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COMMUNITY BRANDS PARENTCO, LLC;
EDUCATION BRANDS, LLC; AND MOBILECAUSE,
INC.

[ADDITIONAL COUNSEL ON NEXT PAGE]

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ALAMEDA

PATRICIA HOOVER, MICHAEL BUCKHOUT,
MICHAEL DEMARCO, PAUL DUTCH JR.,
SHERI HENDERSON, SCOTT SOLOMON,
AND STUART TOMLINSON, individually and
on behalf of all others similarly situated,

Plaintiffs,

v.

COMMUNITY BRANDS PARENTCO, LLC, a
Delaware limited liability company;
COMMUNITY BRANDS LLC, a Delaware
limited liability company; EDUCATION
BRANDS, LLC, a Delaware limited liability
company; MOBILECAUSE, INC., a Delaware
corporation; and Does 1-100, inclusive,
Defendants.

Case No. 23CV040930

**JOINT STIPULATION AND
SETTLEMENT AGREEMENT OF
CLASS ACTION AND
REPRESENTATIVE CLAIMS**

[ASSIGNED FOR ALL PURPOSES TO
JUDGE SOMNATH RAJ CHATTERJEE,
DEPT. 21]

Trial Date: TBD
Complaint Filed: August 16, 2023

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5 Attorneys for Defendants
6 COMMUNITY BRANDS PARENTCO, LLC;
EDUCATION BRANDS, LLC; AND
7 MOBILECAUSE, INC.

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1 This Joint Stipulation and Settlement Agreement of Class Action and Representative Action
2 Claims (“Stipulation of Settlement” or “Settlement” or “Settlement Agreement”) is made and entered
3 into by and between Plaintiff Patricia Hoover (“Named Plaintiff”), Plaintiffs Patricia Hoover, Michael
4 Buckhout, Michael Demarco, Paul Dutch Jr., Sheri Henderson, Scott Solomon, and Stuart Tomlinson
5 (“Opt-In Plaintiffs”), and Defendants Community Brands Parentco, LLC, Education Brands, LLC,
6 and MobileCause, Inc. (together “Defendants”)¹ (Named Plaintiff and Defendants are referred to
7 together as the “Parties”).

8 THE PARTIES STIPULATE AND AGREE as follows:

9 **DEFINITIONS**

10 1. **“Court”** means the Superior Court of the State of California for the County of
11 Alameda.

12 2. **“Defendants’ Counsel”** means Elizabeth Staggs-Wilson, Esq., Jyoti Mittal, Esq., and
13 James Payer, Esq., of Littler Mendelson, P.C.

14 3. **“Effective Date”** shall have the meaning ascribed to it in Paragraph 40 below.

15 4. **“Enhancement Awards”** means the payments made to Named Plaintiff and the Opt-
16 In Plaintiffs in their capacity as class representatives, which sum is over and above their Individual
17 Settlement Payment.

18 5. **“Escalator Amount”** means the amount Defendants will pay in addition to the Gross
19 Settlement Amount if the total number of Workweeks exceeds 8,908 Workweeks by 10% or more
20 (e.g., the Workweek count is greater than 9,799 Workweeks) and if Defendants elect to (1) increase
21 the Gross Settlement Amount proportionately for each additional Workweek over 9,799 Workweeks
22 rather than (2) select an end date for the Settlement Class Period and PAGA Period wherein the total
23 number of Workweeks is less than or equal to 9,799 Workweeks.

24 6. **“Final Approval Hearing”** means the hearing whereat the Court shall consider,
25 without limitations, any timely objections to the Settlement from Settlement Class Members,
26 testimony from the Parties or their counsel, declarations regarding the claims process from the
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28 ¹ Community Brands LLC was erroneously named as a Defendant in this matter. Community Brands
LLC does not exist as a corporate entity.

Settlement Administrator, and otherwise make a final determination regarding the fairness of the Settlement as set forth herein.

7. **“Final Order and Judgment”** means the Final Order Approving Class Action and PAGA Settlement and Judgment in a form to be agreed upon by the Parties and approved by the Court.

8. **“FLSA Action”** means the action entitled *Hoover v. Community Brands Parentco, LLC*, pending in the United States District Court for the Northern District of California, Case No. 3:23-cv-04178.

9. **“Gross Settlement Amount”** means Five Hundred Twenty-Five Thousand Dollars and Zero Cents (\$525,000.00), which is the maximum amount that Defendants will pay pursuant to this Settlement, excluding Defendants’ share of payroll taxes and the Escalator Amount, if any, which shall be paid by Defendants separately and in addition to the Gross Settlement Amount.

10. **“Individual Settlement Payment”** means the portion of the Net Settlement Amount payable to a Qualified Class Member.

11. **“LWDA”** means the California Labor & Workforce Development Agency.

12. **“Operative Complaint”** means the Second Amended Complaint that is attached as **Exhibit B**, which Named Plaintiff shall file prior to obtaining preliminary approval of the settlement.

13. **“Opt-In Plaintiffs”** means the following six persons who opted into the collective in the FLSA Action: Michael Buckhout, Michael Demarco, Paul Dutch Jr., Sheri Henderson, Scott Solomon, and Stuart Tomlinson.

14. **“Net Settlement Amount”** has the meaning ascribed to it in Paragraph 44, below.

15. **“Notice”** or **“Class Notice”** means the Notice of Pendency of Class Action in substantially the form attached hereto as **Exhibit A**, and as approved by the Court.

16. **“PAGA Employees”** means the Settlement Class Members who worked at any time in California during the PAGA Period.

17. **“PAGA Employee Payment”** means the payment issued to each PAGA Employee for his/her/their share of the PAGA Payment.

18. **“PAGA Notice”** means Named Plaintiff’s Notice of Labor Code Violations California Labor Code Sections 2698 *Et. Seq.* that was sent to the California Labor and Workforce Development

Agency on or about October 9, 2023.

19. **“PAGA Payment”** means the payment to the State of California Labor and Workforce Development Agency (“LWDA”) and the PAGA Employees in settlement of all claims for PAGA penalties

20. **“PAGA Period”** means the time period from October 9, 2022 to the date of preliminary approval, or an earlier date pursuant to Defendants’ election under the escalator provision in Paragraph 41(a) herein.

21. **“Qualified Class Members”** means the Settlement Class Members who did not opt out of the Settlement Agreement and who will receive a share of the Net Settlement Amount.

22. **“Released Parties”** collectively shall encompass Defendants Community Brands Parentco, LLC, Community Brands LLC, Education Brands, LLC, and MobileCause, Inc., successors-in-interest NonProfit Brands, LLC and Momentive Software, Inc., and any of their past, present and future direct or indirect parents, subsidiaries, predecessors, successors and affiliates, as well as each of their past, present and future officers, directors, employees, partners, members, shareholders and agents, attorneys, insurers, reinsurers, and any individual or entity which could be jointly liable with them.

23. **“Settlement Administrator”** means ILYM.

24. **“Settlement Class Counsel”** means Jonathan M. Lebe and Melissa Kurata of Lebe Law, APLC.

25. **“Settlement Class Members”** means all persons who worked in California for Defendants between August 15, 2019 and December 24, 2023, as well as the approximately 17 employees who previously worked for Defendants and continued to work in the same or a similar role in California with successors-in-interest NonProfit Brands, LLC from December 25, 2023 to December 31, 2024 and Momentive Software, Inc. from January 1, 2025 to the date of preliminary approval, or an earlier date pursuant to Defendants’ election under the escalator provision in Paragraph 41(a) herein.

26. **“Settlement Class Period”** means the time period from August 15, 2019 to the date of preliminary approval, or an earlier date pursuant to Defendants’ election under the escalator provision

1 in Paragraph 41(a) herein.

2 27. “**Lawsuit**” means the action entitled *Hoover v. Community Brands Parento, LLC*,
3 pending in Alameda County Superior Court, Case No. 23CV040930.

4 28. “**Workweeks**” means any week where a Settlement Class Member performed work.

5 **RECITALS**

6 29. On September 5, 2024, following exchange and extensive review of relevant
7 documents and class data, the Parties engaged in a full-day mediation with experienced wage and hour
8 class action mediator Michael Strauss, Esq. The mediation was unsuccessful; however, over the next
9 several months, the Parties continued to negotiate with the assistance of the mediator and reached this
10 settlement.

11 30. Defendants deny any liability or wrongdoing of any kind whatsoever associated with
12 the claims in the Lawsuits, and further deny that, for any purpose other than settling the Lawsuit, class
13 action or representative treatment is appropriate for the Lawsuit.

14 31. It is the Parties’ desire to fully, finally, and forever settle, compromise, and discharge
15 all disputes and claims alleged in the Lawsuit.

16 32. It is the Parties’ intention that this Stipulation of Settlement shall constitute a full and
17 complete settlement and release of all Released Claims (as defined in Paragraphs 64, 65, and 66)
18 against all Released Parties.

19 33. It is the Parties’ intention that this Settlement shall not become effective until the
20 Effective Date, as defined in Paragraph 40, below.

21 34. Settlement Class Counsel have conducted a thorough investigation into the facts of the
22 Lawsuit, including an extensive review of relevant documents and data, and have diligently pursued
23 an investigation of the Settlement Class Members’ claims against Defendants. Based on its and their
24 own independent investigation and evaluation, Settlement Class Counsel are of the opinion that the
25 Settlement with Defendants is fair, reasonable, and adequate and is in the best interest of the Settlement
26 Class Members in light of all known facts and circumstances, including the risks of significant delay,
27 the class not being certified, and the defenses asserted by Defendants. Defendants and Defendants’
28 Counsel also agree that the Settlement is in the best interests of the Settlement Class Members.

1 Counsel for the Parties further agree that the Settlement is fair, reasonable, and adequate with respect
2 to civil penalties sought pursuant to PAGA.

3 35. The Parties agree to cooperate and take all steps necessary and appropriate to
4 consummate this settlement in accordance with the terms of this Stipulation of Settlement.

5 **TERMS OF SETTLEMENT**

6 36. In consideration of the mutual covenants, promises, and agreements set forth herein,
7 the Parties agree, subject to the Court's approval, to the terms herein.

8 37. It is agreed by and between Named Plaintiff and Defendants that the Lawsuit and any
9 claims, demands, liabilities, penalties, damages or causes of action of any kind whatsoever claimed by
10 Named Plaintiff on behalf of herself, the Opt-In Plaintiffs, the Settlement Class Members, and/or the
11 PAGA Employees arising out of the disputes which are the subject of the Lawsuit, be settled and
12 compromised, subject to the terms and conditions set forth in this Stipulation of Settlement and the
13 Court's approval.

14 38. As a condition of this Settlement and pursuant to stipulation by the Parties, Plaintiff
15 Patricia Hoover shall file a Second Amended Complaint in the Lawsuit prior to obtaining preliminary
16 approval of the settlement and which shall be the Operative Complaint, a copy of which is attached as
17 **Exhibit B**. Plaintiff Hoover will amend the complaint such that the Operative Complaint includes the
18 Opt-In Plaintiffs as plaintiffs, encompasses all of Named Plaintiff's and the Opt-In Plaintiffs'
19 respective claims, and adds the claims alleged in the FLSA Action for purposes of settlement only.
20 Defendants will not be required to file an answer to the Operative Complaint.

21 39. Named Plaintiff shall obtain a complete and final dismissal of the FLSA Action after
22 amending to add the FLSA claim in the Operative Complaint and after preliminary approval has been
23 granted in the Lawsuit.

24 40. **Effective Date**: The Settlement embodied in this Stipulation of Settlement shall become
25 effective when all of the following events have occurred ("Effective Date"): (i) this Stipulation of
26 Settlement has been executed by Named Plaintiff, Defendants, the Opt-In Plaintiffs, Settlement Class
27 Counsel, and Defendants' Counsel; (ii) the Court has given preliminary approval to the Settlement;
28 (iii) the Notice has been sent to the Settlement Class Members, providing them the opportunity to

1 object to the Settlement, and the opportunity to opt out of the Settlement; (iv) the Notice has been sent
2 to the LWDA; (v) the Court has held a final fairness hearing and entered the Court's Final Order and
3 Judgment; (vi) the FLSA Action has been dismissed; and (vii) the later of the following events: five
4 (5) calendar days after the period for filing any appeal, writ, or other appellate proceeding opposing
5 the Final Order and Judgment has elapsed without any appeal, writ, or other appellate proceeding
6 having been filed, *i.e.*, 65 days from the date the Court grants final approval and enters judgment, and
7 notice of entry of judgment is served; or, if any appeal, writ, or other appellate proceeding opposing
8 final approval has been filed within that timeframe; five business days after any appeal, writ, or other
9 appellate proceedings opposing the Settlement has finally and conclusively dismissed with no right to
10 pursue further remedies or relief. If the Court declines to approve the Settlement, the entire Stipulation
11 of Settlement is deemed void and unenforceable as if no settlement of any claim was ever reached. All
12 negotiations, statements and proceedings and data relating thereto shall be protected by California
13 Evidence Code §1152 and shall be without prejudice to the rights of any of the Parties.

14 41. Gross Settlement Amount: To implement the terms of this Settlement, Defendants
15 agree to pay a maximum total payment of Five Hundred Twenty-Five Thousand Dollars and Zero
16 Cents (\$525,000.00), which includes payments to Settlement Class Members (excluding any
17 appropriate and lawfully required employer-side payroll taxes owed by Defendants on such payments
18 which Defendants shall be separately responsible for apart from the Gross Settlement Amount),
19 Enhancement Award to the Named Plaintiff and Opt-In Plaintiffs, the PAGA Payment, the Settlement
20 Administrator's fees and costs, approved attorneys' fees and litigation costs, and any other payments
21 provided by this Settlement. Except as otherwise specified herein, Defendants shall not be required
22 to pay any additional monies beyond the amount of the Gross Settlement Amount other than the
23 employer-side payroll taxes and the Escalator Amount, if any. Further, no portion of the Gross
24 Settlement Amount and the Escalator Clause, if any, shall revert to Defendants, and any amount of the
25 Gross Settlement Amount and the Escalator Clause, if any, not required for paying the above-
26 referenced amounts shall be paid to the Qualified Class Members on a pro rata basis according to the
27 formula contained herein.

28 a. Defendants represent that the total number of Workweeks worked by

Settlement Class Members as of April 18, 2025, is approximately 8,908 Workweeks. If the total number of Workweeks exceeds this total by 10% or more (e.g., the Workweek count is greater than 9,799 Workweeks) for the Settlement Class Period, Defendants shall have the following options:

- i. Pay the Escalator Amount, which is calculated by increasing the Gross Settlement Amount proportionately for each additional Workweek over 9,799 Workweeks (for example, if the Workweek count is 9,889, i.e., 11% of 8,908 Workweeks, the Escalator Amount will equal \$5,250, i.e., 1% of the Gross Settlement Amount); or
- ii. Select an end date for the Settlement Class Period and PAGA Period wherein the total number of Workweeks is less than or equal to 9,799 Workweeks.

42. Tax Treatment of the Gross Settlement Amount: The Parties agree that the Gross Settlement Amount, including the Escalator Amount, if any, will qualify as a settlement fund pursuant to the requirements of section 468(B)(g) of the Internal Revenue Code of 1986, as amended, and section 1.468B-1 *et seq.* of the income tax regulations. Furthermore, the Settlement Administrator is hereby designated as the “Administrator” of the qualified settlement funds for purposes of section 1.46B-2(k) of the income tax regulations. As such, all taxes imposed on the gross income of the Gross Settlement Amount, including the Escalator Amount, if any, and any tax-related expenses arising from any income tax return or other reporting document that may be required by the Internal Revenue Service or any state or local taxing body will be paid from the Gross Settlement Amount.

43. Funding of Gross Settlement Amount: Within fifteen (15) calendar days of the Effective Date, Defendants shall transfer to the Settlement Administrator an amount equal to the Gross Settlement Amount and the Escalator Amount, if any, plus the employer’s share of payroll taxes. The delivery of these sums and the employer’s share of payroll taxes to the Settlement Administrator shall constitute full and complete discharge of the entire obligation of Defendants under this Settlement. Once Defendants have made such payments, they will be deemed to have satisfied all terms and conditions under this Settlement, shall be entitled to all protections afforded to Defendants under this Settlement, and shall have no further obligations under the terms of the Settlement regardless of what

occurs with respect to those sums.

44. Allocation of the Gross Settlement Amount: After the deduction of the amounts approved for the Enhancement Awards to the Named Plaintiff and Opt-In Plaintiffs, the PAGA Payment, the Settlement Administrator's costs, Settlement Class Counsel's fees and expenses from the Gross Settlement Amount, including the Escalator Amount, if any, the remainder shall be referred to as the Net Settlement Amount.

a. The Net Settlement Amount shall be divided among the Qualified Class Members on a pro-rata basis, based upon the following:

i. Each Qualified Class Member's workweek count, which shall be the sum of the total number of Workweeks the Qualified Class Member worked during the Settlement Class Period;

ii. Divided by the combined sum of all Qualified Class Members' workweek counts; and

iii. Multiplied by the value of the Net Settlement Amount.

b. The Parties agree that if any Qualified Class Member disputes the basis for determining their share of the Settlement, Defendants' records shall presumptively control unless the Qualified Class Member can produce documentation evidence of other workweeks worked during the relevant time period. The Parties further agree that any dispute that cannot be resolved by Settlement Class Counsel and Defendants' Counsel may be brought before the Court before final approval of the Class Settlement.

c. To the extent that amounts for attorneys' fees and costs and the Enhancement Awards outlined below are not approved by the Court, such amounts will be reallocated to the Net Settlement Amount unless allocated otherwise by agreement of the Parties, with approval of the Court.

d. The Parties agree that all of the Net Settlement Amount distributed to each Qualified Class Member will be allocated as follows: twenty percent (20%) as alleged unpaid wages and eighty percent (80%) as alleged penalties and unpaid interest. The Settlement Administrator will issue an IRS W-2 to each Qualified Class Member for the portion of each Individual Settlement Payment allocated as alleged unpaid wages and subject to applicable tax withholdings. The Settlement

1 Administrator shall issue an IRS Form 1099-MISC to each Qualified Class Member for the portion of
2 each Individual Settlement Payment allocated as alleged unpaid non-wage penalties and interest and
3 not subject to payroll tax withholdings. The Parties further agree that the PAGA Payment distributed
4 to each PAGA Employee will be treated entirely as civil penalties and will be reported as such to each
5 PAGA Employee on an IRS Form 1099-MISC, if applicable.

6 e. Within ten (10) calendar days of the transfer of the Gross Settlement Amount,
7 including the Escalator Amount, if any, to the Settlement Administrator, and only upon the Effective
8 Date being met, the Settlement Administrator shall disburse: (1) the Net Settlement Amount to be paid
9 to Qualified Class Members; (2) 90% of the Attorney Fee Award and Cost Award to Settlement Class
10 Counsel for attorneys' fees and costs, as approved by the Court; (3) the Enhancement Awards paid to
11 the Named Plaintiffs and Opt-In Plaintiffs, as approved by the Court; (4) Administrative Costs, as
12 approved by the Court; and (5) the PAGA Payment to the LWDA and PAGA Employees, as approved
13 by the Court.

14 f. Qualified Class Members and PAGA Employees must cash or deposit their
15 Individual Settlement Payment and PAGA Employee Payment checks within one hundred twenty
16 (120) days from the date of issuance of the check. If any checks are not redeemed or deposited within
17 sixty (60) calendar days after mailing, the Settlement Administrator will send a reminder postcard
18 indicating that unless the check is redeemed or deposited in the next sixty (60) days, it will expire and
19 become non-negotiable. If any checks remain uncashed or not deposited by the expiration of the sixty
20 (60) day period after mailing the reminder notice, the Settlement Administrator will, within one
21 hundred twenty (120) calendar days after the checks are mailed, cancel the checks. All funds
22 associated with the Individual Settlement Payment checks and PAGA Employee Payment checks
23 returned as undeliverable and funds associated with those Individual Settlement Payment checks and
24 PAGA Employee Payment checks remaining uncashed, shall be distributed to the cy pres beneficiary,
25 Bet Tzedek, in accordance with CCP 384(a). These funds shall not be distributed to the cy pres
26 beneficiary until after Court approval of a final accounting. The cy pres beneficiary has been selected
27 because it promotes the interests of the Class and PAGA employees, as set forth in the declaration of
28 Jonathan Lebe submitted pursuant to CCP 382.4. The Parties, Class Counsel, and Defendants' Counsel

1 represent that they have no interest or relationship, financial or otherwise, with the cy pres recipient.
2 The failure by a PAGA Employee to cash their PAGA Employee Payment will have no effect on the
3 res judicata effect of the Release of PAGA Claims

4 45. PAGA Payment: Subject to the Court's Approval, up to a maximum of Fifty-Thousand
5 Dollars and Zero Cents (\$50,000) shall be allocated as the PAGA Payment. Thirty-Seven Thousand
6 and Five-Hundred Dollars (\$37,500), representing 75% of the PAGA Payment, shall be paid to the
7 LWDA. Twelve-Thousand and Five-Hundred Dollars (\$12,500), representing 25% of the penalties
8 paid pursuant to PAGA, shall be distributed to the PAGA Employees as PAGA Employee Payments.
9 The release of PAGA claims is by Plaintiff acting as proxy for the LWDA, and is limited to the scope
10 of the PAGA notice letter. To arrive at the PAGA Employee Payments, the portion of the PAGA
11 Payment allocated to the PAGA Employees shall be divided among the PAGA Employees on a pro-
12 rata basis, based upon the following:

13 a. Each PAGA Employee's pay period count, which shall be the sum of the total
14 number of pay periods the PAGA Employee worked during the PAGA Periods;
15 b. Divided by the combined sum of all PAGA Employees' pay period counts; and
16 c. Multiplied by the value of the portion of the PAGA Payment allocated to the
17 PAGA Employees.

18 46. Individual Settlement Payments Do Not Trigger Additional Benefits: All Individual
19 Settlement Payments, PAGA Employee Payments, and the Enhancement Awards shall not be utilized
20 to calculate any additional benefits under any benefit plans to which Named Plaintiff, the Opt-In
21 Plaintiffs, Settlement Class Members and/or PAGA Employees may be eligible including, but not
22 limited to: retirement plans, profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans,
23 vacation plans, paid time off, sick leave plans, PTO plans, pension plans, or any other benefit plan. It
24 is the Parties' intention that this Settlement will not affect any rights, contributions, or amounts to
25 which Named Plaintiff, Opt-In Plaintiffs, Settlement Class Members, and PAGA Employees may be
26 entitled under any benefit plans.

