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7 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

8 **FOR THE COUNTY OF LOS ANGELES**

9 CHETERA WATSON an individual, on
behalf of herself and all others similarly
10 situated;

11 Plaintiffs,

12 v.

13 LIBERTY MUTUAL GROUP INC a
California corporation; and DOES 1 through
14 50, inclusive,

15 Defendants.

Case No. BC665695

Assigned to: Hon. Kenneth R. Freeman

EXECUTED COPY OF THE
SETTLEMENT AGREEMENT

This Stipulation of Class Action Settlement and Release of Claims is entered into by and between Plaintiff CHETERA WATSON (“Plaintiff”), individually and on behalf of the Settlement Class, and Defendant Liberty Mutual Group Inc.

I. DEFINITIONS

- A. “Action” or “Complaint” means the Class Action Complaint, *Chetera Watson v. Liberty Mutual Group Inc.*, Los Angeles Superior Court Case No. BC665695, filed on June 20, 2017, which Plaintiff amended on April 6, 2021 by filing a First Amended Class Complaint (as amended, “Operative Amended Complaint”).
- B. “Agreement” or “Settlement Agreement” means this Stipulation of Settlement of Class Action and Release of Claims.
- C. “Approval Date” means the date the Court enters an order granting final approval of the Settlement.
- D. “Class Counsel” means Employee Law Group.
- E. “Class Counsel Award” means the award of fees and expenses that the Court authorizes to be paid to Class Counsel for the services they have rendered to Plaintiff and the Settlement Class in the Action, consisting of attorneys’ fees not to exceed thirty-three and one third percent (33 1/3%) of the Total Settlement Amount (\$52,500 out of \$157,500), plus reasonable costs.
- F. “Class Data” means information regarding Settlement Class Members that Defendant 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 Settlement Class Member's full name; last known address; last four digits of his/her Social Security Number; and the Qualifying Months (as that term is defined herein) during the Class Period.

- G. "Class Period" means the period from June 20, 2013 through the date of preliminary approval of this Settlement.
- H. "Class Representative" means Plaintiff Chetera Watson.
- I. "Class Representative Incentive Award" means the amount that the Court authorizes to be paid to Plaintiff (\$7,500), in addition to her Individual Settlement Award, in recognition of her efforts and risk in assisting with the prosecution of the Action and in exchange for executing the General Release set forth in Paragraph III(C), below.
- J. "Court" means the Superior Court for the State of California, County of Los Angeles.
- K. "Defendant" means Liberty Mutual Group Inc.
- L. "Effective Date" means: the date the Settlement is fully funded in accordance with Paragraph III(M)(1).
- M. "Final" means that the Court has granted final approval of the Settlement without material modification, and each Party waives its right to appeal the Court's approval or any of the following occurs: (a) the applicable date for

seeking appellate review of the Court's final approval of the Settlement has passed without a timely appeal; (b) the California Court of Appeal or the California Supreme Court has rendered a final decision or judgment affirming the Court's final approval of the Settlement without material modification, and the time for any further appeal has expired; or (c) any timely appeal has been dismissed.

- N. "Individual Settlement Award" means the amount payable from the Net Settlement Amount to each Participating Settlement Class Member.
- O. "Net Settlement Amount" or "NSA" means the Total Settlement Amount, less Class Counsel Award, Class Representative Incentive Award, and Settlement Administration Costs.
- P. "Notice Packet" means the Notice of Class Action Settlement in a form substantially similar to the form attached hereto as Exhibit 1; the Change of Address Form, in a form substantially similar to the form attached as Exhibit 2; and a pre-printed and post-paid return envelope.
- Q. "Participating Settlement Class Member" means any Settlement Class Member who has not timely requested to be excluded from the Settlement.
- R. "Parties" means Plaintiff and Defendant, collectively, or individually, a "Party."
- S. "Plaintiff" means Chetera Watson.

