1	THE LAW OFFICE OF MATT BLUM	Electronically		
2	Matt Blum, Esq. (State Bar #285944) 550 West C Street, Suite 960	FILED		
3	San Diego, CA 92101	By Superior Court of California, County of San Mateo ON 07/17/2024		
4	Telephone: (860) 271-6273 Facsimile: (619) 238-1351	By /s/ Correa, Haley Deputy Clerk		
5	mblumlaw@gmail.com			
6	JCL LAW FIRM, APC			
7	Jean-Claude Lapuyade (State Bar #248676) 5440 Morehouse Drive, Suite 3600			
8	San Diego, CA 92121 Telephone: (619) 599-8292	Flootropically		
9	Facsimile: (619) 599-8291	Electronically RECEIVED		
10	jlapuyade@jcl-lawfirm.com	7/15/2024		
11	Attorneys for Plaintiff and representative classes	CLERK OF THE SUPERIOR COURT SAN MATEO COUNTY		
12	SUPERIOR COURT OF THE STATE OF CALIFORNIA			
13	COUNTY OF	SAN MATEO		
14	WILLIAM M. RIEDL an individual, on behalf	Case No. 21-CIV-02704		
15	of himself and on behalf of all persons similarly situated,	[Action Filed: May 11, 2021]		
16	Plaintiff,	RS [PROPOSED] ORDER GRANTING		
17		FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND		
18	V.	JUDGMENT		
19	OWL, INC. dba OWL TRANSPORTATION, a Florida corporation doing business in	Date: July 15, 2024		
20	California and DOES 1-50, inclusive	Time: 3:00 p.m. Judge: Honorable Raymond Swope		
21	Defendants.	Dept.: 23		
22				
23				
24				
25	Plaintiff WILLIAM M. RIEDL's ("Plai	ntiff") motion for a final Order approving the		
26	Stipulation of Settlement of Class and PAGA Action Claims and Release of Claims ("Agreement")			
27	and Motion for Attorneys' Fees, Attorneys' Expenses, Administrative Expenses and Service Award			
28	came on for hearing on July 15, 2024 before the above-entitled Court.			
	, , ,			

ORDER

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Agreement ("Agreement"), a true and correct copy of which is attached hereto as Exhibit "A". As

such, the Court hereby certifies the following Class:

5 "All individuals employed by Defendant OWL INC., dba OWL TRANSPORTATION in

California in a non-exempt position at any time during the period from March 21, 2017 through

This Court hereby issues final approval for the Class Action and PAGA Settlement

April 30, 2023."

8 2. Class counsel shall include Matt Blum, Esq. of The Law Office of Matt Blum and Jean-9 Claude Lapuyade, Esq. of JCL Law Firm, APC. William Riedl is appointed as class representative.

This Court hereby grants final approval and awards the following: The Gross Settlement

Amount that Defendant shall pay is Two Hundred Eighty-Five Thousand Dollars and Zero Cents

12 (\$285,000.00). Of this total settlement, \$14,250.00 will be allocated as penalties under the Private

Attorney Generals Act (PAGA) with 75% of this amount (\$10,687.50) being paid to the Labor and

Workforce Development Agency (LWDA). The Court further awards attorney's fees to be paid

out of the gross settlement to class counsel in the total amount of \$95,000.00, plus Attorneys'

16 Litigation Costs in the amount of \$16,220.00, administrative fees to ILYM Group in the amount of

17 \$10,000.00 and Class Representative Payment to the Class Representative, William Riedl, in the

amount of Ten Thousand Dollars (\$10,000). The remaining net settlement proceeds shall be

allocated to the Settlement Class as set forth in the terms of the Agreement.

4. The recovery by Plaintiff, and all members of the Settlement Class, shall be limited to the

amounts set forth in this Order. With the exception of attorney's fees and costs awarded pursuant

to this Order, each party shall bear its own attorneys' fees and costs.

23 5. The Court shall retain jurisdiction to construe, interpret, implement, and enforce the

24 Agreement, to hear and resolve any contested challenge to a claim for settlement benefits, and to

25 supervise and adjudicate any dispute arising from or in connection with the distribution of

26 settlement benefits.

> 6. As of the date the Defendant funds the Gross Settlement Amount in full, each Class

Member who has not validly opted out has released the "Released Class Claims" against the

Defendant as set forth in the Agreement.

7. As used in paragraph 6 above, the quoted terms have the meanings set forth below: The Released Class Claims are defined as any and all claims alleged in the Operative Complaint, or which could have been alleged in the Operative Complaint based on the facts alleged, which occurred during the Class Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside of the Class Period.

- 7. As of the date the Defendant funds the Gross Settlement Amount, the Plaintiff, the Labor and Workforce Development Agency ("LWDA"), the State of California, and each "PAGA Class Member" has released the Defendant from the "Released PAGA Claims" for the "PAGA Period" as set forth in the Agreement.
- 8. As used in paragraph 7 above, the quoted terms have the meanings set forth below: The PAGA Class Members are defined as all non-exempt employees who are or previously were employed by OWL INC., dba OWL TRANSPORTATION, and who performed work in California during the PAGA Period. The Released PAGA Claims are defined as any and all PAGA claims for PAGA civil penalties alleged in the Operative Complaint and Plaintiff's PAGA Notice to the LWDA, or that could have reasonably been alleged in the Operative Complaint or Plaintiff's PAGA Notice based on the facts alleged, which occurred during the PAGA Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside of the PAGA Period. The PAGA Period means the period of May 14, 2020, through the earlier of the date the court grants preliminary approval or April 30, 2023.
- 9. Plaintiff shall give notice of this Judgment to the Labor and Workforce Development Agency within ten (10) days after entry of the Judgment or order pursuant to California Labor Code section 2699(1)(3).