27 47. Settlement Administrator: The Settlement Administrator shall be ILYM (the
28 "Settlement Administrator"). The Settlement Administrator will maintain acceptable electronic and

1 physical security protocols to adequately protect and safeguard the private employee information it
2 will have access to as a result of the claims process. The fees and expenses of the Settlement
3 Administrator, which is currently estimated at approximately Four Thousand Nine Hundred Fifty
4 Dollars and Zero Cents (\$4,950.00), shall be paid through the Gross Settlement Amount.

5 48. Attorneys' Fees and Attorneys' Costs: Subject to the Court's approval, Settlement
6 Class Counsel may petition the Court for attorneys' fees, which collectively shall not exceed Thirty-
7 Three and One-Third percent (33.3%) of the Gross Settlement Amount, including the Escalator
8 Amount, if any, plus reasonable costs/expenses not to exceed Fifteen Thousand Dollars and Zero Cents
9 (\$15,000), subject to approval by the Court. Pursuant to the Court's Order, 10% of any attorneys' fee
10 award will be kept in the administrator's trust fund until the completion of the distribution process and
11 Court approval of a final counting. Defendants will not object to Settlement Class Counsel's
12 application for attorneys' fees and costs in these amounts. The amount set forth above will cover all
13 work performed and all fees and costs incurred to date, and all work to be performed and all fees and
14 costs to be incurred in the future in connection with the approval by the Court of this Stipulation of
15 Settlement, and the administration of the Settlement. Should Settlement Class Counsel collectively
16 request a lesser amount, or should the Court approve a lesser amount of attorneys' fees and/or
17 attorneys' costs, the difference between the lesser amount and the maximum amount set forth above
18 shall be added to the Net Settlement Amount. Settlement Class Counsel shall not be entitled to further
19 fees or costs from Defendants if they elect to appeal any reduction in the requested fee or cost award.
20 Any reduction by the Court of Settlement Class Counsel's claimed attorneys' fees and/or reasonable
21 costs/expenses shall not be sufficient grounds to void the Settlement. Named Plaintiff and Defendants
22 shall bear their own attorneys' fees and costs, except as provided herein.

23 49. Named Plaintiff's and the Opt-In Plaintiffs' Enhancement Awards: Settlement Class
24 Counsel will not seek more than \$10,000 for Named Plaintiff and \$7,500 for each Opt-In Plaintiff,
25 respectively, in recognition for their service as class representatives, which shall be paid from the
26 Gross Settlement Amount. It is understood that the Enhancement Awards are in addition to any
27 claimed Individual Settlement Payment or PAGA Employee Payment to which Named Plaintiff and
28 the Opt-In Plaintiffs are entitled. The Enhancement Awards shall not be deemed wages and will be

1 reported on an IRS Form 1099-MISC, if applicable.

2 50. Tax Forms: The Settlement Administrator shall be responsible for issuing the payments
3 and withholding all required state and federal taxes in accordance with this Stipulation of Settlement.
4 The Settlement Administrator will issue an IRS W-2 to each Qualified Settlement Class Member for
5 the portion of each Individual Settlement Payment allocated as alleged unpaid wages and subject to
6 applicable tax withholdings. The Settlement Administrator shall issue an IRS Form 1099-MISC to
7 each Qualified Settlement Class Member for the portion of each Individual Settlement Payment
8 allocated as alleged unpaid non-wage penalties and interest and not subject to payroll tax withholdings.
9 The Settlement Administrator will also issue IRS Forms 1099 to: (1) Named Plaintiff and Opt-In
10 Plaintiffs for the Enhancement Awards; (2) the PAGA Employees for their portion of the PAGA
11 Payment; and (3) Settlement Class Counsel for the amount paid for approved fees and costs. The
12 Settlement Administrator will be responsible for preparing these forms correctly. The Settlement
13 Administrator shall also be responsible for submitting Defendants' share of payroll taxes to the
14 appropriate government agencies on behalf of Defendants. Named Plaintiff, Opt-In Plaintiffs, and
15 Settlement Class Counsel will be responsible for correctly characterizing this compensation for tax
16 purposes and for paying any taxes on the amounts received.

17 51. Indemnification: Named Plaintiff, Opt-In Plaintiffs, and Settlement Class Counsel
18 acknowledge and agree that they are and will be responsible for the payment of any and all Federal,
19 State, and Local taxes or penalties associated with their respective allocated portions of the payments.
20 The Parties acknowledge and agree that Settlement Class Counsel is not responsible for the payment
21 of any Federal, State, and Local taxes or penalties associated with payments to Named Plaintiff, Opt-
22 In, Plaintiff and Qualified Settlement Class Members.

23 **NOTICE TO THE SETTLEMENT CLASS**

24 52. Within thirty (30) calendar days of preliminary approval of this Settlement by the
25 Court, Defendants shall provide to the Settlement Administrator a database containing the following
26 information ("Class Member List"):

27 a. The full name, last known address, last known telephone number, and full social
28 security number of all Settlement Class Members; and

1 b. The information necessary to determine the estimated settlement allocation to
2 each Settlement Class Member and PAGA Employee, including without limitation, the total number
3 of workweeks worked by each Settlement Class Member, and the total number of pay periods worked
4 by each PAGA Employee within the Settlement Periods.

5 53. The Settlement Administrator (along with any of its agents) shall represent and warrant
6 that it will: (1) provide reasonable and appropriate administrative, physical and technical safeguards,
7 including a reasonable security protocol, for any personally identifiable information (“PII”), which it
8 receives from Defendants’ Counsel and/or Settlement Class Counsel; (2) not disclose the PII to third
9 parties, including agents or subcontractors, without Defendants’ consent; (3) not disclose or otherwise
10 use the PII other than to carry out its duties as set forth herein; and (4) promptly provide Defendants
11 with notice if PII is subject to unauthorized access, use, disclosure, modification, or destruction. The
12 Settlement Administrator may provide notice to all Parties if the PII is subject to unauthorized access,
13 use, disclosure, modification or destruction; however, all additional communications from the
14 Settlement Administrator regarding the scope, circumstances, and substance shall be communicated
15 solely to Defendants.

16 54. The Settlement Administrator shall send a Notice to each Settlement Class Member by
17 first-class mail within fourteen (14) calendar days of receipt of the Class Member List. Prior to mailing
18 the Notice, the Settlement Administrator shall update the addresses of the Settlement Class Members
19 by reference to the National Change of Address Database maintained by the United States Postal
20 Service. If a Notice is returned as nondeliverable but with a forwarding address, the Settlement
21 Administrator shall resend the Notice to the forwarding address. If a Notice is returned as
22 nondeliverable with no forwarding address, the Settlement Administrator shall conduct an advanced
23 skip trace to locate the most current address of the person to whom the Notice was addressed, and shall
24 resend the Notice to any updated address within five (5) calendar days. Upon completion of these
25 steps, the Parties shall be deemed to have satisfied their obligations to provide the Notice to the
26 affected Settlement Class Members.

27 55. The Settlement Administrator shall provide to the Court, concurrently with Named
28 Plaintiff’s Motion for Final Approval, a declaration of due diligence and proof of mailing with regard

1 to the mailing of the Notices.

2 56. The Settlement Administrator shall also be responsible for:

3 a. Mailing the Notice as directed by the Court;

4 b. Consulting with counsel for the Parties concerning any relevant issue, including
5 (without limitation) the estimated amounts of approximate Individual Settlement Payments, PAGA
6 Employee Payments, and the acceptance of any late or deficient disputes;

7 c. Keeping track of timely and proper requests for exclusion;

8 d. Calculation of the Individual Settlement Payments, PAGA Employee
9 Payments, and the PAGA Payment to the LWDA;

10 e. Providing weekly status reports to counsel for the Parties, including: (a) the
11 number of Notices mailed (including information regarding undeliverable and/or emailed Notices);
12 (b) the number of disputes received (and sending copies of said disputes); (c) the number of objections
13 received; and (d) the number of requests for exclusion received;

14 f. Notifying Defendants' Counsel of the wiring instructions to fund the Gross
15 Settlement Amount, including the Escalator Clause, if any, as approved by the Court;

16 g. Preparing the checks containing the Individual Settlement Payments;

17 h. Distributing and paying the Enhancement Awards, Individual Settlement
18 Payments, PAGA Employee Payments, the PAGA Payment to the LWDA, and fees and costs awarded
19 to Settlement Class Counsel;

20 i. Issuing tax forms and addressing employer and employee-side payroll taxes;
21 and

22 j. Such other tasks as the Parties mutually agree or the Court orders the Settlement
23 Administrator to perform, including responding to questions from Settlement Class Members.

24 **REQUESTS FOR EXCLUSION**

25 57. Each Settlement Class Member shall have forty-five (45) calendar days from the
26 mailing of the Notice within which to complete and postmark a written request for exclusion, for return
27 to the Settlement Administrator. The written request for exclusion must: (1) state the Settlement Class
28 Member's name, address, telephone number, and social security number or employee identification

1 number; (2) state the Settlement Class Member's intention to exclude themselves from or opt-out of
2 the Settlement (*e.g.* "I want to exclude myself from this settlement. I also understand that I retain all
3 rights to sue Defendants for the claims asserted in this lawsuit."); (3) be addressed to the Settlement
4 Administrator; (4) be signed by the Settlement Class Member or their or his or her lawful
5 representative; and (5) be postmarked no later than forty-five (45) calendar days from the mailing of
6 the Notice (or the fifteen (15) day extension referenced below for eligible Settlement Class Members).
7 No requests for exclusion shall be accepted if postmarked after the forty-five (45) calendar day period
8 for the filing of exclusions. Settlement Class Members whose Notices are returned as undeliverable
9 and who are sent a re-mailed Settlement Notice shall be given an extension of fifteen (15) calendar
10 days from their original deadline to postmark a request for exclusion. Settlement Class Members are
11 responsible for maintaining a photocopy of their request for exclusion, reflecting that it was submitted
12 in a timely manner. Any disputes regarding the timeliness of a request for exclusion or whether a
13 written communication constitutes a valid request that cannot be resolved between the Parties shall be
14 determined by the Court, whose determination shall be final.

15 58. Any Settlement Class Member who validly excludes himself/herself/themselves from
16 this Settlement shall not be bound by this Settlement Agreement, except as to the PAGA Employees
17 who shall release their PAGA claims in their entirety and may not opt out of or object to the PAGA
18 release, and any Settlement Class Member who validly excludes himself/herself/themselves shall not
19 be entitled to any portion of the Net Settlement Amount.

20 59. If 10% of Settlement Class Members timely opt out of the Settlement by submitting
21 valid and timely requests for exclusion, Defendants shall have the sole and absolute discretion to
22 rescind/void the Settlement Agreement within fifteen (15) calendar days after receiving from the
23 Settlement Administrator the final list of requests for exclusion. Defendants agree to meet and confer
24 in good faith with Settlement Class Counsel before rescinding or voiding the Settlement Agreement.
25 In the event that Defendants elect to rescind/void the Settlement Agreement, Defendants shall provide
26 written notice of such rescission to Settlement Class Counsel. Such rescission shall have the same
27 effect as a termination of the Settlement Agreement for failure to satisfy a condition of settlement, and
28 the Settlement Agreement shall become null and void and have no further force or effect. The Parties

specifically agree not to solicit opt-outs, directly or indirectly, through any means. In the event Defendants rescind the settlement, Defendants shall be solely responsible for any fees and costs incurred by the Settlement Administrator.

OBJECTIONS TO THE SETTLEMENT

60. Each Settlement Class Member shall have forty-five (45) calendar days from the mailing of the Notice, or such number of days as the Court shall specify, within which to postmark an objection, for return to the Settlement Administrator. Settlement Class Members whose Notices are returned as undeliverable and who are sent a re-mailed Settlement Notice shall be given an extension of fifteen (15) days from their original deadline to object to postmark an objection. Any Settlement Class Member, who does not affirmatively opt-out of the Settlement by submitting a valid and timely request for exclusion, may object to the approval of class action settlement ("Objecting Class Member"). Any Settlement Class Member who makes a timely request for exclusion has waived their right to object. The Objecting Class Member shall inform the Settlement Administrator in writing and (1) state the Objecting Class Member's name, address, telephone number, and social security number or employee identification number; (2) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (3) list identifying witness(es) the objector may call to testify at the Final Approval Hearing; (4) provide true and correct copies of any exhibit(s) the objector intends to offer at the Final Approval Hearing; (5) state whether the objection applies only to the objector, to a specific subset of the Class, or to the entire Class; (6) be addressed to the Settlement Administrator; (7) be signed by the Objecting Class Member or their or his or her lawful representative; and (8) be postmarked no later than forty-five (45) calendar days from the mailing of the Notice (or the fifteen (15) day extension referenced above for eligible Settlement Class Members). Regardless of whether a Settlement Class Member timely submitted a written objection, a Settlement Class Member who wishes to appear at the Final Approval Hearing and be heard orally in support of, or in opposition to the class action settlement, may do so. Settlement Class Members shall have no right to object to the PAGA release or PAGA Payment.

61. Any Settlement Class Member who fails to timely submit an objection shall be foreclosed from making any objection to this Settlement or from filing an appeal of the Court's Final

Order and Judgment unless otherwise ordered by the Court.

62. Counsel for the Parties shall file any response to the objections submitted by Objecting Class Members, if any, at least seven (7) calendar days before the date of the Final Approval Hearing.

63. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to submit written objections to the Settlement or to appeal from the Court's Final Order and Judgment. Settlement Class Counsel shall not represent any Settlement Class Members with respect to any such objections to this Settlement.

**RELEASE OF CLAIMS BY NAMED PLAINTIFF, OPT-IN PLAINTIFFS, QUALIFIED
CLASS MEMBERS, AND PAGA EMPLOYEES**

64. The "Released Claims". Upon the date the Settlement is funded, the Qualified Class Members will release and discharge Defendants and the Released Parties from the claims asserted in the Operative Complaint and Named Plaintiffs' PAGA Notice predicated on the factual allegations of the Operative Complaint during the Settlement Class Period and PAGA Period. Upon final approval by the Court, the claims released by the Qualified Class Members will include:

a. The claims alleged in the Operative Complaint, including, but not limited to: (1) Failure to pay minimum wages; (2) Failure to pay overtime wages; (3) Failure to provide meal periods; (4) Failure to provide rest periods; (5) Failure to timely pay wages upon separation of employment; (6) Failure to provide accurate itemized wage statements; (7) Failure to reimburse for necessary business expenses; and (8) Violation of California Business Professions Code § 17200 *et seq.*, which encompass alleged violations of the California Labor Code and California Industrial Welfare Commission Wage Orders (specifically for violations of Labor Code sections 201, 202, 203, 204, 210, 218, 226, 226.7, 246, 256, 510, 512, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2698 *et seq.*, 2699 *et seq.*, 2800, 2802, 2804, and applicable IWC Wage Orders, and California Code of Regulations, Title 8, section 11000 *et seq.*) and the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.* ("FLSA") (specifically for violations of 29 U.S.C. § 207, 211 & 29 C.F.R. § 516.2(b)) (pursuant to *Villacres v. ABM Indus. Inc.*, 189 Cal. App. 4th 562, 586-590 (2010); *Rangel v. PLS Check Cashers of CA*, 899 F.3d 1106, 1112 (9th Cir. 2018), which confirm an opt-in process is not required to obtain a release of FLSA claims in a state court class action settlement);

1 b. Any claims for injunctive relief, declaratory relief, restitution, alleged or which
2 could have been alleged under the facts, allegations and/or claims pleaded in the Operative Complaint;
3 and

4 c. Any and all other claims under California common law, the federal law, and the
5 California Business and Professions Code alleged in or that could have been alleged under the same
6 or similar facts, allegations and/or claims pleaded in the Operative Complaint and based on the alleged
7 Labor Code violations.

8 d. In addition, to the extent required by law, the cashing of the settlement check
9 by the Qualified Class Member shall be deemed to be an opt-in for purposes of releasing Released
10 Parties from any claims predicated under the FLSA as outlined in the Operative Complaint. The
11 Administrator shall include a legend on the settlement check stating, "By cashing this check, and to
12 the extent required by law, I am opting into the settlement in *Patricia Hoover v. Community Brands*
13 *Parentco, LLC, et al*, Alameda County Case No 23CV040930, under FLSA, 29 U.S.C. § 216(b), and
14 releasing the Released Claims described in the Settlement Agreement."

15 65. Release of PAGA Claims. Upon the date the Settlement is funded, Named Plaintiff, as
16 an agent of the LWDA, hereby does and shall be deemed to have fully, finally, and forever released,
17 settled, compromised, relinquished and discharged any and all of the Released Parties of and from any
18 and all claims for violation of the California Private Attorneys General Act of 2004 (Labor Code §
19 2698 *et seq.*), ("PAGA claims") as alleged in Plaintiff's PAGA Notice, which includes those alleged
20 in the PAGA Notice sent to the LWDA by Named Plaintiff that arose at any time during the PAGA
21 Period, including, but not limited to: (1) Failure to pay minimum wages; (2) Failure to pay overtime
22 wages; (3) Failure to provide meal periods; (4) Failure to provide rest periods; (5) Failure to timely
23 pay wages upon separation of employment; (6) Failure to provide accurate itemized wage statements;
24 (7) Failure to reimburse for necessary business expenses, which encompass alleged violations of the
25 California Labor Code (specifically for violations of Labor Code sections 201, 202, 203, 204, 218,
26 218.6, 226, 226.7, 246, 256, 510, 512, 558, 558.1, 1174, 1174.5, 1175, 1194, 1194.2, 1197, 1197.1,
27 1198, 1199, 2699 *et seq.*, 2802, 2804, and applicable IWC Wage Orders, and California Code of
28 Regulations, Title 8, section 11000 *et seq.*). After the Court grants final approval of the settlement,

1 Plaintiff will provide the LWDA with a copy of the Judgment. Plaintiff does not release any PAGA
2 Employees' claim for wages and damages. This does not preclude the release of wages and damages
3 by the Class Members as set forth in this Paragraph 65. The PAGA Employees will be issued a check
4 for their share of the PAGA Payment and will not have the opportunity to opt out of, or object to, the
5 PAGA Payment and release of the PAGA Claims set forth in this Paragraph. The LWDA is bound by
6 the release of the PAGA Claims regardless of whether the PAGA Employees cash or deposit their
7 PAGA Employee Payment.

8 66. Named Plaintiff and Opt-In Plaintiffs Claims. In addition, as to the claims of Named
9 Plaintiff and the Opt-In Plaintiffs, the Released Claims further include, without limitation, any and all
10 claims whatsoever regarding Named Plaintiff and the Opt-In Plaintiffs respective employment and/or
11 the termination of employment including, but not limited to, any claims for wages, bonuses, severance
12 pay, vacation pay, penalties, employment benefits, stock options, violation of any personnel policy,
13 any claims based on discrimination, harassment, unlawful retaliation, violation of public policy, or
14 damages of any kind whatsoever, arising out of any common law torts, contracts, express or implied,
15 any covenant of good faith and fair dealing, any theory of wrongful discharge, any theory of
16 negligence, any theory of retaliation, any legal restriction on any Defendants' right to terminate the
17 employment relationship, or any federal, state, or other governmental statute, executive order,
18 regulation or ordinance, or common law, or any other basis whatsoever, to the fullest extent provided
19 by law. Named Plaintiff and the Opt-In Plaintiffs shall be deemed to have, and by operation of the
20 Final Order and Judgment shall have, expressly waived and relinquished to the fullest extent permitted
21 by law the provisions, rights, and benefits of Section 1542 of the California Civil Code, or any other
22 similar provision under federal or state law that purports to limit the scope of a general release. Named
23 Plaintiff and the Opt-In Plaintiffs, for themselves, have read Section 1542 of the Civil Code of the
24 State of California, which provides as follows:

25 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE**
26 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO**
27 **EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE**
28 **RELEASE, AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE**

1 **MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE**
2 **DEBTOR OR RELEASED PARTY.**

3 Named Plaintiff and the Opt-In Plaintiffs understand that Section 1542 gives the right not to
4 release existing claims of which they are not now aware, unless Named Plaintiff and the Opt-In
5 Plaintiffs voluntarily choose to waive this right. Having been so apprised, Named Plaintiff and the
6 Opt-In Plaintiffs nevertheless voluntarily waive the rights described in Section 1542, and elect to
7 assume all risks for claims that now exist in their favor, known or unknown. The release of the claims
8 of Named Plaintiff and the Opt-In Plaintiffs as set forth in this Paragraph is a condition precedent to
9 enforcement of the Settlement Agreement.

10 **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL/CLASS CERTIFICATION**

11 67. For settlement purposes only, the Parties agree that the Settlement Class as defined in
12 Paragraph 25 above, may be certified in the Lawsuit. The Parties are not certifying any PAGA claims.
13 In support of this Agreement, Named Plaintiff will request that the Court certify for settlement
14 purposes the Settlement Class as to all non-PAGA claims that have been asserted, which Defendants
15 shall not oppose or object to.

16 68. Settlement Class Counsel shall promptly submit this Stipulation of Settlement to the
17 Court in support of Named Plaintiff's Motion for Preliminary Approval and for determination by the
18 Court as to whether the proposed Settlement is within the range of possible judicial approval.
19 Promptly upon execution of this Stipulation of Settlement, Settlement Class Counsel shall apply to the
20 Court for the entry of an order substantially in the following form:

21 a. Scheduling of the Final Approval Hearing on the question of whether the
22 proposed Settlement, including payment of attorneys' fees and costs and the Enhancement Awards
23 should be finally approved as fair, reasonable, and adequate as to the Settlement Class Members and
24 for approval of the PAGA Settlement;

25 b. Certifying the Settlement Class for purposes of the Settlement;

26 c. Approving the Class Notice attached hereto as **Exhibit A**;

27 d. Directing the mailing of the Notice by first-class mail to the Settlement Class
28 Members and PAGA Employees; and

1 e. Preliminarily approving the Settlement subject only to the objections of the
2 Settlement Class Members and final review by the Court.

3 69. The Parties will work cooperatively to mutually agree upon the form and content of the
4 Notice, as well as the Proposed Order Granting Preliminary Approval.