T. “Released Claims” means all claims, actions, demands, causes of action, suits, debts, obligations, damages, restitution, penalties, rights, liabilities, or legal theories of relief, of any nature and description whatsoever under state wage and hour law arising out of or related to any factual or legal theory that was alleged in relation to A) Plaintiff’s claims for Failure to Indemnify/Reimburse Necessary Expenses Incurred in the Discharge of Work Duties (“Labor Code § 2802” claims); and B) all additional claims as alleged in the Operative Amended Complaint, solely as they relate to and are derivative of Plaintiff’s Labor Code § 2802 claims, including: (1) Violation of Reporting Time Pay (IWC Wage Order 4(5)(B)); (2) Failure to Furnish Timely and Accurate Wage Statements (Labor Code § 226); (3) “Waiting Time Penalties” (Labor Code § 203); (4) Violation of California’s Unfair Competition Law (Bus. & Prof. Code §§ 17200-17208), and (5) all damages, penalties, interest, and other amounts recoverable under said causes of action under California law, to the extent permissible, including but not limited to the California Labor Code as to the facts alleged in the Operative Amended Complaint, the applicable Wage Orders as to the facts alleged in the Operative Amended Complaint, and the California Unfair Competition Law (collectively, the “Released Claims”). The period of the Release shall extend to the limits of the Class Period. The res judicata effect of the Judgment will be the same as that of the Release. Except as provided herein, the definition of Released Claims shall not be limited in any way by the possibility that Plaintiff or Settlement Class Members may discover new facts or legal theories or legal arguments not alleged in the Operative Amended

Complaint but which might serve as an alternative basis for pursuing the same claims, causes of action, or legal theories of relief falling within the definition of Released Claims.

- U. “Released Parties” means Liberty Mutual Group Inc., any subsidiaries, parents, predecessors, successors, affiliates, and otherwise related entities, and any of their past, present and/or future, direct and/or indirect, officers, directors, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, assigns, and joint venturers.
- V. “Response Deadline” means the date forty-five (45) days after the Settlement Administrator mails the Notice Packets to the Settlement Class Members.
- W. “Sales Representative” means individuals employed by Defendant in any of the following job codes: 0268, 4107, 4108, 4109, 4110, 4111, 4112 or 4113.
- X. “Settlement” means the disposition of the Action pursuant to this Settlement Agreement.
- Y. “Settlement Administrator” means Phoenix Settlement Administrators or any other third-party administrator mutually agreed to by the Parties and approved by the Court.
- Z. “Settlement Class Members” or “Settlement Class” means all non-exempt employees who worked for Defendant Liberty Mutual Group Inc. as a Sales Representative in California on or after June 20, 2013 through the date of

preliminary approval of this Settlement and did not have a Company-issued cell phone during any period of time that they worked in a Sales Representative position during the Class Period.

- AA. “Total Settlement Amount” means the gross sum of one hundred fifty-seven thousand five hundred dollars (\$157,500) payable by Defendant pursuant to this Settlement.

II. RECITALS

- A. Plaintiff Chetera Watson filed this Action on June 20, 2017. Plaintiff believes she and the Settlement Class Members have meritorious claims based on alleged violations of the California Labor Code and the Industrial Wage Commission Orders, and that class certification is appropriate because the prerequisites for class certification can be satisfied in the Action.
- B. The Settlement does not constitute an admission of liability. Defendant denies any liability or wrongdoing of any kind associated with the claims alleged in the Complaint and/or the Operative Amended Complaint, disputes the wages, damages, and penalties claimed by the Plaintiff, and further contends that, for any purpose other than settlement, the Action is not appropriate for class or representative action treatment. Defendant contends, among other things, that at all times it complied with the California Labor Code, and the Industrial Welfare Commission Wage Orders.

- C. Plaintiff is represented by Class Counsel. Class Counsel conducted an investigation into the facts relevant to the Action, including reviewing documents and information exchanged through informal discovery, and reviewing documents and information provided by Defendant pursuant to informal requests for information. Defendant produced for the purpose of settlement negotiations certain data concerning the Settlement Class, which Class Counsel reviewed and analyzed. Based on their own independent investigation and evaluation, Class Counsel are of the opinion that the Settlement with Defendant 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 Defendant, uncertainties regarding class certification, and numerous potential appellate issues. Although it denies any liability, Defendant is agreeing to this Settlement solely to avoid the cost of further litigation. The Parties and their counsel have agreed to settle the claims on the terms set forth herein.
- D. The Parties believe that the Settlement is fair, reasonable and adequate. The Settlement was arrived at through arm's-length negotiations, 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.

