

Bruce Kokozyan, Esq. (#195723)  
Alex DiBona, Esq. (#265744)  
**KOKOZIAN LAW FIRM, APC**  
9440 South Santa Monica Boulevard, Suite 510  
Beverly Hills, CA 90210  
Telephone (323) 857-5900  
Email: [bkokozyan@kokozyanlawfirm.com](mailto:bkokozyan@kokozyanlawfirm.com)  
[dibona@kokozyanlawfirm.com](mailto:dibona@kokozyanlawfirm.com)

Attorneys for Plaintiff  
Juan Alcaraz, individually and on behalf of others  
similarly situated

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
**FOR THE COUNTY OF LOS ANGELES, SPRING STREET COURTHOUSE**

JUAN ALCARAZ, an Individual, on behalf of himself and all others similarly situated	)	CASE NO.: 20STCV01764
	)	[Assigned for all purposes to the Honorable Elihu M. Berle - SSC Dept. "6"]
	)	
Plaintiffs,	)	<b><u>CLASS ACTION</u></b>
	)	
v.	)	<b>AMENDED JOINT STIPULATION AND</b>
	)	<b>SETTLEMENT OF CLASS ACTION CLAIMS</b>
WESTERN SHIELD ACQUISITIONS, LLC; and DOES 1 through 100, Inclusive	)	
	)	
Defendants.	)	Action Filed: January 15, 2020
	)	Trial Date: None yet
	)	

Subject to final approval by the Court, which counsel and parties agree to pursue and recommend in good faith, Plaintiff Juan Alcaraz individually ("Named Plaintiff") and on behalf of all employees similarly situated, on the one hand, and Defendant WESTERN SHIELD ACQUISITIONS, LLC (hereinafter "Defendant") hereby agree to the following binding settlement of the class action case captioned as *Juan Alcaraz v. Western Shield Acquisitions, LLC* filed in the Los Angeles Superior Court, case no. 20STCV01764 (the "Action").

I. DEFINITIONS

As used herein, the following terms are defined as:

1. "Action" means, and refers to, the case captioned *Juan Alcaraz v. Western Shield Acquisitions, LLC* in the California Superior Court for the County of Los Angeles, Case No. 20STCV01764.

2. "Agreement," "Settlement," or "Stipulation" mean and refer to this Amended Joint Stipulation and Settlement of Class Action Claims.

3. "Aggregate Workweek Number" means, and refers to, the sum of all of the Class Members' Total Workweeks which will be used to calculate Participating Class Members' Individual Settlement Payments. The Settlement Payments to be paid to Participating Class Members shall be each individual Class Member's proportional share of the Aggregate Workweek Number.

4. "Attorneys' Fees and Cost Award" means and refers to the amount authorized by the Court to be paid to Class Counsel for the services they have rendered, and expenses they have incurred, in prosecuting the Action. As set forth infra in Section III, Paragraph 8, Class Counsel shall request, and Defendant will not oppose, an award of attorneys' fees of up Thirty One Thousand Six Hundred Sixty Six Dollars and sixty six cents (\$31,666.66) or Thirty-Three and one third percent (33 1/3 %) of the Gross Fund Value and a Cost Award of up to Seven Thousand Dollars (\$7,000). The Attorneys' Fees and Cost Award shall come out of the Gross Fund Value and will not increase the amount of the Gross Fund Value.

5. "Settlement Administrator" means, and refers to, CPT GROUP, or another settlement administration provider upon which the Named Plaintiff, Class Counsel, Defendant, and Defendant's Counsel mutually agree.

6. "Settlement Administration Costs" means, and refers to, the amount that will be paid to the Settlement Administrator, and includes all costs incurred in administering the Settlement, which will be paid from the Gross Fund Value, as defined in Section I, Paragraph 37, infra. The Parties agree to work in good faith to minimize, as much as possible, the Settlement Administration Costs. Defendant will not object to any application for approval of the Settlement Administration Costs, provided the Settlement

1 Administration Costs are paid out of the Gross Fund Value and will not increase the Gross Fund Value.

2 7. "Class" and "Class Member" mean and refer to a member of the class conditionally  
3 certified for settlement purposes only during the applicable Class Period, consisting of all current and  
4 former non-exempt, hourly-paid employees who worked for Defendant in California at any time from  
5 January 15, 2016 through Preliminary Approval herein or October 31, 2020, whichever is earlier.

6 8. "Class Counsel" and "Plaintiff's Counsel" means and refers to Bruce Kokozyan, Esq. of  
7 Kokozyan Law Firm, APC.

8 9. "Class List and Data Report" means a list of Class Members that Defendant will diligently  
9 and in good faith compile from its Human Resources, and/or Payroll employee information database. The  
10 Class List and Data Report shall be in excel format, and shall include each Class Member's full name;  
11 employee ID while employed with Defendant; dates of employment during which he or she was employed  
12 by Defendant; last known home address; and the last four digits of his or her Social Security number.

13 10. "Class Period" means and refers to the period from January 15, 2016 through Preliminary  
14 Approval herein or October 31, 2020, whichever is earlier.

15 11. "Complaint" means, and refers to, all of the operative in this Action.

16 12. "Court" means and refers to the Superior Court of the State of California for the County of  
17 Los Angeles.

18 13. "Defendant" means and refers to Western Shield Acquisitions, LLC.

19 14. "Defendant's Counsel" or "Defense Counsel" shall mean of Maureen K. Bogue, Esq. and  
20 Noah Levin, Esq. of Pacific Employment Law.

21 15. "Effective Date" the date on which the Court's final approval Order becomes final,  
22 meaning either : (a) if an appeal is not timely sought from the Final Order and Judgment, then the Effective  
23 Date will be sixty five (65) days after service of the Final Order and Judgment by Plaintiff on Defendant  
24 and any Objectors; or (b) if a timely appeal is sought from the Final Order and Judgment, then the Effective  
25 Date shall be twenty (20) days after the applicable appellate court has rendered a final decision or opinion  
26 affirming the trial court's final approval, and the applicable date for seeking further appellate review has  
27 passed, or twenty (20) days after any such Appeal has been either dismissed or withdrawn by the appellant  
28 or the time for filing an appeal expires.

1           16.    “Excluded Class Members” means and refers to all Class Members who timely and validly  
2 submit a written request to be excluded from the Class on or before the Objection/Exclusion Deadline  
3 Date.

4           17.    “Final Approval” means and refers to the Court’s order granting final approval of the  
5 Settlement.

6           18.    “Final Approval Date” means and refers to the date on which the Court’s Final Approval  
7 Order is entered.

8           19.    “Final Approval Hearing/Settlement Fairness Hearing” means and refers to the hearing at  
9 which the Court considers whether to approve the Settlement and to enter the Final Approval Order.

10          20.    “General Release” means and refers to the release in which the Named Plaintiff, in his/her  
11 individual capacity and with respect to his individual claims only, and in exchange for his Service Award,  
12 agrees to release the Released Parties from all claims, demands, rights, liabilities and causes of action of  
13 every nature and description whatsoever, known or unknown, asserted or that might have been asserted,  
14 whether in tort, contract, or for violation of any collective bargaining agreement, and/or any state or federal  
15 statute, rule or regulation arising out of, relating to, or in connection with any act or omission by or on the  
16 part of any of the Released Parties committed or omitted from the beginning of time to December 31,  
17 2019, including a waiver of Civil Code §1542.