5 70. Named Plaintiff, the Opt-In Plaintiffs, and Settlement Class Counsel will not make any
6 public disclosure of the Settlement until after the filing of the motion for preliminary approval of the
7 Settlement. Named Plaintiff, Opt-In Plaintiffs, and Settlement Class Counsel represent that they have
8 not made any such disclosure. Named Plaintiff, Opt-In Plaintiffs, Defendants, Defendants' Counsel
9 and Settlement Class Counsel shall not encourage members of the Settlement Class to opt-out.
10 Settlement Class Counsel will take all steps necessary to ensure that Named Plaintiff and Opt-In
11 Plaintiffs are aware of, and will encourage them to adhere to, the restriction against any public
12 disclosure of the Settlement until after the Settlement is preliminarily approved by the Court.
13 Thereafter, Settlement Class Counsel, Named Plaintiff, and Opt-In Plaintiffs agree not to publicize the
14 terms of this Settlement with the media, including but not limited to, any newspaper, journal,
15 magazine, website and/or online reporter of settlements or on any website.

16 **DUTIES OF THE PARTIES FOLLOWING FINAL APPROVAL**

17 71. Following final approval by the Court of the Settlement provided for in this Stipulation
18 of Settlement, Settlement Class Counsel shall submit a proposed Final Order and Judgment in
19 approximately the following form and with input from Defendants' Counsel: Approving the
20 Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing
21 consummation of its terms and provisions including the approval of Settlement Class Counsel's
22 application for an award of attorneys' fees and costs and the Enhancement Awards to the Named
23 Plaintiff and Opt-In Plaintiffs. The Parties will work cooperatively to mutually agree upon the form
24 and content of the proposed Final Order and Judgement.

25 **VOIDING OF AGREEMENT IF SETTLEMENT NOT FINALIZED**

26 72. Subject to the obligations of mutual full cooperation set forth herein, either Named
27 Plaintiff or Defendants may terminate this Settlement if after submitting the settlement for approval
28 to the Court, the Court declines to enter the preliminary approval order, the final approval order, or

1 judgment in substantially the form submitted by the Parties, or if the Stipulation of Settlement as
2 agreed does not become final because of appellate court action. The terminating party shall give to the
3 other party (through counsel) written notice of its decision to terminate no later than fourteen (14)
4 calendar days after receiving notice that one of the enumerated events has occurred. Termination shall
5 have the following effects:

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

8 b. In the event the Settlement Agreement is terminated, Defendants shall have no
9 obligation to make any payments to any party, Opt-In Plaintiff, Settlement Class Member, PAGA
10 Employee, or attorney. If there are any fees incurred by the Settlement Administrator and the
11 settlement is terminated by Defendants, Defendants shall solely be responsible for any costs and fees
12 incurred by the Settlement Administrator.

13 c. The preliminary approval order, final approval order and judgment shall be
14 vacated.

15 d. The Stipulation of Settlement and all negotiations, statements and proceedings
16 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be
17 restored to their respective positions prior to the Settlement.

18 e. Except as otherwise discoverable, neither this Settlement Agreement nor any
19 ancillary documents, actions, statements or filings in furtherance of settlement (including all matters
20 associated with the mediation) shall be admissible or offered into evidence in the Lawsuit or any other
21 action for any purpose whatsoever, except that Named Plaintiff may reveal information that
22 Defendants may have marked as confidential under the mediation privilege including the data,
23 documents, and sampling exchanged for mediation purposes for the purpose of presenting the Court
24 with information supporting the fairness, reasonableness or adequacy of the Settlement.

25 **PARTIES' AUTHORITY**

26 73. The signatories hereto hereby represent that they are fully authorized to enter into this
27 Stipulation of Settlement and bind the Parties hereto to the terms and conditions thereof.

1 **MUTUAL FULL COOPERATION**

2 74. The Parties agree to fully cooperate with each other to accomplish the terms of this
3 Stipulation of Settlement, including, but not limited to, execution of such documents and taking of
4 such action as reasonably may be necessary to implement the terms of this Stipulation of Settlement.
5 The Parties to this Stipulation of Settlement shall use their best efforts, including all efforts
6 contemplated by this Stipulation of Settlement and any other efforts that may become necessary by
7 order of the Court, or otherwise, to effectuate this Stipulation of Settlement and the terms set forth
8 herein. As soon as practicable after execution of this Stipulation of Settlement, Settlement Class
9 Counsel shall take all necessary steps to secure the Court's final approval of this Stipulation of
10 Settlement.

11 **NO PRIOR ASSIGNMENTS**

12 75. The Parties and their respective counsel represent, covenant and warrant that they have
13 not, directly or indirectly, assigned, transferred, encumbered or purported to assign, transfer or
14 encumber to any person or entity any portion of any liability, claim, demand, action, cause of action
15 or right herein released and discharged except as set forth herein.

16 **NO ADMISSION**

17 76. Nothing contained herein, nor the consummation of this Stipulation of Settlement, is to
18 be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part
19 of Defendants. Each of the Parties hereto has entered into this Stipulation of Settlement solely with
20 the intention to avoid further disputes and litigation with the attendant inconvenience and expenses.

21 **BREACH AND ENFORCEMENT ACTIONS**

22 77. The Parties will jointly request that the Court retain jurisdiction pursuant to California
23 Code of Civil Procedure § 664.6 to oversee and enforce the terms of this Settlement. In the event of
24 a breach of this Settlement, the nonbreaching Party shall provide notice to the breaching party and
25 request that the breaching party cure any alleged breach. If the breach is not cured within thirty (30)
26 days of said notice, the nonbreaching party may pursue legal action or other proceeding against any
27 other breaching party or parties to enforce the provisions of this Stipulation of Settlement or to declare
28 rights or obligations under this Stipulation of Settlement. In the event of such enforcement actions,

1 the successful party or parties shall be entitled to recover from the unsuccessful party or parties
2 reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any
3 enforcement actions. All such disputes shall be resolved by the Court.

4 **NOTICES**

5 78. Unless otherwise specifically provided herein, all notices, demands or other
6 communications given hereunder shall be in writing and shall be deemed to have been duly given as
7 of the third business day after mailing both electronically and by United States registered or certified
8 mail, return receipt requested, and addressed as follows:

9 **To Named Plaintiffs, the Settlement Class, and Settlement Class Counsel:**

10 Jonathan M. Lebe
Jon@lebelaw.com
11 Rayne A. Brown
Rayne@lebelaw.com
12 **Lebe Law, APLC**
3900 West Alameda Street
13 Fifteenth Floor
Burbank, CA 91505
14 Telephone: (213) 444-1973

15 **To Defendants and Defendants' Counsel:**

16 Jyoti Mittal, Bar No. 288084
jmittal@littler.com
17 James Payer
jpayer@littler.com
18 LITTLER MENDELSON P.C.
2049 Century Park East
19 5th Floor
Los Angeles, California 90067.3107
20 Telephone: 310.553.0308

21 **CONSTRUCTION**

22 79. The Parties hereto agree that the terms and conditions of this Stipulation of Settlement
23 are the result of lengthy, intensive arms-length negotiations between the Parties, and this Stipulation
24 of Settlement shall not be construed in favor of or against any party by reason of the extent to which
25 any Party or their counsel participated in the drafting of this Stipulation of Settlement.

26 **CAPTIONS AND INTERPRETATIONS**

27 80. Paragraph titles or captions contained herein are inserted as a matter of convenience
28 and for reference, and in no way define, limit, extend or describe the scope of this Stipulation of

1 Settlement or any provision of it. Each term of this Stipulation of Settlement is contractual and not
2 merely a recital.

3 **MODIFICATION**

4 81. This Stipulation of Settlement may not be changed, altered or modified, except in
5 writing and signed by the Parties hereto and approved by the Court. This Stipulation of Settlement
6 may not be discharged except by performance in accordance with its terms or by a writing signed by
7 the Parties hereto.

8 **INTEGRATION CLAUSE**

9 82. This Stipulation of Settlement, and the Exhibits attached hereto and incorporated herein
10 by reference, contain the entire agreement between the Parties relating to the settlement and transaction
11 contemplated hereby, and all prior or contemporaneous agreements, understandings, representations
12 and statements, whether oral or written and whether by a Party or such Party's legal counsel, are
13 merged herein. No rights hereunder may be waived except in writing.

14 **BINDING ON ASSIGNS**

15 83. This Stipulation of Settlement shall be binding upon and inure to the benefit of the
16 Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

17 **SETTLEMENT CLASS MEMBER SIGNATORIES**

18 84. It is agreed that because the Settlement Class Members are so numerous, it is
19 impossible or impractical to have each member execute this Stipulation of Settlement. The Class
20 Notice, **Exhibit A** hereto, will advise the Settlement Class Members of the binding nature of the
21 release, and the release shall have the same force and effect as if this Stipulation of Settlement were
22 executed by each member.

23 **COUNTERPARTS**

24 85. This Stipulation of Settlement may be executed in counterparts and by facsimile
25 signatures, and when each party has signed and delivered at least one such counterpart, each
26 counterpart shall be deemed an original and, when taken together with other signed counterparts, shall
27 constitute one Stipulation of Settlement binding upon and effective as to all Parties.

28

1 IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily executed this Joint
2 Stipulation of Settlement and Release between Named Plaintiffs and Defendants as of the date(s) set
3 forth below:
4

5
6 Dated: 2/22, 2026

Patricia Hoover
Patricia Hoover (Feb 22, 2026 22:48:16 PST)

Patricia Hoover
Plaintiff and Class Representative

7
8 Dated: 02/19, 2026

Michael Buckhout
Michael Buckhout (Feb 19, 2026 21:36:25 PST)

Michael Buckhout
Plaintiff and FLSA Collective Action Member

9
10 Dated: 2/19, 2026

Michael DeMarco

Michael Demarco
Plaintiff and FLSA Collective Action Member

11
12 Dated: 2/19, 2026

Paul Dutch
Paul Dutch (Feb 19, 2026 15:56:33 PST)

Paul Dutch Jr.
Plaintiff and FLSA Collective Action Member

13
14 Dated: 2/19, 2026

Sheri Henderson

Sheri Henderson
Plaintiff and FLSA Collective Action Member

15
16 Dated: 2/19, 2026

Scott Solomon
Scott Solomon (Feb 19, 2026 18:49:43 EST)

Scott Solomon
Plaintiff and FLSA Collective Action Member

17
18 Dated: 2/23, 2026

Stuart Tomlinson
Stuart Tomlinson (Feb 23, 2026 12:00:09 PST)

Stuart Tomlinson
Plaintiff and FLSA Collective Action Member

19
20
21
22 Dated: _____, 2026

Dustin Radtke for Momentive Software
Parentco, LLC Successor In Interest of
Community Brands Parentco, LLC

23
24
25 Dated: _____, 2026

Nick Laird for Education Brands, LLC

26
27 Dated: _____, 2026

Dustin Radtke for Momentive Software, Inc.
Successor In Interest of MobileCause, Inc.

28

IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Settlement and Release between Named Plaintiffs and Defendants as of the date(s) set forth below:

Dated: _____, 2026

Patricia Hoover
Plaintiff and Class Representative

Dated: _____, 2026

Michael Buckhout
Plaintiff and FLSA Collective Action Member

Dated: _____, 2026

Michael Demarco
Plaintiff and FLSA Collective Action Member

Dated: _____, 2026

Paul Dutch Jr.
Plaintiff and FLSA Collective Action Member

Dated: _____, 2026

Sheri Henderson
Plaintiff and FLSA Collective Action Member

Dated: _____, 2026

Scott Solomon
Plaintiff and FLSA Collective Action Member

Dated: _____, 2026

Stuart Tomlinson
Plaintiff and FLSA Collective Action Member

Dated: February 20, 2026

Signed by:
Dustin Radtke
17F10DA78A344E0...
Dustin Radtke for Momentive Software
Parentco, LLC Successor In Interest of
Community Brands Parentco, LLC

Dated: _____, 2026

Nick Laird for Education Brands, LLC

Dated: February 20, 2026

Signed by:
Dustin Radtke
17F10DA78A344E0...
Dustin Radtke for Momentive Software, Inc.
Successor In Interest of MobileCause, Inc.

IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Settlement and Release between Named Plaintiffs and Defendants as of the date(s) set forth below:

Dated: _____, 2026

Patricia Hoover
Plaintiff and Class Representative

Dated: _____, 2026

Michael Buckhout
Plaintiff and FLSA Collective Action Member

Dated: _____, 2026

Michael Demarco
Plaintiff and FLSA Collective Action Member

Dated: _____, 2026

Paul Dutch Jr.
Plaintiff and FLSA Collective Action Member

Dated: _____, 2026

Sheri Henderson
Plaintiff and FLSA Collective Action Member

Dated: _____, 2026

Scott Solomon
Plaintiff and FLSA Collective Action Member

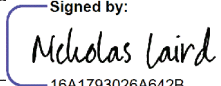
Dated: _____, 2026

Stuart Tomlinson
Plaintiff and FLSA Collective Action Member

Dated: _____, 2026

Dustin Radtke for Momentive Software
Parentco, LLC Successor In Interest of
Community Brands Parentco, LLC

Dated: 2/20/2026, 2026

Signed by:


16A1793026A642B...
Nick Laird for Education Brands, LLC

Dated: _____, 2026

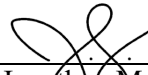
Dustin Radtke for Momentive Software, Inc.
Successor In Interest of MobileCause, Inc.

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APPROVED AS TO FORM AND CONTENT

Dated: February 19, 2026

LEBE LAW, APLC



Jonathan M. Lebe
Rayne A. Brown
Attorneys for Plaintiffs
PATRICIA HOOVER, MICHAEL
BUCKHOUT, MICHAEL DEMARCO, PAUL
DUTCH JR., SHERI HENDERSON, SCOTT
SOLOMON, AND STUART TOMLINSON

Dated: _____, 2026

LITTLER MENDELSON P.C.

Elizabeth Staggs Wilson
Jyoti Mittal
James Payer

Attorneys for Defendants
COMMUNITY BRANDS PARENTCO, LLC;
EDUCATION BRANDS, LLC; AND
MOBILECAUSE, INC.

4910-0384-9537.2 / 122762-1001

APPROVED AS TO FORM AND CONTENT

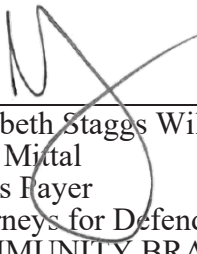
Dated: _____, 2026

LEBE LAW, APLC

Jonathan M. Lebe
Rayne A. Brown
Attorneys for Plaintiffs
PATRICIA HOOVER, MICHAEL
BUCKHOUT, MICHAEL DEMARCO, PAUL
DUTCH JR., SHERI HENDERSON, SCOTT
SOLOMON, AND STUART TOMLINSON

Dated: February 23, 2026

LITTLER MENDELSON P.C.



Elizabeth Staggs Wilson
Jyoti Mittal
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Attorneys for Defendants
COMMUNITY BRANDS PARENTCO, LLC;
EDUCATION BRANDS, LLC; AND
MOBILECAUSE, INC.

4910-0384-9537.2 / 122762-1001

EXHIBIT A

NOTICE OF PROPOSED CLASS AND PAGA REPRESENTATIVE ACTION SETTLEMENT

Hoover, et al. v. Community Brands Parentco, LLC, et al.
(Alameda County Superior Court, Case No. 23CV040930)

**THIS IS A COURT-AUTHORIZED NOTICE. IT IS NOT A SOLICITATION.
PLEASE READ THIS NOTICE CAREFULLY.
YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT.**

To: All current and former employees of Defendants Community Brands Parentco, LLC, Education Brands, LLC, and MobileCause, Inc. (together “Defendants”) who worked in California for Defendants between August 15, 2019 and December 24, 2023, as well as employees who previously worked for Defendants and continued to work in the same or a similar role in California with successors-in-interest NonProfit Brands, LLC from December 25, 2023 to December 31, 2024 and Momentive Software, Inc. from January 1, 2025 to the date of preliminary approval, or the date in which the total number of workweeks reaches 9,799.

BASIC INFORMATION

1. What Is This Settlement About?

On August 16, 2023, a lawsuit was commenced by Patricia Hoover (“Plaintiff”), a former employee of Defendants, with the California Superior Court for the County of Alameda, Case No. 23CV040930 (the “Lawsuit”). The Lawsuit alleged causes of action pursuant to California law for failure to pay minimum wages, failure to pay overtime wages, failure to provide meal and rest breaks, failure to pay wages upon separation of employment, failure to furnish accurate and itemized wage statements, failure to reimburse business expenses, and violation of California Business and Professions Code sections 17200, et seq. On March 15, 2024, Plaintiff filed a First Amended Complaint to add a cause of action pursuant to the California Private Attorneys General Act of 2004 (“PAGA”).

On August 16, 2023, Plaintiff filed another lawsuit against Defendants in the United States District Court for the Northern District of California, alleging a single cause of action for failure to pay overtime wages in accordance with the Fair Labor Standards Act (“FLSA”). On [REDACTED], 2025, Plaintiff filed a Second Amended Complaint in the Lawsuit, adding the FLSA claim from the Northern District case.

The Lawsuit alleges that Defendants violated the FLSA, the PAGA, the California Labor Code, and the California Business and Professions Code, entitling Class Members to, *inter alia*, damages, penalties, and restitution. Defendants deny all alleged violations and deny that they owe Class Members any remedies. The Court has not made a ruling on the merits of the Lawsuit.

2. Why Is This A Class Action?

In a class action, one or more people called the Class Representatives (Patricia Hoover) sue on behalf of people who appear to have similar claims. All these people are referred to here as Class Members. In a class action, the court resolves the issues for all Class Members in one lawsuit, except for those who exclude themselves from the Class. The Alameda County Superior Court (“Court”) oversees this class action.

3. Why Is There A Settlement?

The Court has not decided in favor of the Plaintiff or Defendants. Instead, both sides agreed to a settlement, which is memorialized in the Settlement Agreement (“Agreement” or “Settlement”). On [date of preliminary approval], the Court granted preliminary approval of the Settlement, appointed Plaintiff as the Class Representative, and appointed her attorneys at Lebe Law, APLC as counsel for the Class (“Class Counsel”). The Class Representative and Class Counsel think the Settlement is best for the Class.

WHO IS IN THE SETTLEMENT?

4. How Do I Know If I Am Part Of The Settlement?

You are part of the Settlement and a Class Member if you were employed by Defendants as an employee in the state of California at any time between August 15, 2019 and December 24, 2023, as well as if you were employed by Defendants and continued to work in the same or a similar role in California with successors-in-interest NonProfit Brands, LLC from December 25, 2023 to December 31, 2024 and Momentive Software, Inc. from January 1, 2025 to the date of preliminary approval, or the date in which the total number of workweeks reaches 9,799. The Class Period is the time period from August 15, 2019 to the date of preliminary approval or the date in which the total number of workweeks reaches 9,799 (“Class Period”).

You are part of the Settlement and a PAGA Employee if you were employed by Defendants as an employee in the state of California at any time between October 9, 2022 to the date of preliminary approval, or the date in which the number of qualifying workweeks reaches 9,799, whichever occurs first (“PAGA Period”).

THE SETTLEMENT BENEFITS—WHAT YOU GET

5. What Does The Settlement Provide?

The Settlement provides that Defendant will pay a maximum amount of Five Hundred and Twenty-Five Thousand Dollars (\$525,000.00) (“Gross Settlement Amount”). This includes all costs and attorneys’ fees for Class Counsel.

The “Net Settlement Amount” is the portion of the Gross Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Net Settlement Amount is the Gross Settlement Amount less the following amounts (which are subject to Court approval):

- A. **Attorneys’ Fees to Class Counsel** are up to one third of the Gross Settlement Amount.
- B. **Litigation Costs/Expenses to Class Counsel** not to exceed Fifteen Thousand Dollars (\$15,000.00);
- C. **Enhancement Payment to the Class Representatives** in an amount not to exceed Ten Thousand Dollars (\$10,000) for Plaintiff and Seven Thousand and Five Hundred Dollars (\$7,500) for each Opt-In Plaintiff for a total of Sixty-Two Thousand and Five Hundred Dollars (\$62,500.00);
- D. **Settlement Administration Costs** in an amount not to exceed Fifteen Thousand Dollars (\$15,000.00); and
- E. **PAGA Payment** in the amount of Fifty Thousand Dollars (\$50,000.00) for the settlement of claims arising under PAGA. Seventy-Five percent (75%) of this amount (\$37,500.00) shall be paid to the Labor and Workforce Development Agency (“LWDA”). The remaining twenty-five percent (25%) of this amount (\$12,500.00) will be distributed to PAGA Employees.

The amount you are eligible to receive from the Settlement, your “Individual Settlement Payment” will be determined on a *pro rata* basis, based on the number of weeks you worked in California as an employee of Defendants between August 15, 2019 and the date of preliminary approval, or the date in which the number of qualifying workweeks reaches 9,799 (“Workweeks”). Your Individual Settlement Payment includes both your estimated share of the Net Settlement Amount and, if eligible, your share of the PAGA Payment.

Your Individual Settlement Payment will be apportioned as twenty percent (20%) wages and eighty percent (80%) will be apportioned as interest and penalties. The wage portion of the Individual Settlement Payment will be subject to tax withholdings customarily made from an employee’s wages and all other authorized and required withholdings and will be reported on a W-2 Form. Employer’s share of payroll taxes will be paid in addition to the Gross Settlement Amount. The penalties and interest portions of each Class Member’s settlement payment shall be subject to all authorized and required withholdings other than the tax withholdings customarily made to an employee’s wages and will be reported on an IRS Form 1099.

You worked XXX workweeks during the Class Period. Your Individual Settlement Payment is \$XXX.XX. The amount of the payment may change depending on the number of timely and valid requests for exclusions submitted, if any, required tax withholdings, and the terms of the Court’s final order approving the Settlement.

This Amount was determined based on Defendants’ records of your employment between August 15, 2019 and the date of preliminary approval, or the date in which the number of qualifying workweeks reaches 9,799, and is presumed correct. If you dispute the accuracy of Defendants’ records as to the number of weeks worked during the Class Period, provide any documentation you have supporting such dispute by [Response Deadline]. The Settlement Administrator and the Parties will attempt to resolve all disputes regarding your workweeks, but the Court will ultimately decide any unresolved dispute. The Settlement Administrator’s contact information is listed below:

[Settlement Administrator]
[Address]
[Telephone No.]
[Fax No.]