III. TERMS OF AGREEMENT

- A. Settlement Consideration by Defendant. Conditioned upon the Court's Final approval of the Settlement, Defendant shall pay the Total Settlement Amount. The Parties agree that this is a non-reversionary Settlement and that no portion of the Total Settlement Amount shall revert to Defendant. In no event shall Defendant be required to pay more or less than the Total Settlement Amount.
- B. Release By All Settlement Class Members. As of the Effective Date, in exchange for the consideration set forth in this Agreement, Plaintiff and the Settlement Class Members release the Released Parties from the Released Claims (as defined in Paragraph I(T), above) for the Class Period.
- C. General Release By Plaintiff. As of the Effective Date, in exchange for the consideration set forth in this Agreement, Plaintiff, for herself and her heirs, successors, administrators and assigns, does hereby waive, release, acquit and forever discharge the Released Parties, from any and all claims, actions, charges, complaints, grievances and causes of action, of whatever nature, whether known or unknown, which exist or may exist on Plaintiff's behalf as of the date of this Agreement, including but not limited to any and all tort claims, contract claims, wage claims, wrongful termination claims, disability claims, benefit claims, public policy claims, retaliation claims, statutory claims, personal injury claims, emotional distress claims, invasion of privacy claims, defamation claims, fraud claims, quantum meruit claims, and any and all claims arising under any federal, state or other governmental statute, law, regulation or ordinance, including, the

California Labor Code, the Wage Orders of California's Industrial Welfare Commission, other state wage and hour laws, the Americans with Disabilities Act, the Age Discrimination in Employment Act (ADEA), the Employee Retirement Income Security Act, Title VII of the Civil Rights Act of 1964, the California Fair Employment and Housing Act, the California Family Rights Act, the Family Medical Leave Act, California's Whistleblower Protection Act, California Business & Professions Code Section 17200 et seq., and any and all claims arising under any federal, state or other governmental statute, law, regulation or ordinance. Plaintiff hereby expressly waives and relinquishes any and all claims, rights or benefits that she may have 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.* Plaintiff may hereafter discover claims or facts in addition to, or different from, those which she now knows or believes to exist, but she expressly agrees to fully, finally and forever settle and release any and all claims against the Released Parties, known or unknown, suspected or unsuspected, which exist or may exist on her behalf at the time of execution of this Agreement, including, but not limited to, any and all claims relating to or arising from Plaintiff's employment with Defendant. The Parties further acknowledge, understand and agree that this representation and commitment is essential to the Agreement and

that this Agreement would not have been entered into were it not for this representation and commitment.

D. Nullification of Settlement Agreement. In the event that this Settlement does not become Final, or in any way prevents or prohibits Defendant from obtaining a complete resolution of the claims as described herein:

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 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;

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;

E. Certification of the Settlement Class. The Parties stipulate to class certification of the Settlement 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 Defendant from obtaining a complete resolution of the

claims as described herein, 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.

- F. Tax Liability. The Parties make no representations as to the tax treatment or legal effect of the payments called for hereunder, and Settlement Class Members are not relying on any statement or representation by the Parties in this regard. Settlement Class Members will be provided an IRS Form 1099 indicating that their Individual Settlement Payments are miscellaneous. No employer-based payroll deductions will be made. Settlement Class Members understand and agree that they will be responsible for the payment of any taxes assessed on the Individual Settlement Payments described herein and will be solely responsible for any penalties or other obligations resulting from their personal tax reporting of Individual Settlement Awards.
- G. No Tax Advice. Neither Class Counsel nor Defendant's Counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department circular 230 (31 CFR part 10, as amended) or otherwise.
- H. Preliminary Approval Motion. 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.