18          21.    “Individual Settlement Payment” means and refers to the amount to be paid to each  
19 individual Participating Class Members from the Net Fund Value. The estimated Individual Settlement  
20 amount shall be indicated on the Notice. Individual Settlement Payment for each individual Participating  
21 Class Member will result from the calculations set forth in Section III, paragraph 12, infra, less all  
22 applicable state and federal withholding taxes, including FICA, FUTA and SDI contributions and any  
23 other applicable payroll deductions required by law as a result of the payment of the amount allocated to  
24 such Participating Class Member under the terms of this Stipulation.

25          22.    “Named Plaintiff” means Juan Alcaraz.

26          23.    “Net Fund Value” or “NFV” means, and refers to, the funds available to be distributed to  
27 Participating Class Members from the Gross Fund Value after payment of any Attorneys’ Fees and Cost  
28 Awards, Service Award, Settlement Administration Costs, and the PAGA payment.

1           24.    “Notice” or “Notice Packet” means and refers to the “Notice of Class Action Settlement”  
2 that the Court directs to be sent via regular mail to all Class Members (substantially in the forms  
3 annexed hereto as Exhibit 1).

4           25.    “Objection/Exclusion Deadline” means and refers to the date no later than forty five (45)  
5 calendar days after the date the Notice Packets are mailed (judged by the postmark date) to Class  
6 Members by the Settlement Administrator, on or before which a Class Member, may (1) validly submit  
7 a Notice of Objection, (2) submit a Request for Exclusion, or (3) challenge with documentary evidence  
8 his or her Total Workweeks.

9           26.    “PAGA Payment” means and refers to Two Thousand Four Hundred Dollars (\$2,400) of  
10 the Gross Fund Value, which constitutes penalties pursuant to California’s Private Attorneys General  
11 Act of 2004 (California Labor Code § 2699 et seq., or “PAGA,”) and pursuant to Labor Code Section  
12 2699(i), which will be distributed as follows: 25% to the Participating Class Members and 75% to the  
13 California Labor and Workforce Development Agency, which shall be One Thousand Eight Hundred  
14 Dollars (\$1,800). The 25% portion of the PAGA Payment that shall be paid to the Participating Class  
15 Members shall remain within the Net Fund Value so that it is available to be included within the  
16 calculation of the Participating Class Members’ Individual Settlement Payments.

17           27.    “Participating Class Member” means and refers to any and all Class Members who are  
18 not Excluded Class Members.

19           28.    “Parties” means, and refers to Defendant, the Named Plaintiff, and the Class Members.

20           29.    “Preliminary Approval Order” means, and refers to, the Order issued by the Court  
21 preliminarily approving the terms of the Settlement.

22           30.    “Preliminary Approval Date” means and refers to the date that the Court enters the  
23 Preliminary Approval Order.

24           31.    “Preliminary Approval Hearing” means and refers to the hearing on Named Plaintiff’s  
25 Motion for Preliminary Approval, as discussed in Section III, Paragraph 10, *infra*.

26           32.    “Qualified Settlement Fund” means and refers to the fund to be established by the  
27 Settlement Administrator pursuant to Internal Revenue Code Section 1.468B-1 into which Defendant  
28 will deposit the Gross Fund Value within ten (10) business days following the Effective Date. Defendant

1 shall also deposit the employer's share of payroll taxes into the Qualified Settlement Fund within ten  
2 (10) business days following the Effective Date.

3 33. "Released Claims" is defined as follows: Upon the Effective Date and after Defendant  
4 fully funds the Gross Fund Value, Participating Class Members shall fully and finally release and  
5 discharge the Released Parties of all claims, rights, demands, liabilities, damages, attorneys' fees, costs,  
6 and causes of action of every nature and description, arising from any and all claims which were  
7 asserted in the First Amended Complaint or could have been asserted based on the facts alleged in the  
8 First Amended Complaint, and arising during the Class Period of this settlement, including statutory,  
9 constitutional or common law claims for wages, damages, unpaid costs, liquidated damages, penalties,  
10 interest, attorneys' fees, litigation costs, restitution, equitable relief, or other relief under California  
11 Business & Professions Code §17200, et seq. based on the following categories of allegations as set  
12 forth in the First Amended Complaint: (a) all claims for unpaid overtime wages; (b) all claims for  
13 unpaid minimum wages; (c) all claims for failure to pay overtime wages at the legal overtime pay rate;  
14 (d) all claims for failure to provide meal periods; (e) all claims for failure to authorize and permit rest  
15 periods; (f) all claims for the failure to promptly pay all wages due and owing at the time of an  
16 employee's termination or discharge; (g) all claims for the failure to issue properly itemized wage  
17 statements; (h) all claims for Unfair Competition or Business Practices under California's Business and  
18 Professions Code based on the preceding claims; (i) all claims for any and all penalties pursuant to the  
19 California Labor Code and/or the Private Attorneys General Act of 2004 based on the preceding claims.

20 34. "Released Parties" means and refers to Defendant Western Shield Acquisitions, LLC and  
21 its successors in interest, past, present, or future parents, subsidiaries and related or affiliated  
22 corporations, and their past, present, or future officers, directors, shareholders, employees, agents,  
23 principals, heirs, joint employers, staffing agencies, representatives, accountants, auditors, attorneys,  
24 consultants, insurers, and reinsurers, and each of their respective successors and predecessors in interest,  
25 subsidiaries, affiliates, parents, and each of their company-sponsored employee benefit plans, and all of  
26 their respective officers, directors, owners, employees, administrators, fiduciaries, trustees, and agents,  
27 and any individual or entity which could reasonably be determined to be jointly liable with Defendant,  
28 or any of them.



1 approval of the Court.

2 **A. CLASS CERTIFICATION FOR SETTLEMENT PURPOSES ONLY**

3 At or about the time that the Named Plaintiff files his motion for preliminary approval of this  
4 Settlement, the Named Plaintiff shall request certification of the Class as defined in Section I, Paragraph  
5 7, *supra*, for settlement purposes only.

6 **Limitation on Effect of Certification.**

7 The certification of the Class – for settlement purposes only – shall not constitute, in this or any  
8 other proceeding, an admission of any kind by Defendant, including without limitation, that certification  
9 of a class or collective action for trial purposes is appropriate or proper or that Named Plaintiff could  
10 establish any of the requisite elements for class or collective treatment of any of the claims in the Action.  
11 In the event that the Settlement is not finally approved, or the Settlement is otherwise terminated or  
12 rendered null and void, the certification of the Class shall be automatically vacated and shall not constitute  
13 evidence or a binding determination that the requirements for certification of a class or collective action  
14 for trial purposes in this Action or in any other actions are satisfied. In such circumstances, Defendant  
15 expressly reserves all rights to challenge the Class certification for any purpose other than settlement  
16 purposes in this Action or in any other action on all available grounds as if no class had been certified for  
17 settlement purposes in the Action, and no reference to the prior certification of a class, or any documents  
18 related thereto, shall be made available for any purpose. Additionally, the Parties stipulate that to further  
19 the certification for settlement purposes, and for no other purpose or effect, the Named Plaintiff is typical  
20 of other Class Members and can represent the Class.