HOW TO GET A PAYMENT FROM THE SETTLEMENT

6. How Can I Get A Payment?

You do not have to do anything to qualify for a payment of your portion of the Settlement.

7. What Am I Giving Up If I Do Not Request To Be Excluded From The Settlement?

Upon the Effective Date, in exchange for the consideration set forth by the Settlement, Class Members who do not submit a timely, valid request for exclusion will release the “Released Parties” from the “Class Released Claims” that arose during the “Class Period.”

The “Released Parties” include Defendants Community Brands Parentco, LLC, Community Brands LLC, Education Brands, LLC, and MobileCause, Inc., successors-in-interest NonProfit Brands, LLC and Momentive Software, Inc., and any of their past, present and future direct or indirect parents, subsidiaries, predecessors, successors and affiliates, as well as each of their past, present and future officers, directors, employees, partners,

members, shareholders and agents, attorneys, insurers, reinsurers, and any individual or entity which could be jointly liable with them.

The “Class Released Claims” means (a) claims alleged in the Operative Complaint, including, but not limited to: (1) Failure to pay minimum wages; (2) Failure to pay overtime wages; (3) Failure to provide meal periods; (4) Failure to provide rest periods; (5) Failure to timely pay wages upon separation of employment; (6) Failure to provide accurate itemized wage statements; (7) Failure to reimburse for necessary business expenses; and (8) Violation of California Business Professions Code § 17200 *et seq.*, which encompass alleged violations of the California Labor Code and California Industrial Welfare Commission Wage Orders (specifically for violations of Labor Code sections 201, 202, 203, 204, 210, 218, 226, 226.7, 246, 256, 510, 512, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2698 *et seq.*, 2699 *et seq.*, 2800, 2802, 2804, and applicable IWC Wage Orders, and California Code of Regulations, Title 8, section 11000 *et seq.*) and the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.* (“FLSA”) (specifically for violations of 29 U.S.C. § 207, 211 & 29 C.F.R. § 516.2(b)) (pursuant to *Villacres v. ABM Indus. Inc.*, 189 Cal. App. 4th 562, 586-590 (2010); *Rangel v. PLS Check Cashers of CA*, 899 F.3d 1106, 1112 (9th Cir. 2018), which confirm an opt-in process is not required to obtain a release of FLSA claims in a state court class action settlement); (b) claims for injunctive relief, declaratory relief, restitution, alleged or which could have been alleged under the facts, allegations and/or claims pleaded in the Operative Complaint; and (c) claims under California common law, the federal law, and the California Business and Professions Code alleged in or that could have been alleged under the same or similar facts, allegations and/or claims pleaded in the Operative Complaint and based on the alleged Labor Code violations.

In addition, to the extent required by law, the cashing of the settlement check by Class Members shall be deemed to be an opt-in for purposes of releasing Released Parties from any claims predicated under the FLSA as outlined in the Operative Complaint.

The “Class Period” during which the release of Class Released Claims pertains is from August 15, 2019 until the date of preliminary approval or the date in which the number of qualifying workweeks reaches 9,799.

All Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged any and all Released Claims arising under PAGA with respect to all of the Released Parties irrespective of whether a Class Member submits a Request for Exclusion Form.

EXCLUDING YOURSELF FROM THE RELEASE OF NON-PAGA CLAIMS

If you want to keep the right to sue or continue to sue Defendants with respect to the Class Released Claims (other than those which arise under the Private Attorney General Act (California Labor Code sections 2698 *et seq.*), then you must submit the “Request for Exclusion Form” accompanying this Notice. **If you exclude yourself, you will not receive payment from the Net Settlement Amount. However, if eligible, you will still receive a payment in an amount equal to your estimated *pro rata* share of the PAGA Payment because the Request for Exclusion does not apply to the PAGA claim.**

8. How Can I Not Participate In The Settlement?

To exclude yourself from the release of Class Released Claims you must submit a written request for exclusion. A Request for Exclusion Form has been sent to you along with this Notice. You must complete all information on the Request for Exclusion Form or submit a separate written request for exclusion that includes your name, address, signature, and the last four digits of your social security number and/or Employee ID number. Your request for exclusion must also include a statement that you do not wish to be included in this action similar to the following: I wish to exclude myself from the class action settlement reached in the matter of *Hoover, et al. v.*

Community Brands Parentco, LLC, et al. I also understand that I retain all rights to sue Defendants for the claims asserted in this lawsuit. I understand that by excluding myself I will not receive money from the class portion of the Settlement.”

Your Request for Exclusion Form or separate written request for exclusion must be mailed to the Settlement Administrator at the address listed below, post-marked by [Response Deadline]. **You cannot exclude yourself by phone.**

[Settlement Administrator]

[Address]

[Telephone No.]

[Fax No.]

If you ask to be excluded, you will not receive payment of any portion of the Net Settlement Amount and you cannot object to the Settlement. You will not be legally bound by the release of Class Released Claims (except for Released Claims that arise under the Private Attorney General Act (California Labor Code sections 2698 *et seq.*)).

If you ask to be excluded, you may be able to sue Defendants and/or the Released Parties or continue any suit you have pending against Defendants or the Released Parties, regarding the Class Released Claims (except for Released Claims that arise under the Private Attorney General Act (California Labor Code sections 2698 *et seq.*)).

If you do not submit a written request for exclusion but do not cash the settlement check that you receive, you **will not be** excluded from the release of Class Released Claims. You must submit a written request for exclusion if you wish to be excluded from the release of Class Released Claims.

9. If I Don't Exclude Myself, Can I Sue Defendants For The Same Thing Later?

No. Unless you submit a request for exclusion, you give up the right to sue Defendants and the other Released Parties for the Class Released Claims. If you have a pending lawsuit involving the Class Released Claims, speak to your lawyer in that lawsuit immediately.

10. If I Exclude Myself, Can I Get Money From This Settlement?

No. You will not receive money from the Net Settlement Amount. If you worked between October 9, 2022 until the date of preliminary approval or the date in which the number of qualifying workweeks reaches 9,799, you will still receive a share of the PAGA Payment as an opt-out request does not apply to the PAGA claim.

THE LAWYERS REPRESENTING THE PROPOSED CLASS

11. Do I Have A Lawyer In This Case?

The Court has approved Lebe Law, APLC as Class Counsel. The firm's contact information is as follows:

LEBE LAW, APLC
Jonathan M. Lebe
Rayne A. Brown
Tazeen Hussain
Jon@lebelaw.com
Rayne@lebelaw.com
Tazeen@lebelaw.com
3900 West Alameda Street, Fifteenth Floor
Burbank, CA 91505
Telephone: (213) 444-1973

Class Counsel will ask the Court for attorneys' fees of up to \$174,998.25 and reimbursement of litigation cost/expenses of up to \$15,000. These amounts are subject to Court approval and the Court may award less than these amounts.

OBJECTING TO THE SETTLEMENT

You can object to the Settlement or some part of it.

12. How Do I Tell The Court If I Don't Like The Settlement?

If you are a Class Member, you can object to the Settlement and you can give reasons for why you think the Court should not approve it. The Court will consider your views. To object, you can either mail your objection to the Settlement Administrator no later than [Response Deadline], or you may orally voice your objections at the Court's Fairness Hearing. Your objection must include (i) your full name, current address, and signature; (ii) a clear reference to the Lawsuit; and (iii) a statement of the specific reasons why you believe the Settlement is unfair or why you object to the Settlement. All objections shall be signed by the objecting Class Member or the Class Member's legally authorized representative. You may also come to the Final Approval Hearing on [DATE] and make an objection at that time, regardless of whether you submitted a written objection. Plaintiffs and Defendant will be permitted to respond in writing to any such written Objections no later than seven (7) calendar days before the Final Approval hearing.

13. What Is The Difference Between Objecting And Excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

14. When And Where Will The Court Decide Whether To Approve The Settlement?

The Court will hold the Final Approval Hearing at [] a.m./p.m. on [] at the Alameda County Superior Court located at 1221 Oak Street, Oakland, California 94612 in Department 21.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate, and will determine whether to grant final approval of the Settlement. If there are objections, the Court will consider them.

15. Do I Have To Come To The Hearing?

No. If you agree to the Settlement, you do not have to come to Court to talk about it. However, you may attend. You may also retain your own lawyer at your expense to attend on your behalf.

16. How Will I Learn If The Settlement Was Approved?

A notice of final judgment will be posted on the Settlement Administrator's website located at [REDACTED]. The Settlement Administrator's website will also contain important information about the case, including if the Final Approval Hearing is rescheduled.

IF YOU DO NOTHING

17. What Happens If I Do Nothing At All?

If you do nothing, you will receive your share of the Settlement, and you will release the Class Released Claims. You will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants or the other Released Parties about the Class Released Claims, ever again. Your Individual Settlement Payment will be mailed to you and remain valid and negotiable for 120 days. Cashing your settlement check acknowledges your agreement to release the FLSA claims and your waiver of any rights to pursue further FLSA claims related to the matters addressed in this case. If you do not cash your settlement check within 120 days, there will be a second distribution to those who cashed their initial settlement checks, if economically feasible. If a second distribution is not economically feasible, any remaining unclaimed funds will instead be distributed to the cy pres beneficiary, Bet Tzedek, in accordance with CCP 384(a).

GETTING MORE INFORMATION

18. How Do I Get More Information?

This notice summarizes the proposed Settlement. More details are in the Agreement. You can get a copy of the Agreement by viewing the Settlement located on the Settlement Administrator's website at [REDACTED] or by contacting the Settlement Administrator or Class Counsel. You may also review the documents that have been filed in this matter with the Court (for a fee) on the Court's website: <https://www.slo.courts.ca.gov/self-help/civil-appeals/getting-copies-court-files>.

WHAT IF MY INFORMATION CHANGES?

19. What If My Contact Information Changes?

It is your responsibility to inform the Settlement Administrator of your updated information to ensure receipt of settlement payments or communications regarding this matter. You can change or update your contact information by contacting the Settlement Administrator.

**DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR
THE LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE**

EXHIBIT B

Jonathan M. Lebe (State Bar No. 284605)
Jon@lebelaw.com
Rayne A. Brown (State Bar No. 342011)
Rayne@lebelaw.com
Lebe Law, APLC
3900 West Alameda Street, Fifteenth Floor
Burbank, CA 91505
Telephone: (213) 444-1973

Attorneys for Plaintiff Patricia Hoover,
Individually and on behalf of all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ALAMEDA

PATRICIA HOOVER, MICHAEL
BUCKHOUT, MICHAEL DEMARCO,
PAUL DUTCH JR., SHERI
HENDERSON, SCOTT SOLOMON,
AND STUART TOMLINSON,
individually and on behalf of all others
similarly situated,

Plaintiff,

vs.

COMMUNITY BRANDS PARENTCO,
LLC, a Delaware limited liability
company; EDUCATION BRANDS, LLC,
a Delaware limited liability company;
MOBILECAUSE, INC., a Delaware
corporation; and Does 1-100, inclusive,

Defendants.

Case No. 23CV040930

**THIRD AMENDED CLASS ACTION
COMPLAINT FOR:**

1. Failure to Pay Minimum Wages;
2. Failure to Pay Overtime Wages;
3. Failure to Provide Meal Periods;
4. Failure to Provide Rest Breaks;
5. Failure to Pay Wages Upon Separation of
Employment and Within the Required
Time;
6. Failure to Furnish Accurate and Itemized
Wage Statements;
7. Failure to Reimburse All Business
Expenses;
8. Enforcement of Labor Code § 2698 *et seq.*
("PAGA"); and
9. Violation of California Business
Professions Code § 17200, *et seq.*; and
10. Violations of the Fair Labor Standards Act.

DEMAND FOR JURY TRIAL

1 Plaintiffs PATRICIA HOOVER, MICHAEL BUCKHOUT, MICHAEL DEMARCO, PAUL
2 DUTCH JR., SHERI HENDERSON, SCOTT SOLOMON, AND STUART TOMLINSON
3 (“Plaintiffs”), individually and on behalf of all others similarly situated and as a Private Attorney
4 General on behalf of the State of California, alleges as follows:

5 **NATURE OF ACTION AND INTRODUCTORY STATEMENT**

6 1. Plaintiffs are individuals who worked for Defendants Community Brands Parentco,
7 LLC, Education Brands, LLC, MobileCause, Inc., and Does 1 through 100, inclusive (“Defendants”).
8 They bring this action to recover lost wages, lost overtime, reimbursement of expenses, and other
9 relief described herein.

10 2. Defendants are in the business of developing and marketing cloud-based software
11 solutions to customers throughout California and nationwide.

12 3. Through this action, Plaintiffs allege that Defendants have engaged in a systematic
13 pattern of wage and hour violations under the California Labor Code (“Labor Code”) and the Fair
14 Labor Standards Act (“FLSA”), all of which contribute to Defendants’ deliberate unfair competition.

15 4. Plaintiffs are informed and believe, and thereon allege, during the relevant time
16 period, Defendants had a consistent policy of violating state wage and hour laws by, among other
17 things:

- 18 (a) Failing to pay all wages for all hours worked, including minimum and
19 overtime wages;
- 20 (b) Failing to provide meal periods or compensation in lieu thereof;
- 21 (c) Failing to authorize or permit rest breaks or provide compensation in lieu
22 thereof;
- 23 (d) Failing to pay all wages due upon separation of employment;
- 24 (e) Willfully failing to provide accurate and itemized wage statements; and
- 25 (f) Failing to reimburse all business expenses incurred by workers in direct
26 consequence of the discharge of his or her duties.

27 5. Plaintiffs bring this lawsuit seeking monetary relief against Defendants on behalf of
28 themselves and all others similarly situated to recover, among other things, unpaid wages and

benefits, interest, attorney's fees, costs, and expenses and penalties pursuant to 29 U.S.C. §§ 201, *et seq.* and Labor Code §§ 201-204, 210, 226, 226.7, 510, 512, 1182.12, 1194, 1194.2, 1197, 1198, 1198.5, 2800, 2698, and 2802.

6. Plaintiffs, on behalf of themselves and all class members, pursuant to Business and Professions Code sections 17200, *et seq.*, also seeks injunctive relief and restitution for the unfair, unlawful, or fraudulent practices alleged in this Complaint.

JURISDICTION AND VENUE

7. The monetary damages and restitution sought by Plaintiffs exceeds the minimal jurisdictional limits of the Superior Court and will be established according to proof at trial.

8. This Court has jurisdiction over this action pursuant to the California Constitution, Article VI, § 10, which grants the Superior Court original jurisdiction in all cases except those given by statutes to other courts. The statutes under which this action is brought do not specify any other basis for jurisdiction.

9. This Court has jurisdiction over all Defendants because, upon information and belief, they are citizens of California, have sufficient minimum contacts in California or otherwise intentionally avail themselves of the California market so as to render the exercise of jurisdiction over them by the California courts consistent with traditional notions of fair play and substantial justice.

10. Venue is proper in this Court because, upon information and belief, Defendants reside, transact business or have offices in this county and the acts and omissions alleged herein took place in this county. Further, Defendants failed to file and obtain a certificate of qualification and designate its principal place of business in California. As a foreign corporation that is not qualified to do business in California, they may be sued in any county in the state. *See Easton v. Superior Court* (1970) 12 CA 3d 243.

THE PARTIES

11. Plaintiff Patricia Hoover is a citizen of California. Plaintiff worked for Defendants from approximately December 2019 to January 2023. Details regarding Plaintiff's precise hours, pay, and revenue generated for Defendants are available by reference to Defendants' records.

1 12. Plaintiff Michael Buckhout is a citizen of California. Plaintiff worked for Defendants
2 from approximately 2014 to June 20, 2022. Details regarding Plaintiff's precise hours, pay, and
3 revenue generated for Defendants are available by reference to Defendants' records.

4 13. Plaintiff Michael Demarco is a citizen of California. Plaintiff worked for Defendants
5 from approximately March 15, 2015 to December 31, 2021. Details regarding Plaintiff's precise
6 hours, pay, and revenue generated for Defendants are available by reference to Defendants' records.

7 14. Plaintiff Paul Dutch Jr. is a citizen of California. Plaintiff worked for Defendants from
8 approximately 2014 to 2017 and again from approximately September 2020 to August 9, 2022.
9 Details regarding Plaintiff's precise hours, pay, and revenue generated for Defendants are available
10 by reference to Defendants' records.

11 15. Plaintiff Sheri Henderson is a citizen of California. Plaintiff worked for Defendants
12 from approximately February 2017 to April 2023. Details regarding Plaintiff's precise hours, pay,
13 and revenue generated for Defendants are available by reference to Defendants' records.

14 16. Plaintiff Scott Solomon is a citizen of California. Plaintiff worked for Defendants
15 from approximately 2014 to present. Details regarding Plaintiff's precise hours, pay, and revenue
16 generated for Defendants are available by reference to Defendants' records.

17 17. Plaintiff Stuart Tomlinson is a citizen of California. Plaintiff worked for Defendants
18 from approximately November 2013 to April 2023. Details regarding Plaintiff's precise hours, pay,
19 and revenue generated for Defendants are available by reference to Defendants' records.

20 18. Defendant COMMUNITY BRANDS PARENTCO, LLC, upon information and
21 belief, is and was a Delaware LLC doing business throughout the State of California and at all times
22 hereinafter mentioned, an employer as defined in and subject to the California Labor Code and
23 Industrial Welfare Commission ("IWC") Wage Orders, whose employees are and were engaged
24 throughout the State of California.

25 19. Defendant EDUCATION BRANDS, LLC, upon information and belief, is and was a
26 Delaware LLC doing business throughout the State of California and at all times hereinafter
27 mentioned, an employer as defined in and subject to the California Labor Code and Industrial
28 Welfare Commission ("IWC") Wage Orders, whose employees are and were engaged throughout

1 the State of California.

2 20. Defendant MOBILECAUSE, INC., upon information and belief, is and was a
3 Delaware LLC doing business throughout the State of California and at all times hereinafter
4 mentioned, an employer as defined in and subject to the California Labor Code and Industrial
5 Welfare Commission (“IWC”) Wage Orders, whose employees are and were engaged throughout
6 the State of California.

7 21. The true names and capacities, whether individual, corporate, associate, or otherwise,
8 of the Defendants sued herein as Does 1 to 100, inclusive, are currently unknown to Plaintiffs, who
9 therefore sue said Defendants by such fictitious names under California Code of Civil Procedure
10 § 474. Plaintiffs are informed and believe, and based thereon allege, that each of the Defendants
11 designated herein as a Doe is legally responsible in some manner for the unlawful acts referred to
12 herein. Plaintiffs will seek leave of court to amend this Complaint to reflect the true names and
13 capacities of the Defendants designated hereinafter as Does when such identities become known.

14 22. Plaintiffs are informed and believe, and thereon allege, that each Defendant acted in
15 all respects pertinent to this action as the agent of the other Defendants, carried out a joint scheme,
16 business plan, or policy in all respects pertinent hereto, and the acts of each Defendants are legally
17 attributable to the other Defendants. Furthermore, Defendants in all respects acted as the employers
18 and/or joint employers of Plaintiffs and the class members.

19 **CLASS ACTION ALLEGATIONS**

20 23. Plaintiffs bring this action under Code of Civil Procedure § 382 on behalf of
21 themselves and all other members of the general public similarly situated who were affected by
22 Defendants’ Labor Code, Business and Professions Code §§ 17200, and IWC Wage Order violations.

23 24. All claims alleged herein arise under California law for which Plaintiffs seek relief
24 authorized by California law.

25 25. Plaintiffs’ proposed Class consists of and is defined as follows:

26 Class

27 All employees of Defendants in the State of California employed by
28 Defendants during the Class Period (four years plus 178 days before the
filing of this complaint until trial).

1 26. Plaintiff also seeks to certify the following Subclass of employees:

2 Waiting Time Subclass

3 All members of the Class who separated their employment from Defendants from
4 three years plus 178 days before the filing of this complaint to the date of trial.¹

5 27. Members of the Class described above will collectively be referred to as “class
6 members.” Plaintiffs reserve the right to establish other or additional subclasses, or modify any Class
7 or Subclass definition, as appropriate based on investigation, discovery, and specific theories of
8 liability.

9 28. This action has been brought and may properly be maintained as a class action under
10 the California Code of Civil Procedure § 382 because there are common questions of law and fact as
11 to the Class that predominate over questions affecting only individual members including, but not
12 limited to:

- 13 a. Whether Defendants failed to pay at least minimum wage for all hours worked
14 by Plaintiffs and class members;
- 15 b. Whether Defendants failed to pay overtime wages earned by Plaintiffs and
16 class members;
- 17 c. Whether Defendants failed to provide Plaintiffs and class members with meal
18 periods;
- 19 d. Whether Defendants deprived Plaintiffs and class members of paid rest breaks
20 or required Plaintiffs and class members to work through rest breaks without
21 compensation;
- 22 e. Whether Defendants failed to pay all wages and commissions due upon
23 separation of employment;
- 24 f. Whether Defendants failed to furnish Plaintiffs and class members with
25 accurate itemized wage statements;
- 26 g. Whether Defendants failed to reimburse Plaintiffs and class members for
27 business expenses, including for use of their personal cellular phone used for

28 ¹ The statute of limitations for this matter was tolled from April 9, 2020 to October 1, 2020 pursuant
to Cal. Rules of Court, Appendix I, Emergency Rule No. 9.

work-related purposes and the cost of their home internet for work-related purposes while working from home;

h. Whether Defendants failed to produce all employment records for Plaintiffs and class members; and

i. Whether Defendants engaged in unfair business practices in violation of Business & Professions Code §§ 17200, *et seq.*

29. There is a well-defined community of interest in the litigation and the Class is readily ascertainable.

(a) Numerosity: The members of the Class are so numerous that joinder of all members is impractical. Although the members of the Class are unknown to Plaintiffs at this time, on information and belief, the Class is estimated to be greater than 100 individuals. The identities of the class members are readily ascertainable by inspection of Defendants' employment and payroll records.

(b) Typicality: The claims (or defenses, if any) of Plaintiffs are typical of the claims (or defenses, if any) of the Class because Defendants' failure to comply with the provisions of California wage and hour laws entitled each class member to similar pay, benefits, and other relief. The injuries sustained by Plaintiffs are also typical of the injuries sustained by the Class because they arise out of and are caused by Defendants' common course of conduct as alleged herein.

