the aggregate total number of Workweeks,

resulting in the "Workweek Value." Each Class Member's "Individual Settlement Payment" will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Participating Class Member, including appropriate tax withholdings or deductions. The Parties agree that the formula described herein is reasonable and that the payments are designed to provide a fair settlement to each Settlement Class Member in light of the uncertainties regarding the compensation alleged to be owed and the calculation of such amounts.

- 28. Tax Allocation of Individual Settlement Payments. Twenty percent (25%) of the amount of each Individual Settlement Payment to each Settlement Class Member shall be allocated to their respective alleged unpaid wage claims and shall be paid net of all applicable employment taxes, including any federal, state, and/or local in issue tax withholding requirements and the employee share of FICA taxes. Seventy- Five percent (75%) of the amount of each Individual Settlement Payment to each individual Settlement Class Member shall be allocated to alleged penalties and shall not be subject to withholding.
- 29. Attorneys' Fees and Costs. Class Counsel will seek an award of Attorneys' Fees of not more than twenty-five percent (25%) of the Gross Settlement Fund, or Sixty-Two Thousand Five Hundred Dollars (\$62,500.00) in attorneys' fees, and attorneys' reasonable litigation costs of not more than Sixty Thousand Dollars (\$60,000.00), and Defendants agrees not to oppose such application. These amounts include, without limitation, all time expended by Class Counsel in litigating this action, negotiating this settlement, conducting investigations and discovery, filing and opposing motions, including the Motion for Class Certification, preparing the Settlement Agreement and securing Preliminary and Final Approval (including any appeals therein), and there will be no additional charge of any kind to either the Settlement Class Members or Defendants for such work. All Attorneys' Fees and Costs will be paid from the Gross Settlement Amount. If the Court reduces the requested attorneys' fees, costs and

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expenses, any such reduction will be added to the Net Settlement Amount available to Participating Class Members.

- 30. Class Representative Enhancement Payment. Plaintiff will apply to the Court for a Class Representative Enhancement Payment of not more than Five Thousand Dollars (\$5,000.00), without deductions, for her effort and work in prosecuting the Action on behalf of Class Members, and Defendants agrees not to oppose such application. The Class Representative Enhancement Payment, which will be paid from the Gross Settlement Amount, will be in addition to Plaintiff's right to an Individual Settlement Payment. Plaintiff will be solely and legally responsible to pay any and all applicable taxes on the payment made pursuant to this paragraph and will hold Defendants harmless from any claim or liability for taxes, penalties, or interest arising as a result of the payments. Plaintiff will not have the right to revoke this Settlement in the event that the Court does not approve the requested Class Representative Enhancement Payment. If the Court reduces the requested Class Representative Enhancement Payment, any such reduction will be added to the Net Settlement Amount.
- 31. Settlement Administration Costs. The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement, and the calculation, distribution, and reporting of payments, up to a maximum of \$21,000. These costs, which will be paid from the Gross Settlement Amount, will include, *inter alia*, the required tax reporting on the Individual Settlement Payments, the issuing of IRS Forms, preparing, distributing, and tracking Notices of Class Action Settlement, searching and skip tracing addresses, confirming/auditing claims for payments for compliance with the Settlement, calculating and distributing all payments to be made pursuant to the Settlement, and providing reports and declarations.
- 32. 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: (i) preliminary approval of the proposed Settlement Agreement, and (ii) setting a date for a Final Approval/Settlement Fairness Hearing. In

 Agreement, which sets forth the terms of this Settlement, and will include the proposed Notice of Class Action Settlement and Request for Exclusion.