21 **B. INVESTIGATION IN THE CLASS ACTION**

22 The Parties have conducted significant investigation of the facts and law during the prosecution of this  
23 Action. Discovery and investigation included: the exchange of informal discovery between Plaintiff and  
24 Defendant including the production by Plaintiff of all documents related to Plaintiff’s employment with  
25 Defendant, the production of documents by Defendant including Defendant’s employee handbooks,  
26 policies and procedures regarding the payment of wages, time keeping, overtime, meal and rest periods  
27 and the production of detailed class-wide payroll and time punch data by Defendant. Plaintiff’s counsel  
28 retained an expert to review timekeeping records and payroll records and to assist in the preparation of a  
damage analysis for this litigation. Also there were numerous conferences between representatives of the



1 Parties.

2 **C. BENEFITS OF SETTLEMENT TO CLASS MEMBERS**

3 Named Plaintiff and Class Counsel recognize the expense and length of continued proceedings  
4 necessary to litigate their disputes through trial and through any possible appeals. Named Plaintiff has  
5 also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties  
6 and delays inherent in such litigation. Named Plaintiff and Class Counsel are also aware of the burdens  
7 of proof necessary to establish liability for the claims asserted in the Action, both generally and in  
8 response to Defendant's defenses thereto (many of which have been shared in settlement discussions).  
9 Named Plaintiff and Class Counsel have also taken into account the extensive settlement negotiations  
10 conducted. Named Plaintiff and Class Counsel have also taken into account Defendant's agreement to  
11 enter into a settlement that confers substantial relief upon the Class Members. Based on the foregoing,  
12 Named Plaintiff and Class Counsel have determined that the Settlement set forth in this Agreement is a  
13 fair, adequate and a reasonable settlement, and is in the best interests of the Class Members.

14 **D. DEFENDANT'S REASONS FOR SETTLEMENT**

15 Defendant has concluded that any further defense of this litigation would be protracted and  
16 expensive for all Parties. Substantial amounts of Defendant's time, energy and resources have been and,  
17 unless this Settlement is made, will continue to be devoted to the defense of the Claims asserted by the  
18 Class. Defendant has also taken into account the risks of further litigation in reaching its decision to  
19 enter into this Settlement. Defendant has, therefore, agreed to settle in the manner and upon the terms set  
20 forth in this Agreement to put to rest the Claims as set forth in the Action.

21 **E. DEFENDANT'S DENIAL OF WRONGDOING**

22 Defendant does not admit any wrongdoing and contends that it has fully complied with the law at  
23 all times in all respects. This Agreement is a compromise of disputed claims. Nothing contained in this  
24 Agreement and no documents referred to herein and no action taken to carry out this Agreement may be  
25 construed or used as an admission by or against the Defendant or Defendant's Counsel as to the merits  
26 of the Claims asserted. Whether the Settlement is finally approved, neither this Settlement, nor any  
27 terms, document, statement, proceeding or conduct related to settlement, nor any reports or accounts  
28 thereof, shall in any event be (a) construed as, offered or admitted in evidence as, received as, or deemed

1 to be evidence for any purpose, including, but not limited to, evidence of a presumption, concession,  
2 indication, or admission by Defendant of any fault, wrongdoing, liability and/or unlawful activity  
3 whatsoever or any effort to certify a class or collective action; or (b) disclosed, referred to, or offered or  
4 received in evidence, in any further proceeding in this action, or any other civil, criminal or  
5 administrative action or proceeding, except for purposes of settling this Action or enforcing this  
6 Settlement, or as a defense to any claims released by the Settlement.

7 **F. NAMED PLAINTIFF'S CLAIMS**

8 Named Plaintiff has claimed and continues to claim that the Released Claims have merit and  
9 give rise to liability on the part of Defendant. This Agreement is a compromise of disputed claims.  
10 Nothing contained in this Agreement and no documents referred to herein and no action taken to carry  
11 out this Agreement may be construed or used as an admission by or against the Named Plaintiff or Class  
12 Counsel as to the merits or lack thereof of the Claims asserted.

13 **III. STIPULATION AND AGREEMENT**

14 ***NOW, THEREFORE, IT IS HEREBY STIPULATED***, by and among the Named Plaintiff on  
15 behalf of the Class Members, on the one hand, and Defendant, on the other hand, and subject to the  
16 approval of the Court, that the Action is hereby being compromised and settled pursuant to the terms and  
17 conditions set forth in this Agreement, subject to the definitions and recitals set forth in Sections I and II,  
18 *supra*, which by this reference become an integral part of this Agreement, and subject to the following  
19 terms and conditions:

20 1. **Full Investigation.** Named Plaintiff and Class Counsel have fully investigated the factual  
21 and legal bases for the causes of action asserted in the Action.

22 2. **Release As To All Participating Class Members.**

23 Upon the Effective Date and after Defendant fully funds the Gross Fund Value, the Participating  
24 Class Members, including the Named Plaintiff, release the Released Parties for the Released Claims for  
25 the Class Period.

26 3. **General Release By Named Plaintiff Only.** In addition to the releases made by the  
27 Participating Class Members as set forth in Section I, Paragraphs 33 *supra*, Named Plaintiff, in exchange  
28 for, *inter alia*, the Service Award as requested or as otherwise authorized by the Court, will, as of the

1 Effective Date, make the additional following General Release of all Claims, known or unknown, in  
 2 exchange and consideration of the sum set forth in Section I, Paragraph 35, *supra*. Upon the Effective  
 3 Date and Defendant fully funding the Gross Fund Value, Named Plaintiff agrees to the General Release  
 4 of the Released Parties. Named Plaintiff also agrees to release all wage and hour Claims, including, but  
 5 not limited to, overtime wages, meal and rest period sanctions, penalties under the Private Attorneys  
 6 General Act and all other Released Claims. Also, without limiting the generality of the foregoing:  
 7 **NAMED PLAINTIFF** also specifically agrees and acknowledges waiver of any right to recovery based  
 8 on state or federal age, sex, gender, citizenship, pregnancy, race, color, national origin, marital status,  
 9 religion, veteran status, disability, sexual orientation, medical condition or other anti-discrimination  
 10 laws, including, without limitation, Title VII of the Civil Rights Act of 1964, the Americans With  
 11 Disabilities Act and the California Fair Employment and Housing Act, or based on the Family and  
 12 Medical Leave Act, the Employee Retirement Income Security Act, the Worker Adjustment and  
 13 Retraining Act, and the California Labor Code, all as amended, whether such claim be based upon an  
 14 action filed by employees or by a governmental agency.

15 The General Release as to Named Plaintiff includes any unknown Claims that Named Plaintiff  
 16 does not know or suspect to exist in his favor at the time of the General Release, which, if known by  
 17 him, might have affected his settlement with, and release of, the Released Parties or might have affected  
 18 his decision not to object to this Settlement or the General Release.

19 With respect to the General Release, Named Plaintiff stipulates and agrees that, upon the  
 20 Effective Date, Named Plaintiff shall be deemed to have, and by operation of the Final Judgment shall  
 21 have, expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights  
 22 and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or  
 23 state law, which provides:

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

28 Named Plaintiff may hereafter discover facts in addition to or different from those he now  
 knows or believes to be true with respect to the subject matter of the General Release, but Named Plaintiff

1 upon the Effective Date shall be deemed to have, and by operation of the Final Judgment shall have, fully,  
2 finally, and forever settled and released any and all of the claims released pursuant to the General Release  
3 whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or  
4 heretofore have existed upon any theory of law or equity now existing or coming into existence in the  
5 future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a  
6 breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different  
7 or additional facts.