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1	IT IS SO ORDERED.	
2		Flootropically
3		Electronically SIGNED
4	07/16/2024 Dated:	By /s/ Swope, Raymond
5		HONORABLE RAYMOND SWOPE JUDGE OF THE SUPERIOR COURT
6		JODGE OF THE SOFERIOR COOK!
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ORDER

EXHIBIT A

1	KLINEDINST, PC	
2	Natalie P. Vance (State Bar #206708) 801 K. Street, Suite 2100	
3	Sacramento, CA 95814 Telephone: (916) 444-7573	
4	Facsimile: (916) 444-7544	
5	nvance@klinedinstlaw.com	
6	Attorney for Defendants	
7	THE LAW OFFICE OF MATT BLUM	
8	Matt Blum, Esq. (State Bar #285944) 550 West C Street, Suite 960	
	San Diego, CA 92101	
9	Telephone: (860) 271-6273 Facsimile: (619) 238-1351	
10	mblumlaw@gmail.com	
11	JCL LAW FIRM, APC	
12	Jean-Claude Lapuyade (State Bar #248676)	
13	Monnett De La Torre (State Bar #272884) 5440 Morehouse Drive, Suite 3600	
14	San Diego, CA 92121 Telephone: (619) 599-8292	
15	Facsimile: (619) 599-8291	
16	jlapuyade@jcl-lawfirm.com mdelatorre@jcl-lawfirm.com	
17		
	Attorneys for Plaintiff and representative classes	
18	SUPERIOR COURT OF TH	E STATE OF CALIFORNIA
19	COUNTY OF	SAN MATEO
20	WILLIAM M. RIEDL an individual, on behalf	Case No. 21-CIV-02704
21	of himself and on behalf of all persons	
22	similarly situated,	[Action Filed: May 11, 2021]
23	Plaintiff,	STIPULATION OF SETTLEMENT OF CLASS ACTION CLAIMS AND
24	v.	RELEASE OF CLAIMS
25	OWL, INC. dba OWL TRANSPORTATION,	
26	a Florida corporation doing business in California and DOES 1-50, inclusive	Judge: Honorable Raymond Swope Dept.: 23
27		Dopt 25
20	Defendants.	

This Stipulation of Class Action Settlement and Release of Claims is entered into by and between plaintiff WILLIAM M. RIEDL (hereinafter "Plaintiff"), individually and on behalf of the putative class and the State of California as a private attorney general, and Defendants OWL, INC. dba OWL TRANSPORTATION. (hereinafter, collectively "Defendants"):

I. <u>DEFINITIONS</u>

- A. "Action" shall mean the putative class action lawsuit designated *William M. Riedl v.*Owl Inc. dba Owl Transportation Case No.: 21-CIV-02704, filed May 11, 2021 (hereinafter "the Action").
- B. "Aggrieved Employees" shall mean all current and former non-exempt employees of Defendants in the State of California at any time during the PAGA Period.
- C. "Aggrieved Employee Payment" shall mean the twenty-five percent (25%) of the PAGA Payment (\$3,562.50) that will be distributed to the Aggrieved Employees as described in this Agreement.
- D. "Agreement" or "Settlement Agreement" means this Stipulation of Settlement of Class Action and Release of Claims.
- E. "Class Counsel" shall mean Matt Blum of The Law Office of Matt Blum and Jean-Claude Lapuyade, Esq. of JCL Law Firm, APC.
- F. "Class Counsel Award" means the award of attorneys' fees that the Court authorizes to be paid to Class Counsel for the services they have rendered to Plaintiff and the Class in the Action, consisting of attorneys' fees currently not to exceed one-third of the \$285,000.00 Gross Settlement Amount. Fees are currently estimated to be Ninety-Five Thousand Dollars (\$95,000.00) *plus* reimbursement for all litigation expenses actually incurred by Class Counsel in the Action, not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00). The attorneys' fees portion of the Class Counsel Class Counsel Award will be allocated 65% to the Law Office of Matt Blum and 35% to JCL Law Firm. A reduction of the Class Counsel Award shall not be grounds to nullify this Agreement.

- G. "Class Data" means information regarding Class Members that Defendants will in good faith compile from its records and provide to the Settlement Administrator. It shall be formatted as a Microsoft Excel spreadsheet and shall include: each Class Member's full name; last known address; Social Security Number; and start dates and end dates (if applicable) of employment.
- H. "Class Members" or the "Class" shall mean all current and former non-exempt employees of Defendants in the State of California at any time during the Class Period
- I. "Class Period" means the period from March 21, 2017 (including any preceding time-period applicable for alleged tolling under Emergency Rule 9, of the California Rules of Court related to COVID-19), through the earlier of the date the Court grants preliminary approval or April 30, 2023.
- J. "Class Representative Service Award" means the amount that the Court authorizes to be paid to the Class Representative, in addition to his Individual Settlement Payment and his pro-rata share of the PAGA Payment, in recognition of his efforts and risks in assisting with the prosecution of the Action and in exchange for executing a general release of all known and unknown claims he may have against Defendants and Released Parties, based on his employment with any one or more of the Released Parties.
- K. "Class Representative" shall mean plaintiff WILLIAM RIEDL.
- "Court" shall mean the Superior Court for the State of California, County of San
 Mateo currently presiding over the Action.
- M. "Defendants" shall mean Owl Inc. dba Owl Transportation.
- N. "Effective Date" shall mean the date the Court's order approving the settlement and judgment thereon ("Judgment") becomes final. For purposes of the Settlement Agreement, the court's Judgment "becomes final" upon the later of: (i) if not appeal is filed, 60 calendar days after notice of entry of the Court's Judgment; (ii) if an appeal is filed, the date affirmance of an appeal of the Judgment becomes final; or (iii) if an appeal is filed, the date of final dismissal of any appeal from the Judgement of the

- final dismissal of any proceeding on review of any court of appeal decision relating to the Judgment.
- O. "Funding Date" shall mean five (5) calendar days after the Effective Date and is the date Defendants transfer the Gross Settlement Amount into the QSF in accord with the terms of this Agreement.
- P. "Gross Settlement Amount" shall mean Two Hundred and Eighty-Five Thousand Dollars and Zero Cents (\$285,000.00) that Defendants must pay into the QSF, inclusive of the sum of the Individual Settlement Payments, the Class Representative Service Award, the Class Counsel Award, PAGA Payment and the Settlement Administration Costs and *exclusive* of the employer's share of payroll tax, if any, triggered by any payment under this Settlement.
- Q. "Individual Settlement Payment" shall mean the amount payable from the Net Settlement Amount to each Settlement Class Member and excludes the Aggrieved Employee Payments.
- R. "LWDA" shall mean the Labor and Workforce Development Agency.
- S. "LWDA Payment" shall mean the seventy-five percent (75%) of the PAGA Payment (\$10,687.50) payable to the to the LWDA.
- T. "Net Settlement Amount" or "NSA" shall mean the Gross Settlement Amount, less Class Counsel Award, Class Representative Service Award, PAGA Payment, and Settlement Administration Costs.
- U. "Notice Packet" shall mean the Class Notice to be provided to the Class Members by the Settlement Administrator in the form set forth as <u>Exhibit A</u> to this Agreement (other than formatting changes to facilitate printing by the Settlement Administrator).
- V. "PAGA" shall mean the California Labor Code Private Attorneys General Act of 2004, Labor Code § 2698 *et seq*.
- W. "PAGA Pay Periods" shall mean, for purposes of calculating the distribution of the
 Aggrieved Employee Payment, the number of pay periods of employment during the