(c) Adequacy: Plaintiffs are qualified to and will fairly and adequately represent and protect the interests of all members of the Class because it is in their best interest to prosecute the claims alleged herein to obtain full compensation and penalties due to them and the Class. Plaintiffs' attorneys, as proposed class counsel, are competent and experienced in litigating large employment class actions and are versed in the rules governing class action discovery, certification, and settlement. Plaintiffs have incurred and, throughout the duration of this action, will continue to incur attorneys' fees and costs that

1 have been and will be necessarily expended for the prosecution of this action
2 for the substantial benefit of each class member.

3 (d) Superiority: The nature of this action makes the use of class action
4 adjudication superior to other methods. A class action will achieve economies
5 of time, effort, and expense as compared with separate lawsuits, and will avoid
6 inconsistent outcomes because the same issues can be adjudicated in the same
7 manner and at the same time for each Class. If appropriate this Court can, and
8 is empowered to, fashion methods to efficiently manage this case as a class
9 action.

10 (e) Public Policy Considerations: Employers in the State of California and other
11 states violate employment and labor laws every day. Current employees are
12 often afraid to assert their rights out of fear of direct or indirect retaliation.
13 Former employees are fearful of bringing actions because they believe their
14 former employers might damage their future endeavors through negative
15 references and/or other means. Class actions provide the class members who
16 are not named in the complaint with a type of anonymity that allows for the
17 vindication of their rights at the same time as affording them privacy
18 protections.

19 **GENERAL ALLEGATIONS OF WAGE AND HOUR VIOLATIONS**

20 30. Through this action, Plaintiffs allege that Defendants have engaged in a systematic
21 pattern of wage and hour violations under the California Labor Code and IWC Wage Orders, all of
22 which contribute to Defendants' deliberate unfair competition.

23 31. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
24 should have known that Plaintiffs and class members were entitled to receive wages for all time
25 worked (including minimum and overtime wages) and that they were not receiving all wages earned
26 for work that was required to be performed. In violation of the Labor Code and IWC Wage Orders,
27 Plaintiffs and class members were not paid wages (including minimum and overtime wages) for all
28 hours worked when Defendants failed to pay or underpaid Plaintiffs and class members for all hours

1 worked, and failed to pay for time spent in meal and rest breaks, among other things.

2 32. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
3 should have known that Plaintiffs and class members were entitled to receive all meal periods or
4 payment of one (1) additional hour of pay at Plaintiffs' and class members' regular rate of pay when
5 they did not receive a timely, uninterrupted meal period. In violation of the Labor Code and IWC
6 Wage Orders, Plaintiffs and class members did not receive all meal periods or payment of one (1)
7 additional hour of pay at Plaintiffs' and class members' regular rate of pay when they did not receive
8 a timely, uninterrupted meal period.

9 33. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
10 should have known that Plaintiffs and class members were entitled to receive all rest breaks or
11 payment of one (1) additional hour of pay at Plaintiffs' and class members' regular rate of pay when
12 a rest break was missed, and were entitled to payment of wages for time spent when rest breaks were
13 taken. In violation of the Labor Code and IWC Wage Orders, Plaintiffs and class members did not
14 receive paid rest breaks or payment of one (1) additional hour of pay at Plaintiffs' and class members'
15 regular rate of pay when a rest break was missed.

16 34. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
17 should have known that Plaintiffs and Waiting Time class members were entitled to timely payment
18 of wages upon separation of employment. In violation of the California Labor Code, Plaintiffs and
19 Waiting Time class members did not receive payment of all wages including, but not limited to,
20 unpaid wages within permissible time periods.

21 35. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
22 should have known that Plaintiffs and class members were entitled to receive complete and accurate
23 wage statements in accordance with California law. In violation of the California Labor Code,
24 Plaintiffs and class members were not furnished with complete and accurate wage statements
25 showing their total hours worked, number of hours worked at each hourly rate, and gross and net
26 wages, among other things.

27 36. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
28 should have known that Plaintiffs and class members were entitled to reimbursement for necessary

1 expenditures incurred in connection with the performance and execution of their job duties. In
2 violation of the California Labor Code, Plaintiffs and class members did not receive adequate
3 reimbursement for necessary business expenses, including but not limited to, reimbursement for use
4 of their personal cellular phones and for home internet expenses.

5 37. Plaintiffs are informed and believe, and thereon allege, that at all times mentioned
6 herein, Defendants knew or should have known that it had a duty to compensate Plaintiffs and class
7 members, and that Defendants had the financial ability to pay such compensation but willfully,
8 knowingly, and intentionally failed to do so, all in order to increase Defendants' profits.

9 38. Therefore, Plaintiffs bring this lawsuit seeking monetary and injunctive relief against
10 Defendants on behalf of themselves and all class members to recover, among other things, unpaid
11 wages, interest, attorney's fees, penalties, reimbursements, costs, and expenses.

12 **FIRST CAUSE OF ACTION**

13 **FAILURE TO PAY MINIMUM WAGES**

14 **(Violation of Labor Code §§ 1182.12, 1194, 1194.2, and 1197; Violation of IWC Wage Order)**

15 39. Plaintiffs hereby re-allege and incorporate by reference all paragraphs above as
16 though fully set forth herein.

17 40. Labor Code §§ 1194 and 1197 provide that the minimum wage for employees fixed
18 by the IWC is the minimum wage to be paid to employees, and the payment of a lesser wage than
19 the minimum so fixed is unlawful.

20 41. Defendants regularly failed to pay at least minimum wage to Plaintiffs and class
21 members for all hours worked pursuant to Labor Code §§ 1194 and 1197.

22 42. Defendants' failure to pay Plaintiffs and class members the minimum wage as
23 required violates Labor Code §§ 1194 and 1197. Pursuant to these sections, Plaintiffs and class
24 members are entitled to recover the unpaid balance of their minimum wage compensation as well as
25 interest, costs, and attorney's fees.

26 43. Pursuant to Labor Code § 1194.2, Plaintiffs and class members are entitled to recover
27 liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.

28 ///

1 **SECOND CAUSE OF ACTION**

2 **FAILURE TO PAY OVERTIME WAGES**

3 **(Violation of Labor Code §§ 510, 1194, and 1198; Violation of IWC Wage Order)**

4 44. Plaintiffs hereby re-allege and incorporate by reference all paragraphs above as
5 though fully set forth herein.

6 45. Labor Code § 1198 and the applicable IWC Wage Order provide that it is unlawful to
7 employ persons without compensating them at a rate of pay either one and one-half (1½) or two (2)
8 times the person's regular rate of pay, depending on the number of hours or days worked by the
9 person on a daily or weekly basis.

10 46. Specifically, the applicable IWC Wage Orders provide that Defendants are and were
11 required to pay overtime compensation to Plaintiffs and Class Members at the rate of one and one-
12 half times (1½) their regular rate of pay when working and for all hours worked in excess of eight
13 (8) hours in a day or more than forty (40) hours in a workweek and for the first eight (8) hours of
14 work on the seventh day of work in a workweek.

15 47. The applicable IWC Wage Orders further provide that Defendants are and were
16 required to pay overtime compensation to Plaintiffs and Class Members at a rate of two times their
17 regular rate of pay when working and for all hours worked in excess of twelve (12) hours in a day or
18 in excess of eight (8) hours on the seventh day of work in a workweek.

19 48. California Labor Code § 510 codifies the right to overtime compensation at one and
20 one-half (1½) times the regular hourly rate for hours worked in excess of eight (8) hours in a day or
21 forty (40) hours in a week and for the first eight (8) hours worked on the seventh consecutive day of
22 work, and overtime compensation at twice the regular hourly rate for hours worked in excess of
23 twelve (12) hours in a day or in excess of eight (8) hours in a day on the seventh day of work in a
24 workweek.

25 49. Labor Code § 510 and the applicable IWC Wage Orders provide that employment of
26 more than six days in a workweek is only permissible if the employer pays proper overtime
27 compensation as set forth herein.

28 50. Plaintiffs and Class Members were non-exempt employees entitled to the protections

1 of California Labor Code §§ 510 and 1194.

2 51. During the relevant time period, Defendants failed to pay Plaintiffs and Class
3 Members overtime wages for all overtime hours worked when Plaintiffs and Class Members worked
4 in excess of eight (8) hours in a day, forty (40) hours in a week and/or for a seventh consecutive day
5 of work in a workweek, or when Plaintiffs and Class Members worked in excess of twelve (12) hours
6 in a day and/or in excess of eight (8) hours on the seventh day of work in a work week.

7 52. In violation of state law, Defendants knowingly and willfully refused to perform their
8 obligations and compensate Plaintiffs and Class Members for all wages earned and all hours worked.

9 53. Defendants' failure to pay Plaintiffs and Class Members the unpaid balance of
10 overtime and double time compensation, as required by California law, violates the provisions of
11 Labor Code §§ 510 and 1198, and is therefore unlawful.

12 54. Pursuant to Labor Code § 1194, Plaintiffs and Class Members are entitled to recover
13 their unpaid overtime and double time compensation as well as interest, costs, and attorneys' fees.

14 **THIRD CAUSE OF ACTION**

15 **FAILURE TO PROVIDE MEAL PERIODS**

16 **(Violation of Labor Code §§ 226.7 and 512; Violation of IWC Wage Order)**

17 55. Plaintiffs hereby re-allege and incorporate by reference all paragraphs above as
18 though fully set forth herein.

19 56. Labor Code § 226.7 provides that no employer shall require an employee to work
20 during any meal period mandated by the IWC Wage Orders.

21 57. Section 11 of the applicable IWC Wage Order states, "[n]o employer shall employ
22 any person for a work period of more than five (5) hours without a meal period of not less than 30
23 minutes, except that when a work period of not more than six (6) hours will complete the day's work
24 the meal period may be waived by mutual consent of the employer and the employee."

25 58. Labor Code § 512(a) provides that an employer may not require, cause, or permit an
26 employee to work for a period of more than five (5) hours per day without providing the employee
27 with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work
28 period per day of the employee is not more than six (6) hours, the meal period may be waived by

1 mutual consent of both the employer and the employee.

2 59. Labor Code § 512(a) also provides that an employer may not employ an employee for
3 a work period of more than ten (10) hours per day without providing the employee with a second
4 meal period of not less than thirty (30) minutes, except that if the total hours worked is no more than
5 twelve (12) hours, the second meal period may be waived by mutual consent of the employer and
6 the employee only if the first meal period was not waived.

7 60. During the relevant time period, Plaintiffs and Class Members did not receive
8 compliant meal periods for working more than five (5) and/or ten (10) hours per day because their
9 meal periods were missed, late, short, interrupted, and/or they were not permitted to take a second
10 meal period.

11 61. Labor Code § 226.7(b) and section 11 of the applicable IWC Wage Order requires an
12 employer to pay an employee one (1) additional hour of pay at the employee's regular rate of
13 compensation for each workday that a compliant meal period is not provided.

14 62. At all relevant times, Defendants failed to pay Plaintiffs and Class Members meal
15 period premiums for missed, late, short, and/or interrupted meal periods pursuant to Labor Code §
16 226.7(b) and section 11 of the applicable IWC Wage Order.

17 63. As a result of Defendants' failure to pay Plaintiffs and Class Members an additional
18 hour of pay for each day a compliant meal period was not provided, Plaintiff and Class Members
19 suffered and continue to suffer a loss of wages and compensation.

20 **FOURTH CAUSE OF ACTION**

21 **FAILURE TO PROVIDE REST BREAKS**

22 **(Violation of Labor Code § 226.7; Violation of IWC Wage Order)**

23 64. Plaintiffs hereby re-allege and incorporate by reference all paragraphs above as
24 though fully set forth herein.

25 65. Labor Code § 226.7(a) provides that no employer shall require an employee to work
26 during any rest period mandated by the IWC Wage Orders.

27 66. Section 12 of the applicable IWC Wage Order states "every employer shall authorize
28 and permit all employees to take rest periods, which insofar as practicable shall be in the middle of

1 each work period” and the “authorized rest period time shall be based on the total hours worked daily
2 at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof” unless the
3 total daily work time is less than three and one-half (3½) hours.

4 67. Labor Code 226.7(d) provides that a rest period mandated by state law or IWC Wage
5 Order “shall be counted as hours worked, for which there shall be no deduction from wages.”

6 68. During the relevant time period, Plaintiffs and class members did not receive a ten
7 (10) minute net rest period for every four (4) hours or major fraction thereof worked because they
8 were required to work through their daily rest periods and/or were not authorized to take their rest
9 periods.

10 69. Labor Code § 226.7(b) and section 12 of the applicable IWC Wage Order requires an
11 employer to pay an employee one additional hour of pay at the employee’s regular rate of
12 compensation for each workday that the rest period is not provided.

13 70. At all relevant times, Defendants failed to pay Plaintiffs and class members the full
14 rest period premium for missed or interrupted rest periods pursuant to Labor Code § 226.7(b) and
15 section 12 of the applicable IWC Wage Order.

16 71. As a result of Defendants’ failure to pay Plaintiffs and class members an additional
17 hour of pay for each day a rest period was not provided, Plaintiffs and class members suffered and
18 continue to suffer a loss of wages and compensation.

19 **FIFTH CAUSE OF ACTION**

20 **FAILURE TO PAY WAGES UPON SEPARATION**

21 **OF EMPLOYMENT AND WITHIN THE REQUIRED TIME**

22 **(Violations of Labor Code §§ 201, 202, 203 and 210; Violation of IWC Wage Order)**

23 72. Plaintiffs hereby re-allege and incorporate by reference the previous paragraphs, as
24 though fully set forth herein.

25 73. California Labor Code §§ 201 and 202 provide that if an employer discharges an
26 employee, the wages earned and unpaid at the time of discharge are due and payable immediately,
27 and that if an employee voluntarily leaves his or her employment, his or her wages shall become due
28 and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-

1 two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled
2 to his or her wages at the time of quitting.

3 74. During the relevant time period, Defendants willfully failed to pay Plaintiffs and
4 Waiting Time Subclass Members all their earned wages and commissions due upon termination
5 including, but not limited to, minimum wages, either at the time of discharge or within seventy-two
6 (72) hours of their leaving Defendants' employ.

7 75. Defendants' failure to pay Plaintiffs and Waiting Time Subclass Members all their
8 earned wages at the time of discharge or within seventy-two (72) hours of their leaving Defendants'
9 employ is in violation of California Labor Code §§ 201 and 202.

10 76. California Labor Code § 203 provides that if an employer willfully fails to pay wages
11 owed promptly upon discharge or resignation as required under California Labor Code §§ 201 and
12 202, then the wages of the employee shall continue as a penalty from the due date, and at the same
13 rate until paid or until an action is commenced; but the wages shall not continue for more than thirty
14 (30) days.

15 77. Defendants willfully failed to pay Plaintiffs and Waiting Time Subclass Members all
16 wages due and, as a result, owe Plaintiffs and Waiting Time Subclass Members regular daily wages
17 for each day they were not paid at their regular rates of pay for up to a thirty (30) day maximum
18 pursuant to California Labor Code § 203 all in an amount to be shown according to proof at trial.

19 78. Based on these violations, Plaintiffs and the Waiting Time Subclass she seeks to
20 represent, request relief as described herein and below.

21 **SIXTH CAUSE OF ACTION**

22 **FAILURE TO FURNISH ACCURATE ITEMIZED WAGE STATEMENTS**

23 **(Violation of Labor Code § 226; Violation of IWC Wage Order)**

24 79. Plaintiffs hereby re-allege and incorporate by reference the previous paragraphs, as
25 though fully set forth herein.

26 80. California Labor Code § 226(a) requires employers to furnish their employees with
27 an accurate itemized writing that shows gross wages earned, total hours worked, all deductions, net
28 wages earned, the inclusive dates of the period for which the employee is paid, the name of the

1 employee and the portion of his or her social security number as required by law, the name and
2 address of the legal entity that is the employer, and all applicable hourly rates in effect during the
3 pay period and the corresponding number of hours worked at each hourly rate by the employee.

4 81. In addition, pursuant to Labor Code § 226.2(a)(2), the itemized statements of
5 employees paid on a piece-rate basis shall also state (1) the total hours of compensable rest and
6 recovery periods, the rate of compensation, and the gross wages paid for those periods during the
7 pay period; and (2) the total hours of other nonproductive time, the rate of compensation, and the
8 gross wages paid for that time during the pay period.

9 82. Defendants have intentionally and willfully failed to provide Plaintiffs and class
10 members with complete and accurate wage statements. The deficiencies include, among other things,
11 the failure to list the total hours worked, number of hours worked at each hourly rate, and gross and
12 net wages.

13 83. As a result of Defendants' violation of California Labor Code § 226(a), Plaintiffs and
14 class members have suffered injury and damage to their statutorily protected rights. Specifically,
15 Plaintiffs and class members have been injured by Defendants' intentional violation of California
16 Labor Code § 226(a) because they were denied both their legal right to receive, and their protected
17 interest in receiving, accurate itemized wage statements under California Labor Code § 226(a). In
18 addition, because Defendants failed to provide the accurate rates of pay on wage statements,
19 Defendants have prevented Plaintiffs and class members from determining if all hours worked were
20 paid at the appropriate rate and the extent of the underpayment. Plaintiffs have had to file this lawsuit
21 in order to analyze whether in fact Plaintiffs were paid correctly and the extent of the underpayment,
22 thereby causing Plaintiffs to incur expenses and lost time. Plaintiffs would not have had to engage
23 in these efforts and incur these costs had Defendants provided the accurate rate of pay. This has also
24 delayed Plaintiffs' ability to demand and recover the underpayment of wages from Defendants.

25 84. California Labor Code § 226(a) requires an employer to pay the greater of all actual
26 damages or fifty dollars (\$50.00) for the initial pay period in which a violation occurred, and one
27 hundred dollars (\$100.00) per employee for each violation in subsequent pay periods, plus attorney's
28 fees and costs, to each employee who was injured by the employer's failure to comply with California

1 Labor Code § 226(a).

2 85. Defendants' violations of California Labor Code § 226(a) prevented Plaintiffs and
3 class members from knowing, understanding, and disputing the wages paid to them, and resulted in
4 an unjustified economic enrichment to Defendants. As a result of Defendants' knowing and
5 intentional failure to comply with California Labor Code § 226(a), Plaintiffs and class members have
6 suffered an injury, the exact amount of damages and/or penalties is all in an amount to be shown
7 according to proof at trial.

8 86. Plaintiffs and class members are also entitled to injunctive relief under California
9 Labor Code § 226(g) compelling Defendants to comply with California Labor Code § 226 and seek
10 the recovery of attorney's fees and costs incurred in obtaining this injunctive relief.

11 **SEVENTH CAUSE OF ACTION**

12 **FAILURE TO REIMBURSE ALL BUSINESS EXPENSES**

13 **(Violation of Labor Code §§ 2800, 2802; Violation of IWC Wage Order)**

14 87. Plaintiffs hereby re-allege and incorporate by reference all paragraphs above as
15 though fully set forth herein.

16 88. Labor Code § 2800 states that an employer shall in all cases indemnify his employee
17 for losses.

18 89. Labor Code § 2802 requires employers to indemnify their employees for all
19 necessary expenditures or losses incurred by employees in direct consequence of the discharge of
20 their duties.

21 90. Section 9 of the applicable IWC Wage Order states that when tools or equipment are
22 required by the employer or are necessary to the performance of a job, such tools and equipment
23 shall be provided and maintained by the employer.

24 91. During the relevant time period, Defendants required Plaintiffs and class members to
25 use their cellular phones for work-related communication and other work-related matters without
26 paying Plaintiffs and other class members for a reasonable percentage of their cell phone bills.

27 92. Defendants also required Plaintiffs and class members to use their home internet for
28 work-related purposes when working from home without reimbursement for home internet expenses,

1 equipment, and fees.

2 93. In violation of Labor Code §§ 2800 and 2802, Defendants failed to indemnify
3 Plaintiffs and class members for these expenses.

4 94. In committing the violations as herein alleged, Defendants have intentionally and
5 willfully failed to fully reimburse Plaintiffs and class members for necessary business-related costs
6 and expenses. As a direct result, Plaintiffs and class members have suffered and continue to suffer
7 substantial losses relating to the use and enjoyment of such compensation, wages, expenses, and
8 attorney's fees.

9 **EIGHTH CAUSE OF ACTION**

10 **ENFORCEMENT OF LABOR CODE § 2698 ET. SEQ. ("PAGA")**

11 95. Plaintiffs hereby re-allege and incorporate by reference all paragraphs above as
12 though fully set forth herein.

13 96. Pursuant to Labor Code § 2699(a), any provision of the Labor Code that provides for
14 a civil penalty to be assessed and collected by the Labor and Workforce Development Agency
15 ("LWDA") or any of its departments, divisions, commissions, boards, agencies or employees for
16 violation of the code may, as an alternative, be recovered through a civil action brought by an
17 aggrieved employee on behalf of himself and other current or former employees pursuant to the
18 procedures specified in Labor Code § 2699.3.

19 97. Defendants' conduct violates numerous Labor Code sections including, but not
20 limited to, the following:

21 (a) Violation of Labor Code §§ 218, 510, 1194, 1197, 1197.1, 1198, and 1199(c) for
22 failure to timely pay all earned wages (including minimum wages, regular, and
23 overtime wages) owed to Plaintiffs and other aggrieved employees during
24 employment and upon separation of employment as herein alleged;

25 (b) Violation of Labor Code § 246 for failure to pay Plaintiffs and other aggrieved
26 employees all sick time wages owed at their regular rate of pay;

27 (c) Violation of Labor Code §§ 226.7, 512, and 1198 for failure to provide meal
28 periods to Plaintiffs and other aggrieved employees and failure to pay premium

wages for missed meal periods as herein alleged;

(d) Violation of Labor Code § 226.7 for failure to permit rest breaks to Plaintiffs and other aggrieved employees and failure to pay premium wages for missed rest periods as herein alleged;

(e) Violation of Labor Code §§ 2800, 2802 and 2804 for failure to reimburse reasonable and necessary business expenses of Plaintiffs and other aggrieved employees as herein alleged;

(f) Violation of Labor Code §§ 201, 202, 203, 204, 256, 1198, and 2699 for failure to timely pay Plaintiffs and other aggrieved employees all wages due during and upon termination of employment; and

(g) Violation of Labor Code § 226 for failure to provide accurate, itemized wage statements.

98. Plaintiffs are an “aggrieved employee” because they were employed by the alleged violator and had one or more of the alleged violations committed against them, and therefore is properly suited to represent the interests of all other aggrieved employees.