8 4. Service Award. Subject to Court approval, and expressly in exchange for the release of  
9 all Released Claims and for his time and effort in bringing and prosecuting this matter, Named Plaintiff  
10 shall be paid a Service Award up to a total of Four Thousand Dollars (\$4,000), or such other distribution  
11 or lower amount as the Court may order. The Service Award shall be paid from the Gross Fund Value  
12 and shall not increase the Gross Fund Value. The Service Award shall be paid to the Named Plaintiff by  
13 the Settlement Administrator no later than ten (10) business days after Defendant delivers the Gross  
14 Fund Value to the Settlement Administrator for deposit into the Qualified Settlement Fund. The Parties  
15 agree that a decision by the Court to award Named Plaintiff an amount less than the amount stated above  
16 shall not be a basis for Class Counsel to void this Stipulation. The Settlement Administrator shall issue  
17 Named Plaintiff an IRS Form 1099 for the Service Award. Any amount awarded for service payments to  
18 the Named Plaintiff less than the requested amounts will result in the non-awarded funds to be awarded  
19 to Participating Class Members on a proportionate basis to the amount of their Individual Settlement  
20 Payment. The Named Plaintiff shall be solely and legally responsible to pay any and all applicable taxes  
21 on this payment. The Service Award shall be paid in addition to the Named Plaintiff's share of the  
22 Settlement Amount as a Participating Class Member.

23 5. Tax Liability. Defendant makes no representations as to the tax treatment or legal effect  
24 of the payments called for hereunder, and Named Plaintiff and Participating Class Members are not  
25 relying on any statement or representation by Defendant in this regard. Named Plaintiff and  
26 Participating Class Members understand and agree that except for Defendant's payment of the  
27 employer's portion of any payroll taxes, they will be solely responsible for the payment of any taxes and  
28 penalties assessed on the payments described herein.

1           6.     CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS AGREEMENT (FOR  
2 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO  
3 THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”)  
4 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO  
5 WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR  
6 THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL  
7 ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE  
8 RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY  
9 DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING  
10 PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT  
11 LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION  
12 WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON  
13 THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO  
14 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION  
15 OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID  
16 ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3)  
17 NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION  
18 THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S  
19 TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING)  
20 UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX  
21 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED  
22 BY THIS AGREEMENT.

23           7.     Creation Of The Qualified Settlement Fund And Administration Of The Settlement.

24           Within ten (10) days after the Effective Date, Defendant shall deliver the Gross Fund Value of  
25 Ninety Five Thousand Dollars (\$95,000) as required by this Stipulation into the Qualified Settlement  
26 Fund created by the Settlement Administrator. Defendant shall also simultaneously deliver to the  
27 Settlement Administrator, Defendant’s (Employer) share of payroll taxes, including but not limited to,  
28 FICA, FUTA and SDI contributions. In addition to the employer’s portion of payroll taxes, payments

1 from the Qualified Settlement Fund shall be made (1) for the Service Award to the Named Plaintiff, as  
2 specified in this Agreement and approved by the Court; (2) the Attorneys' Fees and Cost Award to be  
3 paid to Class Counsel, as specified in this Agreement and approved by the Court; (3) the Settlement  
4 Administration Costs; and (4) the amount allocated to PAGA penalties to be paid to the California Labor  
5 Workforce and Development Agency. The balance remaining shall constitute the Net Fund Value from  
6 which Individual Settlement Payments shall be made to Participating Class Members, less applicable  
7 taxes and withholdings.

8       8.     Attorneys' Fees And Cost Award. Defendant agrees not to oppose or impede any  
9 application or motion by Class Counsel for attorneys' fees not in excess of Thirty One Thousand Six  
10 Hundred Sixty Six Dollars and sixty six cents (\$31,666.66) or Thirty-Three and one-third percent  
11 (33 1/3 %) of the Gross Fund Value. Defendant further agrees not to oppose any application or motion  
12 by Class Counsel for the reimbursement of any actual costs associated with Class Counsel's prosecution  
13 of this matter not in excess of Seven Thousand Dollars (\$7,000). Class Counsel will provide verification  
14 of the cost amount that it is seeking to be reimbursed. Any amount awarded for attorneys' fees and costs  
15 to Class Counsel less than the Thirty One Thousand Six Hundred Sixty Six Dollars and sixty six cents  
16 (\$31,666.66) and Seven Thousand Dollars (\$7,000), respectively, will result in the non-awarded  
17 amounts to be awarded to Participating Class Members on a proportionate basis to the amount of their  
18 Individual Settlement Payments. Class Counsel shall be paid any Court-approved fees and costs no later  
19 than ten (10) business days after Defendant delivers the required funds to the Settlement Administrator  
20 for deposit into the Qualified Settlement Fund. Class Counsel shall be solely and legally responsible to  
21 pay all applicable taxes on the payment made to Class Counsel. Forms 1099 – MISC, Box 14 shall be  
22 provided to Class Counsel for the payments made, and Class Counsel shall provide, before the Effective  
23 Date, properly completed Forms W-9.

24       9.     Settlement Administrator. The Settlement Administrator shall be paid for the costs of  
25 administration of the Settlement out of the Gross Fund Value as deposited in the Qualified Settlement  
26 Fund. The estimate of such costs of administration for the disbursement of the Gross Fund Value is no  
27 more than Six Thousand Five Hundred Dollars (\$6,500.) Any amount awarded for costs of  
28 administration to Settlement Administrator, or such other entity upon whom the Parties mutually agree,

1 less than Six Thousand Five Hundred Dollars (\$6,500) will result in the non-awarded amount to be  
2 awarded to Participating Class Members on a proportionate basis to the amount of their Individual  
3 Settlement Payments. This estimate includes all tasks required of the Settlement Administrator by this  
4 Agreement including the issuance of the Notice, the issuance of settlement checks, the required tax  
5 reporting on the settlement amounts, including the issuing of W2 and 1099 forms (if any), the handling  
6 of Class Member questions and disputes and the calculation of employee withholding taxes and the  
7 employer payroll taxes, which will be remitted to the tax authorities by the Claims Administrator. At  
8 least sixteen (16) court days prior to the Final Approval Hearing, the Settlement Administrator shall  
9 provide the Court and all counsel for the Parties with a statement detailing the costs of administration of  
10 the Gross Fund Value and the breakdown of the Gross Fund Value.

11 10. Preliminary Settlement Hearing/Alterations to this Agreement. As part of this Settlement,  
12 the Parties agree to the following procedures for obtaining preliminary Court approval of the Settlement:

- 13 a. Plaintiff shall file a Motion for Preliminary Approval and request a hearing before the  
14 Court to request preliminary approval of the Settlement and to request the entry of the  
15 Preliminary Approval Order.
- 16 b. Simultaneous with and/or included in the filing of the Motion for Preliminary Approval,  
17 and solely for purposes of this Settlement, Named Plaintiff will request the Court to enter  
18 the Preliminary Approval Order, preliminarily approving the proposed Settlement,  
19 conditionally certifying the Class, for settlement purposes only, and setting a date for a  
20 Final Approval Hearing.
- 21 c. In conjunction with the Motion for Preliminary Approval, Named Plaintiff will submit this  
22 Stipulation and Settlement of Class Action Agreement, which sets forth the terms of this  
23 Settlement Agreement, and will include proposed forms of all notices and other documents  
24 as attached hereto necessary to implement the Settlement. The Order shall provide for  
25 Notice of the Settlement to be sent to Class Members as specified herein. The Parties agree  
26 that Defendant's Counsel will be provided copies of all proposed notices and documents  
27 to review and provide input prior to delivery of same to Class Members.
- 28 d. In the event any provision of the Settlement is rejected by the Court, the Parties will work  
in good faith to negotiate alteration of the rejected term(s). The Parties agree to use the

1 services of mediator if informal efforts to negotiate alteration have been exhausted.

- 2 e. If, following the Parties' good faith efforts and mediation, the Parties cannot agree on  
3 alterations, or if ultimately the Court does not grant preliminary or final approval of the  
4 Settlement in its entirety, or if the Court's final approval of the Settlement agreement is  
5 reversed or materially modified on appellate review, then this Settlement will become null  
6 and void. In such case, the Settlement shall not be used or be admissible in any subsequent  
7 proceedings, either in this Action, in this Court, or in any other Court, proceeding or forum.