- PAGA Period that each Aggrieved Employee worked in California. In the present matter, the estimated number of workweeks are 7,895.
- X. "PAGA Payment Ratio" shall mean the respective number of PAGA Pay Periods during the PAGA Period for each Aggrieved Employee divided by the sum total of the PAGA Pay Periods for all Aggrieved Employees during the PAGA Period.
- Y. "PAGA Period" shall mean the period between May 14, 2020 through the earlier of the earlier of the date the Court grants preliminary approval or April 30, 2023.
- Z. "PAGA Payment" shall mean Fourteen Thousand Two Hundred Fifty Thousand (\$14,250.00) to be allocated from the Gross Settlement Amount for settlement of PAGA Claims asserted in the Action.
- AA. "Parties" means Plaintiff and Defendants, collectively, and "Party" shall mean either Plaintiff or Defendants, individually.
- BB. "Payment Ratio" shall mean the respective number of Workweeks for each Class Member divided by the sum-total Workweeks for all Class Members.
- CC. "Plaintiff" shall mean WILLIAM RIEDL.
- DD. "QSF" shall mean the qualified settlement fund established, designated, and maintained by the Settlement Administrator to fund the Gross Settlement Amount. The QSF shall be established in federally insured bank accounts (i.e., FDIC). All accrued interest in the QSF shall be paid and distributed to the Settlement Class Members as part of their respective Individual Settlement Payment.
- EE. "Released Class Claims" shall mean all claims, debts, liabilities, demands, obligations, or penalties, premium pay, guarantees, costs, expenses, attorneys' fees, damages, restitution, actions or causes of action of whatever kind or nature, contingent or accrued, and irrespective of theory of recovery, that were or could have been brought based on the facts or claims alleged in any version of the complaints filed in the Action, arising during the Class Period, except for claims for PAGA Penalties which are separately released herein. The Released Class Claims include, but are not limited to, failure to provide meal periods, failure to authorize and permit

rest periods, short/late meal and rest periods, failure to relieve of all duties during meal and rest periods, failure to pay or properly compensate meal or rest break premiums, failure to furnish accurate wage statements, failure to pay final wages upon separation of employment, claims related to pay wages based on failure to properly calculate the regular rate of pay, failure to reimburse business expenses, claims derivative and/or related to these claims, liquidated damages, conversion of wages, and claims under the UCL (Business and Professions Code Section 17200 *et seq.*) arising from the Labor Code violations released herein.

- FF. "Released PAGA Claims" means all claims for penalties under PAGA during the PAGA Period that were or could have been alleged in the Action based on the facts or claims alleged in any version of the complaint or enumerated in the LWDA Letter irrespective of the underlying theory of recovery supporting the claim for PAGA penalties.
- GG. "Released Parties" shall mean Defendants, Owl Inc. dba Owl Transportation and their predecessors, successors, subsidiaries, parent companies, other corporate affiliates, and assigns, and all of its owners, shareholders, members, officers, directors, exempt employees, agents, servants, registered representatives, attorneys, insurers, successors and assigns, and any other persons acting by, through, under or in concert with any of them.
- HH. "Response Deadline" shall mean the date forty-five (45) days after the Settlement Administrator mails Notice Packets to Class Members and the last date on which Class Members may submit requests for exclusion or objections to the Settlement.
- II. "Settlement" means the disposition of the Action pursuant to this Agreement.
- JJ. "Settlement Administrator" shall mean ILYM GROUP, INC. 14751 Plaza Dr SuiteL, Tustin, CA 92780
- KK. "Settlement Class Members" or "Settlement Class" shall mean all Class Members who have not submitted a timely and valid request for exclusion as provided in this Agreement.

1		LL.	"Workweeks" shall mean, for purposes of calculating the distribution of the Ne
2			Settlement Amount, the number of weeks of employment during the Class Period that
3			each Class Member and/or Settlement Class Member was employed by Defendants
4			in California.
5	II.	RECI	<u>TALS</u>
6		A.	On My 11, 2021, Plaintiff filed a complaint in California superior court alleging class
7			claims.
8		B.	On May 14, 2021, Plaintiff submitted a notice of violations to the LWDA and
9			Defendants.
10		C.	Shortly thereafter, Plaintiff submitted an amended notice of PAGA claims to the
11			LWDA.
12		D.	On July 28, 2021, Plaintiff filed a first amended complaint which included all class
13			and PAGA claims as follows:
14			
15			1. FAILURE TO PAY OVERTIME WAGES IN VIOLATION OF CAL LAB. CODE §§ 410, 1194, 1198, et seq.
1617			2. FAILURE TO PAY WAGES AT THE TIME OF DISCHARGE IN VIOLATION OF CAL. LABOR CODE §§ 201, 202, 203;
18			3. FAILURE TO PROVIDE ACCURATELY ITEMIZED PAY STUBS IN VIOLATION OF CAL. LAB. CODE § 226;
19			4. FAILURE TO PAY WAGES WHEN DUE IN VIOLATION OF CAL. LABOR CODE §§ 204, 210;
20			5. UNFAIR AND UNLAWFUL BUSINESS PRACTICE IN VIOLATION OF
21			CAL. BUSINESS AND PROFESSIONS CODE § 17200 et seq
22			6. FAILURE TO PROVIDE REQUIRED MEAL PERIODS IN VIOLATION OF CAL. LAB. CODE §§ 226.7 & 512 AND THE APPLICABLE IWC WAGE
23			ORDER;
2425			7. FAILURE TO PROVIDE REQUIRED REST PERIODS IN VIOLATION OF CAL. LAB. CODE §§ 226.7 & 512 AND THE APPLICABLE IWC WAGE ORDER;
26			8. FAILURE TO PAY MINIMUM WAGES IN VIOLATION OF CAL. LAB.
27			CODE § 510, ET SEQ.
28			9. LABOR CODE PRIVATE ATTORNEY GENERAL ACT PURSUANT TO CAL. LAB. CODE §§ 2698, et seq.

G.

