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14					
15	Attorneys for Plaintiffs MARIA AYALA and ROS HANDS	A			
16	SUPERIOR COURT OF THI	E STATE OF CALIFORNIA			
17	FOR THE COU	NTY OF KERN			
18	MARIA AYALA, individually, and on behalf of	Case No. BCV-21-101933			
19	other members of the public similarly situated, and on behalf of other aggrieved employees	STIPULATION OF CLASS ACTION			
20	pursuant to the California Private Attorneys General Act; ROSA HANDS, individually, and	SETTLEMENT			
21	on behalf of other members of the public similarly situated, and on behalf of other aggrieved	ASSIGNED FOR ALL PURPOSES TO			
22	employees pursuant to the California Private Attorneys General Act;	JUDGE THOMAS S. CLARK, DEPT. B			
23	Plaintiff,				
24	V.				
	SDH SERVICES WEST, LLC, a Delaware				
25 26	limited liability company; SODEXO, INC., a Delaware corporation; and DOES I through 25, inclusive.				
27	Defendant.				
28	Defendant.				

STIPULATION OF CLASS ACTION SETTLEMENT

IT IS HEREBY STIPULATED, by and between Maria Ayala and Rosa Hands ("Plaintiffs") individually and on behalf of all others similarly situated, on the one hand, and Defendants SDH Services West, LLC and Sodexo, Inc. ("Defendants") on the other hand, and subject to the approval of the Court, that the claims alleged in the Action (as defined below in Paragraph 1) are hereby compromised and settled pursuant to the terms and conditions set forth in this Stipulation of Class Action Settlement ("Stipulation") and that the Court shall make and enter judgment, subject to the continuing jurisdiction of the Court as set forth below, and subject to the definitions, recitals, and terms set forth herein which by this reference become an integral part of this Stipulation.

DEFINITIONS

- 1. "Action" means the putative class and representative action entitled *Maria Ayala; Rosa Hands v. SDH Services West, LLC., et al.*, Case No. BCV-21-101933 (filed August 20, 2021 in Kern County Superior Court).
- 2. "Attorneys' Fees and Expenses" means reasonable attorneys' fees for Class Counsel's litigation and resolution of this Action (not to exceed one-third of the Maximum Settlement Amount), and Class Counsel's expenses and costs reasonably incurred in connection with this Action.
 - 3. "Class Counsel" means Jonathan M. Genish of BLACKSTONE LAW, APC.
- 4. "Class Information" means information regarding Class Members that Defendants shall in good faith compile from their records and shall be authorized by the Court to transmit in a secured manner to the Settlement Administrator. Class Information shall be transmitted in electronic form and shall include each Class Member's full name; last known address; Social Security number; and total number of Compensable Workweeks.
- 5. "Class Members" means all individuals who worked for Defendant SDH Services West, LLC at Long Beach Memorial Medical Center as a non-exempt, hourly-paid employee at any time during the period from August 20, 2017 through June 30, 2021, and who were terminated on June 30, 2021.
- 6. "Class Notice" means the Notice of Class Action Settlement, substantially in the form attached hereto as **Exhibit 1**, which shall be subject to Court approval and which the Settlement

Administrator shall mail to each Class Member explaining the terms of this Stipulation and the Settlement.

- 7. "Class Period" means the period from August 20, 2017 through June 30, 2021.
- 8. "Class Representative Service Award" means the amounts the Court authorizes to be paid to Plaintiffs, in addition to Plaintiffs' Individual Settlement Payment, in recognition of Plaintiff's efforts and risks in prosecuting the Action.
- 9. "Compensable Workweeks" means the total number of weeks during which a Class Member performed a full week of work during the Class Period. For a Class Member, the total number of weeks is based on the hire and termination dates and Defendant SDH Services West, LLC's payroll records during the Class Period. Leaves of absences are excluded. In the case of any partial workweek, that workweek will be rounded to the nearest whole number, including without limitation, zero.
- 10. "Days" as used herein shall refer to calendar days unless otherwise noted. If a deadline falls on a holiday or weekend, it will be continued until the next business day.
 - 11. "Defendants" means SDH Services West, LLC and Sodexo, Inc.
- 12. "Defense Counsel" means, Elizabeth Staggs-Wilson, Rachael S. Lavi, and Tony Zhao of Littler Mendelson, P.C.
- 13. "Effective Date" means the date that Defendants' Counsel receive notice that this settlement is approved as provided herein and the Court's order granting approval and entry of Final Judgment becomes final and is no longer appealable. For purposes of this Settlement, "becomes final and is no longer appealable," shall mean upon the later of: (i) the day after the last date by which a notice of appeal to the applicable Court of Appeal of the order and judgment approving this settlement may be timely filed and none is filed; (ii) if an appeal is filed, and the appeal is finally disposed of by ruling, dismissal, denial or otherwise, the day after the last date for filing a request for further review of the order and judgment approving this settlement passes, and no further review is requested; or (iii) if an appeal is filed and there is a final disposition by ruling, dismissal, denial, or otherwise by the Court of Appeal, and further review of the order and judgment approving this settlement is requested, the day after the review is finally dismissed or denied with prejudice and/or no further review of the judgment or order can be requested.

- 14. "Final Approval Hearing" means the hearing to be conducted by the Court after the filing of an appropriate motion by Plaintiffs and following appropriate notice to Class Members giving Class Members an opportunity to request exclusion from the class and Settlement and to object to the Settlement, at which time Plaintiffs shall request that the Court finally approve the Settlement, enter the Judgment, and take other appropriate action.
- 15. "Individual Settlement Payment" means the amount payable from the Net Settlement Amount to each Settlement Class Member.
- 16. "Judgment" means the judgment to be entered by the Court upon granting final approval of the Settlement and this Stipulation as binding upon the Parties and Settlement Class Members.
- 17. "Maximum Settlement Amount" means the maximum amount Defendants shall have to pay in connection with this Settlement, by way of a common fund, which shall be inclusive (without limitation) of all Individual Settlement Payments to Settlement Class Members, the Attorneys' Fees and Expenses, the Class Representative Service Award, Settlement Administration Costs, and all payroll taxes, employee and employer side. The Maximum Settlement Amount that Defendants shall be required to pay is Six Hundred Thousand Dollars and Zero Cents (\$600,000.00).
- 18. "Net Settlement Amount" means the Maximum Settlement Amount, less the Attorneys' Fees and Expenses, the Class Representative Service Award, and Settlement Administration Costs.
 - 19. "Notice of Objection" means a Class Member's written objection to the Settlement.
- 20. "Notice Packet" means the packet of documents which shall be mailed to all Class Members by the Settlement Administrator, including the Class Notice.
 - 21. "Parties" means Plaintiffs and Defendants.
 - 22. "Plaintiffs" means plaintiffs Maria Ayala and Rosa Hands.
- 23. "Preliminary Approval Order" means the order to be issued by the Court approving and authorizing the mailing of the Notice Packet by the Settlement Administrator, setting the date of the Final Approval Hearing, and granting preliminary approval of the Settlement set forth in this Stipulation, among other things.