I. Settlement Administrator. The Settlement Administrator shall be responsible for: creating and updating a password protected website to provide Class Members with up-to-date information; printing and mailing the Notice Packets to the Settlement Class Members as directed by the Court; receiving and reporting the objections and requests for exclusion; calculating and deducting any and all legally required taxes from Individual Settlement Awards and distributing tax forms; 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; processing and mailing payments to the Class Representative, Class Counsel, and Participating Settlement Class Members; and other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform, including the calculation of employer-side taxes owed by Defendant, if any (and timely communication to Defendant of those calculations). The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities.

J. Opt-Out and Claims Process. The Notice of Class Action Settlement shall set forth the release to be given by all Participating Settlement Class members in exchange for an Individual Settlement Award and shall explain the procedures for objecting to the Settlement and for requesting exclusion from the Settlement. Settlement Class Members who wish to exclude themselves from the Settlement must follow the procedures for exclusion set forth in the Notice of Class Action Settlement. Settlement Class Members who do not exclude themselves from the

Settlement (and thus who become Participating Settlement Class Members) shall be eligible to receive Individual Settlement Awards.

K. Non-Reversionary Settlement: This is a non-reversionary “all-in” settlement. No amounts will revert to Defendant.

L. Notice Procedure.

1. Class Data. No later than twenty-eight (28) calendar days after the Preliminary Approval Date, Defendant shall provide the Settlement Administrator with the Class Data for purposes of preparing and mailing Notice Packets to Settlement Class Members.

2. Notice Packets.

a) The Notice Packet shall contain the Notice of Class Action Settlement in a form substantially similar to the form attached hereto as Exhibit 1. The Notice of Class Action Settlement shall set forth the release to be given, in exchange for an Individual Settlement Award, by all members of the Settlement Class who do not timely request to be excluded from the Settlement Class. The Settlement Class Member’s estimated Individual Settlement Award shall be calculated in accordance with Paragraph III(M)(2)(a) below.

- b) The Notice Packet shall contain the Change of Address Form, in a form substantially similar to the form attached as Exhibit 2; and a pre-printed and post-paid return envelope.
 - c) 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 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 twenty-one (21) calendar days after receiving the Class Data from Defendant as provided herein, the Settlement Administrator shall mail copies of the Notice Packet to all Settlement 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 Settlement 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 Settlement Class Member.
4. Undeliverable Notices. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no

forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address by lawful use of skip-tracing, or other search using the name, address and/or Social Security number of the Settlement Class Member involved, and shall then perform a re-mailing, if another mailing address is identified by the Settlement Administrator. In addition, if any Notice Packets, which are addressed to Settlement Class Members who are currently employed by Defendant, are returned to the Settlement Administrator as non-delivered and no forwarding address is provided, the Settlement Administrator shall notify Defendant. Defendant will request that the currently employed Settlement Class Member provide a corrected address and transmit to the Administrator any corrected address provided by the Settlement Class Member. Settlement Class Members who receive a re-mailed Notice Packet shall have their Response Deadline extended fifteen (15) days from the original Response Deadline.

5. Disputes Regarding Individual Settlement Awards. Settlement Class Members will have the opportunity prior to the 45-day Response Deadline, should they disagree with Defendant's records regarding the number of Qualifying Months (as defined below) as stated in their Notice Packets, to provide documentation and/or an explanation to dispute the date range. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an

adjustment is warranted. Any such Settlement Class Member must submit documentation relating to his or her dispute to the Settlement Administrator, who shall notify Liberty Mutual's Counsel and Class Counsel of any such dispute no later than five (5) days after receiving notice of the dispute. In the case of a dispute, Liberty Mutual's records shall control and will have a rebuttable presumption of correctness. For any dispute that arises, counsel for the Parties will attempt to resolve the dispute and, if unable to do so, will ask the Court to resolve the dispute.

6. Disputes Regarding Administration of Settlement. 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. Prior to 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.