- E. The Class Representative believes he has meritorious claims based on alleged violations of the California Labor Code, and the Industrial Welfare Commission Wage Orders, and that class certification is appropriate because the prerequisites for class certification can be satisfied in the Action, and this action is manageable as a PAGA representative action.
- F. Defendants deny any liability or wrongdoing of any kind associated with the claims alleged in the Action, dispute any wages, damages and penalties claimed by the Class Representative are owed, and further contend that, for any purpose other than settlement, the Action is not appropriate for class or representative action treatment. Defendants contend, among other things, that at all times they complied with the California Labor Code and the Industrial Welfare Commission Wage Orders.
 - The Class Representative is represented by Class Counsel. Class Counsel conducted an investigation into the facts relevant to the Action, including conducting an independent investigation as to the allegations, reviewing documents and information exchanged through informal discovery, and reviewing documents and information provided by Defendants pursuant to informal requests for information to prepare for mediation. Defendants produced for the purpose of settlement negotiations certain employment data concerning the Settlement Class, which Class Counsel reviewed and analyzed. Based on their own independent investigation and evaluation, Class Counsel is of the opinion that the Settlement with Defendants is fair, reasonable, and adequate, and is in the best interest of the Settlement Class in light of all known facts and circumstances, including the risks of significant delay, defenses asserted by Defendants, uncertainties regarding class certification, and numerous potential appellate issues. Although they deny any liability, Defendants are agreeing to this Settlement solely to avoid the inconveniences and cost of further litigation. The Parties have agreed to settle the claims on the terms set forth in this Agreement.
- H. On November 7, 2022, the Parties participated in mediation presided over by Jill
 Sperber, Esq., an experienced mediator of wage and hour class actions. The

mediation concluded without a settlement. Subsequently, Mediator Sperber made a mediator's proposal. The Parties agreed to the mediator's proposal which was subsequently memorialized in the form of a Memorandum of Understanding ("MOU") as well as a preliminary settlement agreement.

- I. This Agreement replaces and supersedes the MOU and any other agreements, understandings, or representations between the Parties. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendants or Released Parties that the claims in the Action of Plaintiff or the Class Members have merit or that Defendants bear any liability to Plaintiff or the Class on those claims or any other claims, or as an admission by Plaintiff that Defendants' defenses in the Action have merit.
- J. The Parties believe that the Settlement is fair, reasonable and adequate. The Settlement was arrived at through arm's-length negotiations and with the assistance of Mediator Sperber, taking into account all relevant factors. The Parties recognize the uncertainty, risk, expense and delay attendant to continuing the Action through trial and any appeal. Accordingly, the Parties desire to fully, finally, and forever settle, compromise and discharge all disputes and claims arising from or relating to the Action. In addition, mediator Jill Sperber, may, at the Parties' discretion, execute a declaration supporting the settlement, and the Court may, in its discretion, contact Jill Sperber to discuss the settlement, and whether the settlement is fair and reasonable.
- K. The Parties agree to certification of the Class for purposes of this Settlement only. If for any reason the settlement does not become effective, Defendants reserve the right to contest certification of any class for any reason and reserve all available defenses to the claims in the Action.

Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

III. TERMS OF AGREEMENT

A. Settlement Consideration and Settlement Payments by Defendants.

- 1. Settlement Consideration. In full and complete settlement of the Action, and in exchange for the releases set forth below, Defendants will pay the Gross Settlement Amount of Two Hundred Eighty-Five Thousand Dollars and Zero Cents (\$285,000.00). The Parties agree that this is a non-reversionary Settlement and that no portion of the Gross Settlement Amount shall revert to Defendants. Other than the Defendants' share of employer payroll taxes, and as provided in Section III(A)(2) below, Defendants shall not be required to pay more than the Gross Settlement Amount. Defendants are jointly and severally liable for payment of the Gross Settlement Amount. Consistent with the preliminary settlement agreement, Defendants have agreed to fund the Gross Settlement Amount through monthly payments into an escrow settlement account that will be fully funded by February 27, 2024. In no event shall the full settlement amount be due before February 28, 2024.
- 2. Class Size. Defendants estimate the number of Class Members during the Class Period is 143. Defendants also estimates that the number of Workweeks worked by the Class Members during the Class Period is 9603("Projected Workweeks"). If the actual number of Workweeks during the Class Period increases by more than 5% over the Projected Workweeks (i.e., that is above 10,083 Workweeks), Defendants shall increase the Gross Settlement Amount on a proportional basis equal to the percentage increase in the Workweeks above 5% (i.e., if there is a 6% increase in the number of Workweeks during the Class Period, Defendants have the option to increase the Gross Settlement Amount by 1% to cover the entire Class Period.)
- 3. <u>Settlement Payment</u>. Defendants, and each of them, are jointly and severally liable for payment of the Gross Settlement Amount. Defendants shall pay, via wire transfer or check, the Gross Settlement Amount to the Settlement Administrator on the Funding Date.

- 4. <u>Defendants' Share of Payroll Taxes</u>. The Defendants' share of employer side payroll taxes is in addition to the Total Settlement Amount and shall be paid by Defendants within ten (10) calendar days of request by the Settlement Administrator.
- B. Release by Settlement Class Members. As of the Funding Date, in exchange for the consideration set forth in this Agreement, Plaintiff and the Settlement Class Members, forever release and discharge the Released Parties from the Released Class Claims for the Class Period.
- C. Release by the Aggrieved Employees. As of the Funding Date, in exchange for the consideration set forth in this Agreement, each of the Aggrieved Employees, the Plaintiff, the LWDA and the State of California, forever release and discharge the Released Parties from the Released PAGA Claims for the PAGA Period.
- D. General Release by Plaintiff. As of the Funding Date, for the consideration set forth in this Agreement, Plaintiff waives, releases, acquits and forever discharges the Released Parties from any and all claims, including but not limited to: Any and all wage-and-hour claims arising under the laws of the State of California, including, without limitation, statutory, constitutional, contractual, and/or common law claims for wages, damages, restitution, unreimbursed expenses, equitable relief, penalties, liquidated damages, interest, and/or punitive damages (including, without limitation, claims under any applicable Industrial Welfare Commission Wage Order, the California Private Attorneys General Act, or any other provision of the California Labor Code); Title VII of the Civil Rights Act of 1964; 42 U.S.C. § 1981; the Americans With Disabilities Act; Sections 503 and 504 of the Rehabilitation Act of 1973; the Family Medical Leave Act; the Fair Labor Standards Act; the Employee Retirement Income Security Act; the Occupational Safety and Health Act; the Worker Adjustment and Retraining Notification Act, as amended; the California Unfair Competition Law (Cal. Bus. & Prof. Code § 17200 et seq.); the California Fair Employment and Housing Act; any state, civil, or statutory laws, including any and all

human rights laws and laws against discrimination; any claims that could have been alleged in the Lawsuit; and any other federal, state, or local statutes, codes, or ordinances; any common law, contract law, or tort law cause of action; and any claims for interest, attorneys' fees, and/or costs. This release does not extend to claims that cannot be released as a matter of law, such as workers' compensation claims. Further, in exchange for his Class Representative Service Award, Plaintiff expressly waives the protections of California Civil Code section 1542, and it is his intention in executing this Agreement that the same shall be effective as a bar to each and every claim, complaint, action, debts, promises, demand, cause of action, obligation, damage, liability, charge, attorneys' fees and costs herein above released. Plaintiff also waives and relinquishes any and all claims, rights or benefits, if any, arising under California Civil Code § 1542, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Thus, notwithstanding the provisions of section 1542, and to implement a full and complete release and discharge of the Released Parties, Plaintiff expressly acknowledges this Settlement Agreement is intended to include in its effect, without limitation, all claims Plaintiff does not know or suspect to exist in Plaintiff's favor at the time of signing this Settlement Agreement, and that this Settlement Agreement contemplates the extinguishment of any such claims. Plaintiff warrants that Plaintiff has read this Settlement Agreement, including this waiver of California Civil Code section 1542, and that Plaintiff has consulted with or had the opportunity to consult with counsel of Plaintiff's choosing about this Settlement Agreement and specifically about the waiver of section 1542, and that Plaintiff understands this Settlement