- 24. "Released Parties" means Defendants and their insurers, parents, subsidiaries, affiliated companies, charitable organizations, partners, trustees, directors, officers, clients, agents, servants and employees, past and present and each of them.
- 25. "Request for Exclusion" means a written request by a Class Member to opt out of, or exclude oneself from, the Settlement.
- 26. "Response Deadline" means the date forty-five (45) days after the Settlement Administrator mails the Notice Packets to Class Members and the last date on which Class Members may submit a Request for Exclusion, Notice of Objection, or dispute regarding the number of Compensable Workweeks stated on their respective Notice.
- 27. "Settlement" means the final and complete disposition of the Action pursuant to this Stipulation.
- 28. "Settlement Administration Costs" means the reasonable costs and fees of administering the Settlement to be paid from the Maximum Settlement Amount, including, but not limited to: (i) printing, mailing and re-mailing (if necessary) of Notice Packets to Class Members; (ii) preparing and submitting to Settlement Class Members and government entities all appropriate tax filings and forms; (iii) computing the amount of and distributing: Individual Settlement Payments, the Class Representative Service Award, and the Attorneys' Fees and Expenses; (iv) processing and validating Requests for Exclusion and Notices of Objection; (v) establishing a Qualified Settlement Fund ("QSF"), as defined under US Treasury Regulation section 468B-1; and (vi) calculating and remitting to the appropriate government agencies all employer and employee payroll tax obligations arising from the Settlement and preparing and submitting filings required by law in connection with the payments required by the Settlement.
 - 29. "Settlement Administrator" means ILYM Group, Inc.
- 30. "Settlement Class Members" means Plaintiffs and all other Class Members who do not submit a valid and timely Request for Exclusion.

RECITALS

33. <u>Procedural History</u>. On August 20, 2021, Plaintiffs filed a lawsuit against Defendants in Kern County Superior Court, alleging the following class claims: 1. Failure to pay overtime (Cal.

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Lab. Code §§ 510 and 1198); 2. Failure to pay minimum wages (Cal. Lab. Code §§ 1194, 1197, and 1197.1); 3. Failure to pay vested vacation wages (Cal. Lab. Code § 227.3); 4. Failure to provide meal periods (Cal. Lab. Code §§ 226.7 and 512(a)); 5. Failure to provide rest periods (Cal. Lab. Code § 226.7); 6. Failure to provide accurate itemized wage statements (Cal. Lab. Code § 226(a)); 7. Failure to timely pay wages upon termination (Cal. Lab. Code §§ 201, 202, and 203); 8. Unfair Competition (Cal. Bus. & Prof. Code §§ 17200, et seq.); 9. Violation of the California Labor Code Private Attorneys General Act of 2044 (Cal. Lab. Code §§ 2698 et seg.).

- 34. Thereafter the Parties engaged in formal discovery including interrogatories and request for production of documents between the Parties. The Parties also entered into a protective order.
- 35. On September 13, 2022, the Parties participated in a private mediation session with mediator Jeffrey Krivis, Esq. After engaging in arms-length settlement negotiations, the Parties reached a settlement. A Memorandum of Understanding ("MOU") was fully executed on October 6, 2022.
- 36. Benefits of Settlement to Plaintiffs and the Class Members. Plaintiffs and Class Counsel recognize the expense and length of continued proceedings necessary to litigate Plaintiffs' claims in the Action through trial and through any possible appeals. Plaintiffs also have considered the uncertainty and risks of the outcome of further litigation, and the difficulties and delays inherent in such litigation. Plaintiffs and Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims asserted in the Action, both generally and in response to Defendants' defenses thereto, and the difficulties in establishing damages, penalties, restitution and other relief sought in the Action. Plaintiffs and Class Counsel also have considered Defendants' agreement to enter a settlement that confers substantial benefits upon the Class Members. Plaintiffs and Class Counsel have thoroughly reviewed the discovery requested and produced along with the claims previously settled prior to the Class Period. Based on the foregoing, Plaintiffs and Class Counsel have determined that the Settlement set forth in this Stipulation is fair, adequate, and reasonable and is in the best interests of all Class Members.

37. <u>Defendants' Reasons for Settlement.</u> Defendants have concluded that any further defense of the Action would be protracted and expensive for all Parties. Substantial amounts of Defendants' time, energy, and resources have been, and unless this Settlement is completed, shall continue to be, devoted to the defense of the claims asserted by Plaintiffs. Defendants also have considered the risks of further litigation in reaching their decision to enter this Settlement. Even though Defendants contend they are not liable for any of the claims alleged by Plaintiffs in the Action, Defendants have agreed, nonetheless, to settle in the manner and upon the terms set forth in this Stipulation and to put to rest the claims alleged in this Action. Defendants have asserted and continue to assert that the claims alleged by Plaintiffs have no merit and do not give rise to any liability, damages, restitution, penalties or other payments. This Stipulation is a compromise of disputed claims. Nothing contained in this Stipulation, no documents referred to herein, and no action taken to carry out this Stipulation, shall be construed or used as an admission by or against Defendants as to the merits of the claims asserted in the Action. Defendants contend that they have complied with all applicable state, federal and local laws.

TERMS OF SETTLEMENT

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

- 38. <u>Binding Settlement</u>. This Settlement shall bind the Parties and all Settlement Class Members, subject to the terms and conditions hereof and the Court's approval.
- 39. <u>Tax Liability</u>. The Parties make no representations as to the tax treatment or legal effect of the payments specified herein, and Class Members are not relying on any statement or representation by the Parties, Class Counsel, or Defense Counsel in this regard. Class Members and Class Counsel understand and agree that Class Members shall be responsible for the payment of all taxes and penalties assessed on the payments specified herein, and shall hold the Parties, Class Counsel, and Defense Counsel free and harmless from and against any claims resulting from treatment of such payments as non-taxable, including the treatment of such payments as not subject to withholding or deduction for payroll and employment taxes.