99. On October 9, 2023, Plaintiff Hoover submitted notice of her claims to the Labor and Workforce Development Agency (“LWDA”). As of the time of this filing, Plaintiff Hoover has not received any notice that the LWDA seeks to investigate these claims. As such, the procedural requirements under Labor Code § 2699.3 have been exhausted as to Defendants and Plaintiff Hoover is therefore able to pursue a claim for penalties on behalf of herself and all other aggrieved employees under PAGA.

100. PAGA generally imposes a penalty of one hundred dollars (\$100.00) for each aggrieved employee per pay period for the initial violation and two hundred dollars (\$200.00) for each aggrieved employee per pay period for each subsequent violation.

101. Pursuant to Labor Code §§ 2699(a), 2699.3 and 2699.5, Plaintiffs are entitled to recover civil penalties, in addition to other remedies, for violations of the Labor Code sections cited above.

102. For bringing this action, Plaintiffs are entitled to attorney’s fees and costs incurred

herein.

NINTH CAUSE OF ACTION

VIOLATION OF BUSINESS AND PROFESSIONS CODE §§ 17200, ET SEQ.

103. Plaintiffs hereby re-allege and incorporate by reference the previous paragraphs, as though fully set forth herein.

104. California Business and Professions Code §§ 17200, *et seq.*, prohibits acts of unfair competition, which includes any "unlawful, unfair or fraudulent business act or practice"

105. A violation of California Business and Professions Code §§ 17200, *et seq.* may be predicated on the violation of any state or federal law. In the instant case, Defendants' policies and practices have violated state law causing Plaintiffs and class members to suffer and continue to suffer injuries in fact. As alleged herein, Defendants systematically engaged in unlawful conduct in violation of the California Labor Code and IWC Wage Orders, such as failing to pay minimum wages, failing to pay overtime wages, failing to provide meal periods, failing to authorize or permit paid rest breaks, failing to pay all wages and commissions due and owed upon separation of employment and in a timely manner, failing to furnish accurate wage statements, failing to reimburse business expenses, and failing to produce all employment records, all in order to decrease their costs of doing business and increase their profits.

106. At all times relevant herein, Defendants intentionally avoided paying Plaintiffs and class members wages and monies, thereby creating for Defendants an artificially lower cost of doing business in order to undercut their competitors and establish and/or gain a greater foothold in the marketplace.

107. At the time Plaintiffs and class members were hired, Defendants knowingly, intentionally and wrongfully misrepresented to each of them their conformance with the California Labor Code and IWC Wage Orders including proper payments required by law.

108. At all relevant times herein, Defendants held themselves out to Plaintiffs and class members as being knowledgeable concerning the labor laws of California.

109. At all times relevant herein, Plaintiffs and class members relied on and believed Defendants' representations concerning their conformance with California's wage and hour laws all

1 to their detriment.

2 110. As a result of Defendants' intentional, willful, purposeful, and wrongful
3 misrepresentation of their conformance with the California Labor Code and IWC Wage Orders,
4 Plaintiffs and class members suffered a loss of wages and monies, all in an amount to be shown
5 according to proof at trial. By violating the foregoing statutes and regulations as herein alleged,
6 Defendants' acts constitute unfair and unlawful business practices under California Business and
7 Professions Code §§ 17200, *et seq.*

8 111. Defendants' violations of the California Labor Code and IWC Wage Orders and their
9 scheme to lower their payroll costs as alleged herein, constitute unlawful business practices because
10 they were done in a systematic manner over a period of time to the detriment of Plaintiffs and class
11 members.

12 112. As a result of the unfair business practices of Defendants, as alleged herein, Plaintiffs
13 and class members are entitled to injunctive relief, disgorgement, and restitution in an amount to be
14 shown according to proof at trial.

15 113. Plaintiffs seek to enforce important rights affecting the public interest within the
16 meaning of California Code of Civil Procedure § 1021.5. Defendants' conduct, as alleged herein,
17 has been, and continues to be, unfair, unlawful, and harmful to Plaintiff, class members and to the
18 general public. Based on Defendants' conduct as alleged herein, Plaintiff and class members are
19 entitled to an award of attorney's fees pursuant to California Code of Civil Procedure § 1021.5.

20 **TENTH CAUSE OF ACTION**

21 **ENFORCEMENT OF THE FAIR LABOR STANDARDS ACT**

22 **(Violation of 29 U.S.C. § 207, 211 & 29 C.F.R. § 516.2(b))**

23 114. Plaintiffs hereby re-allege and incorporate by reference all paragraphs as though fully
24 set forth herein.

25 115. At all relevant times, Defendants have been an employer and Plaintiffs and its
26 employees have been employees under Federal Law entitled to the protections of the FLSA.

27 116. The FLSA requires employers to keep accurate records of hours worked and wages
28 paid, among other information, and to provide these records to their employees. 29 U.S.C. §

211(c); 29 C.F.R. § 516.2(b). Defendants' practices and policies were violations of these requirements.

117. Although Plaintiffs and putative FLSA members periodically worked more than 40 hours in a week, Defendants had a policy and practice of failing and refusing to pay employees overtime and thus violated and continue to violate the above-referenced overtime provisions of the FLSA. Indeed, Plaintiffs worked well over 40 hours most weeks, often worked 10-hour days – without ever being paid any overtime. At some point thereafter, Defendants began paying for some overtime – albeit incorrectly.

118. Indeed, Defendants failed to factor in Plaintiffs' and other employees' commissions and other non-discretionary bonuses into their regular rate of overtime pay for overtime purposes, resulting in a systematic practice of underpaying Plaintiffs and other employees for overtime under the FLSA.

119. Plaintiffs and FLSA Members seek the amount of the respective unpaid wages owed to them, liquidated damages, attorneys' fees and costs pursuant to 29 U.S.C. §§ 201 et seq. and such other legal and equitable relief as the Court deems just and proper.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs, on behalf of all others similarly situated, prays for judgment against Defendants as follows:

1. For certification of the proposed Class and Waiting Time Subclass and any other appropriate subclasses under California Code of Civil Procedure § 382;
2. For appointment of Patricia Hoover, Michael Buckhout, Michael Demarco, Paul Dutch Jr., Sheri Henderson, Scott Solomon, and Stuart Tomlinson as the class representatives;
3. For appointment of Lebe Law, APLC as class counsel for all purposes;
4. For general damages;
5. For special damages;
6. For liquidated damages pursuant to the FLSA and the California Labor Code § 1194.2;
7. For statutory penalties to the extent permitted by law, including those pursuant to the

1 FLSA, the California Labor Code, and the IWC Wage Orders;

2 8. For injunctive relief as provided by the California Labor Code and California
3 Business and Professions Code §§ 17200, *et seq.*;

4 9. For restitution as provided by California Business and Professions Code §§ 17200, *et*
5 *seq.*;

6 10. For an order requiring Defendants to restore and disgorge all funds to each employee
7 acquired by means of any act or practice declared by this Court to be unlawful, unfair, or fraudulent
8 and, therefore, constituting unfair competition under California Business and Professions Code §§
9 17200, *et seq.*;

10 11. For an award of damages in the amount of unpaid compensation including, but not
11 limited to, unpaid wages, benefits, and penalties according to proof, including interest thereon;

12 12. For pre-judgment interest;

13 13. For reasonable attorney's fees and costs of suit to the extent permitted by law,
14 including pursuant to the FLSA, the California Code of Civil Procedure § 1021.5, and the California
15 Labor Code §§ 218, 226(e), 1194, 1194.2, 2699, and 2802(c);

16 14. For civil penalties;

17 15. For civil penalties under PAGA; and

18 15. For such other relief as the Court deems just and proper.
19
20

21 Dated: January 13, 2026

Lebe Law, APLC

22
23 By: _____


Jonathan M. Lebe
Rayne A. Brown

24
25 Attorneys for Plaintiffs Patricia Hoover, Michael
26 Buckhout, Michael Demarco, Paul Dutch Jr., Sheri
27 Henderson, Scott Solomon, and Stuart Tomlinson
28

DEMAND FOR JURY TRIAL

Plaintiffs hereby demands a jury trial with respect to all issues triable of right by jury.

Dated: January 13, 2026

Lebe Law, APLC

By: _____



Jonathan M. Lebe

Rayne A. Brown

Attorneys for Plaintiffs Patricia Hoover, Michael
Buckhout, Michael Demarco, Paul Dutch Jr., Sheri
Henderson, Scott Solomon, and Stuart Tomlinson

1 **PROOF OF SERVICE**

2 I am employed in the County of Los Angeles, State of California, I am over the age of
3 eighteen years and not a party to the within entitled action; my business address is 3900 W Alameda
4 Avenue, Fifteenth Floor, Burbank, CA 91505.

5 On January 13, 2026, I served the “**THIRD AMENDED CLASS ACTION**
6 **COMPLAINT**” on the interested parties, by placing a true copy thereof, by the method of service
7 specified below:

8 Elizabeth Staggs-Wilson, Esq.
9 estaggs-wilson@littler.com
10 James Payer, Esq.
11 jpayer@littler.com
12 **LITTLER MENDELSON P.C.**
13 633 West 5th Street, 63rd Floor
14 Los Angeles, California 90071
15 Telephone: 213.443.4300
16 Facsimile: 213.443.4299

17 Jyoti Mittal, Esq.
18 jmittal@littler.com
19 **LITTLER MENDELSON P.C.**
20 2049 Century Park East, 5th Floor
21 Los Angeles, California 90067.3107
22 Telephone: 310.553.0308
23 Facsimile: 800.715.1330

24 Included In Service List:
25 Nora Palencia, NPalencia@littler.com
26 Karina Ramirez, KRamirez@littler.com
27 Dawn Hancock, DHancock@littler.com

28 Attorneys for Defendants *COMMUNITY BRANDS PARENTCO, LLC, EDUCATION BRANDS,*
LLC, and MOBILECAUSE, INC.

- 29 ☒ (VIA ELECTRONIC SERVICE) Based on a court order or an agreement of the parties to
30 accept service by electronic transmission, I caused the documents to be sent to the persons at
31 the electronic notification addresses listed above. I did not receive, within a reasonable time
32 after the transmission, any electronic message or other indication that the transmission was
33 unsuccessful.
- 34 ☒ (STATE) I declare under penalty of perjury under the laws of the State of California that the
35 above is true and correct.

36 Dated: January 13, 2026

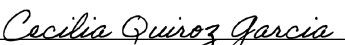
37 
38 Cecilia Quiroz Garcia

EXHIBIT 2

Jonathan M. Lebe (State Bar No. 284605)
Jon@lebelaw.com
Rayne A. Brown (State Bar No. 342011)
Rayne@lebelaw.com
Lebe Law, APLC
3900 West Alameda Street, Fifteenth Floor
Burbank, CA 91505
Telephone: (213) 444-1973
Attorneys for Plaintiffs,
Individually and on behalf of all others similarly situated

Elizabeth Staggs Wilson, Bar No. 183160
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Attorneys for Defendants
COMMUNITY BRANDS PARENTCO, LLC;
EDUCATION BRANDS, LLC; AND MOBILECAUSE,
INC.

[ADDITIONAL COUNSEL ON NEXT PAGE]

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ALAMEDA

PATRICIA HOOVER, MICHAEL BUCKHOUT,
MICHAEL DEMARCO, PAUL DUTCH JR.,
SHERI HENDERSON, SCOTT SOLOMON,
AND STUART TOMLINSON, individually and
on behalf of all others similarly situated,

Plaintiffs,

v.

COMMUNITY BRANDS PARENTCO, LLC, a
Delaware limited liability company;
COMMUNITY BRANDS LLC, a Delaware
limited liability company; EDUCATION
BRANDS, LLC, a Delaware limited liability
company; MOBILECAUSE, INC., a Delaware
corporation; and Does 1-100, inclusive,
Defendants.

Case No. 23CV040930

**JOINT STIPULATION AND
SETTLEMENT AGREEMENT OF
CLASS ACTION AND
REPRESENTATIVE CLAIMS**

[ASSIGNED FOR ALL PURPOSES TO
JUDGE SOMNATH RAJ CHATTERJEE,
DEPT. 21]

Trial Date: TBD
Complaint Filed: August 16, 2023

Jyoti Mittal, Bar No. 288084
jmittal@littler.com
LITTLER MENDELSON P.C.
2049 Century Park East
5th Floor
Los Angeles, California 90067.3107
Telephone: 310.553.0308
Fax No.: 800.715.1330
Attorneys for Defendants
COMMUNITY BRANDS PARENTCO, LLC;
EDUCATION BRANDS, LLC; AND
MOBILECAUSE, INC.

1 This Joint Stipulation and Settlement Agreement of Class Action and Representative Action
2 Claims (“Stipulation of Settlement” or “Settlement” or “Settlement Agreement”) is made and entered
3 into by and between Plaintiff Patricia Hoover (“Named Plaintiff”), Plaintiffs Patricia Hoover, Michael
4 Buckhout, Michael Demarco, Paul Dutch Jr., Sheri Henderson, Scott Solomon, and Stuart Tomlinson
5 (“Opt-In Plaintiffs”), and Defendants Community Brands Parentco, LLC, Education Brands, LLC,
6 and MobileCause, Inc. (together “Defendants”)¹ (Named Plaintiff and Defendants are referred to
7 together as the “Parties”).

8 THE PARTIES STIPULATE AND AGREE as follows:

9 **DEFINITIONS**

10 1. “**Court**” means the Superior Court of the State of California for the County of
11 Alameda.

12 2. “**Defendants’ Counsel**” means Elizabeth Staggs-Wilson, Esq., Jyoti Mittal, Esq., and
13 James Payer, Esq., of Littler Mendelson, P.C.

14 3. “**Effective Date**” shall have the meaning ascribed to it in Paragraph 40 below.

15 4. “**Enhancement Awards**” means the payments made to Named Plaintiff and the Opt-
16 In Plaintiffs in their capacity as class representatives, which sum is over and above their Individual
17 Settlement Payment.

18 5. “**Escalator Amount**” means the amount Defendants will pay in addition to the Gross
19 Settlement Amount if the total number of Workweeks exceeds 8,908 Workweeks by 10% or more
20 (e.g., the Workweek count is greater than 9,799 Workweeks) and if Defendants elect to (1) increase
21 the Gross Settlement Amount proportionately for each additional Workweek over 9,799 Workweeks
22 rather than (2) select an end date for the Settlement Class Period and PAGA Period wherein the total
23 number of Workweeks is less than or equal to 9,799 Workweeks.

24 6. “**Final Approval Hearing**” means the hearing whereat the Court shall consider,
25 without limitations, any timely objections to the Settlement from Settlement Class Members,
26 testimony from the Parties or their counsel, declarations regarding the claims process from the
27

28 ¹ Community Brands LLC was erroneously named as a Defendant in this matter. Community Brands
LLC does not exist as a corporate entity.

Settlement Administrator, and otherwise make a final determination regarding the fairness of the Settlement as set forth herein.

7. **“Final Order and Judgment”** means the Final Order Approving Class Action and PAGA Settlement and Judgment in a form to be agreed upon by the Parties and approved by the Court.

8. **“FLSA Action”** means the action entitled *Hoover v. Community Brands Parentco, LLC*, pending in the United States District Court for the Northern District of California, Case No. 3:23-cv-04178.

9. **“Gross Settlement Amount”** means Five Hundred Twenty-Five Thousand Dollars and Zero Cents (\$525,000.00), which is the maximum amount that Defendants will pay pursuant to this Settlement, excluding Defendants’ share of payroll taxes and the Escalator Amount, if any, which shall be paid by Defendants separately and in addition to the Gross Settlement Amount.

10. **“Individual Settlement Payment”** means the portion of the Net Settlement Amount payable to a Qualified Class Member.

11. **“LWDA”** means the California Labor & Workforce Development Agency.

12. **“Operative Complaint”** means the Second Amended Complaint that is attached as **Exhibit B**, which Named Plaintiff shall file prior to obtaining preliminary approval of the settlement.

13. **“Opt-In Plaintiffs”** means the following six persons who opted into the collective in the FLSA Action: Michael Buckhout, Michael Demarco, Paul Dutch Jr., Sheri Henderson, Scott Solomon, and Stuart Tomlinson.

14. **“Net Settlement Amount”** has the meaning ascribed to it in Paragraph 44, below.

15. **“Notice”** or **“Class Notice”** means the Notice of Pendency of Class Action in substantially the form attached hereto as **Exhibit A**, and as approved by the Court.

16. **“PAGA Employees”** means the Settlement Class Members who worked at any time in California during the PAGA Period.

17. **“PAGA Employee Payment”** means the payment issued to each PAGA Employee for his/her/their share of the PAGA Payment.

18. **“PAGA Notice”** means Named Plaintiff’s Notice of Labor Code Violations California Labor Code Sections 2698 *Et. Seq.* that was sent to the California Labor and Workforce Development

Deleted: even

Agency on or about October 9, 2023.

19. **“PAGA Payment”** means the payment to the State of California Labor and Workforce Development Agency (“LWDA”) and the PAGA Employees in settlement of all claims for PAGA penalties

20. **“PAGA Period”** means the time period from October 9, 2022 to the date of preliminary approval, or an earlier date pursuant to Defendants’ election under the escalator provision in Paragraph 41(a) herein.

21. **“Qualified Class Members”** means the Settlement Class Members who did not opt out of the Settlement Agreement and who will receive a share of the Net Settlement Amount.

22. **“Released Parties”** collectively shall encompass Defendants Community Brands Parentco, LLC, Community Brands LLC, Education Brands, LLC, and MobileCause, Inc., successors-in-interest NonProfit Brands, LLC and Momentive Software, Inc., and any of their past, present and future direct or indirect parents, subsidiaries, predecessors, successors and affiliates, as well as each of their past, present and future officers, directors, employees, partners, members, shareholders and agents, attorneys, insurers, reinsurers, and any individual or entity which could be jointly liable with them.

23. **“Settlement Administrator”** means ILYM.

24. **“Settlement Class Counsel”** means Jonathan M. Lebe and Melissa Kurata of Lebe Law, APLC.

25. **“Settlement Class Members”** means all persons who worked in California for Defendants between August 15, 2019 and December 24, 2023, as well as the approximately 17 employees who previously worked for Defendants and continued to work in the same or a similar role in California with successors-in-interest NonProfit Brands, LLC from December 25, 2023 to December 31, 2024 and Momentive Software, Inc. from January 1, 2025 to the date of preliminary approval, or an earlier date pursuant to Defendants’ election under the escalator provision in Paragraph 41(a) herein.

26. **“Settlement Class Period”** means the time period from August 15, 2019 to the date of preliminary approval, or an earlier date pursuant to Defendants’ election under the escalator provision

1 in Paragraph 41(a) herein.

2 27. “**Lawsuit**” means the action entitled *Hoover v. Community Brands Parento, LLC*,
3 pending in Alameda County Superior Court, Case No. 23CV040930.

4 28. “**Workweeks**” means any week where a Settlement Class Member performed work.

5 **RECITALS**

6 29. On September 5, 2024, following exchange and extensive review of relevant
7 documents and class data, the Parties engaged in a full-day mediation with experienced wage and hour
8 class action mediator Michael Strauss, Esq. The mediation was unsuccessful; however, over the next
9 several months, the Parties continued to negotiate with the assistance of the mediator and reached this
10 settlement.

11 30. Defendants deny any liability or wrongdoing of any kind whatsoever associated with
12 the claims in the Lawsuits, and further deny that, for any purpose other than settling the Lawsuit, class
13 action or representative treatment is appropriate for the Lawsuit.

14 31. It is the Parties’ desire to fully, finally, and forever settle, compromise, and discharge
15 all disputes and claims alleged in the Lawsuit.

16 32. It is the Parties’ intention that this Stipulation of Settlement shall constitute a full and
17 complete settlement and release of all Released Claims (as defined in Paragraphs 64, 65, and 66)
18 against all Released Parties.

19 33. It is the Parties’ intention that this Settlement shall not become effective until the
20 Effective Date, as defined in Paragraph 40, below.

21 34. Settlement Class Counsel have conducted a thorough investigation into the facts of the
22 Lawsuit, including an extensive review of relevant documents and data, and have diligently pursued
23 an investigation of the Settlement Class Members’ claims against Defendants. Based on its and their
24 own independent investigation and evaluation, Settlement Class Counsel are of the opinion that the
25 Settlement with Defendants is fair, reasonable, and adequate and is in the best interest of the Settlement
26 Class Members in light of all known facts and circumstances, including the risks of significant delay,
27 the class not being certified, and the defenses asserted by Defendants. Defendants and Defendants’
28 Counsel also agree that the Settlement is in the best interests of the Settlement Class Members.

1 Counsel for the Parties further agree that the Settlement is fair, reasonable, and adequate with respect
2 to civil penalties sought pursuant to PAGA.

3 35. The Parties agree to cooperate and take all steps necessary and appropriate to
4 consummate this settlement in accordance with the terms of this Stipulation of Settlement.

5 **TERMS OF SETTLEMENT**

6 36. In consideration of the mutual covenants, promises, and agreements set forth herein,
7 the Parties agree, subject to the Court's approval, to the terms herein.

8 37. It is agreed by and between Named Plaintiff and Defendants that the Lawsuit and any
9 claims, demands, liabilities, penalties, damages or causes of action of any kind whatsoever claimed by
10 Named Plaintiff on behalf of herself, the Opt-In Plaintiffs, the Settlement Class Members, and/or the
11 PAGA Employees arising out of the disputes which are the subject of the Lawsuit, be settled and
12 compromised, subject to the terms and conditions set forth in this Stipulation of Settlement and the
13 Court's approval.

14 38. As a condition of this Settlement and pursuant to stipulation by the Parties, Plaintiff
15 Patricia Hoover shall file a Second Amended Complaint in the Lawsuit prior to obtaining preliminary
16 approval of the settlement and which shall be the Operative Complaint, a copy of which is attached as
17 **Exhibit B**. Plaintiff Hoover will amend the complaint such that the Operative Complaint includes the
18 Opt-In Plaintiffs as plaintiffs, encompasses all of Named Plaintiff's and the Opt-In Plaintiffs'
19 respective claims, and adds the claims alleged in the FLSA Action for purposes of settlement only.
20 Defendants will not be required to file an answer to the Operative Complaint.

21 39. Named Plaintiff shall obtain a complete and final dismissal of the FLSA Action after
22 amending to add the FLSA claim in the Operative Complaint and after preliminary approval has been
23 granted in the Lawsuit.