Agreement and the section 1542 waiver, and so Plaintiff freely and knowingly enters into this Settlement Agreement. Plaintiff further acknowledges that Plaintiff later may discover facts different from or in addition to those Plaintiff now knows or believes to be true regarding the matters released or described in this Settlement Agreement, and even so Plaintiff agrees that the releases and agreements contained in this Settlement Agreement shall remain effective in all respects notwithstanding any later discovery of any different or additional facts. Plaintiff expressly assumes any and all risk of any mistake in connection with the true facts involved in the matters, disputes, or controversies released or described in this Settlement Agreement or with regard to any facts now unknown to Plaintiff relating thereto.

- E. <u>Nullification of Settlement Agreement</u>. If this Settlement Agreement is not preliminarily or finally approved by the Court, or is reversed, withdrawn or modified by the Court, or in any way prevents or prohibits Defendants from obtaining a complete resolution of the Released Class Claims and Released PAGA Claims, or if Defendants fail to fully fund the Gross Settlement Amount, or if more than 10% of the Class Members request exclusion from the Settlement, Defendants may rescind the Settlement within ten (10) business days of learning this information. The Parties agree that, if either Defendants rescinds, the Settlement shall be void *ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement.:
 - 1. This Settlement Agreement shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural;
 - 2. The conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural; and

- 3. None of the Parties to this Settlement will be deemed to have waived any claims, objections, defenses or arguments in the Action, including with respect to the issue of class certification.
- 4. If Defendants fail to fully fund the Gross Settlement Amount, or Defendant elects to revoke this Agreement because more than 10% of the Class Members request exclusion from the Settlement, Defendants shall bear the sole responsibility for any cost to issue or reissue any curative notice to the Settlement Class Members and all Settlement Administration Costs incurred to the date of nullification.
- F. <u>Certification of the Settlement Class</u>. The Parties stipulate to conditional class certification of the Class for the Class Period for purposes of settlement only. In the event that this Settlement is not approved by the Court, fails to become effective, or is reversed, withdrawn or modified by the Court, or in any way prevents or prohibits Defendants from obtaining a complete resolution of the Released Class Claims or the Released PAGA Claims, the conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural.
- G. Tax Liability. The Parties make no representations as to the tax treatment or legal effect of the payments called for, and Class Members and/or Aggrieved Employees are not relying on any statement or representation by the Parties in this regard.

 Class Members and/or Aggrieved Employees understand and agree that they will be responsible for the payment of any taxes and penalties assessed on the Individual Settlement Payments and/or individual shares of the Aggrieved Employee Payment and will be solely responsible for any penalties or other obligations resulting from their personal tax reporting of Individual Settlement Payments and/or Aggrieved Employee Payment. Plaintiff shall be solely and legally responsible for paying any and all applicable taxes on these Class Representative Service Award and shall hold

Defendants harmless from any claim or liability for taxes, penalties or interest arising as a result of the payment. Defendants made no representations as to the tax treatment or legal effect of the payment called for herein, and Plaintiff is not relying on any statement or representation by Defendants or Defendants' counsel in this regard. Neither Defendants, nor its counsel shall have any liability for any tax implications related to the receipt of settlement funds herein, including by the third-party settlement administrator; any and all such liability and/or obligations shall be borne solely by the recipients of any funds to be paid by Defendants herein. The Parties acknowledge neither Defendants nor Plaintiffs' counsel have provided any tax-related advice whatsoever. The Settlement Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

H. <u>Circular 230 Disclaimer</u>. Each Party to this Agreement (for purposes of this section, the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an "other party") acknowledges and agrees that: (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department circular 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the acknowledging party, and (3) no attorney or adviser to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by

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- the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.
- I. <u>Preliminary Approval Motion</u>. At the earliest practicable time, Plaintiff shall file with the Court a Motion for Order Granting Preliminary Approval and supporting papers, which shall include this Settlement Agreement. Plaintiff will provide Defendants with a draft of the Motion at least three (3) business days prior to the filing of the Motion to give Defendants an opportunity to propose changes or additions to the Motion.
- J. <u>Settlement Administrator</u>. The Settlement Administrator shall be responsible for: establishing and administering the QSF; establishing and maintaining a case specific webpage with information about the Settlement hosted on the Settlement Administrator's website, calculating, processing and mailing payments to the Class Representative, Class Counsel, Settlement Class Members, Aggrieved Employees and the LWDA; printing (in English and Spanish) and mailing the Notice Packets to the Class Members as directed by the Court; receiving and reporting the objections and requests for exclusion; calculating, deducting and remitting all legally required taxes from Individual Settlement Payments and distributing tax forms for the Wage Portion and Non-Wage Portion of the Individual Settlement Payments and/or Aggrieved Employee Payments; processing and mailing tax payments to the appropriate state and federal taxing authorities; providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; and other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities by among other things, sending a weekly status report to the Parties' counsel stating the date of the mailing, the of number of Requests for Exclusion from the Settlement it receives (including the numbers of valid and deficient), the full names of the Class Members who requested exclusion from the Settlement, and number of objections received.
- K. <u>Notice Procedure</u>.

1. Class Data. No later than ten (10) calendar days after the Preliminary Approval Date, Defendants shall provide the Settlement Administrator with the Class Data for purposes of preparing and mailing Notice Packets to the Class Members. To protect Class Members' privacy rights, the Settlement Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Settlement Administrator employees who need access to the Class Data to effect and perform under this Agreement.

2. Notice Packets.

The Notice Packet shall contain the Notice of Class Action Settlement in a form substantially similar to the form attached as **Exhibit A**. The Notice of Class Action Settlement shall inform Class Members and Aggrieved Employees that they need not do anything in order to receive an Individual Settlement Payment and/or Aggrieved Employees' individual shares of the PAGA Payment and to keep the Settlement Administrator apprised of their current mailing address, to which the Individual Settlement Payments and/or Aggrieved Employee Payment will be mailed following the Funding Date. The Notice of Class Action Settlement shall set forth the release to be given by all members of the Class who do not request to be excluded from the Settlement Class and/or Aggrieved Employees' in exchange for an Individual Settlement Payment and/or Aggrieved Employee Payment, the number of Workweeks worked by each Class Member during the Class Period and PAGA Pay Periods worked by each Aggrieved Employee during the PAGA Period, if any, and the estimated amount of their Individual Settlement Payment if they do not request to be excluded from the Settlement and the estimated amount of each Aggrieved Employee Payment, if any. The Settlement Administrator

shall use the Class Data to determine Class Members' Workweeks and the Aggrieved Employees' PAGA Pay Periods. The Notice will also advise the Aggrieved Employees that they will release the Released PAGA Claims and will receive their share of the Aggrieved Employee Payment regardless of whether they request to be excluded from the Settlement.