- 33. Delivery of the Class List. "Class List" means a complete list of all Class Members that Defendants will diligently and in good faith compile from Defendants' records. The Class List will include the following information from Defendants' records: each Class Member's full name and most recent mailing address and telephone number. Within twenty-one (21) days of Preliminary Approval, Defendants will provide the Class List to the Settlement Administrator. Class Counsel will not receive a copy of the list. Along with the Class List, Defendants will also deliver payroll data to the Settlement Administrator to allow the Administrator to calculate Individual Settlement Payments.
- 34. Notices of Class Action Settlement. Within fourteen (14) days of receipt of the Class List, the Settlement Administrator will mail a Notice of Class Action Settlement to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List. The Notice of Class Action Settlement will be in the form attached as Exhibit A, or as modified and approved by the Court, and will include, but not be limited to, information regarding the nature of the Action; a summary of the substance of the Settlement, including Defendants' denial of liability; the definition of the Settlement Class; the procedure and time period for objecting to the Settlement and participating in the Final Approval hearing; how settlement payments will be calculated; a statement that the Court has preliminarily approved the Settlement; a statement that Class Members will release the settled claims unless they opt out, using the Request for Exclusion Form as approved by the Court; information regarding the opt-out procedures; and the estimated payment based on Workweeks as contained in the Notice of Class Action Settlement and procedures and information for objecting to the Workweeks.
- 35. Adjustment of Gross Settlement Amount. If the total number of Class Members increases by more than fifteen percent (15%) from the Parties' estimate of 2,268 total Class Members, as determined before the notice of class settlement is

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distributed to the Class Members, the Gross Settlement Amount shall increase by the same percentage. For example, if the total number of Class Members increases by sixteen percent (16%), the Gross Settlement Amount shall automatically increase by sixteen percent (16%).

- Confirmation of Contact Information. 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 Notices of Class Action Settlement returned to the Settlement Administrator as nondeliverable 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 of Class Action Settlement. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip tracing search or any other commercial locate-and-search tool and will then perform a single re-mailing. With regard to any Class Member whose Notice of Class Action Settlement is returned as nondeliverable, and for whom the Settlement Administrator is unable to determine a reliable address using reasonable and customary methods, their Individual Settlement Payment will be provided by the Settlement Administrator as part of the funds that will be sent to the Controller of the State of California pursuant to the Unclaimed Property Law, California Civil Code § 1500 et seq. as described in Paragraph 50 below.
- 37. Disputed Information on Notices of Class Action Settlement. Class Members will have an opportunity to dispute their number of Workweeks as stated in the Notice of Class Action Settlement, provided they file a dispute with the Settlement Administrator in writing postmarked, faxed, or emailed no later than 30 days after the mailing of the Notices of Class Action Settlement. To the extent that Class Members dispute the number of Workweeks, Class Members may produce evidence to the Settlement Administrator showing that such information is inaccurate. The Settlement Administrator will advise the Parties of such dispute. Defendants' records will be

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- by the Class Member and will make the preliminary decision as to the merits of the dispute and will provide a written decision to the Parties within seven (7) days of receipt of the dispute. The Court shall have final decision-making authority as to the result of each objection.
- 38. Requests for Exclusion. 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 the Settlement Agreement's terms, including those pertaining to the Released Claims, as well as any Judgment that may be entered by the Court if it grants final approval of the Settlement. 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 Request for Exclusion must: (i) set forth the name, address, and the last four digits of the Social Security Number of the Class Member requesting exclusion; (ii) be signed by the Class Member; (iii) be returned to the Settlement Administrator; (iv) clearly state that the Class Member does not wish to be included in the Settlement; and (v) be postmarked, faxed, or emailed on or before the Response Deadline. The postmark, fax, or email date will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. The Parties and their attorneys and the Plaintiffs will not solicit or encourage any Class Member, directly or indirectly, to opt out of the Settlement Agreement.
- 39. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The Settlement Administrator will attempt to contact the Class Member by telephone and mail the Class Member a cure letter within three (3) business days of receiving the defective submission to advise the Class Member that his or her submission is defective and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have until (i) the Response Deadline or (ii) fifteen (15) calendar days from the date of the cure notice, whichever

date is later, to postmark, fax, or email a revised Request for Exclusion. If the revised Request for Exclusion is not postmarked, faxed, or emailed within that period, it will be deemed untimely.

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40. Objection Procedures. To object to the Settlement Agreement ("Objection"), a Class Member can either submit a written Objection to the Settlement Agreement or appear at the Final Approval hearing in person or by and through counsel, to state and argue his/her objection to the Settlement. If a written Objection is submitted, the Objection must be mailed, faxed, or emailed to the Settlement Administrator on or before the Response Deadline. The Objection must include: (a) the objector's full name, signature, address, and telephone number, and (b) a written statement of all grounds for the Objection. Alternatively, Class Members may appear, in person or through counsel of their choice, at the Final Approval Hearing to argue and present their Objections to the Settlement Agreement. The Parties or their counsel shall not solicit or otherwise encourage Class Members to submit Objections to the Settlement Agreement or appeal from the Order and Judgment.