24 40. **Effective Date**: The Settlement embodied in this Stipulation of Settlement shall become
25 effective when all of the following events have occurred ("Effective Date"): (i) this Stipulation of
26 Settlement has been executed by Named Plaintiff, Defendants, the Opt-In Plaintiffs, Settlement Class
27 Counsel, and Defendants' Counsel; (ii) the Court has given preliminary approval to the Settlement;
28 (iii) the Notice has been sent to the Settlement Class Members, providing them the opportunity to

1 object to the Settlement, and the opportunity to opt out of the Settlement; (iv) the Notice has been sent
2 to the LWDA; (v) the Court has held a final fairness hearing and entered the Court's Final Order and
3 Judgment; (vi) the FLSA Action has been dismissed; and (vii) the later of the following events: five
4 (5) calendar days after the period for filing any appeal, writ, or other appellate proceeding opposing
5 the Final Order and Judgment has elapsed without any appeal, writ, or other appellate proceeding
6 having been filed, *i.e.*, 65 days from the date the Court grants final approval and enters judgment, and
7 notice of entry of judgment is served; or, if any appeal, writ, or other appellate proceeding opposing
8 final approval has been filed within that timeframe; five business days after any appeal, writ, or other
9 appellate proceedings opposing the Settlement has finally and conclusively dismissed with no right to
10 pursue further remedies or relief. If the Court declines to approve the Settlement, the entire Stipulation
11 of Settlement is deemed void and unenforceable as if no settlement of any claim was ever reached. All
12 negotiations, statements and proceedings and data relating thereto shall be protected by California
13 Evidence Code §1152 and shall be without prejudice to the rights of any of the Parties.

14 41. Gross Settlement Amount: To implement the terms of this Settlement, Defendants
15 agree to pay a maximum total payment of Five Hundred Twenty-Five Thousand Dollars and Zero
16 Cents (\$525,000.00), which includes payments to Settlement Class Members (excluding any
17 appropriate and lawfully required employer-side payroll taxes owed by Defendants on such payments
18 which Defendants shall be separately responsible for apart from the Gross Settlement Amount),
19 Enhancement Award to the Named Plaintiff and Opt-In Plaintiffs, the PAGA Payment, the Settlement
20 Administrator's fees and costs, approved attorneys' fees and litigation costs, and any other payments
21 provided by this Settlement. Except as otherwise specified herein, Defendants shall not be required
22 to pay any additional monies beyond the amount of the Gross Settlement Amount other than the
23 employer-side payroll taxes and the Escalator Amount, if any. Further, no portion of the Gross
24 Settlement Amount and the Escalator Clause, if any, shall revert to Defendants, and any amount of the
25 Gross Settlement Amount and the Escalator Clause, if any, not required for paying the above-
26 referenced amounts shall be paid to the Qualified Class Members on a pro rata basis according to the
27 formula contained herein.

28 a. Defendants represent that the total number of Workweeks worked by

1 Settlement Class Members as of April 18, 2025, is approximately 8,908 Workweeks. If the total
2 number of Workweeks exceeds this total by 10% or more (*e.g.*, the Workweek count is greater than
3 9,799 Workweeks) for the Settlement Class Period, Defendants shall have the following options:

- 4 i. Pay the Escalator Amount, which is calculated by increasing the Gross
5 Settlement Amount proportionately for each additional Workweek over
6 9,799 Workweeks (for example, if the Workweek count is 9,889, *i.e.*,
7 11% of 8,908 Workweeks, the Escalator Amount will equal \$5,250, *i.e.*,
8 1% of the Gross Settlement Amount); or
9 ii. Select an end date for the Settlement Class Period and PAGA Period
10 wherein the total number of Workweeks is less than or equal to 9,799
11 Workweeks.

12 42. Tax Treatment of the Gross Settlement Amount: The Parties agree that the Gross
13 Settlement Amount, including the Escalator Amount, if any, will qualify as a settlement fund pursuant
14 to the requirements of section 468(B)(g) of the Internal Revenue Code of 1986, as amended, and
15 section 1.468B-1 *et seq.* of the income tax regulations. Furthermore, the Settlement Administrator is
16 hereby designated as the “Administrator” of the qualified settlement funds for purposes of section
17 1.46B-2(k) of the income tax regulations. As such, all taxes imposed on the gross income of the Gross
18 Settlement Amount, including the Escalator Amount, if any, and any tax-related expenses arising from
19 any income tax return or other reporting document that may be required by the Internal Revenue
20 Service or any state or local taxing body will be paid from the Gross Settlement Amount.

21 43. Funding of Gross Settlement Amount: Within fifteen (15) calendar days of the
22 Effective Date, Defendants shall transfer to the Settlement Administrator an amount equal to the Gross
23 Settlement Amount and the Escalator Amount, if any, plus the employer’s share of payroll taxes. The
24 delivery of these sums and the employer’s share of payroll taxes to the Settlement Administrator shall
25 constitute full and complete discharge of the entire obligation of Defendants under this Settlement.
26 Once Defendants have made such payments, they will be deemed to have satisfied all terms and
27 conditions under this Settlement, shall be entitled to all protections afforded to Defendants under this
28 Settlement, and shall have no further obligations under the terms of the Settlement regardless of what

occurs with respect to those sums.

44. Allocation of the Gross Settlement Amount: After the deduction of the amounts approved for the Enhancement Awards to the Named Plaintiff and Opt-In Plaintiffs, the PAGA Payment, the Settlement Administrator's costs, Settlement Class Counsel's fees and expenses from the Gross Settlement Amount, including the Escalator Amount, if any, the remainder shall be referred to as the Net Settlement Amount.

a. The Net Settlement Amount shall be divided among the Qualified Class Members on a pro-rata basis, based upon the following:

i. Each Qualified Class Member's workweek count, which shall be the sum of the total number of Workweeks the Qualified Class Member worked during the Settlement Class Period;

ii. Divided by the combined sum of all Qualified Class Members' workweek counts; and

iii. Multiplied by the value of the Net Settlement Amount.

b. The Parties agree that if any Qualified Class Member disputes the basis for determining their share of the Settlement, Defendants' records shall presumptively control unless the Qualified Class Member can produce documentation evidence of other workweeks worked during the relevant time period. The Parties further agree that any dispute that cannot be resolved by Settlement Class Counsel and Defendants' Counsel may be brought before the Court before final approval of the Class Settlement.

c. To the extent that amounts for attorneys' fees and costs and the Enhancement Awards outlined below are not approved by the Court, such amounts will be reallocated to the Net Settlement Amount unless allocated otherwise by agreement of the Parties, with approval of the Court.

d. The Parties agree that all of the Net Settlement Amount distributed to each Qualified Class Member will be allocated as follows: twenty percent (20%) as alleged unpaid wages and eighty percent (80%) as alleged penalties and unpaid interest. The Settlement Administrator will issue an IRS W-2 to each Qualified Class Member for the portion of each Individual Settlement Payment allocated as alleged unpaid wages and subject to applicable tax withholdings. The Settlement

1 Administrator shall issue an IRS Form 1099-MISC to each Qualified Class Member for the portion of
2 each Individual Settlement Payment allocated as alleged unpaid non-wage penalties and interest and
3 not subject to payroll tax withholdings. The Parties further agree that the PAGA Payment distributed
4 to each PAGA Employee will be treated entirely as civil penalties and will be reported as such to each
5 PAGA Employee on an IRS Form 1099-MISC, if applicable.

6 e. Within ten (10) calendar days of the transfer of the Gross Settlement Amount,
7 including the Escalator Amount, if any, to the Settlement Administrator, and only upon the Effective
8 Date being met, the Settlement Administrator shall disburse: (1) the Net Settlement Amount to be paid
9 to Qualified Class Members; (2) 90% of the Attorney Fee Award and Cost Award to Settlement Class
10 Counsel for attorneys' fees and costs, as approved by the Court; (3) the Enhancement Awards paid to
11 the Named Plaintiffs and Opt-In Plaintiffs, as approved by the Court; (4) Administrative Costs, as
12 approved by the Court; and (5) the PAGA Payment to the LWDA and PAGA Employees, as approved
13 by the Court.

14 f. Qualified Class Members and PAGA Employees must cash or deposit their
15 Individual Settlement Payment and PAGA Employee Payment checks within one hundred twenty
16 (120) days from the date of issuance of the check. If any checks are not redeemed or deposited within
17 sixty (60) calendar days after mailing, the Settlement Administrator will send a reminder postcard
18 indicating that unless the check is redeemed or deposited in the next sixty (60) days, it will expire and
19 become non-negotiable. If any checks remain uncashed or not deposited by the expiration of the sixty
20 (60) day period after mailing the reminder notice, the Settlement Administrator will, within one
21 hundred twenty (120) calendar days after the checks are mailed, cancel the checks. All funds
22 associated with the Individual Settlement Payment checks and PAGA Employee Payment checks
23 returned as undeliverable and funds associated with those Individual Settlement Payment checks and
24 PAGA Employee Payment checks remaining uncashed, shall be distributed to the cy pres beneficiary,
25 Bet Tzedek, in accordance with CCP 384(a). These funds shall not be distributed to the cy pres
26 beneficiary until after Court approval of a final accounting. The cy pres beneficiary has been selected
27 because it promotes the interests of the Class and PAGA employees, as set forth in the declaration of
28 Jonathan Lebe submitted pursuant to CCP 382.4. The Parties, Class Counsel, and Defendants' Counsel

1 represent that they have no interest or relationship, financial or otherwise, with the cy pres recipient.
2 The failure by a PAGA Employee to cash their PAGA Employee Payment will have no effect on the
3 res judicata effect of the Release of PAGA Claims

4 45. PAGA Payment: Subject to the Court's Approval, up to a maximum of Fifty-Thousand
5 Dollars and Zero Cents (\$50,000) shall be allocated as the PAGA Payment. Thirty-Seven Thousand
6 and Five-Hundred Dollars (\$37,500), representing 75% of the PAGA Payment, shall be paid to the
7 LWDA. Twelve-Thousand and Five-Hundred Dollars (\$12,500), representing 25% of the penalties
8 paid pursuant to PAGA, shall be distributed to the PAGA Employees as PAGA Employee Payments.
9 The release of PAGA claims is by Plaintiff acting as proxy for the LWDA, and is limited to the scope
10 of the PAGA notice letter. To arrive at the PAGA Employee Payments, the portion of the PAGA
11 Payment allocated to the PAGA Employees shall be divided among the PAGA Employees on a pro-
12 rata basis, based upon the following:

13 a. Each PAGA Employee's pay period count, which shall be the sum of the total
14 number of pay periods the PAGA Employee worked during the PAGA Periods;
15 b. Divided by the combined sum of all PAGA Employees' pay period counts; and
16 c. Multiplied by the value of the portion of the PAGA Payment allocated to the
17 PAGA Employees.

18 46. Individual Settlement Payments Do Not Trigger Additional Benefits: All Individual
19 Settlement Payments, PAGA Employee Payments, and the Enhancement Awards shall not be utilized
20 to calculate any additional benefits under any benefit plans to which Named Plaintiff, the Opt-In
21 Plaintiffs, Settlement Class Members and/or PAGA Employees may be eligible including, but not
22 limited to: retirement plans, profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans,
23 vacation plans, paid time off, sick leave plans, PTO plans, pension plans, or any other benefit plan. It
24 is the Parties' intention that this Settlement will not affect any rights, contributions, or amounts to
25 which Named Plaintiff, Opt-In Plaintiffs, Settlement Class Members, and PAGA Employees may be
26 entitled under any benefit plans.

27 47. Settlement Administrator: The Settlement Administrator shall be ILYM (the
28 "Settlement Administrator"). The Settlement Administrator will maintain acceptable electronic and

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1 physical security protocols to adequately protect and safeguard the private employee information it
2 will have access to as a result of the claims process. The fees and expenses of the Settlement
3 Administrator, which is currently estimated at approximately Four Thousand Nine Hundred Fifty
4 Dollars and Zero Cents (\$4,950.00), shall be paid through the Gross Settlement Amount.

5 48. Attorneys' Fees and Attorneys' Costs: Subject to the Court's approval, Settlement
6 Class Counsel may petition the Court for attorneys' fees, which collectively shall not exceed Thirty-
7 Three and One-Third percent (33.3%) of the Gross Settlement Amount, including the Escalator
8 Amount, if any, plus reasonable costs/expenses not to exceed Fifteen Thousand Dollars and Zero Cents
9 (\$15,000), subject to approval by the Court. Pursuant to the Court's Order, 10% of any attorneys' fee
10 award will be kept in the administrator's trust fund until the completion of the distribution process and
11 Court approval of a final counting. Defendants will not object to Settlement Class Counsel's
12 application for attorneys' fees and costs in these amounts. The amount set forth above will cover all
13 work performed and all fees and costs incurred to date, and all work to be performed and all fees and
14 costs to be incurred in the future in connection with the approval by the Court of this Stipulation of
15 Settlement, and the administration of the Settlement. Should Settlement Class Counsel collectively
16 request a lesser amount, or should the Court approve a lesser amount of attorneys' fees and/or
17 attorneys' costs, the difference between the lesser amount and the maximum amount set forth above
18 shall be added to the Net Settlement Amount. Settlement Class Counsel shall not be entitled to further
19 fees or costs from Defendants if they elect to appeal any reduction in the requested fee or cost award.
20 Any reduction by the Court of Settlement Class Counsel's claimed attorneys' fees and/or reasonable
21 costs/expenses shall not be sufficient grounds to void the Settlement. Named Plaintiff and Defendants
22 shall bear their own attorneys' fees and costs, except as provided herein.

23 49. Named Plaintiff's and the Opt-In Plaintiffs' Enhancement Awards: Settlement Class
24 Counsel will not seek more than \$10,000 for Named Plaintiff and \$7,500 for each Opt-In Plaintiff,
25 respectively, in recognition for their service as class representatives, which shall be paid from the
26 Gross Settlement Amount. It is understood that the Enhancement Awards are in addition to any
27 claimed Individual Settlement Payment or PAGA Employee Payment to which Named Plaintiff and
28 the Opt-In Plaintiffs are entitled. The Enhancement Awards shall not be deemed wages and will be

1 reported on an IRS Form 1099-MISC, if applicable.

2 50. Tax Forms: The Settlement Administrator shall be responsible for issuing the payments
3 and withholding all required state and federal taxes in accordance with this Stipulation of Settlement.
4 The Settlement Administrator will issue an IRS W-2 to each Qualified Settlement Class Member for
5 the portion of each Individual Settlement Payment allocated as alleged unpaid wages and subject to
6 applicable tax withholdings. The Settlement Administrator shall issue an IRS Form 1099-MISC to
7 each Qualified Settlement Class Member for the portion of each Individual Settlement Payment
8 allocated as alleged unpaid non-wage penalties and interest and not subject to payroll tax withholdings.
9 The Settlement Administrator will also issue IRS Forms 1099 to: (1) Named Plaintiff and Opt-In
10 Plaintiffs for the Enhancement Awards; (2) the PAGA Employees for their portion of the PAGA
11 Payment; and (3) Settlement Class Counsel for the amount paid for approved fees and costs. The
12 Settlement Administrator will be responsible for preparing these forms correctly. The Settlement
13 Administrator shall also be responsible for submitting Defendants' share of payroll taxes to the
14 appropriate government agencies on behalf of Defendants. Named Plaintiff, Opt-In Plaintiffs, and
15 Settlement Class Counsel will be responsible for correctly characterizing this compensation for tax
16 purposes and for paying any taxes on the amounts received.

17 51. Indemnification: Named Plaintiff, Opt-In Plaintiffs, and Settlement Class Counsel
18 acknowledge and agree that they are and will be responsible for the payment of any and all Federal,
19 State, and Local taxes or penalties associated with their respective allocated portions of the payments.
20 The Parties acknowledge and agree that Settlement Class Counsel is not responsible for the payment
21 of any Federal, State, and Local taxes or penalties associated with payments to Named Plaintiff, Opt-
22 In, Plaintiff and Qualified Settlement Class Members.

23 **NOTICE TO THE SETTLEMENT CLASS**

24 52. Within thirty (30) calendar days of preliminary approval of this Settlement by the
25 Court, Defendants shall provide to the Settlement Administrator a database containing the following
26 information ("Class Member List"):

27 a. The full name, last known address, last known telephone number, and full social
28 security number of all Settlement Class Members; and

1 b. The information necessary to determine the estimated settlement allocation to
2 each Settlement Class Member and PAGA Employee, including without limitation, the total number
3 of workweeks worked by each Settlement Class Member, and the total number of pay periods worked
4 by each PAGA Employee within the Settlement Periods.

5 53. The Settlement Administrator (along with any of its agents) shall represent and warrant
6 that it will: (1) provide reasonable and appropriate administrative, physical and technical safeguards,
7 including a reasonable security protocol, for any personally identifiable information (“PII”), which it
8 receives from Defendants’ Counsel and/or Settlement Class Counsel; (2) not disclose the PII to third
9 parties, including agents or subcontractors, without Defendants’ consent; (3) not disclose or otherwise
10 use the PII other than to carry out its duties as set forth herein; and (4) promptly provide Defendants
11 with notice if PII is subject to unauthorized access, use, disclosure, modification, or destruction. The
12 Settlement Administrator may provide notice to all Parties if the PII is subject to unauthorized access,
13 use, disclosure, modification or destruction; however, all additional communications from the
14 Settlement Administrator regarding the scope, circumstances, and substance shall be communicated
15 solely to Defendants.

16 54. The Settlement Administrator shall send a Notice to each Settlement Class Member by
17 first-class mail within fourteen (14) calendar days of receipt of the Class Member List. Prior to mailing
18 the Notice, the Settlement Administrator shall update the addresses of the Settlement Class Members
19 by reference to the National Change of Address Database maintained by the United States Postal
20 Service. If a Notice is returned as nondeliverable but with a forwarding address, the Settlement
21 Administrator shall resend the Notice to the forwarding address. If a Notice is returned as
22 nondeliverable with no forwarding address, the Settlement Administrator shall conduct an advanced
23 skip trace to locate the most current address of the person to whom the Notice was addressed, and shall
24 resend the Notice to any updated address within five (5) calendar days. Upon completion of these
25 steps, the Parties shall be deemed to have satisfied their obligations to provide the Notice to the
26 affected Settlement Class Members.

27 55. The Settlement Administrator shall provide to the Court, concurrently with Named
28 Plaintiff’s Motion for Final Approval, a declaration of due diligence and proof of mailing with regard

1 to the mailing of the Notices.

2 56. The Settlement Administrator shall also be responsible for:

3 a. Mailing the Notice as directed by the Court;

4 b. Consulting with counsel for the Parties concerning any relevant issue, including
5 (without limitation) the estimated amounts of approximate Individual Settlement Payments, PAGA
6 Employee Payments, and the acceptance of any late or deficient disputes;

7 c. Keeping track of timely and proper requests for exclusion;

8 d. Calculation of the Individual Settlement Payments, PAGA Employee
9 Payments, and the PAGA Payment to the LWDA;

10 e. Providing weekly status reports to counsel for the Parties, including: (a) the
11 number of Notices mailed (including information regarding undeliverable and/or emailed Notices);
12 (b) the number of disputes received (and sending copies of said disputes); (c) the number of objections
13 received; and (d) the number of requests for exclusion received;

14 f. Notifying Defendants' Counsel of the wiring instructions to fund the Gross
15 Settlement Amount, including the Escalator Clause, if any, as approved by the Court;

16 g. Preparing the checks containing the Individual Settlement Payments;

17 h. Distributing and paying the Enhancement Awards, Individual Settlement
18 Payments, PAGA Employee Payments, the PAGA Payment to the LWDA, and fees and costs awarded
19 to Settlement Class Counsel;

20 i. Issuing tax forms and addressing employer and employee-side payroll taxes;
21 and

22 j. Such other tasks as the Parties mutually agree or the Court orders the Settlement
23 Administrator to perform, including responding to questions from Settlement Class Members.

24 **REQUESTS FOR EXCLUSION**

25 57. Each Settlement Class Member shall have forty-five (45) calendar days from the
26 mailing of the Notice within which to complete and postmark a written request for exclusion, for return
27 to the Settlement Administrator. The written request for exclusion must: (1) state the Settlement Class
28 Member's name, address, telephone number, and social security number or employee identification

number; (2) state the Settlement Class Member's intention to exclude themselves from or opt-out of the Settlement (*e.g.* "I want to exclude myself from this settlement. I also understand that I retain all rights to sue Defendants for the claims asserted in this lawsuit."); (3) be addressed to the Settlement Administrator; (4) be signed by the Settlement Class Member or their or his or her lawful representative; and (5) be postmarked no later than forty-five (45) calendar days from the mailing of the Notice (or the fifteen (15) day extension referenced below for eligible Settlement Class Members). No requests for exclusion shall be accepted if postmarked after the forty-five (45) calendar day period for the filing of exclusions. Settlement Class Members whose Notices are returned as undeliverable and who are sent a re-mailed Settlement Notice shall be given an extension of fifteen (15) calendar days from their original deadline to postmark a request for exclusion. Settlement Class Members are responsible for maintaining a photocopy of their request for exclusion, reflecting that it was submitted in a timely manner. Any disputes regarding the timeliness of a request for exclusion or whether a written communication constitutes a valid request that cannot be resolved between the Parties shall be determined by the Court, whose determination shall be final.

58. Any Settlement Class Member who validly excludes himself/herself/themselves from this Settlement shall not be bound by this Settlement Agreement, except as to the PAGA Employees who shall release their PAGA claims in their entirety and may not opt out of or object to the PAGA release, and any Settlement Class Member who validly excludes himself/herself/themselves shall not be entitled to any portion of the Net Settlement Amount.

59. If 10% of Settlement Class Members timely opt out of the Settlement by submitting valid and timely requests for exclusion, Defendants shall have the sole and absolute discretion to rescind/void the Settlement Agreement within fifteen (15) calendar days after receiving from the Settlement Administrator the final list of requests for exclusion. Defendants agree to meet and confer in good faith with Settlement Class Counsel before rescinding or voiding the Settlement Agreement. In the event that Defendants elect to rescind/void the Settlement Agreement, Defendants shall provide written notice of such rescission to Settlement Class Counsel. Such rescission shall have the same effect as a termination of the Settlement Agreement for failure to satisfy a condition of settlement, and the Settlement Agreement shall become null and void and have no further force or effect. The Parties

1 specifically agree not to solicit opt-outs, directly or indirectly, through any means. In the event
2 Defendants rescind the settlement, Defendants shall be solely responsible for any fees and costs
3 incurred by the Settlement Administrator.