- b) The Notice Packet's mailing envelope shall include the following language: "IMPORTANT LEGAL DOCUMENT- YOU MAY BE ENTITLED TO PARTICIPATE IN A CLASS ACTION SETTLEMENT; A PROMPT REPLY TO CORRECT YOUR ADDRESS IS REQUIRED AS EXPLAINED IN THE ENCLOSED NOTICE."
- 3. Notice by First Class U.S. Mail. Upon receipt of the Class Data, the Settlement Administrator will perform a search based on the National Change of Address Database to update and correct any known or identifiable address changes. No later than fourteen (14) calendar days after receiving the Class Data from Defendants, the Settlement Administrator shall mail copies of the Notice Packet to all Class Members via regular First-Class U.S. Mail. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Class Member. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member.
- 4. <u>Undeliverable Notices</u>. Not later than three (3) business days after the Settlement Administrator's receipt of any Class Notice returned by the United States Postal Service ("USPS") as undelivered, the Settlement Administrator shall remail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Settlement Administrator shall conduct a Class Member Address Search, and re-mail the

Class Notice to the most current address obtained. The Settlement Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time. Class Members who received a re-mailed Notice Packet shall have their Response Deadline extended fifteen (15) days from the original Response Deadline.

- 5. Disputes Regarding Individual Settlement Payments. Class Members will have the opportunity, should they disagree with Defendants' records regarding the start and end dates of employment to provide documentation and/or an explanation to show contrary dates. If there is a dispute, Defendants' records will be presumed determinative. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of this Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Payment shall be binding upon the Class Member and the Parties.
- 6. <u>Disputes Regarding Administration of Settlement</u>. Any disputes not resolved by the Settlement Administrator concerning the administration of the Settlement will be resolved by the Court under the laws of the State of California. Before any such involvement of the Court, counsel for the Parties will confer in good faith to resolve the disputes without the necessity of involving the Court.
- Packet shall state that Class Members who wish to exclude themselves from the Settlement must submit a written request for exclusion by the Response Deadline. The written request for exclusion must state that the Class Member wishes to exclude himself or herself from the Settlement and (1) must contain the name, address, and the last four digits of the Social Security number of the person requesting exclusion; (2) must be signed by the Class Member; (3)

must be postmarked or fax stamped by the Response Deadline and returned to the Settlement Administrator at the specified address or fax telephone number; and (4) contain a typewritten or handwritten notice stating in substance: "I wish to opt out of the settlement of the class action lawsuit entitled *Riedl v*. Owl, Inc. currently pending in the Superior Court for the County of San Mateo, Case No. 21-CIV-02704. I understand that by requesting to be excluded from the settlement, I will receive no money from the Settlement described in this Notice." The request for exclusion will not be valid if it is not timely submitted, if it is not signed by the Class Member, or if it does not contain the name and address and last four digits of the Social Security number of the Class Member. The date of the postmark on the mailing envelope or fax stamp on the request for exclusion shall be the exclusive means used to determine whether the request for exclusion was timely submitted. Any Class Member who requests to be excluded from the Settlement Class will not be entitled to an Individual Settlement Payment and will not be otherwise bound by the terms of the Settlement or have any right to object, appeal or comment thereon. However, any Class Member that submits a timely request for exclusion that is also a member of the Aggrieved Employees will still receive his/her pro rata share of the Aggrieved Employee Payment, as specified below, and in consideration, will be bound by the Released PAGA Claims as set forth herein. Settlement Class Members who fail to submit a valid and timely written request for exclusion on or before the Response Deadline shall be bound by all terms of the Settlement and any final judgment entered in this Action if the Settlement is approved by the Court. No later than fourteen (14) calendar days after the Response Deadline, the Settlement Administrator shall provide counsel for the Parties with a final list of the Class Members who have timely submitted written requests for exclusion. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage members of the

Class to submit requests for exclusion from the Settlement. If more than 10% of the Class Members request exclusion from the Settlement, Defendants may rescind the Settlement within ten (10) business days of learning this information. The Parties agree that, if either Defendants rescinds, the Settlement shall be void *ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement.

Objections. The Notice of Class Action Settlement contained in the Notice 8. Packet shall state that Class Members who wish to object to the Settlement may submit to the Settlement Administrator a written statement of objection ("Notice of Objection") by the Response Deadline. The postmark date of mailing shall be deemed the exclusive means for determining that a Notice of Objection was served timely. The Notice of Objection must be signed by the Settlement Class Member and state: (1) the case name and number; (2) the name of the Settlement Class Member; (3) the address of the Settlement Class Member; (4) the last four digits of the Settlement Class Member's Social Security number; (4) the basis for the objection; and (5) if the Settlement Class Member intends to appear at the Final Approval/Settlement Fairness Hearing. Class Members who fail to make objections in writing in the manner specified above may still make their objections orally at the Final Approval/Settlement Fairness Hearing with the Court's permission. Settlement Class Members will have a right to appear at the Final Approval/Settlement Fairness Hearing to have their objections heard by the Court. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to file or serve written objections to the Settlement or appeal from the Order and Final Judgment. Class Members who submit a written request for exclusion may not object to the Settlement. Neither Class Members nor Aggrieved Employees may not object to the PAGA Payment or Released PAGA Claims.

L. Allocation of the Gross Settlement Amount

1.