7. Exclusions. The Notice of Class Action Settlement contained in the Notice Packet shall state that Settlement 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 Settlement 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 Settlement Class Member; (3) must be electronically submitted, 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 clear and unambiguous terms: the Class Member's wish to exclude him or herself from the Settlement of the class action lawsuit *Chetera Watson v. Liberty Mutual Group Inc.*, Los Angeles Superior Court Case No. BC665695, filed in the Superior Court of California, County of Los Angeles and the Class Member's understanding that by requesting to be excluded from the Settlement, he or she will receive no money from the Settlement described in the Notice. The request for exclusion will not be valid if it is not timely submitted, if it is not signed by the Settlement Class Member, or if it does not contain the name and address of the Settlement Class Member. The electronic submission date, fax stamp or, if submitted by U.S. Mail, the postmark date of mailing, on the request for exclusion shall be the exclusive means used to determine whether the request for exclusion was timely submitted. Any Settlement Class Member who requests to be excluded from the Settlement Class will not be entitled to any recovery under the Settlement and will not be bound by the terms of the Settlement or have any right to object, appeal or comment thereon. 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 becomes Final. No

later than thirty (30) calendar days after the Response Deadline, the Settlement Administrator shall provide counsel for the Parties a final list of the Settlement 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 Settlement Class to submit requests for exclusion from the Settlement.

8. Objections. The Notice of Class Action Settlement contained in the Notice Packet shall state that Settlement Class Members who wish to object to the Settlement must submit to the Settlement Administrator by electronic submission, fax or U.S. Mail a written statement of objection (“Notice of Objection”) by the Response Deadline. The electronic submission date, fax stamp or, if submitted by U.S. Mail, the postmark date of mailing shall be deemed the exclusive means for determining that a Notice of Objection was served timely. Any 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; and (4) the basis for the objection. Settlement Class Members who wish to object to the Settlement must not exclude themselves from the Settlement. Settlement Class Members who fail to make objections in the manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objections (whether by appeal or

otherwise) to the Settlement. Regardless of whether they submit a timely Notice of Objection, Settlement Class Members who wish to raise an objection in person will have a right – subject to Court approval and in compliance with whatever social distancing rules and regulations may be in place due to COVID-19 or any other public health emergency – to appear at the Final Approval/Settlement Fairness Hearing in order to have their objections heard by the Court (“In-Person Objection”). At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to file or serve written objections to the Settlement or appeal from the Order and Final Judgment. Settlement Class Members who submit a written request for exclusion are not entitled to object to the Settlement.

9. Notice of Final Approval. Upon Final approval of the Settlement, the Administrator will post Notice thereof on the website created for this case.

M. Funding and Allocation of the Total Settlement Amount. Provided that the Settlement becomes Final, Defendant shall be required to pay the Total Settlement Amount.

1. Funding Due Date. No later than twenty-five (25) calendar days after the Settlement is Final, Defendant shall provide the Total Settlement Amount to the Settlement Administrator to fund the Settlement, as set forth in this Agreement.

2. Individual Settlement Awards. Individual Settlement Awards shall be paid from the Net Settlement Amount and shall be calculated pursuant to the formula set forth herein.
- a) Calculation of Individual Settlement Awards. The Settlement Administrator shall use the Class Data to add up the total number of months in the Class Period during which Settlement Class Members, taken as a whole, did not have Company-issued cell phones while working as Sales Representatives in California (“Qualifying Months”) and divide the Net Settlement Amount by the total number of Qualifying Months to derive a dollar amount attributable to each Qualifying Month (“Monthly Payment Amount”). The Administrator shall multiply the Monthly Payment Amount by each Settlement Class Member’s individual Qualifying Months to derive an estimated Individual Settlement Award for each Settlement Class Member. Once the opt-out period has ended and the Settlement Administrator establishes the final list of Participating Settlement Class Members, the Administrator shall calculate the Individual Settlement Awards in the same manner described above but using the Class Data for only Participating Settlement Class Members, rather than all Settlement Class Members.
- b) Mailing. Individual Settlement Awards shall be mailed by regular First Class U.S. Mail to Settlement Class Members’ last

known mailing address no later than twenty-five (25) calendar days after the Settlement is Final.

c) Expiration. Any checks issued to Settlement Class Members shall remain valid and negotiable for one hundred and eighty (180) days from the date of their issuance. If a Settlement Class Member does not cash his or her settlement check within 90 days, the Settlement Administrator will send a letter to such person, advising that the check will expire after the 180th day, and invite that Settlement Class Member to request reissuance in the event the check was destroyed, lost, or misplaced. In the event an Individual Settlement Award check has not been cashed within one hundred and eighty (180) days, all funds represented by such uncashed checks shall be distributed consistent with California Code of Civil Procedure Section 384 as follows: All uncashed checks shall be deposited in the intended Class Members' names with the California State Controller's Unclaimed Property Fund.