Administrator will provide Defendants' counsel and Class Counsel a weekly report that certifies the number of Class Members who have submitted valid Requests for Exclusion, Objections, and disputes regarding dates they performed work and/or Workweek calculations. 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 and will immediately forward to the Parties any objections mailed to

the Settlement Administrator.

42. <u>Rights of Termination</u>. Except as set forth above, if the Court or, in the event of an appeal, any appellate court refuses to approve, or modifies, any material aspect of this Agreement or the proposed Preliminary Approval Order or Final Approval Order and Judgment, including but not limited to any judicial findings included therein, Plaintiff or Defendants may terminate this Agreement and the Settlement as set forth below. The

 Parties acknowledge and agree that any modification to the terms of this Agreement relating to the scope of the release, or to Defendants' financial obligations, shall be deemed a material modification constituting grounds for cancellation or termination of the Agreement and the Settlement.

Within fifteen (15) days of the Settlement Administrator receiving notice from any Party of such termination or failure, (i) the Settlement Administrator shall return the balance of the settlement fund, including any interest, to Defendants, and (ii) the Settlement Administrator shall provide the Parties with a report of all Administration Costs incurred. The Party terminating the Agreement will be responsible for paying any Administration Costs. If the Parties mutually terminate the Agreement, Plaintiffs and Defendants each will be responsible for paying fifty percent (50%) of any Administration Costs.

- 43. Limited Right to Cancel. If ten percent (10%) or more of the Class Members submit valid and timely Requests for Exclusion, Defendants shall have the absolute right, in its sole discretion, and notwithstanding any other provisions of the Settlement Agreement, to withdraw from, and cancel, without penalty whatsoever, the Settlement Agreement in its entirety. If Defendants exercise the right to cancel, they shall pay the costs incurred by the Settlement Administrator up to that date. If this right is exercised by Defendants, the Settlement Agreement will be null and void for all purposes and may not be used or introduced in further litigation. The right can be exercised only by a writing stating clearly that Defendants are canceling, and withdrawing from, the Settlement Agreement, which must be sent by Defendants' counsel to Class Counsel by mail or email no later than five (5) business days after the Response Deadline. If the right provided in this paragraph is not so exercised, it shall be waived and cannot later be exercised.
- 44. <u>Final Settlement Approval Hearing and Entry of Judgment</u>. Upon expiration of the Response Deadline, and with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to determine the Final Approval of the Settlement

- 6 | 7

- Agreement along with the amounts properly payable for: (i) Individual Settlement Payments; (ii) the Class Representative Enhancement Payment; (iii) Attorneys' Fees and Costs; and (iv) the Settlement Administrator's Costs. Class Counsel will be responsible for drafting all documents necessary to obtain final approval and will also be responsible for drafting the request for attorneys' fees and costs and the Class Representative Enhancement Payment.
- 45. <u>All Terms Subject to Final Court Approval</u>. All amounts and procedures described in this Settlement Agreement herein will be subject to final Court approval.
- 46. <u>Invalidity of Any Provision</u>. 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 as valid and enforceable.
- 47. <u>Judgment and Continued Jurisdiction</u>. Contemporaneous with the filing of a motion for final approval of the settlement, the Parties will present an agreed form of the Proposed Judgment to the Court for its approval and entry. The Court, in its discretion, may enter a final judgment in form modified and approved by it. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement pursuant to California Code of Civil Procedure section 664.6. In the event that a motion to enforce this Agreement is required to be filed due to a party's failure to comply with the terms herein, the prevailing party shall be awarded reasonable attorneys' fees and costs, which shall be in addition to any amounts to be paid under this settlement.
- 48. <u>Funding of the Gross Settlement Amount</u>. Within ten (10) days after the Effective Date, Defendants will deposit the Gross Settlement Amount into a settlement fund to be established by the Settlement Administrator by check, Automated Clearing House (ACH) transfer, or wire transfer.