- Individual Settlement Payments. Individual Settlement Payments shall be paid from the Net Settlement Amount and shall be paid pursuant to the formula set forth herein. Using the Class Data, the Settlement Administrator shall add up the total number of Workweeks for all Settlement Class Members. The respective Workweeks for each Settlement Class Member will be divided by the total Workweeks for all Class Members, resulting in the Payment Ratio for each Settlement Class Member. Each Settlement Class Member's Payment Ratio will then be multiplied by the Net Settlement Amount to calculate each Settlement Class Member's estimated Individual Settlement Payments. Each Individual Settlement Payment will be reduced by any legally mandated employee tax withholdings (e.g., employee payroll taxes, etc.). Individual Settlement Payments for Class Members who submit valid and timely requests for exclusion will be redistributed to Settlement Class Members who do not submit valid and timely requests for exclusion on a pro rata basis based on their respective Payment Ratios.
- 2. Calculation of Aggrieved Employee Shares of the Aggrieved Employee Payment. Using the Class Data, the Settlement Administrator shall add up the total number of PAGA Pay Periods for all Aggrieved Employees during the PAGA Period. The respective PAGA Pay Periods for each Aggrieved Employee will be divided by the total PAGA Pay Periods for all Aggrieved Employees, resulting in the "PAGA Payment Ratio" for each Aggrieved Employee. Each Aggrieved Employee's PAGA Payment Ratio will then be multiplied by the Aggrieved Employee Payment to calculate each Aggrieved Employee's estimated share of the Aggrieved Employee Payment.
- 3. <u>Allocation of Individual Settlement Payments</u>. For tax purposes, Individual Settlement Payments shall be allocated and treated as follows: 15% as wages ("Wage Portion"); 85% as penalties and interest ("Non-Wage Portion"). The

Wage Portion is subject to wage withholdings and shall be reported on IRS Form W-2 and its state and local equivalents. The Non-Wage Portion shall not be subject to wage withholdings and shall be reported on IRS Form 1099 and its state and local equivalents.

- 4. <u>Allocation of Aggrieved Employee Payments</u>. For tax purposes, Aggrieved Employee Payments shall be allocated and treated as 100% penalties and shall be reported on IRS Form 1099 and its state and local equivalents.
- 5. No Credit Toward Benefit Plans. The Individual Settlement Payments and individual shares of the Aggrieved Employee Payment made to Settlement Class Members and/or Aggrieved Employees under this Settlement Agreement, as well as any other payments made pursuant to this Settlement Agreement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.
- 6. All monies received by Settlement Class Members under the Settlement which are attributable to wages shall constitute income to such Settlement Class Members solely in the year in which such monies actually are received by the Settlement Class Members. It is the intent of the Parties that Individual Settlement Payments and individual shares of the Aggrieved Employee Payment provided for in this Settlement agreement are the sole payments to be made by Defendants to Settlement Class Members and/or Aggrieved Employees in connection with this Settlement Agreement, with the exception of Plaintiff, and that the Settlement Class Members and/or Aggrieved Employees are not entitled

- to any new or additional compensation or benefits as a result of having received the Individual Settlement Payments and/or their shares of the PAGA Payment.
- 7. <u>Mailing</u>. Individual Settlement Payments and Aggrieved Employee Payments shall be mailed by regular First-Class U.S. Mail to Settlement Class Members' and/or Aggrieved Employees last known mailing address no later than fifteen (15) calendar days after the Funding Date.
- 8. Expiration. Any checks issued to Settlement Class Members and Aggrieved Employees shall remain valid and negotiable for one hundred and eighty (180) days from the date of their issuance. If a Settlement Class Member and/or Aggrieved Employee does not cash his or her settlement check within ninety (90) days, the Settlement Administrator will send a letter to such persons, advising that the check will expire after the 180th day, and invite that Settlement Class Member and/or Aggrieved Employee to request reissuance in the event the check was destroyed, lost or misplaced. In the event an Individual Settlement Payment and/or Aggrieved Employee's individual share of the Aggrieved Employee Payment has not been cashed within one hundred and eighty (180) days, all funds represented by such uncashed checks, plus any interest accrued thereon, shall be sent to the State Controller's Office, Unclaimed Property Division, in the name of the Settlement Class Member and/or Aggrieved Employee.
- 9. <u>Class Representative Service Award</u>. In addition to the Individual Settlement Payment and his share of the Aggrieved Employee Payment, Plaintiff will apply to the Court for an award of not more than Ten Thousand Dollars and Zero Cents (\$10,000), as the Class Representative Service Award. Defendants do not presently intend to oppose a Class Representative Service Award of not more than \$10,000.00 for Plaintiff. The Settlement Administrator shall pay the Class Representative Service Award either in the amount stated herein if approved by the Court or some other amount as

10.

approved by the Court, to Plaintiff from the Gross Settlement Amount no later than ten (10) calendar days after the Funding Date. Any portion of the requested Class Representative Service Award that is not awarded to the Class Representative shall be part of the Net Settlement Amount and shall be distributed to Settlement Class Members as provided in this Agreement. The Settlement Administrator shall issue an IRS Form 1099 — MISC and its state and local equivalents to Plaintiff for his Class Representative Service Award. Plaintiff shall be solely and legally responsible to pay all applicable taxes on his Class Representative Service Award and shall hold harmless the Released Parties from any claim or liability for taxes, penalties, or interest arising from the Class Representative Service Award. Approval of this Settlement shall not be conditioned on Court approval of the requested amount of the Class Representative's Payment. If the Court reduces or does not approve the requested Class Representative Service Award, Plaintiff shall not have the right to revoke the Settlement, and it will remain binding.

Class Counsel Award. Defendants do not presently oppose or intend to object to an application for attorneys' fees not to exceed one-third of the Gross Settlement Amount of \$285,000.00. Fees are therefore estimated to be \$95,000.00. Attorneys are also entitled to reimbursement of costs and expenses supported by declaration not to exceed Twenty-Five Thousand Dollars (\$25,000.00), from the Gross Settlement Amount. Any portion of the requested Class Counsel Award that is not awarded to Class Counsel shall be part of the Net Settlement Amount and shall be distributed to Settlement Class Members as provided in this Agreement. The Settlement Administrator shall allocate and pay the Class Counsel Award to Class Counsel from the Gross Settlement Amount no later than ten (10) calendar days after the Gross Settlement Amount is funded in full. Class Counsel shall be solely and legally responsible to pay all applicable taxes on the payment made pursuant to this

paragraph. The Settlement Administrator shall issue an IRS Form 1099 — MISC and its state and local equivalents to Class Counsel for the payments made pursuant to this paragraph. In the event that the Court reduces or does not approve the requested Class Counsel Award, Plaintiff and Class Counsel shall not have the right to revoke the Settlement, or to appeal such order, and the Settlement will remain binding.

- 11. PAGA Payment. Fourteen Thousand Two Hundred and Fifty Dollars (\$14,250.00) shall be allocated from the Gross Settlement Amount for settlement of claims for civil penalties under the Private Attorneys General Act of 2004 ("PAGA Payment"). The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Payment (\$10,687.50) to the LWDA no later than twenty-five (25) calendar days after the Gross Settlement Amount is funded in full (hereinafter "LWDA Payment"). Twenty-five percent (25%) of the PAGA Payment (\$3,562.50) will be distributed to the Aggrieved Employees as described in this Agreement (hereinafter "Aggrieved Employee Payment"). For purposes of distributing the PAGA Payment to the Aggrieved Employees, each Aggrieved Employee shall receive their pro-rata share of the Aggrieved Employee Payment using the PAGA Payment Ratio as defined above.
- 12. Settlement Administration Costs. The Settlement Administrator shall be paid for the costs of administration of the Settlement from the Gross Settlement Amount, not to exceed ten thousand dollars (\$10,000.00). The Settlement Administrator shall be paid the Settlement Administration Costs no later than twenty-five (25) calendar days after the Gross Settlement Amount is funded in full. If the actual Settlement Administration Costs incurred is less than the estimate provided herein, the difference between the actual and estimated costs shall be returned to the Net Settlement Amount.