8 11. Settlement Administration/Management. The Individual Settlement Payments shall be  
9 managed and administered as follows:

- 10 a. Claims administrator, CPT Group, or such other entity upon whom the Parties mutually  
11 agree, shall be retained to serve as Settlement Administrator. The Parties each represent  
12 they do not have any financial interest in the Settlement Administrator or otherwise have a  
13 relationship with the Settlement Administrator that could create a conflict of interest.
- 14 b. Defendant shall provide the Settlement Administrator the Class List and Data Report  
15 within fourteen (14) days of the Preliminary Approval Date, subject to the Settlement  
16 Administrator's promise to take adequate measures to safeguard the privacy and security  
17 of the data provided
- 18 c. Within fourteen (14) days of receipt of the Class List and Data Report, the Settlement  
19 Administrator shall mail the Notice Packet to each Class Member in accordance with  
20 Section III, Paragraph 13, *infra*.
- 21 d. Participating Class Members will be eligible to receive an Individual Settlement Payment,  
22 calculated in accordance with Section III, Paragraph 12, *infra*.
- 23 e. The Settlement Administrator shall provide Defendant's Counsel and Class Counsel a  
24 weekly report showing the names and number of Class Members who have objected to or  
25 requested exclusion from the Settlement (if any). Sixteen (16) court days prior to the Final  
26 Approval Hearing, the Settlement Administrator shall provide Defendant's Counsel and  
27 Class Counsel a final report showing the names and number of Class Members who have  
28 objected to or requested exclusion from the Settlement.
- f. The Parties agree to cooperate in the settlement administration process and to make all



1 reasonable efforts to control and minimize the costs and expenses incurred in  
2 administration of the Settlement.

3 g. The Settlement Administrator shall be responsible for: printing and mailing the Notices as  
4 directed by the Court; receiving and reporting the objections/requests for exclusion and  
5 challenges to the Individual Settlement Payments submitted by Class Members; mailing  
6 Individual Settlement Payments to Participating Settlement Class Members; mailing the  
7 payment to the Labor Workforce Development Agency; and other tasks as the Parties  
8 mutually agree or the Court orders the Settlement Administrator to perform (including the  
9 calculation and remittance of employer taxes which will be paid by Defendant in addition  
10 to Gross Fund Value). The Settlement Administrator shall keep Defendant, Defendant's  
11 Counsel and Class Counsel timely apprised of the performance of all Settlement  
12 Administrator responsibilities.

13 h. The Settlement Administrator, on Defendant's behalf, shall have the authority and  
14 obligation to make payments, credits and disbursements, including payments and credits  
15 in the manner set forth herein to Participating Class Members, calculated in accordance  
16 with the methodology set out in this Agreement and orders of the Court.

17 i. Any tax return filing required by this Agreement shall be made by the Settlement  
18 Administrator. Any expenses incurred in connection with such filing shall be a cost of  
19 administration of the Settlement.

20 j. No person shall have any claim against Defendant or Defendant's Counsel, the Named  
21 Plaintiff, Class Members, the Class, Class Counsel or the Settlement Administrator based  
22 on distributions and payments made in accordance with this Agreement.

23 k. The Claims Administrator will provide to Defendant, as soon as practicable, but no later  
24 than 60 days after Preliminary Approval is granted, a fully-executed IRS W-9 form and a  
25 completed Supplier Profile and ACH Enrollment Form which Defendant requires to  
26 process and issue any payment.

27 12. Calculation Of Individual Settlement Payments. The Individual Settlement Payments will be  
28 calculated as follows:

a. Defendant will provide the Settlement Administrator each Class Members' Total

1 Workweeks in the Class List and Data Report or provide the Settlement Administrator the  
2 required information to calculate each Class Members' Total Workweeks, which shall be  
3 presumed to be correct.

4 b. The Settlement Administrator will calculate the Aggregate Workweek Number by adding  
5 the sum of all of the Class Members' Total Workweeks.

6 c. The Settlement Administrator will divide the Net Fund Value by the Aggregate Workweek  
7 Number to calculate the weekly settlement amount.

8 d. The Settlement Administrator will calculate each Class Members' Individual Settlement  
9 Payment by first multiplying his or her Total Workweeks by the weekly settlement amount.  
10 Each Class Members' estimated Individual Settlement Award will be indicated on the  
11 Notice.

12 e. The Individual Settlement Award estimates indicated on the Notice are subject to change,  
13 depending on factors including: (i) how many Class Members become Excluded Class  
14 Members (resulting in their Total Workweeks being removed from the final Aggregate  
15 Workweek Number, thereby increasing the final weekly settlement amount); (ii) any  
16 changes to the Total Workweeks resulting from challenges to Total Workweeks submitted  
17 by Class Members resulting in workweek adjustments, which may increase or decrease the  
18 final Aggregate Workweek Number and the final weekly settlement amount; and (iii) any  
19 increases or reductions in the Net Fund Value which may result from, inter alia, changes  
20 to the actual amount of PAGA Payment, and/or Settlement Administration Costs approved  
21 by the Court.

22 f. Each Participating Class Member's Individual Settlement Payment will be allocated as  
23 follows: (a) 20% as wages; and (b) 80% as interest and penalties. The portion allocated to  
24 wages ("Wage Component") shall be reported on an IRS Form W-2 and the portions  
25 allocated to interest and penalties (the "Non-Wage Component") shall be reported on an  
26 IRS Form-1099 by the Claims Administrator.

27 g. The employee's portion of employment taxes, including payroll deductions for state and  
28 federal withholding taxes, and any other applicable payroll deductions, shall be made from  
each Participating Class Members Wage Component, resulting in a "Net Wage

Component.” The Claims Administrator will issue a W-2 for the Wage Component.

i. No withholding shall be made on the Non-Wage Component of the settlement. The Claims Administrator will issue an IRS Form 1099 for the Non-Wage Component.

h. The Settlement Administrator, on Defendant’s and Class Counsel’s collective behalf, shall have the authority and obligation to make payments, credits and disbursements, including payments and credits in the manner set forth herein, to Class Members calculated in accordance with the methodology set out in this Agreement and orders of the Court. The Settlement Administrator shall be responsible for calculating and withholding all required state and federal taxes.

i. No person shall have any claim against Defendant, Defendant’s Counsel, the Named Plaintiff, Plaintiffs, the Class, Class Counsel, or the Settlement Administrator based on any errors or omissions in the distributions and payments that are required to be made in accordance with the terms of this Agreement.

13. Notice To Class Members. Notice of the Settlement shall be provided to all Class Members using the following procedures:

a. Notice By First-Class Mail. Within fourteen (14) days after receipt of the Class List and Data Report, the Claims Administrator shall mail the Notice of Pendency of Class Action, Proposed Settlement and Hearing Date for Court Approval (substantially in the form annexed hereto as Exhibit 1), which has been mutually approved by counsel for the Parties, to the Class Members via first-class regular U.S. Mail. The Notice will include the Prior to mailing, the Claims Administrator will perform a search based on the National Change of Address Database information to update and correct for any known or identifiable address changes. If a new address is obtained by a way of a returned Notice Packet, then the Claims Administrator shall promptly forward the original Notice Packet to the updated address via first-class regular U.S. mail indicating on the original Notice Packet the date of such re-mailing.

b. No Requirement for a Claim Form. Class Members shall not be required to submit a Claim Form to receive an Individual Settlement Payment.

c. Objection/Exclusion Deadline Date and Deadline to Challenge Total Workweeks: Class Members will have forty-five (45) calendar days from the mailing of the Notice Packet to submit an

1 objection and/or request for exclusion from the Settlement, or challenge the Total Workweeks indicated  
2 on their Notice.