3. Class Representative Incentive Award. Defendant agrees not to oppose or object to any application or motion by Plaintiff for a Class Representative Incentive Award of up to Seven Thousand Five Hundred Dollars (\$7,500) to Plaintiff in exchange for the Released Claims and a General Release and for her time, effort and risk in bringing and prosecuting this matter. The Settlement Administrator shall pay the

Class Representative Incentive Award to Plaintiff from the Total Settlement Amount no later than twenty-five (25) calendar days after the Settlement is Final. Any portion of the requested Class Representative Incentive Award that is not awarded to the Plaintiff 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 to Plaintiff for her Class Representative Incentive Award. Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on her Class Representative Incentive Award and shall hold harmless Defendant from any claim or liability for taxes, penalties, or interest arising as a result of the Class Representative Incentive Award. The Class Representative Incentive Award shall be in addition to the Plaintiff's respective Individual Settlement Payment as a Participating Settlement Class Member. In the event that the Court reduces or does not approve the requested Class Representative Incentive Award, Plaintiff shall not have the right to revoke the Settlement, and it will remain binding.

4. Class Counsel Award. Defendant agrees not to oppose or object to any application or motion by Class Counsel for attorneys' fees not to exceed thirty-three and one-third percent (33 1/3%) of the Total Settlement Amount (\$52,500 out of \$157,500), plus reasonable costs and expenses supported by declaration not to exceed \$5,000, from the Total 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 Participating Settlement Class Members as provided in this Agreement. The Settlement Administrator shall pay the Class Counsel Award to Class Counsel from the Total Settlement Amount no later than twenty-five (25) calendar days after the Settlement is Final. 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 to Class Counsel for the payment made pursuant to this paragraph. In the event that the Court reduces or does not approve the requested Class Counsel Award, neither Plaintiff nor Class Counsel shall have the right to revoke the Settlement, or to appeal such order, and the Settlement will remain binding.

5. Settlement Administration Costs. The Settlement Administrator shall be paid for the costs of administration of the Settlement from the Total Settlement Amount. The estimate of the Settlement Administration Costs is Seven Thousand Two Hundred and Fifty Dollars (\$7,250). The Settlement Administrator shall be paid the Settlement Administration Costs no later than twenty-five (25) calendar days after the Effective Date.

N. Final Approval Motion. At the earliest practicable time following the expiration of the Response Deadline, Plaintiff shall file with the Court a Motion for Order Granting Final Approval and Entering Judgment, which motion shall request

final approval of the Settlement and a determination of the amounts payable for the Class Representative Incentive Award, the Class Counsel Award, and the Settlement Administration Costs.

1. Declaration by Settlement Administrator. 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 Settlement 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 Award, the Settlement Administration Costs, and any other information as the Parties mutually agree or the Court orders the Settlement Administrator to provide.
 2. Final Approval Order and Judgment. 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.
- O. Defendant's Option to Revoke Settlement. If, after the Response Deadline, the number of Settlement Class Members who submitted timely and valid written requests for exclusion from the Settlement is at least five percent (5%) of the pool of eligible Settlement Class Members, Defendant shall have, in its sole discretion, the option to terminate this Settlement. If Defendant exercises the option to terminate this Settlement, Defendant shall: (a) provide written notice to Class Counsel within seven (7) calendar days after the Settlement Administrator

provides information regarding opt outs (which is to occur no later than thirty (30) calendar days after the Response Deadline), and (b) pay all Settlement Administration Costs incurred up to the date or as a result of the termination; and the Parties shall proceed in all respects as if this Agreement had not been executed.