- M. Final Approval Motion. Class Counsel and Plaintiff shall use best efforts to file with the Court a Motion for Order Granting Final Approval and Entering Judgment, within twenty-eight (28) days following the expiration of the Response Deadline, which motion shall request final approval of the Settlement and a determination of the amounts payable for the Class Representative Service Award, the Class Counsel Award, the PAGA Payment, and the Settlement Administration Costs. Plaintiff will provide Defendants with a draft of the Motion at least three (3) business days prior to the filing of the Motion to give Defendants an opportunity to propose changes or additions to the Motion.
 - 1. Declaration by Settlement Administrator. No later than twenty (20) days after the Response Deadline, the Settlement Administrator shall submit a declaration in support of Plaintiff's motion for final approval of this Settlement detailing the number of Notice Packets mailed and re-mailed to Class Members, the number of undeliverable Notice Packets, the number of timely requests for exclusion, the number of objections received, the amount of the average Individual Settlement Payment, highest Individual Settlement Payment, and lowest Individual Settlement Payment, the Settlement Administration Costs, and any other information as the Parties mutually agree or the Court orders the Settlement Administrator to provide.
 - 2. <u>Final Approval Order and Judgment</u>. Class Counsel shall present an Order Granting Final Approval of Class Action Settlement to the Court for its approval, and Judgment thereon, at the time Class Counsel files the Motion for Final Approval.
- N. Review of Motions for Preliminary and Final Approval. Class Counsel will provide an opportunity for Counsel for Defendants to review the Motions for Preliminary and Final Approval, including the Order Granting Final Approval of Class Action Settlement, and Judgment before filing with the Court. The Parties and their counsel will cooperate with each other and use their best efforts to affect the Court's approval

- of the Motions for Preliminary and Final Approval of the Settlement, and entry of Judgment.
- O. <u>Cooperation</u>. The Parties and their counsel will cooperate with each other and use their best efforts to implement the Settlement.
- P. <u>Interim Stay of Proceedings</u>. The Parties agree to stay all proceedings in the Action, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval/Settlement Fairness Hearing to be conducted by the Court.
- Q. <u>Amendment or Modification</u>. This Agreement may be amended or modified only by a written instrument signed by all Parties or their successors-in-interest.
- R. <u>Entire Agreement</u>. This Agreement and any attached Exhibit constitute the entire Agreement among these Parties, and no oral or written representations, warranties or inducements have been made to any Party concerning this Agreement or its Exhibit other than the representations, warranties and covenants contained and memorialized in this Agreement and its Exhibit.
- S. <u>Authorization to Enter into Settlement Agreement</u>. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate Action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The persons signing this Agreement on behalf of Defendants represent and warrant that he/she is authorized to sign this Agreement on behalf of Defendants. Plaintiff represents and warrants that he is authorized to sign this Agreement and that he has not assigned any claim, or part of a claim, covered by this Settlement to a third-party.
- T. No Public Comment: The Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about the fact, amount or terms of the Settlement Agreement. Class Counsel further agrees not to use the Settlement Agreement or any of its terms for any marketing or promotional purposes. Nothing herein will restrict

Class Counsel from including publicly available information regarding this settlement in future judicial submissions regarding Class Counsel's qualifications and experience. Further, Class Counsel will not include, reference or use the Settlement Agreement for any marketing or promotional purposes, either before or after the Motion for Preliminary Approval is filed.

- U. <u>Binding on Successors and Assigns</u>. This Agreement shall be binding upon, and inure to the benefit of, the successors or assigns of the Parties, as previously defined.
- V. <u>California Law Governs</u>. All terms of this Agreement and the Exhibit and any disputes shall be governed by and interpreted according to the laws of the State of California.
- W. <u>Counterparts</u>. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument provided that counsel for the Parties to this Agreement shall exchange among themselves copies or originals of the signed counterparts. A facsimile signature or electronic signature (including but not limited to PDF or DocuSign) shall be treated as an original signature for all purposes.
- X. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this Settlement is a fair, adequate and reasonable settlement of this Action and have arrived at this Settlement after extensive arms-length negotiations, taking into account all relevant factors, present and potential.
- Y. <u>Jurisdiction of the Court</u>. The Parties agree that the Court shall retain jurisdiction with respect to the interpretation, implementation and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing and enforcing the settlement and all orders and judgments entered in connection with this Agreement.
- Z. <u>Invalidity of Any Provision</u>. Before declaring any provision of this Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent

possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

- AA. No Unalleged Claims. Plaintiff and Class Counsel represent that they do not currently intend to pursue any claims against the Released Parties, including, but not limited to, any and all claims relating to or arising from Plaintiff's employment with Defendants, regardless of whether Class Counsel is currently aware of any facts or legal theories upon which any claims or causes of action could be brought against Released Parties, including those facts or legal theories alleged in the operative complaint in this Action. The Parties further acknowledge, understand and agree that this representation is essential to the Agreement and that this Agreement would not have been entered into were it not for this representation.
- BB. <u>Waiver of Certain Appeals</u>. The Parties agree to waive appeals and to stipulate to class certification for purposes of this Settlement only.
- CC. No Admissions by the Parties. Plaintiff has claimed and continues to claim that the Released Claims have merit and give rise to liability on the part of Defendants. Defendants claim that the Released Claims have no merit and do not give rise to liability. This Agreement is a compromise of disputed claims. Nothing contained in this Agreement and no documents referred to and no action taken to carry out this Agreement may be construed or used as an admission by or against the Defendants, Released Parties, Plaintiff, or Class Counsel as to the merits or lack thereof of the claims asserted. Other than as may be specifically set forth herein, each Party shall be responsible for and shall bear its/his own attorney's fees and costs.
- DD. <u>Confidentiality</u>. Class Counsel and the Class Representative agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, post on any internet websites, or have any communication with the press about the Lawsuit, and/or the fact, amount or terms of the settlement. Before the date of the filing of the motion for preliminary approval of the settlement, the Class Representative and settlement class counsel will not initiate any contact with Class

STIPULATION OF SETTLEMENT OF CLASS ACTION AND RELEASE OF CLAIMS

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13	DATED:	THE LAW OFFICE OF MATT BLUM	
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16		Attorneys for Plaintiff and the Settlement Members	Class
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