- 49. Distribution and Timing of Individual Settlement Payments. Within seven (7) days of funding of the Gross Settlement Amount by Defendants, the Settlement Administrator shall provide Class Counsel and Defendants' counsel the administration spreadsheet regarding the final calculations for purposes of distributing the Gross Settlement Amount. The Parties must submit any requested changes to the spreadsheet or confirm that they do not have any requested changes. Within fourteen (14) days of funding of the Gross Settlement Amount, the Settlement Administrator will issue payments to: (i) Participating Class Members; (ii) Plaintiff for the Class Representative Enhancement payment; (iii) Class Counsel for attorneys' fees and costs; and (iv) the Settlement Administrator for its costs. The Parties and the Settlement Administrator shall cooperate in finalizing the final calculations as contained in the spreadsheet prior to the distribution of funds from the Gross Settlement Amount to comply with the time specifications alleged herein.
- be mailed within fourteen (14) days of funding or deposit of the Gross Settlement
  Amount, except that checks will not be sent to Class Members whose Notice of Class
  Action Settlement and Estimated Distribution Form are returned as non-deliverable and
  for whom the Settlement Administrator is unable to determine a reliable address using
  reasonable and customary methods. Rather, the Individual Settlement Payments
  corresponding to Class Members who cannot be located, if any, will be held by the
  administrator to be submitted to the Controller of the State of California to be held
  pursuant to the Unclaimed Property Law, California Civil Code § 1500 et seq.at the end
  of the check cashing deadline of 180 days. Checks will remain negotiable for 180 days.
  If any Class Member does not cash his or her check within 180 days, the check will be
  void. This limitation shall be printed on the face of each check. The voidance of checks
  shall have no effect on the Class Members' release of claims, obligations, representations,
  or warranties as provided herein, which shall remain in full effect.

Civil Code § 1500 et seq.

Settlement Administrator via proper escheatment procedures to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 et seq. in the name of and for the benefit of such Participating Class Members. Settlement Class Members who may be entitled to an Individual Settlement Payment but who were not located before the Notice of Class Action Settlement and/or the Distribution of Individual Settlement Payments, may request their payment from the Controller of the State of California pursuant to the Unclaimed Property Law, California

The value of any uncashed checks by the 180-day deadline will be tendered by the

- 51. Certification of Completion. Upon completion of administration of the Settlement, after the 180-day period to negotiate Individual Settlement Payment checks, the Settlement Administrator will promptly provide a written declaration under oath to certify such completion to the Court and counsel for all Parties and to specify that any uncashed/ unclaimed funds, if any, have been provided via proper escheatment procedures to the Controller of the State of California pursuant to the Unclaimed Property Law, California Civil Code § 1500 et seq., in the name of and for the benefit of such Participating Class Members.
- 52. No Credit Towards Benefit Plans. The Individual Settlement Payments made to Participating Class Members under this Settlement, as well as any other payments made pursuant to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans for which any Class Members may be eligible, including, but not limited to: (i) profit-sharing plans, (ii) bonus plans, (iii) 401(k) plans, (iv) stock purchase plans, (v) vacation plans, (vi) sick leave plans, (vii) PTO plans, and (viii) any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.
- 53. <u>Tax Treatment of Individual Settlement Payments</u>. Individual Settlement Payments will be allocated as follows: 75% as penalties for which IRS Forms 1099-

 MISC will be issued and 25% as wages for which IRS Forms W-2 will be issued. The Settlement Administrator will issue IRS 1099 and W-2 forms. In the event the Court is not willing to approve the Settlement with the tax allocation proposed by the Parties, this shall not be a basis for any Party to cancel or withdraw from the Settlement. Rather, the parties will work in good faith to propose another tax allocation that might be acceptable to the Court.

- 54. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Participating Class Members, and Class Counsel any IRS Forms 1099 and W-2 and other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding the Class Members' shares of payroll taxes and penalties to the appropriate government authorities.
- 55. Tax Liability. Plaintiff understands and agrees that Plaintiff and Participating Class Members will be solely responsible for the payment of any and all taxes and penalties assessed on the payments as described herein. Parties and their counsel make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiff and Participating Class Members are not relying on any statement, representation, or calculation by Parties, their counsel, or by the Settlement Administrator in this regard.
- 56. 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.
- 57. <u>Nullification of Settlement Agreement</u>. In the event that: (i) the Court does not finally approve the Settlement as provided herein; or (ii) 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 the event that the Settlement is terminated or cancelled or fails to become effective, the Parties shall be deemed to have reverted *nunc pro tunc* to their respective status as of the date and time immediately before the execution of this Agreement and they shall proceed in all respects as if this Agreement had not been executed, and without prejudice in any way from the negotiation, fact, or terms of this Settlement.
- 58. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the terms set forth in any attached Exhibits, which are incorporated by reference as though fully set forth herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement.
- 59. <u>Entire Agreement</u>. This Settlement Agreement, the Conditional Stipulation for Settlement, which is attached hereto as Exhibit C, and any other 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.
- 60. <u>Amendment or Modification</u>. This Settlement Agreement may be amended or modified only by a written instrument signed by all Parties or their successors-in-interest.
- 61. <u>Binding on Successors and Assigns</u>. This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.
- 62. <u>California Law Governs</u>. All terms of this Settlement Agreement and Exhibits hereto will be governed by and interpreted according to the laws of the State of California.
- 63. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile and PDF or other scanned copies of the signature page, will be deemed to be one and the same instrument for all purposes in effecting and enforcing this Settlement Agreement.