3 d. Procedure For Undeliverable Notices. Any Notices returned to the Settlement Administrator  
4 as non-delivered on or before the Objection/Exclusion Deadline Date shall be sent to the forwarding  
5 address affixed thereto within five (5) business days. If no forwarding address is provided, then the  
6 Settlement Administrator shall promptly attempt to determine a correct address using a single skip-trace,  
7 computer or other search using the name and address of the individual involved, and shall then perform  
8 a single re-mailing within five (5) business days. In the event the procedures in this paragraph are  
9 followed and the intended recipient of a Notice still does not receive the Notice, the Class Member shall  
10 be bound by all terms of the Settlement and any Final Judgment entered by the Court if the Settlement is  
11 approved by the Court.

12 e. No later than sixteen (16) court days prior to the Final Approval Hearing, the Settlement  
13 Administrator shall provide Defendant's Counsel and Class Counsel: (i) the names and contact  
14 information of the Class Members objecting to or requesting exclusion from the Settlement; and (ii) the  
15 amount owed to each Participating Class Member.

16 14. Procedure For Objecting To or Requesting Exclusion From The Class Action Settlement  
17 or Challenging Total Workweeks. The Class Members shall submit objections to the Settlement and/or  
18 request exclusion from the Settlement and/or submit a challenge to their Total Workweeks using the  
19 following procedures:

20 a. Procedure For Objecting. The Notice shall provide that those Class Members who wish to  
21 object to the Settlement shall mail a written statement of objection ("Notice of Objection")  
22 to the Settlement Administrator, no later than the Objection/Exclusion Deadline Date. The  
23 postmark date of the mailing shall be deemed the exclusive means for determining if a  
24 Notice of Objection is timely. The Notice of Objection must contain the Class Member's  
25 name, the last four digits of his/her social security number, dates of employment, current  
26 contact information, a statement providing the basis for the Class Member's objections, a  
27 statement advising if the objecting Class Member plans to address the Court at the  
28 Settlement Fairness Hearing, and any legal briefs, papers or memoranda the objecting Class

1 Member proposes to submit to the Court. Class Members regardless of whether or not they  
2 submit a written objection to the Claims Administrator will have the right to appear at the  
3 Final Approval Hearing in order to have their objections heard by the Court. No later than  
4 sixteen (16) court days before the Settlement Fairness Hearing, the Claims Administrator  
5 shall provide counsel for the Parties with complete copies of all objections received,  
6 including the postmark dates for each objection. Class Counsel and Counsel for Defendant  
7 shall file any responses to any written objections submitted to the Court in accordance with  
8 this Settlement Agreement at least five (5) days before the Fairness Settlement Hearing.

9 b. Procedure For Requesting Exclusion. The Notice shall provide that Class Members who  
10 wish to exclude themselves from the Class must submit a written request to be excluded  
11 (“Request for Exclusion”) from the Class on or before the Objection/Exclusion Deadline  
12 Date. Such Request for Exclusion: (1) must contain the name, address, telephone number  
13 and the last four digits of the Social Security number of the person requesting exclusion;  
14 (2) must be signed by the person requesting exclusion; (3) must be returned by mail to the  
15 Settlement Administrator at the specified address; (4) and must be postmarked on or before  
16 the Objection/Exclusion Deadline Date. The date of the postmark on the return mailing  
17 envelope shall be the exclusive means used to determine whether a request for exclusion  
18 has been timely submitted. Any Class Member who requests an exclusion from the Class  
19 will not be entitled to any recovery under the Settlement and will not be bound by the  
20 Settlement or have any right to object, appeal or comment thereon. Class Members who  
21 fail to submit valid and timely a Request for Exclusion on or before the  
22 Objection/Exclusion Deadline Date shall be Participating Class Members and shall be  
23 bound by all terms of the Settlement and any Final Judgment entered in this Class Action  
24 if the Settlement is approved by the Superior Court. No later than sixteen (16) court days  
25 before the Settlement Fairness Hearing, the Settlement Administrator shall provide counsel  
26 for the Parties with a complete list of all members of the Settlement Class who have timely  
27 requested exclusion from the Settlement. At no time shall any of the Parties or their  
28 counsel seek to solicit or otherwise encourage members of the Settlement Class to submit  
a Request for Exclusion from the Settlement.

1 c. Procedure for Contesting Individual Settlement Payment: Each Class Members will have  
2 the opportunity, should he/she disagree with Defendant's records regarding his/her Total  
3 Workweeks as provided in his/her Notice, to provide documentation to show contrary  
4 employment dates. To do so, Class Members must contact the Settlement Administrator,  
5 along with all applicable documentary evidence to support his/her dispute regarding his/her  
6 Total Workweeks prior to the Objection/Exclusion Deadline. Moreover, an individual can  
7 only dispute his/her number of Total Workweeks if he/she does not exclude himself/herself  
8 from the Settlement. If there is a dispute, the Settlement Administrator will consult with  
9 the Parties to determine whether a workweek adjustment is warranted. Class Counsel and  
10 Defendant's Counsel shall meet and confer in an attempt to reach an agreement regarding  
11 whether a workweek adjustment is warranted based on the documentary evidence  
12 submitted by the Class Member to challenge his/her Total Workweeks. If they cannot  
13 agree, the Settlement Administrator shall make the final determination of whether or not a  
14 workweek adjustment is warranted based on the documentary evidence submitted by the  
15 Class Member to challenge his/her Total Workweeks, and that determination shall be  
16 conclusive, final and binding on all Parties, including all Class Members. In the event that  
17 a workweek adjustment is warranted, the additional amount owed to said Class Member,  
18 if any, shall be paid as part of that Participating Class Member's Individual Settlement  
19 Payment, but Defendant shall not be required to tender or deposit any additional settlement  
20 sums due to any such adjustment.

21 d. No Solicitation Of Settlement Objections. The Parties agree to use their best efforts to  
22 carry out the terms of this Settlement. At no time shall any of the Parties or their counsel  
23 seek to solicit or otherwise encourage Class Members to submit written objections to the  
24 Settlement or appeal from the Order and Final Judgment.

25 15. Procedure For Payment Of Individual Settlement Payments:

26 a. Except for Excluded Class Members, all Participating Class Members will receive an  
27 Individual Settlement Payment.

28 b. Individual Settlement Payments for Class Members shall be paid exclusively from the  
Qualified Settlement Fund, pursuant to the settlement formula set forth herein, and shall be

1 mailed within ten (10) business days after Defendant delivers the required funds to the  
2 Settlement Administrator for deposit into the Qualified Settlement Fund.

3 c. Should any question arise regarding the determination of eligibility for, or the amounts of,  
4 any Individual Settlement Payment under the terms of this Agreement, Class Counsel and  
5 Defendant’s Counsel shall meet and confer in an attempt to reach agreement. If they cannot  
6 agree, the Settlement Administrator shall make the final determination, and that  
7 determination shall be conclusive, final and binding on all Parties, including all Class  
8 Members.

9 d. Any checks issued by the Settlement Administrator to Participating Class Members shall  
10 be negotiable for one hundred and eighty (180) calendar days. Those funds represented by  
11 Settlement checks returned as undeliverable and those Settlement checks remaining  
12 uncashed for more than 180 days after issuance (collectively, “Uncashed Settlement  
13 Checks”) shall be distributed to the Controller of the State of California to be held pursuant  
14 to the Unclaimed Property Law, California Code of Civil Procedure Section 1500 et seq.  
15 for the benefits of those Settlement Class Members who did not cash their checks until  
16 such time they claim their property. The parties agree that this disposition results in no  
17 “unpaid residue” under California Civil Procedure Code Section 384, as the entire Net  
18 Fund Value (NFV) will be paid out to Settlement Class Members, whether or not they all  
19 cash their settlement checks.

20 e. Although Participating Class Members who do not timely cash their Individual Settlement  
21 Payments shall not immediately receive the monies from those checks, such persons shall  
22 nonetheless be Participating Class Members and will be bound by all terms of the  
23 Settlement and any Final Judgment entered in this Class Action if the Settlement is  
24 approved by the Superior Court, including the release of the Released Claims, unless they  
25 timely file a valid request for exclusion as set forth herein.

26 16. Claims Deemed Waived. Any Class Member who does not request exclusion as set forth  
27 above is deemed to be a Participating Class Member and thereby is deemed to have released the Released  
28 Claims against Released Parties as set forth herein, regardless of whether or not they timely cash their

1 Individual Settlement Payment.

2 17. Option To Terminate Settlement. Notwithstanding any other provision of this Settlement  
3 Agreement, Defendant shall retain the right, in the exercise of its sole discretion, to nullify the settlement  
4 if greater than twenty percent (20%) of the Class Members request exclusion from the class. Defendant  
5 must exercise its right of rescission, in writing, to the Court and Class Counsel, within 7 calendar days  
6 after the Claims Administrator notifies the Parties of the total number of Requests for Exclusion received  
7 by the Response Deadline. If Defendant exercises its option to rescind, Defendant shall be solely  
8 responsible for the initial payment to the Claims Administrator of all costs of the Claims Administration,  
9 including any re-notice to the Class as ordered by the Court, but such initial payment shall be treated as a  
10 taxable cost in the event that this case is ultimately litigated and Defendant prevails in a manner permitting  
11 an award of costs per applicable statute(s) and/or procedural rule(s). If Defendant exercises its option to  
12 rescind the Settlement under this paragraph all actions taken in furtherance of the Settlement will be null  
and void.

13 18. Defendant has represented a class size of approximately 82 class members. If the class  
14 size is more than 82 employees then the Gross Fund Value shall increase in the exact proportionate amount  
15 as the increase in class size. For example, if the class size is 84 employees then the Gross Fund Value  
16 shall increase by 2.4%.

17 19. Certification By Settlement Administrator. Upon completion of administration of the  
18 distributions, the Settlement Administrator shall provide written certification of such completion to the  
19 Court and counsel for all Parties.

20 20. Final Settlement Approval Hearing And Entry Of Final Judgment. Upon expiration of the  
21 Objection/Exclusion Deadline Date, with the Court's permission, a Final Fairness Hearing shall be  
22 conducted to determine final approval of the Settlement along with the amount properly payable for (i)  
23 the Attorneys' Fees and Cost Award, (ii) any Service Awards, and (iii) Settlement Administration Costs.  
24 The Final Fairness Hearing shall not be held earlier than twenty-five (25) calendar days from  
25 Objection/Exclusion Deadline Date. Upon final approval of the Settlement by the Court, Class Counsel  
26 shall prepare and the Parties shall present the Final Approval Order and Judgment, in a form agreed to in  
27 advance by the Parties, for the Court's approval. After entry of the Final Approval Order and Judgment,  
28 the Court shall have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and



1 enforcement of the terms of the Settlement; (ii) Settlement administration matters; and (iii) such post-  
2 Final Judgment matters as may be appropriate under court rules or as set forth in this Agreement.

3 21. Defendant shall discharge its obligations to the Class Members through the remittance of  
4 the Settlement Award claimed by the Class Members to the Settlement Administrator as set forth above,  
5 regardless of whether checks representing individual settlement sums are actually received and/or  
6 negotiated by Participating Class Members. Once Defendant has complied with the obligations set forth  
7 in this Joint Stipulation and Settlement of Class Action Claims, it will be deemed to have satisfied all  
8 terms and conditions under this Settlement Agreement, and shall have no further obligations under the  
9 terms of the Settlement Agreement regardless of what occurs with respect to those sums.

10 22. Nullification Of Settlement Agreement. In the event: (i) the Court does not finally approve  
11 the Settlement as provided herein; or (ii) the Court does not enter a Final Approval Order as provided  
12 herein, which becomes final as a result of the occurrence of the Effective Date, this Settlement Agreement  
13 shall be null and void and any order or judgment entered by the Court in furtherance of this Settlement  
14 shall be treated as void *ab initio*. In such a case, the Parties and any funds to be awarded under this  
15 Settlement shall be returned to their respective statuses as of the date and time immediately prior to the  
16 execution of this Agreement, and the Parties shall proceed in all respects as if this Settlement Agreement  
17 had not been executed. In the event an appeal is filed from the Court's Final Judgment, or any other  
18 appellate review is sought prior to the Effective Date, administration of the Settlement shall be stayed  
19 pending final resolution of the appeal or other appellate review, as well as any fees incurred by the  
20 Settlement Administrator prior to it being notified of the filing of an appeal from the Court's Final  
21 Judgment, or any other appellate review.

22 23. No Effect On Employee Benefits. Neither the Individual Settlement Payments nor the  
23 Service Award to Named Plaintiff shall be deemed to be pensionable earning and shall not have any effect  
24 on the eligibility for, or calculation of, any of the employee benefits (e.g., vacations, holiday pay,  
25 retirement plans, etc.) of the respective Named Plaintiff or Participating Class Members. The Parties agree  
26 that any Individual Settlement Payments to Participating Class Members under the terms of this  
27 Agreement do not represent any modification of the Participating Class Members' previously credited  
28 hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare  
benefit plan sponsored by Defendant. Further, any Individual Settlement Payment, or Service Award

1 hereunder shall not be considered "compensation" in any year for purposes of determining eligibility for,  
2 or benefit accrual within, an employee pension benefit plan or employee welfare benefit plan sponsored  
3 by Defendant. Neither Defendant nor Named Plaintiff are opining on the terms of any such Plan, each of  
4 which speaks for itself.

5 24. Dispute Resolution. Except as otherwise set forth herein, all disputes concerning the  
6 interpretation, calculation or payment of settlement claims, or other disputes regarding compliance with  
7 this Agreement shall be resolved as follows:

- 8 a. If the Named Plaintiff or Class Counsel, on behalf of the Named Plaintiff or any Class  
9 Member, or the Defendant at any time believes that the other Party has breached or acted  
10 contrary to the Agreement, that Party shall notify the other Party in writing of the alleged  
11 violation.
- 12 b. Upon receiving notice of the alleged violation or dispute, the responding Party shall have  
13 ten (10) calendar days to correct the alleged violation and/or respond to the initiating Party  
14 with the reasons why the Party disputes all or part of the allegation.
- 15 c. If the response does not address the alleged violation to the initiating Party's satisfaction,  
16 the Parties shall negotiate in good faith for up to ten (10) calendar days to resolve their  
17 differences.
- 18 d. If Class Counsel and Defense counsel are unable to resolve their respective parties'  
19 differences after twenty (20) calendar days referenced in Section III, Paragraph 23(a)-(c),  
20 supra, either Party may elect to file (1) an appropriate Code of Civil Procedure section  
21 664.6 motion for enforcement with the Court, or (2) take any other legal action to enforce  
22 this Settlement Agreement.
- 23 e. In the event that the Court does not agree to adopt the above dispute resolution procedure  
24 as part of its Order granting final approval to the Settlement, then the above provisions for  
25 Dispute Resolution (Section III, paragraph 23(a)-(d)) are null and void, the remainder of  
26 the settlement is unaffected, and the parties shall remain free to submit disputes and/or  
27 motions for enforcement of the settlement via appropriate noticed motion or ex parte  
28 application as though Section III, paragraph 23 was not included herein.

25. No Retaliation. Defendant will not take any adverse action against any Class Member

1 because of the existence of, and/or participation in, the Settlement, or because they choose to benefit from  
2 the Settlement or to object to the Settlement. Defendant will not take action to discourage Class Members  
3 from participating in the Settlement.

4 26. Exhibits And Headings. The terms of this Agreement include the terms set forth in any  
5 attached Exhibit 1 which is incorporated by this reference as though fully set forth herein. Any exhibits to  
6 this Agreement are an integral part of the Settlement. The descriptive headings of any paragraphs or  
7 sections of this Agreement are inserted for convenience of reference only and do not constitute a part of  
8 this Agreement.

9 27. Interim Stay Of Proceedings. The Parties agree to hold all proceedings in the Action,  
10 except such proceedings necessary to implement and complete the Settlement, in abeyance pending the  
11 Settlement Hearing to be conducted by the Court.

12 28. Amendment Or Modification. This Agreement may be amended or modified only by a  
13 written instrument signed by counsel for all Parties or their successors-in-interest.

14 29. Entire Agreement. This Agreement and any attached exhibits constitute the entire  
15 agreement among these Parties, and no oral or written representations, warranties or inducements have  
16 been made to any Party concerning this Agreement or its exhibits other than the representations, warranties  
17 and covenants contained and memorialized in such documents. Defendant shall not be required as part of  
18 the Settlement to modify or eliminate any of its personnel, compensation or payroll practices, or adopt  
19 any new personnel, compensation or payroll practices.

20 30. Authorization To Enter Into Settlement Agreement. Counsel for all Parties warrant and  
21 represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement  
22 and to take all appropriate action required or permitted to be taken by such Parties pursuant to this  
23 Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of  
24 this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to  
25 effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the  
26 form or content of any document needed to implement the Settlement, or on any supplemental provisions  
27 that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance  
28 of the Court to resolve such disagreement. The persons signing this Agreement on behalf of Defendant  
represents and warrants that they are authorized to sign this Agreement on behalf of Defendant.

1           31. Binding On Successors And Assigns. This Agreement shall be binding upon, and inure to  
2 the benefit of, the successors or assigns of the Parties hereto, as previously defined.

3           32. California Law Governs. All terms of this Agreement and the exhibits hereto shall be  
4 governed by and interpreted according to the laws of the State of California.

5           33. No Public Disclosure prior to Preliminary Approval: Named Plaintiff, Defendant, and Class  
6 Counsel will not make any public disclosure of the Settlement until after the filing of the Application for  
7 Preliminary Approval of the Settlement. Named Plaintiff, Defendant, and Class Counsel represent that  
8 they have not made any such disclosure. The foregoing shall not preclude Named Plaintiff or Class  
9 Counsel from advising Class Members regarding this Settlement. This section does not preclude Class  
10 Counsel or Named Plaintiff from performing their duties as Class Counsel and/or Class Representative.  
11 This section does not preclude the posting of the Order and Judgment of Final Approval on the Settlement  
12 Administrator's website. Notwithstanding the foregoing, the Parties agree that Defendant may make such  
13 disclosures that in Defendant's judgment are required in the ordinary course of business, except that  
14 Defendant and its counsel shall not encourage Class Members to opt out. Thereafter, Class Counsel and  
15 Named Plaintiff agree not to publicize the terms of this Settlement with the media or others, including but  
16 not limited to, any newspaper, journal, magazine, website, and/or on-line reporter of settlements. Class  
17 Counsel may also include references to this Settlement in their curriculum vitae, for purposes of  
18 presentations and in court filings only. With the exception of those made in court filings, any references  
19 to this Settlement made by class counsel pursuant to this paragraph shall not identify Defendant by name.

20           34. Counterparts. This Agreement may be executed in one or more counterparts. All executed  
21 counterparts and each of them shall be deemed to be one and the same instrument provided that counsel  
22 for the Parties to this Agreement shall exchange among themselves original signed counterparts.

23           35. This Settlement Is Fair, Adequate And Reasonable. The Parties believe this Settlement is  
24 a fair, adequate and reasonable settlement of this Action and have arrived at this Settlement after extensive  
25 arms-length negotiations, taking into account all relevant factors, present and potential.

26           36. Jurisdiction Of The Court. The Court shall retain jurisdiction, pursuant to Code of Civil  
27 Procedure Section 664.6 or otherwise, with respect to the interpretation, implementation and enforcement  
28 of the terms of this Agreement and all orders and judgments entered in connection therewith, and the  
Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting,

1 implementing and enforcing the settlement embodied in this Agreement and all orders and judgments  
2 entered in connection therewith.

3 37. Cooperation And Drafting. Each of the Parties has cooperated in the drafting and  
4 preparation of this Agreement. Hence, in any construction made to this Agreement, the same shall not be  
5 construed against any of the Parties.

6 38. Invalidity Of Any Provision. Before declaring any provision of this Agreement invalid,  
7 the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with  
8 applicable precedents so as to define all provisions of this Agreement valid and enforceable

9  
10 Dated: 2/18/2021 **PLAINTIFF**  
*Juan C Alcaraz*  
11 \_\_\_\_\_  
Juan Alcaraz  
12 Represented By:

13  
14 **KOKOZIAN LAW FIRM, APC**  
15 Dated: 2/18/21 By: \_\_\_\_\_  
16 *Bruce Kokozyan*  
Bruce Kokozyan, Esq.  
Attorney for Plaintiff

17  
18 **WESTERN SHIELD ACQUISITIONS, LLC**  
19 Dated: \_\_\_\_\_ By: \_\_\_\_\_  
20 Their: \_\_\_\_\_  
21 Represented by:

22  
23 Pacific Employment Law  
24 By: \_\_\_\_\_  
25 Dated: \_\_\_\_\_ Noah Levin, Esq.

1 implementing and enforcing the settlement embodied in this Agreement and all orders and judgments  
2 entered in connection therewith.

3 37. Cooperation And Drafting. Each of the Parties has cooperated in the drafting and  
4 preparation of this Agreement. Hence, in any construction made to this Agreement, the same shall not be  
5 construed against any of the Parties.

6 38. Invalidity Of Any Provision. Before declaring any provision of this Agreement invalid,  
7 the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with  
8 applicable precedents so as to define all provisions of this Agreement valid and enforceable

9 **PLAINTIFF**

10 Dated: \_\_\_\_\_

11 \_\_\_\_\_  
12 Juan Alcaraz

13 Represented By:

14 **KOKOZIAN LAW FIRM, APC**

15 Dated: \_\_\_\_\_

16 By: \_\_\_\_\_

17 Bruce Kokozyan, Esq.  
18 Attorney for Plaintiff

19 **WESTERN SHIELD ACQUISITIONS, LLC**

20 Dated: 2/17/21

21 By: \_\_\_\_\_

22 Their: CEO

23 Represented by:

24 Pacific Employment Law

25 Dated: \_\_\_\_\_

26 By: \_\_\_\_\_

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16 By: \_\_\_\_\_  
17 Bruce Kokozyan, Esq.  
18 Attorney for Plaintiff

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21 By: \_\_\_\_\_  
22 Their: CEO  
23 Represented by:

24 **Pacific Employment Law**

25 Dated: 2/19/21  
26 By: \_\_\_\_\_  
27 Noah Levin, Esq.  
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