- 40. <u>Circular 230 Disclaimer</u>. The Parties acknowledge and agree that (1) no provision of this Stipulation, and no written communication or disclosure between or among the Parties, Class Counsel, or Defense Counsel 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 Stipulation, (b) has not entered into this Stipulation based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the acknowledging party; and (3) no attorney or adviser to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Stipulation.
- 41. Preliminary Approval of Settlement. Plaintiffs shall move the Court to enter the Preliminary Approval Order, thereby provisionally certifying the class for settlement purposes only and setting a Final Approval Hearing date. Plaintiffs shall make a good faith effort to file the motion for preliminary approval and schedule a preliminary approval hearing within sixty (60) days after the Parties execute the Stipulation. The Parties agree to work diligently and cooperatively to have this Settlement presented to the Court for preliminary approval. The Preliminary Approval Order shall provide for, among other things, the Notice Packet to be sent to Class Members as specified herein. The Parties agree that provisional certification of the class is for settlement purposes only and is in no way an admission by Defendants in the Action or in any other proceeding that class certification is proper.

42. <u>Release of Claims</u>.

a. Settlement Class Members' Released Claims.

Upon the Effective Date, and upon the Settlement Administrator's receipt of the Maximum Settlement Amount from Defendant, Plaintiffs and all Class Members who have not timely opted out

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b.

Plaintiffs' Released Claims.

and all Class Members who have not expressly opted out of the settlement.

Upon the Effective Date, and upon the Settlement Administrator's receipt of the Maximum Settlement Amount, Plaintiffs individually and on their own behalf release the Released Parties from any and all charges, complaints, claims, causes of action, demands, disputes, damages, business expenses, attorneys' fees, costs, losses and liabilities of any kind or nature whatsoever, known or unknown, suspected or unsuspected, asserted or unasserted, which Plaintiffs, at any time heretofore, had or claimed to have or Plaintiffs may have, including but not limited to any and all claims arising out of, relating to or resulting from their employment with and/or separation of employment with Released Parties, including any claims arising under any federal, state or local law, statute, ordinance, rule or regulation or Executive Order relating to employment, including, but in no way limited to, any claim under Title VII of the Civil Rights

of the settlement shall release Defendants and the Released Parties (defined above) of all claims,

demands, rights, liabilities, and/or causes of action of any nature and discretion whatsoever, known or

unknown, in law or in equity, whether or not concealed or hidden, that have been asserted or that might

have been asserted based on the facts and claims alleged in the operative Complaint and arising during

the period from and including August 20, 2017 through June 30, 2021 for unpaid wages (including

premiums) or other compensation allegedly owed, or for damages, penalties (including without

limitation waiting time penalties under Labor Code section 203), restitution, interest, liquidated

damages, attorneys' fees, or costs, or any other recovery based on or arising out of the claims and

allegations alleged in the Lawsuit, including under the California Labor Code and corresponding

provisions of Wage Orders, for: (1) Failure to Pay Wages Including Overtime; (2) Failure to Pay

Minimum Wages; (3) Failure to Pay Vested Vacation Wages; (4) Failure to Provide Meal Periods; (5)

Failure to Provide Rest Periods; (6) Failure to Provide Accurate Itemized Wage Statements; (7) Failure

to Timely Pay Wages Upon Termination; (8) Unfair Competition; and (8) any and all corresponding

claims that could have been brought under California law based on the facts and claims alleged in the

operative Complaint during the Class Period, including claims for failure to pay wages (including

overtime or premium wages). It is the intent of the Parties that the judgment entered by the Court upon

final approval of the Settlement shall have res judicata effect and be final and binding upon Plaintiffs

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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 STATEMENT WITH THE DEBTOR OR RELEASED PARTY.

43. Settlement Administration.

- a. Within fourteen (14) days of when Defendants receive notice of the entry of the Preliminary Approval Order, Defendants shall provide the Settlement Administrator with the Class Information for purposes of mailing the Notice Packets to Class Members.
- i. Notice by First Class U.S. Mail. Upon receipt of the Class Information, the Settlement Administrator shall perform a search based on the National Change of Address Database maintained by the United States Postal Service to update and correct any known or identifiable address changes. Within ten (10) calendar days after receiving the Class Information from Defendants as provided herein, 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 most current mailing address for each Class Member. The Parties agree that this procedure for notice provides the best notice practicable to Class Members and fully complies with due process.
- Notice Packet returned to the Settlement Administrator as non-deliverable on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, within not later than three (3) business days, the Settlement Administrator shall attempt to determine a correct address by the use of skip-tracing, or other type of automated search, using the name, address and/or Social Security number of the Class Member involved and re-mail the Notice Packet to the Class Member whose Notice Packet was returned as non-deliverable, provided that another mailing address is identified by the Settlement Administrator. If a Notice Packet is re-mailed to a Class Member less than ten (10) calendar days prior to the Response Deadline, the Class Member

shall have their Response Deadline extended by ten (10) calendar days from the date the Settlement Administrator re-mails the Notice Packet. If these procedures are followed, notice to Class Members shall be deemed to have been fully satisfied, and if the intended recipient of the Notice Packet does not receive the Notice Packet, the intended recipient shall nevertheless remain a Class Member and shall be bound by all terms of the Settlement and the Judgment.

- Administrator shall determine the eligibility for, and the amount of, each Individual Settlement Payment under the terms of this Stipulation. The Settlement Administrator's determination of the eligibility for and amount of each Individual Settlement Payment shall be binding upon the Class Member and the Parties, yet subject to review by Class Counsel, Defense Counsel, and the Court. In the absence of fraud or gross negligence, Defendants' records shall be presumed accurate.
- iv. <u>Disputes Regarding Administration of Settlement</u>. Any dispute not resolved by the Settlement Administrator concerning the administration of the Settlement shall be resolved by the Court. Prior to any such involvement of the Court, counsel for the Parties shall confer in good faith and make use of the services of mediator Jeffrey Krivis, if necessary, to resolve the dispute without the necessity of involving the Court.
- b. <u>Exclusions</u>. The Class Notice shall explain that Class Members who wish to exclude themselves from the class and Settlement must submit a Request for Exclusion to the Settlement Administrator by the Response Deadline. The Request for Exclusion must: (1) contain the name, address, telephone number, and last four Social Security Number digits of the Class Member requesting exclusion; (2) be signed by the Class Member; and (3) be postmarked by the Response Deadline and returned to the Settlement Administrator at the specified address. Subject to review by Class Counsel, Defense Counsel, and the Court, the date of the postmark on the return mailing envelope on the Request for Exclusion shall be the exclusive means used by the Settlement Administrator to determine whether a Class Member has timely requested exclusion from the class and Settlement. Any Class Member who timely and properly requests to be excluded from the class and Settlement shall not be entitled to any benefits under the Settlement and shall not be bound by the terms of the Settlement nor shall that Class Member have any right to object to the Settlement or appeal

from the entry of the Judgment. Class Members who do not submit a valid and timely Request for Exclusion on or before the Response Deadline shall be bound by all terms of the Settlement and the Judgment entered in this Action if the Settlement is finally approved by the Court. No later than twenty (20) calendar days after the Response Deadline, the Settlement Administrator shall provide counsel for the Parties a complete list of all Class Members who submitted a timely and valid Request for Exclusion. The Settlement Administrator shall contact (once, by phone and mail) all Class Members whose requests for exclusion are timely postmarked but do not meet requirements of (1) and (2) above, to request additional information. If the Settlement Administrator does not receive the required information within ten (10) calendar days of mailing a request for additional information, the Class Member will be bound by the terms of the Settlement. Class Members who request exclusion from the Settlement are not allowed to object to it.

Objections. The Class Notice shall state that Class Members who wish to object c. to the Settlement must submit to the Settlement Administrator a Notice of Objection by the Response Deadline or appear at the Final Approval Hearing to explain their objection(s). A Notice of Objection must (1) state the full name of the Class Member; (2) be signed by the Class Member; (3) state the grounds for the objection; and (4) be postmarked by the Response Deadline and returned to the Settlement Administrator at the specified address. Subject to review by Class Counsel, Defense Counsel, and the Court, the date of the postmark on the return mailing envelope on the Notice of Objection shall be the exclusive means used by the Settlement Administrator to determine whether a Class Member timely objected to the Settlement. Class Members who do not submit a Notice of Objection or appear at the Final Approval Hearing to explain their objection(s) shall be deemed to have waived any objections and shall be foreclosed from making any objections (whether by appeal or otherwise) to the Settlement. At no time shall any of the Parties, Class Counsel, or Defense Counsel seek to solicit or otherwise encourage or discourage Class Members from objecting to the Settlement or filing an appeal from the Judgment. Only Class Members who have not requested exclusion from the Settlement can object to it.

d. <u>Disputes Regarding the Number of Compensable Workweeks</u>. If a Class Member disagrees with the number of Compensable Workweeks stated on his or her Notice, the Class

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Member must send a letter to the Settlement Administrator by email, mail or facsimile by the Response Deadline stating the reasons why he or she disputes the number of Compensable Workweeks and provide any supporting documentation. The Settlement Administrator will evaluate the evidence submitted by the Class Member and will meet and confer with Counsel for the Parties and decide as to the number of Compensable Workweeks that should be applied and/or the Individual Settlement Payment to which the Class Member is entitled. If this cannot be resolved satisfactorily, the dispute will be presented to the Court for final resolution at Final Approval.

- Monitoring and Reviewing Settlement Administration. The Parties have the e. right to monitor and review the administration of the Settlement to verify that the monies allocated under the Settlement are distributed in the correct amount, as provided for in this Stipulation.
- Best Efforts. The Parties agree to use their best efforts to carry out the terms of this Settlement.
- 44. Funding and Allocation of Maximum Settlement Amount. No later than ten (10) business days after the Effective Date or the date the administrator provides Defendants with the information needed to complete the wire transfer, whichever is later, Defendants shall provide to the Settlement Administrator in any feasible manner, including, but not limited to, by way of a wire transfer, the Maximum Settlement Amount. If this Settlement is not finally approved by the Court in full, or is terminated, rescinded, canceled or fails to become effective for any reason, or if the Effective Date does not occur, then no portion of the Maximum Settlement Amount shall be paid.
- Individual Settlement Payments. Class Members shall not be required to submit a. a claim in order to receive a share of the Net Settlement Amount, and no portion of the Maximum Settlement Amount shall revert to Defendants or result in an unpaid residue. Individual Settlement Payments shall be paid by the Settlement Administrator from the Net Settlement Amount pursuant to the formula set forth herein. Individual Settlement Payments shall be mailed by the Settlement Administrator by regular First Class U.S. Mail to each Settlement Class Member's last known mailing address within ten (10) calendar days after Defendants provide the Settlement Administrator with the Maximum Settlement Amount. Prior to mailing the Individual Settlement Payments, the Settlement

Administrator shall perform a search based on the National Change of Address Database maintained by the United States Postal Service to update and correct any known or identifiable address changes.

i. Each Settlement Class Member's Individual Settlement Payment shall be calculated by the Settlement Administrator according to the following formula: Defendants shall provide the Settlement Administrator with the Compensable Workweeks for each Settlement Class Member. The Settlement Administrator shall then divide the Net Settlement Amount by the total number of Compensable Workweeks for all Settlement Class Members resulting in a value for each week worked by the Settlement Class Members during the Class Period ("Workweek Value"). The Settlement Administrator shall then multiply the number of Compensable Workweeks for each Settlement Class Member by the Workweek Value. In addition, any Class Member who previously settled and released their claims in the matter of *Geoffrey Gross and Leonard Pinckney v. Sodexo, Inc., et al,* Kern County Superior Court Case No. BCV-18-101746 (the "*Gross* matter"), will have their workweeks released in that settlement excluded from their payout calculation in this matter. If a Class Member's individual settlement share will be less than \$50, that Class Member will receive \$50.

iii. Individual Settlement Payments shall be made by check and shall be made payable to each Settlement Class Member as set forth in this Stipulation.

iv. Individual Settlement Payments shall be allocated as follows: twenty percent (20%) as wages, forty percent (40%) as non-wage interest and forty percent (40%) as non-wage penalties. The Settlement Administrator shall issue an IRS Form W-2 to each Settlement Class Member for the portion of each Individual Settlement Payment allocated as wages and subject to all applicable tax withholdings. The Settlement Administrator shall issue an IRS Form 1099 to each Settlement Class Member for the portion of each Individual Settlement Payment allocated as non-wage penalties and interest not subject to payroll tax withholdings. Payment of all amounts will be made subject to backup withholding unless a duly executed W-9 form is received from a payee Class Member. The Settlement Administrator shall calculate the amount of the Employer's Share of Payroll Taxes and shall remit and report the applicable portions of the payroll tax payment to the appropriate taxing authorities in a timely manner.

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Individual Settlement Payment checks shall remain negotiable for one v. hundred eighty (180) days from the date of mailing. If an Individual Settlement Payment check remains uncashed after one hundred eighty (180) days from issuance, the Settlement Administrator shall distribute the value of the uncashed check to the State Controller's Office Unclaimed Property Fund in the name of the Settlement Class Member and/or Aggrieved Employee. In such event, such Settlement Class Members and/or Aggrieved Employees shall nevertheless remain bound by the Settlement. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code section 384, as the entire Net Settlement Amount will be paid out to Class Members who do not opt out, whether or not they cash their settlement share checks.

vi. 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 expressly understood and agreed that the receipt of Individual Settlement Payments shall not entitle any Settlement Class Member to additional compensation or benefits under any collective bargaining agreement or under any bonus, contest or other compensation or benefit plan or agreement in place during the period covered by the Settlement, nor shall it entitle any Settlement Class Member to any increased pension and/or retirement, or other deferred compensation benefits. It is the intent of the Parties that Individual Settlement Payments provided for in this Stipulation are the sole payments to be made by Defendants to Settlement Class Members in connection with this Settlement, with the exception of Plaintiffs, and that the Settlement Class Members are not entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Payments. Furthermore, the receipt of Individual Settlement Payments by Settlement Class Members shall not, and does not, by itself establish any general, special, or joint employment relationship between and among the Settlement Class Member(s) and Defendants.

Class Representative Service Awards. Subject to Court approval, Plaintiffs' b. Class Representative Service Awards are not to exceed Five Thousand Dollars (\$5,000.00) for each Plaintiff, or any lesser amount as awarded by the Court, for their time and effort in bringing and presenting the Action and for providing the general release as set forth above. Defendants shall not

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Attorneys' Fees and Expenses. Subject to Court approval, Class Counsel shall c. be entitled to receive reasonable attorneys' fees in an amount not to exceed one-third (1/3) of the Maximum Settlement Amount, which amounts to Two Hundred Thousand Dollars (\$200,000.00). In addition, subject to Court approval, Class Counsel shall be entitled to an award of reasonable costs and expenses associated with Class Counsel's prosecution of the Action in an amount not to exceed Twenty Thousand Dollars (\$20,000.00). Class Counsel shall provide the Settlement Administrator with a properly completed and signed IRS Form W-9 in order for the Settlement Administrator to process the Attorneys' Fees and Expenses approved by the Court. Defendants shall not oppose or object to Plaintiffs' request for an award of attorneys' fees in an amount not to exceed Two Hundred Thousand Dollars (\$200,000.00), and request for an award of reasonable costs and expenses not to exceed Twenty Thousand Dollars (\$20,000.00). In the event the Court awards Class Counsel less than Two Hundred Thousand (\$200,000.00) in attorneys' fees and/or less than Twenty Thousand Dollars (\$20,000.00) in costs and expenses, the difference shall become part of the Net Settlement Amount and shall be distributed to Settlement Class Members as part of their Individual Settlement Payments. Class Counsel shall be paid any Court-awarded attorneys' fees and expenses no later than ten (10)

Amount. Class Counsel shall be solely and legally responsible to pay all applicable taxes on the Attorneys' Fees and Expenses. The Settlement Administrator shall issue an IRS Form 1099 to Class Counsel for the Attorneys' Fees and Expenses. This Settlement is not conditioned upon the Court awarding Class Counsel any particular amount of attorneys' fees or costs.

- d. <u>Settlement Administration Costs</u>. The Settlement Administration fees and expenses, which are estimated not to exceed Ten Thousand Dollars (\$10,000), shall be paid from the Maximum Settlement Amount. Prior to Plaintiffs filing a motion for final approval of the Settlement, the Settlement Administrator shall provide the Parties with a statement detailing the Settlement Administration Costs to date. The Parties agree to cooperate in the Settlement Administration process and to make all reasonable efforts to control and minimize Settlement Administration Costs.
- i. The Parties each represent they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.
- ii. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities required by the Settlement. The Settlement Administrator shall be authorized to establish a QSF pursuant to IRS rules and regulations in which the Maximum Settlement Amount shall be placed and from which payments required by the Settlement shall be made.
- 45. <u>Final Settlement Approval Hearing and Entry of Judgment</u>. Following expiration of the Response Deadline, a Final Approval Hearing shall be conducted to determine whether to grant final approval of the Settlement, including determining the amounts properly payable for: (i) the Attorneys' Fees and Expenses; and (ii) the Class Representative Service Awards. Prior to the Final Approval Hearing, the Settlement Administrator shall provide a written report or declaration to the Parties describing the process and results of the administration of the Settlement to date, which report or declaration shall be filed by Plaintiffs with the Court prior to the Final Approval Hearing. If the Court grants final approval of the Settlement, the Settlement Administrator shall post notice of final judgment on its website within seven (7) calendar days of entry of the Judgment.

- Adjustment of Settlement Amount. The Parties reached this Settlement based on an assumption of approximately 30,421 workweeks ("Certified Workweek Amount"). However, Defendants represent that the actual number of workweeks for all Class Members from August 20, 2017 to June 30, 2021 for purposes of this settlement is approximately 34,404. To the extent the percentage of actual workweeks exceed the Certified Workweek Amount, Defendants agree to increase the Settlement Amount by the additional percentage over 10% above the Certified Workweek Amount, Defendants will pay an additional pro rata 2% of the Settlement Amount).
- A7. Right of Defendants to Reject Settlement. If five percent (5%) or more of the Class Members submit valid Requests for Exclusion, Defendants will have the right, but not the obligation, to void the Settlement and the Parties will have no further obligations under the Settlement, including any obligation by Defendants to pay the Maximum Settlement Amount, or any amounts that otherwise would have been owed under this Stipulation, except that Defendants will pay the Settlement Administration Costs incurred as of the date that Defendants exercise their right to void the Settlement. Defendants will notify Class Counsel and the Court whether they are exercising this right to void not later than seven (7) calendar days after the Settlement Administrator notifies the Parties of the number of valid Requests for Exclusion it has received.
- Approval Order; (ii) the Court does not grant final approval the Settlement; (iii) the Court does not enter the Judgment; or (iv) the Settlement does not become final for any other reason, this Stipulation shall be rendered null and void, any order or judgment entered by the Court in furtherance of this Settlement shall be treated as void from the beginning and this Stipulation and any documents related to it shall not be used by any Class Member or Class Counsel to support any claim or request for class certification in the Action, and shall not be used in any other civil, criminal, or administrative action against Defendants or any of the other Released Parties. In the event an appeal is filed from the order granting final approval or Judgment, or any other appellate review is sought, administration of the Settlement shall be stayed pending final resolution of the appeal or other appellate review. Any fees incurred by the Settlement Administrator prior to it being notified of the filing of an appeal from the

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Judgment, or any other appellate review, shall be paid split equally by the Parties to the Settlement Administrator.

- 49. No Admission by Defendants. Defendants deny all allegations in this Action and deny all wrongdoing whatsoever by Defendants. Neither this Stipulation, nor any of its terms and conditions, nor any of the negotiations connected with it, is a concession or admission of any form of liability or the accuracy of any fact, and none shall be used against Defendants as an admission or indication with respect to any allegation of any fault, liability, concession, or omission by Defendants or that class certification is proper under the standard applied to contested certification motions. The Parties stipulate and agree to the certification of the proposed class for settlement purposes only. The Parties further agree that this Stipulation shall not be admissible in this or any other proceeding as evidence that either (i) a class action should be certified or (ii) Defendants are liable to Plaintiffs or any Class Member, other than to enforce the terms of this Stipulation.
- 50. Confidentiality Prior to Preliminary Approval. The Parties and their respective 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 prior to the filing of the Motion for Preliminary Approval. Any communication about the Settlement to Class Members prior to the court-approved mailing will be limited to a statement that a settlement has been reached and the details will be communicated in a forthcoming Court-approved notice.
- 51. No Publicity: Following the filing of the Motion for Preliminary Approval, the Parties understand and agree that there may be media coverage of the settlement not initiated by Plaintiffs or Defendants, directly or indirectly, as a result of the public filings. Notwithstanding the foregoing, Plaintiffs, Defendants, and their respective counsel agree that no Party shall issue any press release to the news media, nor shall any Party disclose any information regarding this settlement in their marketing materials or firm websites, nor shall any Party communicate in any way with news media concerning the settlement or the Class Action. This provision shall not apply to or limit the public filing of motions or other case materials in the Class Action related to seeking and obtaining Court approval of the proposed Settlement Agreement, the fees and costs of Class Counsel, the Service Payments to the Class Representatives, and the other relief

set forth in this Settlement Agreement. This provision also shall not prohibit Class Counsel from responding to specific questions from Class Members or listing this class action lawsuit by name in support of a motion for appointment as class counsel or motion for attorney's fees. Nothing in this Agreement prevents Plaintiffs from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination, or any other conduct that they have reason to believe is unlawful.

- 52. <u>Exhibits and Headings</u>. The terms of this Stipulation include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. The Exhibits to this Stipulation are an integral part of the Settlement. The descriptive headings of any paragraphs or sections of this Stipulation are inserted for convenience of reference only.
- 53. <u>Interim Stay of Action</u>. The Parties agree to stay and to request that the Court stay all proceedings in the Action, except such proceedings necessary to implement and complete the Settlement and enter the Judgment.
- 54. <u>Amendment or Modification</u>. This Stipulation may be amended or modified only by a written instrument signed by all Parties, their counsel, or their successors-in-interest.
- 55. <u>Entire Agreement</u>. This Stipulation and any attached Exhibits and the MOU constitute the entire agreement between the Parties, and no oral or written representations, warranties, or inducements have been made to Plaintiffs or Defendants concerning this Stipulation or its Exhibits and the MOU, other than the representations, warranties, and covenants contained and memorialized in this Stipulation and its Exhibits and the MOU. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.
- 56. Authorization to Enter into Settlement Agreement. Class Counsel and Defense Counsel warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Stipulation and to take all appropriate actions required or permitted to be taken by such Parties pursuant to this Stipulation to effectuate its terms, and to execute any other documents required to effectuate the terms of this Stipulation. The Parties, Class Counsel, and Defense Counsel shall cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate

the terms of this Settlement, the Parties may seek the assistance of the Court and/or mediator Jeffrey Krivis to resolve such disagreement. The persons signing this Stipulation on behalf of Defendants represent and warrant that they are authorized to sign this Stipulation on behalf of Defendants. Plaintiffs represent and warrant that they are authorized to sign this Stipulation and that they have not assigned any claim, or part of a claim, covered by this Settlement to a third-party. The Parties have cooperated in the drafting and preparation of this Stipulation. Hence, in any construction made of this Stipulation, the same shall not be construed against any of the Parties.

- 57. <u>Binding on Successors and Assigns</u>. This Stipulation shall be binding upon, and inure to the benefit of, the successors and assigns of the Parties.
- 58. <u>California Law Governs</u>. All terms of this Stipulation and the Exhibits hereto shall be governed by and interpreted according to the laws of the State of California, without giving effect to any law that would cause the laws of any jurisdiction other than the State of California to be applied.
- 59. <u>Counterparts</u>. This Stipulation may be executed in one or more counterparts by facsimile, electronic signature, or email which for purposes of this Stipulation shall be accepted as an original. All executed counterparts and each of them shall be deemed to be one and the same instrument. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Stipulation.
- 60. <u>Jurisdiction of the Court</u>. Following entry of the Judgment, the Court shall retain jurisdiction (pursuant to, without limitation, California Code of Civil Procedure Section 664.6) with respect to the interpretation, implementation, and enforcement of the terms of this Stipulation and all orders and judgments entered in connection therewith, and the Parties, Class Counsel, and Defense Counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Stipulation and all orders and judgments entered in connection therewith. The time within which to bring this action to trial under California Code of Civil Procedure 583.310 shall be extended from the date of the signing of this Stipulation by all Parties until the entry of the final approval order and judgment or, if not entered, the date this Stipulation shall no longer be of any force or effect.

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1	61. <u>Invalidity of Any Provision</u> . Before declaring any term or provision of this Stipulation		
2	invalid, the Parties request that the Court first attempt to construe the terms or provisions valid to the		
3	fullest extent possible consistent with applicable precedents so as to define all provisions of this		
4	Stipulation as valid and enforceable.		
5	62. <u>Binding Nature of Notice of Class Action Settlement</u> . It is agreed that because the		
6	Class Members are so numerous, it is impossible or impractical to have each Class Member execute		
7	the Stipulation. The Class Notice shall advise all Class Members of the binding nature of the		
8	Settlement, and the release of Released Claims and shall have the same force and effect as if this		
9	Stipulation were executed by each Settlement Class Member.		
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11	For Plaintiff Rosa Hands:		
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13	Rosa Hands Date: <u>12/13/2022</u>		
14	Ear Dlain4ics Maria Avala		
15	For Plaintiff Maria Ayala:		
16	Date:		
17	Maria Ayala		
18	For Defendant SDH Services West, LLC		
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20	Sebastien De Tramasure, CFO NORAM Date:		
21	For Defendant Sodexo, Inc.		
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23	Sebastien De Tramasure, CFO NORAM Date:		
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9	Stipulation were executed by each Settlement Class Member.		
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11	For Plaintiff Rosa Hands:		
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13	Rosa Hands Date:		
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15	For Plaintiff Maria Ayala:		
16	Mania / Juste: 12/08/2022		
17	Maria Ayala		
18	For Defendant SDH Services West, LLC		
19			
20	Sebastien De Tramasure, CFO NORAM Date:		
21	For Defendant Sodexo, Inc.		
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23	Sebastien De Tramasure, CFO NORAM Date:		
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11	For Plaintiff Rosa Hands:
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13	Rosa Hands Date:
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15	For Plaintiff Maria Ayala:
16	Date:
17	Maria Ayala
18	For Defendant SDH Services West, LLC
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20	Sebastien De Tramasure, CFO NORAM Date: 12/14/2022
21	For Defendant Sodexo, Inc.
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23	Sebastien De Tramasure, CFO NORAM Date: 12/14/2022
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1	APPROVED AS TO FORM AND CONTENT:		
2	COUNSEL FOR PLAINTIFFS		
3	Langth on M. Carist	Date:	12/13/2022
4	Jonathan M. Genish Blackstone Law, P.C. Attorneys For Plaintiff		
5	Attorneys For Plaintiff		
6	COUNSEL FOR DEFENDANT		
7	Jordan Joni	Б.,	10/14/0000
8	Rachael Lavi	Date:	_12/14/2022
9	Littler Mendelson, P.C. Attorneys for Defendants		
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STIPULATION OF CLASS ACTION SETTLEMENT

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

(Maria Ayala; Rosa Hands v. SDH Services West, LLC, et al., Kern County Superior Court Case No. BCV-21-101933)

The Superior Court for the State of California authorized this Notice. Read it carefully! It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit ("Action") against Defendants SDH Services West, LLC and Sodexo, Inc. ("SODEXO") for alleged wage and hour violations. The Action was filed by former SODEXO employees Maria Ayala and Rosa Hands ("Plaintiffs") and seeks payment of allegedly unpaid wages and other relief for a class of hourly, non-exempt employees ("Class Members") who worked for SODEXO at Long Beach Memorial Hospital during the Class Period (August 20, 2017 to June 30, 2021) and separated from Sodexo on June 30, 2021.

Based on SODEXO's records, and the Parties' current assumptions, **your Individual**Settlement Payment is estimated to be \$_____ (less applicable taxes and withholdings). The actual amount you may receive likely will be different and will depend on a number of factors.

The above estimates are based on SODEXO's records showing that **you worked ___workweeks** during the Class Period ("Compensable Workweeks"). In the case of any partial workweek, that workweek will be rounded to the nearest whole number, including without limitation, zero. If you believe that you worked more workweeks during the Class Period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiffs' attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires SODEXO to make payments under the Settlement and requires Class Members to give up their rights to assert certain claims against SODEXO.

If you worked for SODEXO during the Class Period, you have two options under the Settlement:

- 1. **Do Nothing**. You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Settlement Payment. As a Settlement Class Member, though, you will give up your right to assert the Claims against SODEXO premised on purported violations during the Class Period.
- 2. **Opt-Out of the Class Settlement**. You can exclude yourself from the Class Settlement (opt-out) by timely submitting to the Administrator a written Request for Exclusion or another

writing with all of the requisite information identified in Section 6 of this Notice. If you optout of the Settlement, you will not receive an Individual Settlement Payment. You will, however, preserve your right to personally pursue the Claims against SODEXO that would otherwise be released if you did not opt-out of the Settlement.

SODEXO will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Settlement Class Member, eligible for an Individual Settlement Payment. In exchange, you will give up your right to assert the wage claims against SODEXO that are covered by this Settlement (the Settlement Members' Released Claims).
You Can Opt-out of the Class Settlement The Opt-out Deadline is	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Settlement Class Member and no longer eligible for an Individual Settlement Payment. Non-Settlement Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.
Settlement Class Members Can Object to the Class Settlement Written Objections Must be Submitted by	All Class Members who do not opt-out ("Settlement Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Settlement Class Members. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Settlement Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.

You Can Challenge the	The amount of your Individual Settlement Payment depends on how
Calculation of Your	many workweeks you worked at least one day during the Class
Compensable	Period. The number of Compensable Workweeks you worked
Workweeks	according to SODEXO'S records is stated on the first page of this
	Notice. If you disagree with either of these numbers, you must
Written Challenges	challenge it by See Section 4 of this Notice.
Must be Submitted by	

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former SODEXO employees. The Action accuses SODEXO of violating California labor laws by failing to pay overtime wages, minimum wages, meal and rest premiums (based on failure to provide lawful meal and rest periods), vested vacation wages, wages due upon separation, and timely payment of all wages and failing to provide accurate itemized wage statements and payroll records. Plaintiffs are represented by the attorneys at Blackstone Law, APC ("Class Counsel").

SODEXO strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

The Court has made no determination whether SODEXO or Plaintiffs are correct on the merits. In the meantime, Plaintiffs and SODEXO hired a well-respected private mediator in an effort to resolve the Actions by negotiating an end to the case by agreement (i.e., a settlement) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Actions and enforcing the Agreement, Plaintiffs and SODEXO have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, SODEXO does not admit any violations or concede the merit of any claims.

Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) SODEXO has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. SODEXO Will Pay \$600,000 as the Maximum Settlement Amount (Maximum Settlement). SODEXO has agreed to deposit the Maximum Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Maximum Settlement to pay, among other things, the Individual Settlement Payments, Class Representative Service Payments, Class Counsel's attorney's fees and expenses, and the Administrator's expenses. Assuming the Court grants Final Approval, SODEXO will

fund the Maximum Settlement not more than 10 business days after it receives notice that the Judgment entered by the Court has become final or the administrator provides SODEXO the information needed to transfer the funds, whichever is later. The Judgment will be final on the date upon which the time for appeal of the Court's entry of Judgment expires, or if the Judgment is timely appealed, the date of final resolution of any appeal of the Judgment.

- 2. <u>Court Approved Deductions from Maximum Settlement.</u> At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Maximum Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$200,000 (1/3 of the Maximum Settlement) to Class Counsel for attorneys' fees and up to \$20,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$5,000 to each named Plaintiff as a Class Representative Service Award for filing the Action, working with Class Counsel and representing the Class. Class Representative Service Awards will be the only monies Plaintiffs will receive other than Plaintiffs' Individual Settlement Payment.
 - C. Up to \$10,000 to the Administrator for services administering the Settlement.
 - D. All employee and employer side payroll taxes and withholdings.

Settlement Class Members have the right to object to any of these deductions. The Court will consider all objections.

- 3. <u>Net Settlement Amount Distributed to Class Members</u>. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Maximum Settlement Amount (the "Net Settlement Amount") by making Individual Settlement Payments to Settlement Class Members based on their Compensable Workweeks.
- 4. Taxes Owed on Payments to Class Members. Plaintiffs and SODEXO are asking the Court to approve an allocation of 20% of each Individual Settlement Payment to taxable wages ("Wage Portion"), forty percent (40%) as non-wage interest and forty percent (40%) as non-wage penalties ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. All employer payroll taxes SODEXO owes on the Wage Portion will also be paid from the Maximum Settlement Amount.

Although Plaintiffs and SODEXO have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Settlement Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

If the money represented by your check is sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

- 6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Settlement Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than ______, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by _______, the Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative that: (1) contains the Class Member's name, address, telephone number, and last four Social Security Number digits of the Class Member requesting exclusion; (2) is signed by the Class Member; and (3) is postmarked by the Response Deadline and returned to the Settlement Administrator at the specified address, and should include a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Settlement Class Members) will not receive Individual Settlement Payments but will preserve their rights to personally pursue the Claims against SODEXO.
- 7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and SODEXO have agreed that, in either case, the Settlement will be void: SODEXO will not pay any money and Class Members will not release any claims against SODEXO.
- 8. <u>Administrator.</u> The Court has appointed a neutral company, ILYM Group, Inc. (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Compensable Workweeks in consultation with Class Counsel and counsel for SODEXO, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.
- 9. Settlement Class Members' Release. After the Judgment is final and SODEXO has fully funded the Maximum Settlement, Settlement Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against SODEXO and the Released Parties as defined in the Settlement Agreement for wages, statutory and civil penalties, damages and liquidated damages, premiums, interest, restitution, injunctive relief, fees and costs, based on the Class Period facts, as alleged in the Action and resolved by this Settlement.

The Settlement Class Members will be bound by the following release:

All Settlement Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims, demands, rights, liabilities, and/or causes of action of any nature and discretion whatsoever, known or unknown, in law or in equity, whether or not concealed or hidden, that have been asserted or that might have been asserted based on the facts and claims alleged in the operative Complaint and arising during the period from and including August 20, 2017 through June 30, 2021 for unpaid wages (including premiums) or other compensation allegedly owed, or for damages, penalties (including without limitation waiting time penalties under Labor Code section 203), restitution, interest, liquidated damages, attorneys' fees, or costs, or any other recovery based on or arising out of the claims and allegations alleged in the Lawsuit, including under the California Labor Code and corresponding provisions of Wage Orders, for: (1) Failure to Pay Wages Including Overtime; (2) Failure to Pay Minimum Wages; (3) Failure to Pay Vested Vacation Wages; (4) Failure to Provide Meal Periods; (5) Failure to Provide Rest Periods; (6) Failure to Provide Accurate Itemized Wage Statements; (7) Failure to Timely Pay Wages Upon Termination; (8) Unfair Competition; and (8) any and all corresponding claims that could have been brought under California law based on the facts and claims alleged in the operative Complaint during the Class Period, including claims for failure to pay wages (including overtime or premium wages) (the "Claims"). Except as set forth in paragraph 5.3 of this Agreement, Settlement Class Members (except Plaintiffs) do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

- 1. <u>Individual Settlement Payments.</u> The Administrator will calculate Individual Settlement Payments by (a) dividing the Net Settlement Amount by the total number of Compensable Workweeks worked by all Settlement Class Members, and (b) multiplying the result by the number of Compensable Workweeks worked by each individual Settlement Class Member.
- 2. Workweek Challenges. The number of Compensable Workweeks you worked during the Class Period, as recorded in SODEXO's records, are stated on the first page of this Notice. You have until _______to challenge the number of Compensable Workweeks credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept SODEXO's calculation of Compensable Workweeks based on SODEXO's records as accurate unless you send copies of records containing contrary

information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek challenges based on your submission and on input from Class Counsel and SODEXO's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. <u>Settlement Class Members.</u> The Administrator will send, by U.S. mail, a single check to every Settlement Class Member (i.e., every Class Member who doesn't opt-out) in the amount of the Settlement Class Member's Individual Settlement Payment.

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Settlement Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and SODEXO are asking the Court to approve. At least 16 court days before the Final Approval Hearing on ______, 2023, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Payments stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiffs are requesting as Class Representative Service Payments. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website ______ or the Court's website https://www.kern.courts.ca.gov/

A Settlement Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Payments may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. **The deadline for sending written objections to the Administrator is** ________. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you

identify the Action *Maria Ayala; Rosa Hands v. SDH Services West, LLC.*, *et al.* and include your name, present address, telephone number, last four digits of your Social Security Number and approximate dates of employment for SODEXO and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, you can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _______ at (time) in Department B of the Kern County Superior Court, located at 1415 Truxtun Avenue, Bakersfield, CA 93301. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Maximum Settlement Amount will be paid to Class Counsel, Plaintiffs, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via _______. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website https://www.kern.courts.ca.gov/ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything SODEXO and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the Administrator's website at ______ (url). You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below or consult the Superior Court website by going to https://www.kern.courts.ca.gov/online-services/case-information-search and entering the Case Number for the Action, Case No. BCV-21-101933. You can also make an appointment to personally review court documents in the Clerk's Office at the Metropolitan Courthouse by calling (661) 868-5395.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:
Jonathan M. Genish
Miriam L. Schimmel
BLACKSTONE LAW, APC
8383 Wilshire Blvd., Suite 745
Beverly Hills, CA 90211
(310) 622-4278

Settlement Administrator:

Name of Company:

Email Address:

Mailing Address:

Telephone:
Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.