- P. Review of Motions for Preliminary and Final Approval. Class Counsel will provide an opportunity for Counsel for Defendant to review the Motions for Preliminary and Final Approval, including the Order Granting Final Approval of Class Action Settlement, and Judgment thereon, prior to filing with the Court. The Parties and their counsel will cooperate with each other and use their best efforts to effect the Court's approval of the Motions for Preliminary and Final Approval of the Settlement, and entry of Judgment.
- Q. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement.
- R. Interim Stay of Proceedings. 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.
- S. Amendment or Modification. This Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.

- T. Entire Agreement. This Agreement and any attached Exhibits 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 Exhibits other than the representations, warranties and covenants contained and memorialized in the Agreement and its Exhibits.
- U. Authorization to Enter Into Settlement Agreement. 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 actions 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 person signing this Agreement on behalf of Defendant represents and warrants that s/he is authorized to sign this Agreement on behalf of Defendant. Plaintiff represents and warrants that Plaintiff is authorized to sign this Agreement and that Plaintiff has not assigned any claim, or part of a claim, covered by this Settlement to a third-party.
- V. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.
- W. California Law Governs. All terms of this Agreement and the Exhibits hereto and any disputes arising hereunder shall be governed by and interpreted according to the laws of the State of California.

- X. Counterparts. 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.
- Y. 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.
- Z. Jurisdiction of the Court. 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 hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing and enforcing the settlement embodied in this Agreement and all orders and judgments entered in connection therewith.
- AA. Invalidity of Any Provision. 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.
- BB. Publicity. 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, post anything about this Action on any blogs, social media websites

and/or services (including but not limited to Facebook and/or Twitter), and/or any other mass media, or have any communication with the press about this Action and/or the fact, amount, or terms of the Settlement. Plaintiff and Class Counsel shall make no unsolicited communications regarding the Action or Settlement and shall not make reference to the Action or the Settlement on or through any internal or external websites, except that publicly filed documents may be posted on Class Counsel's website. If any Party or counsel for that Party is contacted about this Action by the press or other media, the Party or their counsel shall state only that the case was settled on mutually satisfactory terms.

CC. No Unalleged Claims. Plaintiff and Class Counsel represent that they do not currently intend to pursue any claims against Released Parties, including, but not limited to, any and all claims relating to or arising from Plaintiff's employment with Defendant, and that Plaintiff's Counsel is not currently aware of any facts or legal theories upon which any claims or causes of action could be brought against Defendant, excepting those facts or legal theories alleged in the 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.

DD. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class certification for purposes of this settlement only.

EE. 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

Defendant. Defendant claims 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 herein and no action taken to carry out this Agreement may be construed or used as an admission by or against the Defendant or Plaintiff or Class Counsel as to the merits or lack thereof of the claims asserted.

IT IS SO AGREED.

DATED: 5/28/2021

PLAINTIFF

Chetera Watson

ID UPoaYjJg7rHHF7VMVJMS1k4A

By: _____

Chetera Watson

DATED: June 1, 2021

DEFENDANT

Sherryl Hollis

By: _____

Liberty Mutual Group Inc.

Sherryl Hollis

APPROVED AS TO FORM AND CONTENT:

DATED: 5/28/2021

EMPLOYEE LAW GROUP



ID bkJVJqv8fGyEC5Qnb9cVHzUN

By: _____

David M. Saldana, Esq.
Attorneys for Plaintiff

DATED: June 1, 2021

SIDLEY AUSTIN LLP



By: _____

David R. Carpenter
Katherine A. Roberts
Attorneys for Defendant

eSignature Details

Signer ID: bkJVJqv8fGyEC5Qnb9cVHzUN
Signed by: saldana
Sent to email: saldana@employeeelawgroup.com
IP Address: 185.240.244.94
Signed at: May 28 2021, 11:38 am PDT

Signer ID: UPoaYjJg7rHHF7VMVJMS1k4A
Signed by: Chetera Watson
Sent to email: chetera.watson@gmail.com
IP Address: 172.56.17.255
Signed at: May 28 2021, 4:02 pm PDT