4 **OBJECTIONS TO THE SETTLEMENT**

5 60. Each Settlement Class Member shall have forty-five (45) calendar days from the
6 mailing of the Notice, or such number of days as the Court shall specify, within which to postmark an
7 objection, for return to the Settlement Administrator. Settlement Class Members whose Notices are
8 returned as undeliverable and who are sent a re-mailed Settlement Notice shall be given an extension
9 of fifteen (15) days from their original deadline to object to postmark an objection. Any Settlement
10 Class Member, who does not affirmatively opt-out of the Settlement by submitting a valid and timely
11 request for exclusion, may object to the approval of class action settlement ("Objecting Class
12 Member"). Any Settlement Class Member who makes a timely request for exclusion has waived their
13 right to object. The Objecting Class Member shall inform the Settlement Administrator in writing and
14 (1) state the Objecting Class Member's name, address, telephone number, and social security number
15 or employee identification number; (2) describe, in clear and concise terms, the legal and factual
16 arguments supporting the objection; (3) list identifying witness(es) the objector may call to testify at
17 the Final Approval Hearing; (4) provide true and correct copies of any exhibit(s) the objector intends
18 to offer at the Final Approval Hearing; (5) state whether the objection applies only to the objector, to
19 a specific subset of the Class, or to the entire Class; (6) be addressed to the Settlement Administrator;
20 (7) be signed by the Objecting Class Member or their or his or her lawful representative; and (8) be
21 postmarked no later than forty-five (45) calendar days from the mailing of the Notice (or the fifteen
22 (15) day extension referenced above for eligible Settlement Class Members). Regardless of whether
23 a Settlement Class Member timely submitted a written objection, a Settlement Class Member who
24 wishes to appear at the Final Approval Hearing and be heard orally in support of, or in opposition to
25 the class action settlement, may do so. Settlement Class Members shall have no right to object to the
26 PAGA release or PAGA Payment.

27 61. Any Settlement Class Member who fails to timely submit an objection shall be
28 foreclosed from making any objection to this Settlement or from filing an appeal of the Court's Final

Order and Judgment unless otherwise ordered by the Court.

62. Counsel for the Parties shall file any response to the objections submitted by Objecting Class Members, if any, at least seven (7) calendar days before the date of the Final Approval Hearing.

63. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to submit written objections to the Settlement or to appeal from the Court's Final Order and Judgment. Settlement Class Counsel shall not represent any Settlement Class Members with respect to any such objections to this Settlement.

**RELEASE OF CLAIMS BY NAMED PLAINTIFF, OPT-IN PLAINTIFFS, QUALIFIED
CLASS MEMBERS, AND PAGA EMPLOYEES**

64. The "Released Claims". Upon the date the Settlement is funded, the Qualified Class Members will release and discharge Defendants and the Released Parties from the claims asserted in the Operative Complaint and Named Plaintiffs' PAGA Notice predicated on the factual allegations of the Operative Complaint during the Settlement Class Period and PAGA Period. Upon final approval by the Court, the claims released by the Qualified Class Members will include:

a. The claims alleged in the Operative Complaint, including, but not limited to: (1) Failure to pay minimum wages; (2) Failure to pay overtime wages; (3) Failure to provide meal periods; (4) Failure to provide rest periods; (5) Failure to timely pay wages upon separation of employment; (6) Failure to provide accurate itemized wage statements; (7) Failure to reimburse for necessary business expenses; and (8) Violation of California Business Professions Code § 17200 *et seq.*, which encompass alleged violations of the California Labor Code and California Industrial Welfare Commission Wage Orders (specifically for violations of Labor Code sections 201, 202, 203, 204, 210, 218, 226, 226.7, 246, 256, 510, 512, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2698 *et seq.*, 2699 *et seq.*, 2800, 2802, 2804, and applicable IWC Wage Orders, and California Code of Regulations, Title 8, section 11000 *et seq.*) and the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.* ("FLSA") (specifically for violations of 29 U.S.C. § 207, 211 & 29 C.F.R. § 516.2(b)) (pursuant to *Villacres v. ABM Indus. Inc.*, 189 Cal. App. 4th 562, 586-590 (2010); *Rangel v. PLS Check Cashers of CA*, 899 F.3d 1106, 1112 (9th Cir. 2018), which confirm an opt-in process is not required to obtain a release of FLSA claims in a state court class action settlement);

1 b. Any claims for injunctive relief, declaratory relief, restitution, alleged or which
2 could have been alleged under the facts, allegations and/or claims pleaded in the Operative Complaint;
3 and

4 c. Any and all other claims under California common law, the federal law, and the
5 California Business and Professions Code alleged in or that could have been alleged under the same
6 or similar facts, allegations and/or claims pleaded in the Operative Complaint and based on the alleged
7 Labor Code violations.

8 d. In addition, to the extent required by law, the cashing of the settlement check
9 by the Qualified Class Member shall be deemed to be an opt-in for purposes of releasing Released
10 Parties from any claims predicated under the FLSA as outlined in the Operative Complaint. The
11 Administrator shall include a legend on the settlement check stating, "By cashing this check, and to
12 the extent required by law, I am opting into the settlement in *Patricia Hoover v. Community Brands*
13 *Parentco, LLC, et al*, Alameda County Case No 23CV040930, under FLSA, 29 U.S.C. § 216(b), and
14 releasing the Released Claims described in the Settlement Agreement."

15 65. Release of PAGA Claims. Upon the date the Settlement is funded, Named Plaintiff, as
16 an agent of the LWDA, hereby does and shall be deemed to have fully, finally, and forever released,
17 settled, compromised, relinquished and discharged any and all of the Released Parties of and from any
18 and all claims for violation of the California Private Attorneys General Act of 2004 (Labor Code §
19 2698 *et seq.*), ("PAGA claims") as alleged in Plaintiff's PAGA Notice, which includes those alleged
20 in the PAGA Notice sent to the LWDA by Named Plaintiff that arose at any time during the PAGA
21 Period, including, but not limited to: (1) Failure to pay minimum wages; (2) Failure to pay overtime
22 wages; (3) Failure to provide meal periods; (4) Failure to provide rest periods; (5) Failure to timely
23 pay wages upon separation of employment; (6) Failure to provide accurate itemized wage statements;
24 (7) Failure to reimburse for necessary business expenses, which encompass alleged violations of the
25 California Labor Code (specifically for violations of Labor Code sections 201, 202, 203, 204, 218,
26 218.6, 226, 226.7, 246, 256, 510, 512, 558, 558.1, 1174, 1174.5, 1175, 1194, 1194.2, 1197, 1197.1,
27 1198, 1199, 2699 *et seq.*, 2802, 2804, and applicable IWC Wage Orders, and California Code of
28 Regulations, Title 8, section 11000 *et seq.*). After the Court grants final approval of the settlement,

Deleted: To the extent the LWDA has released the PAGA claims in connection with this Settlement Agreement, no PAGA Employee may pursue these same PAGA claims released here in another action. The PAGA Employees are collaterally estopped from pursuing the PAGA claims released and compromised by the LWDA

Deleted: .

1 Plaintiff will provide the LWDA with a copy of the Judgment. Plaintiff does not release any PAGA
2 Employees' claim for wages and damages. This does not preclude the release of wages and damages
3 by the Class Members as set forth in this Paragraph 65. The PAGA Employees will be issued a check
4 for their share of the PAGA Payment and will not have the opportunity to opt out of, or object to, the
5 PAGA Payment and release of the PAGA Claims set forth in this Paragraph. The LWDA is bound by
6 the release of the PAGA Claims regardless of whether the PAGA Employees cash or deposit their
7 PAGA Employee Payment.

Deleted: which will include a list of the PAGA Employees during the PAGA Period

8 66. Named Plaintiff and Opt-In Plaintiffs Claims. In addition, as to the claims of Named
9 Plaintiff and the Opt-In Plaintiffs, the Released Claims further include, without limitation, any and all
10 claims whatsoever regarding Named Plaintiff and the Opt-In Plaintiffs respective employment and/or
11 the termination of employment including, but not limited to, any claims for wages, bonuses, severance
12 pay, vacation pay, penalties, employment benefits, stock options, violation of any personnel policy,
13 any claims based on discrimination, harassment, unlawful retaliation, violation of public policy, or
14 damages of any kind whatsoever, arising out of any common law torts, contracts, express or implied,
15 any covenant of good faith and fair dealing, any theory of wrongful discharge, any theory of
16 negligence, any theory of retaliation, any legal restriction on any Defendants' right to terminate the
17 employment relationship, or any federal, state, or other governmental statute, executive order,
18 regulation or ordinance, or common law, or any other basis whatsoever, to the fullest extent provided
19 by law. Named Plaintiff and the Opt-In Plaintiffs shall be deemed to have, and by operation of the
20 Final Order and Judgment shall have, expressly waived and relinquished to the fullest extent permitted
21 by law the provisions, rights, and benefits of Section 1542 of the California Civil Code, or any other
22 similar provision under federal or state law that purports to limit the scope of a general release. Named
23 Plaintiff and the Opt-In Plaintiffs, for themselves, have read Section 1542 of the Civil Code of the
24 State of California, which provides as follows:

Deleted: . The express purpose of this Settlement Agreement and the Judgment to be entered by the Court following approval of this settlement is to forever bar Plaintiff, the LWDA, and any other individual or entity acting on behalf of or purporting to act on behalf of the LWDA (including all Aggrieved Employees) from asserting any of the released PAGA claims that occurred during the PAGA Period in any future litigation.

25 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE**
26 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO**
27 **EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE**
28 **RELEASE, AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE**

1 **MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE**
2 **DEBTOR OR RELEASED PARTY.**

3 Named Plaintiff and the Opt-In Plaintiffs understand that Section 1542 gives the right not to
4 release existing claims of which they are not now aware, unless Named Plaintiff and the Opt-In
5 Plaintiffs voluntarily choose to waive this right. Having been so apprised, Named Plaintiff and the
6 Opt-In Plaintiffs nevertheless voluntarily waive the rights described in Section 1542, and elect to
7 assume all risks for claims that now exist in their favor, known or unknown. The release of the claims
8 of Named Plaintiff and the Opt-In Plaintiffs as set forth in this Paragraph is a condition precedent to
9 enforcement of the Settlement Agreement.

10 **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL/CLASS CERTIFICATION**

11 67. For settlement purposes only, the Parties agree that the Settlement Class as defined in
12 Paragraph 25 above, may be certified in the Lawsuit. The Parties are not certifying any PAGA claims.
13 In support of this Agreement, Named Plaintiff will request that the Court certify for settlement
14 purposes the Settlement Class as to all non-PAGA claims that have been asserted, which Defendants
15 shall not oppose or object to.

16 68. Settlement Class Counsel shall promptly submit this Stipulation of Settlement to the
17 Court in support of Named Plaintiff's Motion for Preliminary Approval and for determination by the
18 Court as to whether the proposed Settlement is within the range of possible judicial approval.
19 Promptly upon execution of this Stipulation of Settlement, Settlement Class Counsel shall apply to the
20 Court for the entry of an order substantially in the following form:

21 a. Scheduling of the Final Approval Hearing on the question of whether the
22 proposed Settlement, including payment of attorneys' fees and costs and the Enhancement Awards
23 should be finally approved as fair, reasonable, and adequate as to the Settlement Class Members and
24 for approval of the PAGA Settlement;

25 b. Certifying the Settlement Class for purposes of the Settlement;

26 c. Approving the Class Notice attached hereto as **Exhibit A**;

27 d. Directing the mailing of the Notice by first-class mail to the Settlement Class
28 Members and PAGA Employees; and

1 e. Preliminarily approving the Settlement subject only to the objections of the
2 Settlement Class Members and final review by the Court.

3 69. The Parties will work cooperatively to mutually agree upon the form and content of the
4 Notice, as well as the Proposed Order Granting Preliminary Approval.

5 70. Named Plaintiff, the Opt-In Plaintiffs, and Settlement Class Counsel will not make any
6 public disclosure of the Settlement until after the filing of the motion for preliminary approval of the
7 Settlement. Named Plaintiff, Opt-In Plaintiffs, and Settlement Class Counsel represent that they have
8 not made any such disclosure. Named Plaintiff, Opt-In Plaintiffs, Defendants, Defendants' Counsel
9 and Settlement Class Counsel shall not encourage members of the Settlement Class to opt-out.
10 Settlement Class Counsel will take all steps necessary to ensure that Named Plaintiff and Opt-In
11 Plaintiffs are aware of, and will encourage them to adhere to, the restriction against any public
12 disclosure of the Settlement until after the Settlement is preliminarily approved by the Court.
13 Thereafter, Settlement Class Counsel, Named Plaintiff, and Opt-In Plaintiffs agree not to publicize the
14 terms of this Settlement with the media, including but not limited to, any newspaper, journal,
15 magazine, website and/or online reporter of settlements or on any website.

16 **DUTIES OF THE PARTIES FOLLOWING FINAL APPROVAL**

17 71. Following final approval by the Court of the Settlement provided for in this Stipulation
18 of Settlement, Settlement Class Counsel shall submit a proposed Final Order and Judgment in
19 approximately the following form and with input from Defendants' Counsel: Approving the
20 Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing
21 consummation of its terms and provisions including the approval of Settlement Class Counsel's
22 application for an award of attorneys' fees and costs and the Enhancement Awards to the Named
23 Plaintiff and Opt-In Plaintiffs. The Parties will work cooperatively to mutually agree upon the form
24 and content of the proposed Final Order and Judgement.

25 **VOIDING OF AGREEMENT IF SETTLEMENT NOT FINALIZED**

26 72. Subject to the obligations of mutual full cooperation set forth herein, either Named
27 Plaintiff or Defendants may terminate this Settlement if after submitting the settlement for approval
28 to the Court, the Court declines to enter the preliminary approval order, the final approval order, or

1 judgment in substantially the form submitted by the Parties, or if the Stipulation of Settlement as
2 agreed does not become final because of appellate court action. The terminating party shall give to the
3 other party (through counsel) written notice of its decision to terminate no later than fourteen (14)
4 calendar days after receiving notice that one of the enumerated events has occurred. Termination shall
5 have the following effects:

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

8 b. In the event the Settlement Agreement is terminated, Defendants shall have no
9 obligation to make any payments to any party, Opt-In Plaintiff, Settlement Class Member, PAGA
10 Employee, or attorney. If there are any fees incurred by the Settlement Administrator and the
11 settlement is terminated by Defendants, Defendants shall solely be responsible for any costs and fees
12 incurred by the Settlement Administrator.

13 c. The preliminary approval order, final approval order and judgment shall be
14 vacated.

15 d. The Stipulation of Settlement and all negotiations, statements and proceedings
16 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be
17 restored to their respective positions prior to the Settlement.

18 e. Except as otherwise discoverable, neither this Settlement Agreement nor any
19 ancillary documents, actions, statements or filings in furtherance of settlement (including all matters
20 associated with the mediation) shall be admissible or offered into evidence in the Lawsuit or any other
21 action for any purpose whatsoever, except that Named Plaintiff may reveal information that
22 Defendants may have marked as confidential under the mediation privilege including the data,
23 documents, and sampling exchanged for mediation purposes for the purpose of presenting the Court
24 with information supporting the fairness, reasonableness or adequacy of the Settlement.

25 **PARTIES' AUTHORITY**

26 73. The signatories hereto hereby represent that they are fully authorized to enter into this
27 Stipulation of Settlement and bind the Parties hereto to the terms and conditions thereof.

28 **MUTUAL FULL COOPERATION**

1 74. The Parties agree to fully cooperate with each other to accomplish the terms of this
2 Stipulation of Settlement, including, but not limited to, execution of such documents and taking of
3 such action as reasonably may be necessary to implement the terms of this Stipulation of Settlement.
4 The Parties to this Stipulation of Settlement shall use their best efforts, including all efforts
5 contemplated by this Stipulation of Settlement and any other efforts that may become necessary by
6 order of the Court, or otherwise, to effectuate this Stipulation of Settlement and the terms set forth
7 herein. As soon as practicable after execution of this Stipulation of Settlement, Settlement Class
8 Counsel shall take all necessary steps to secure the Court's final approval of this Stipulation of
9 Settlement.

10 **NO PRIOR ASSIGNMENTS**

11 75. The Parties and their respective counsel represent, covenant and warrant that they have
12 not, directly or indirectly, assigned, transferred, encumbered or purported to assign, transfer or
13 encumber to any person or entity any portion of any liability, claim, demand, action, cause of action
14 or right herein released and discharged except as set forth herein.

15 **NO ADMISSION**

16 76. Nothing contained herein, nor the consummation of this Stipulation of Settlement, is to
17 be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part
18 of Defendants. Each of the Parties hereto has entered into this Stipulation of Settlement solely with
19 the intention to avoid further disputes and litigation with the attendant inconvenience and expenses.

20 **BREACH AND ENFORCEMENT ACTIONS**

21
22 77. The Parties will jointly request that the Court retain jurisdiction pursuant to California
23 Code of Civil Procedure § 664.6 to oversee and enforce the terms of this Settlement. In the event of
24 a breach of this Settlement, the nonbreaching Party shall provide notice to the breaching party and
25 request that the breaching party cure any alleged breach. If the breach is not cured within thirty (30)
26 days of said notice, the nonbreaching party may pursue legal action or other proceeding against any
27 other breaching party or parties to enforce the provisions of this Stipulation of Settlement or to declare
28 rights or obligations under this Stipulation of Settlement. In the event of such enforcement actions,

1 the successful party or parties shall be entitled to recover from the unsuccessful party or parties
2 reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any
3 enforcement actions. All such disputes shall be resolved by the Court.

4 **NOTICES**

5 78. Unless otherwise specifically provided herein, all notices, demands or other
6 communications given hereunder shall be in writing and shall be deemed to have been duly given as
7 of the third business day after mailing both electronically and by United States registered or certified
8 mail, return receipt requested, and addressed as follows:

9 To Named Plaintiffs, the Settlement Class, and Settlement Class Counsel:

10 Jonathan M. Lebe
11 Jon@lebelaw.com
12 Rayne A. Brown
13 Rayne@lebelaw.com
14 **Lebe Law, APLC**
15 3900 West Alameda Street
16 Fifteenth Floor
17 Burbank, CA 91505
18 Telephone: (213) 444-1973

19 To Defendants and Defendants' Counsel:

20 Jyoti Mittal, Bar No. 288084
21 jmittal@littler.com
22 James Payer
23 jpayer@littler.com
24 LITTLER MENDELSON P.C.
25 2049 Century Park East
26 5th Floor
27 Los Angeles, California 90067.3107
28 Telephone: 310.553.0308

29 **CONSTRUCTION**

30 79. The Parties hereto agree that the terms and conditions of this Stipulation of Settlement
31 are the result of lengthy, intensive arms-length negotiations between the Parties, and this Stipulation
32 of Settlement shall not be construed in favor of or against any party by reason of the extent to which
33 any Party or their counsel participated in the drafting of this Stipulation of Settlement.

34 **CAPTIONS AND INTERPRETATIONS**

35 80. Paragraph titles or captions contained herein are inserted as a matter of convenience
36 and for reference, and in no way define, limit, extend or describe the scope of this Stipulation of

1 Settlement or any provision of it. Each term of this Stipulation of Settlement is contractual and not
2 merely a recital.

3 **MODIFICATION**

4 81. This Stipulation of Settlement may not be changed, altered or modified, except in
5 writing and signed by the Parties hereto and approved by the Court. This Stipulation of Settlement
6 may not be discharged except by performance in accordance with its terms or by a writing signed by
7 the Parties hereto.

8 **INTEGRATION CLAUSE**

9 82. This Stipulation of Settlement, and the Exhibits attached hereto and incorporated herein
10 by reference, contain the entire agreement between the Parties relating to the settlement and transaction
11 contemplated hereby, and all prior or contemporaneous agreements, understandings, representations
12 and statements, whether oral or written and whether by a Party or such Party's legal counsel, are
13 merged herein. No rights hereunder may be waived except in writing.

14 **BINDING ON ASSIGNS**

15 83. This Stipulation of Settlement shall be binding upon and inure to the benefit of the
16 Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

17 **SETTLEMENT CLASS MEMBER SIGNATORIES**

18 84. It is agreed that because the Settlement Class Members are so numerous, it is
19 impossible or impractical to have each member execute this Stipulation of Settlement. The Class
20 Notice, **Exhibit A** hereto, will advise the Settlement Class Members of the binding nature of the
21 release, and the release shall have the same force and effect as if this Stipulation of Settlement were
22 executed by each member.

23 **COUNTERPARTS**

24 85. This Stipulation of Settlement may be executed in counterparts and by facsimile
25 signatures, and when each party has signed and delivered at least one such counterpart, each
26 counterpart shall be deemed an original and, when taken together with other signed counterparts, shall
27 constitute one Stipulation of Settlement binding upon and effective as to all Parties.

1 IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily executed this Joint
2 Stipulation of Settlement and Release between Named Plaintiffs and Defendants as of the date(s) set
3 forth below:

4
5
6 Dated: _____, 2026

Patricia Hoover
Plaintiff and Class Representative

7
8 Dated: _____, 2026

Michael Buckhout
Plaintiff and FLSA Collective Action Member

9
10 Dated: _____, 2026

Michael Demarco
Plaintiff and FLSA Collective Action Member

11
12 Dated: _____, 2026

Paul Dutch Jr.
Plaintiff and FLSA Collective Action Member

13
14 Dated: _____, 2026

Sheri Henderson
Plaintiff and FLSA Collective Action Member

15
16 Dated: _____, 2026

Scott Solomon
Plaintiff and FLSA Collective Action Member

17
18 Dated: _____, 2026

Stuart Tomlinson
Plaintiff and FLSA Collective Action Member

19
20
21
22 Dated: _____, 2026

Dustin Radtke for Momentive Software
Parentco, LLC Successor In Interest of
Community Brands Parentco, LLC

23
24
25 Dated: _____, 2026

Nick Laird for Education Brands, LLC

26
27
28 Dated: _____, 2026

Dustin Radtke for Momentive Software, Inc.

Successor In Interest of MobileCause, Inc.

APPROVED AS TO FORM AND CONTENT

Dated: _____, 2026

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