Electronic signatures via DocuSign shall be deemed effective as if they were signed in person.

- 64. <u>Waiver of Certain Appeals</u>. The Parties agree to waive appeals; except, however, that either party may appeal any court order that materially alters the Settlement Agreement's terms.
- 65. <u>Waiver</u>. No waiver of any condition or covenant contained in this Settlement 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.
- 66. <u>Mutual Preparation</u>. The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement. Accordingly, this Settlement 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 arms-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement.
- 67. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement, and that this Settlement has been executed with the consent and advice of counsel. Further, Plaintiffs and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.
- 68. Cooperation and Execution of Necessary Documents. All 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, and will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. 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.

- 69. <u>Authorization to Enter into Settlement Agreement</u>. 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.
- 70. <u>Binding Agreement</u>. The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement will be fully enforceable and binding on all parties, and 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.
- 71. <u>Waiver of Appeal</u>. Any Participating Class Member who does not submit a valid objection to the Settlement waive any and all rights to appeal from the Final Approval Order and Judgment. This waiver does not include a waiver of the right to oppose any appeals, appellate proceedings or post-judgment proceedings, if any.

### SIGNATURES READ CAREFULLY BEFORE SIGNING

#### **PLAINTIFF**

| Dated: _ | 3/16/2023 | By                               |
|----------|-----------|----------------------------------|
|          |           | PERSONNEL STAFFING GROUP,<br>LLC |
| Dated:   |           |                                  |
|          |           | By                               |
|          |           | Name:                            |
|          |           | Its:                             |

the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

- 69. <u>Authorization to Enter into Settlement Agreement</u>. 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.
- 70. <u>Binding Agreement</u>. The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement will be fully enforceable and binding on all parties, and 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.
- 71. <u>Waiver of Appeal</u>. Any Participating Class Member who does not submit a valid objection to the Settlement waive any and all rights to appeal from the Final Approval Order and Judgment. This waiver does not include a waiver of the right to oppose any appeals, appellate proceedings or post-judgment proceedings, if any.

# SIGNATURES READ CAREFULLY BEFORE SIGNING

## **PLAINTIFF**

| Dated:                | ByLILIA RODRIGUEZ   |
|-----------------------|---|
| Dated: March 15, 2023 | PERSONNEL STAFFING GROUP, LLC  By Orly A Manue: Corey Witzer Its: General Council |

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| 1 2      |                           | STAFFING SOLUTIONS, INC. d/b/a<br>BALANCE STAFFING                              |
|----------|---------------------------|---|
| 3        | Dated: 03/15/2023         |   |
| 4        | Buted. <u>etc. 15.222</u> | By Sophia A. Allard   |
| 5        |                           | By <u>Sophia A. Allard</u><br>Name: Sophia Allard, Esq.<br>Its: General Counsel |
| 6        |                           |   |
| 7        |                           | APPROVED AS TO FORM   |
| 8        |                           |   |
| 9        |                           | MICHAEL H. KIM, P.C.  |
| 10       | Dated:                    |   |
| 11       |                           | By  |
| 12       |                           | Michael H. Kim Attorneys for Plaintiff  |
| 13       |                           |   |
| 14       |                           | KOREY RICHARDSON LLP  |
|          |                           |   |
| 15<br>16 | Dated: March 17, 2023     | By Muly Sun   |
| 17       |                           | Ronald Z. Gomez   |
| 18       |                           | Attorneys for Defendants  |
| 19       |                           |   |
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JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE