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**SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
**FOR THE COUNTY OF SANTA CLARA**

LUCITA SAMONTE, individually, and on  
behalf of all others similarly situated,

Plaintiff,

vs.

VELODYNE LIDAR, INC., a Delaware  
corporation; and DOES 1 through 10, inclusive,

Defendants

Case No.: 20CV366914

[Hon. Patricia M. Lucas, Dept. 3]

[CLASS ACTION]

**JOINT STIPULATION OF CLASS  
ACTION AND PAGA SETTLEMENT**

Complaint filed: June 8, 2020  
Trial date: Not set

1 This Joint Stipulation of Class Action and PAGA Settlement is entered into between  
2 VELODYNE LIDAR, INC. (“Defendant”) and Plaintiff LUCITA F. SAMONTE (“Plaintiff”).

3 **DEFINITIONS**

4 1. Action. “Action” means the class action lawsuit entitled *Samonte v. Velodyne*  
5 *Lidar, Inc.*, filed in the Superior Court of California, County of Santa Clara, as case number  
6 20CV366914.

7 2. Agreement. “Agreement” shall refer to the instant Joint Stipulation of Class  
8 Action and PAGA Settlement.

9 3. Attorneys’ Costs. “Attorneys’ Costs” refers to the amount to be reimbursed  
10 for Class Counsel’s litigation costs and expenses, which shall not exceed Fifteen-Thousand Dollars  
11 and Zero Cents (\$15,000.00).

12 4. Attorneys’ Fees. “Attorneys’ Fees” refers to the amount to be awarded to  
13 Class Counsel (as defined below) for the work it has performed in furtherance of the Action which  
14 shall not exceed Two Hundred and Sixty-One Thousand Six Hundred and Sixty-Six Dollars and  
15 Sixty-Seven Cents (\$261,666.67) and which represents Thirty-Three and One-Third percent  
16 (33.33%) of the Maximum Settlement Amount.

17 5. Class Counsel. “Class Counsel” shall mean Kane Moon, Allen Feghali and  
18 Enzo Nabiev of MOON & YANG, APC and/or any successor(s) thereof.

19 6. Class Members, and the Class. “Class Members” (individually, “Class  
20 Member”) are all current and former hourly-paid or non-exempt employees who have worked for  
21 Defendant in the State of California at any time during the Class Period, as defined below, totaling  
22 approximately Four Hundred and Twenty-Three (423). This includes Severance Class Members, as  
23 defined below.

24 7. Class Notice. “Class Notice” means the Notice of Class Action and PAGA  
25 Settlement mutually agreed upon by the Parties and approved by the Court to be sent to the Class  
26 Members and PAGA Members (as defined below) following preliminary approval that includes the  
27 scope of release language for Settled Claims (as defined below) and Settled PAGA Claims (as  
28 defined below), notifies Class Members and PAGA Members of the Settlement (as defined below),

1 explains the Class Members’ options, including how Class Members may opt out or object to the  
2 Settlement, and explains the facts and methods based on which the Class Members’ and PAGA  
3 Members’ estimated settlement payments are calculated, substantially in the form attached hereto as

4 **Exhibit A.**

5 8. Class Period. “Class Period” shall run from June 8, 2016 to the date of the  
6 Preliminary Approval Order (as defined below) or sixty (60) days from August 5, 2021, whichever  
7 is sooner.

8 9. Complaint. “Complaint” refers to the operative Second Amended Class  
9 Action and Representative Action Complaint in the Action.

10 10. Court. “Court” refers to the Superior Court of California, County of Santa  
11 Clara, or other court, that will approve the Agreement.

12 11. Day(s). “Day(s)” or “day(s)” refers to a calendar day(s) unless otherwise  
13 stated. If any designated date or deadline falls on a weekend or holiday, the designated date or  
14 deadline will occur on the next business day.

15 12. Defendant. “Defendant” means Velodyne Lidar, Inc.

16 13. Effective Date. “Effective Date” of this Agreement means the first  
17 business day following the last of the following occurrences: (i) the day final approval is granted  
18 if there are no objections to the settlement, (ii) sixty (60) days following the date the Court  
19 enters a Final Approval Order and Final Judgment, if there are objections by any Class Member  
20 and assuming no appeal is filed; or (iii) if an appeal is filed, then the date of final resolution of  
21 that appeal (including any requests for rehearing and/or petitions for *certiorari*), resulting in  
22 final and complete judicial approval of the Settlement in its entirety, with no further challenge  
23 to the Settlement being possible.

24 14. Final Approval Order. “Final Approval Order” means the order entered and  
25 filed by the Court granting final approval of the Settlement (as defined below) and entry of the Final  
26 Judgment (as defined below), substantially in the form attached hereto as **Exhibit C.**

27 15. Final Judgment. “Final Judgment” means the judgment entered and filed by  
28

1 the Court that: (1) ultimately approves this Agreement; and (2) awards and orders the payment of all  
2 required amounts pursuant to the terms of this Agreement (approved Attorneys' Fees and Attorney's  
3 Costs, Settlement Payments to Class Members and PAGA Payments to PAGA Members, as defined  
4 below, *etc.*). The Final Judgment will constitute a binding and final resolution, have full *res judicata*  
5 effect, and discharge Defendant and Released Parties (as defined below) from liability for any and  
6 all claims by the Named Plaintiff (as defined below), all Settlement Class Members as to all Settled  
7 Claims, and all PAGA Members and the State of California as to all Settled PAGA Claims as set  
8 forth in this Agreement.

9           16.    Final Approval Hearing. "Final Approval Hearing" means the hearing at  
10 which the Court shall consider the motion for final approval of this Settlement and determine whether  
11 to fully and finally approve the fairness and reasonableness of this Settlement and Agreement, and  
12 enter the Final Approval Order and Final Judgment.

13           17.    Last Known Address. "Last Known Address" means the most recently  
14 recorded mailing address for a Class Member and/or PAGA Member contained in Defendant's  
15 payroll records.

16           18.    Maximum Settlement Amount. "Maximum Settlement Amount" means a  
17 maximum total payment of Seven Hundred and Eighty-Five Thousand Dollars and Zero Cents  
18 (\$785,000.00), payable by Defendant under this Agreement. The Maximum Settlement Amount  
19 includes all: (1) payments to Class Members and payments to PAGA Members; (2) Attorneys' Fees;  
20 (3) Attorney's Costs; (4) Settlement Administration Costs (as defined below); (4) LWDA's portion  
21 of the PAGA Allocation; and (5) Service Payment (as defined below) to the Named Plaintiff. With  
22 the exception of the circumstances discussed in paragraphs 52(e) and 66 below, in no event shall  
23 Defendant be required to pay any amounts above the Maximum Settlement Amount to effectuate this  
24 Agreement. Each of the Class Members and PAGA Members shall be responsible for paying any  
25 additional taxes due on his or her settlement payment.

26           19.    Named Plaintiff. "Named Plaintiff" means Plaintiff Lucita F. Samonte.

27           20.    Net Distribution Fund. "Net Distribution Fund" means the Maximum  
28

1 Settlement Amount, less the amount that the Court awards for: (1) the PAGA Allocation; (2)  
2 Attorneys' Fees; (3) Attorneys' Costs; (4) Settlement Administration Costs; and (5) Service Payment  
3 to the Named Plaintiff.

4           21.    Objection. "Objection" means an objection to the Settlement that a Settlement  
5 Class Member submits in writing to the Settlement Administrator. Each "Objection" must (1)  
6 contain the name, address, and telephone number of the Settlement Class Member objecting and the  
7 case name and number of the Action; (2) be signed by the Settlement Class Member; (3) be  
8 postmarked or fax stamped on or before the Response Deadline (as defined below) and returned to  
9 the Settlement Administrator at the specified address or fax number; and (4) give the legal and factual  
10 basis for their objection.

11           22.    Opt Out Request. "Opt Out Request" means a request by a Class Member to  
12 be excluded from the Settlement of Settled Claims. Each "Opt Out Request" should (1) contain the  
13 name, address, and telephone number of the Class Member requesting exclusion and the case name  
14 and number of the Action; (2) be signed by the Class Member; (3) be postmarked or fax stamped on  
15 or before the Response Deadline and returned to the Settlement Administrator at the specified address  
16 or fax number; and (4) contain a statement something substantially similar to:

17                   "I WISH TO BE EXCLUDED FROM THE SETTLEMENT OF CLASS CLAIMS  
18                   IN THE *SAMONTE v. VELODYNE LIDAR, INC.* LAWSUIT. I UNDERSTAND  
19                   THAT THE PAGA CLAIM WILL STILL BE RELEASED AND SETTLED."

20           23.    Parties. "Parties" shall mean Named Plaintiff, individually on behalf of  
21 herself and on behalf of all Class Members, PAGA Members and interests of the LWDA, and  
22 Defendant.

23           24.    PAGA Allocation. "PAGA Allocation" refers to the amount of Eighty  
24 Thousand Dollars and Zero Cents (\$80,000.00) which is allocated to the settlement of the Settled  
25 PAGA Claims.

26           25.    PAGA Members. "PAGA Members" (individually, "PAGA Member")  
27 means all Class Members who are employed or have been employed by Defendant in the State of  
28 California during the PAGA Period.

1                   26.    PAGA Payment(s). “PAGA Payment(s)” shall refer to individual  
2 settlement payments made to PAGA Members from the PAGA Allocation as provided for in  
3 this Agreement.

4                   27.    PAGA Period. “PAGA Period” shall run from June 8, 2019 through the date  
5 of the Preliminary Approval Order or sixty (60) days from August 5, 2021, whichever is sooner.

6                   28.    Pay Period(s). “Pay Period” (plural “Pay Periods”) shall mean any bi-weekly  
7 pay period (*i.e.*, period beginning on Sunday and ending on second following Saturday) in which a  
8 Class Member or PAGA Member performed work for Defendant at least one day.

9                   29.    Preliminary Approval Order. “Preliminary Approval Order” is the Order  
10 entered and filed by the Court that preliminarily approves the terms and conditions of this Agreement,  
11 including approval of the Parties’ Agreement that specifies the content of notice and manner in which  
12 notice will be provided to the Class and responded to by the Class, substantially in the form attached  
13 hereto as **Exhibit B**.

14                   30.    Released Parties. “Released Parties” include Defendant and each of its  
15 officers, directors, members, partners, owners, shareholders, employees, former employees, agents,  
16 servants, attorneys, assigns, affiliates, independent contractors, volunteers, predecessors, successors,  
17 parent companies and organizations, insurers, and any and all other persons, firms and corporations  
18 in which Defendant may have an interest.

19                   31.    Response Deadline. “Response Deadline” means the day that is sixty (60)  
20 days after the date the Class Notice is mailed to Class Members via First-Class U.S. Mail and is the  
21 deadline to submit an Opt Out Request (as defined below), Objection (as defined below), and/or  
22 Dispute (as defined below).

23                   32.    Service Payment. “Service Payment” refers to the amount of Seven Thousand  
24 Five Hundred Dollars and Zero Cents (\$7,500.00) payable to the Named Plaintiff in exchange for  
25 her service in furtherance of the Action.

26                   33.    Settlement. “Settlement” shall refer to the agreement of the Parties to settle  
27 the claims as set forth and embodied in this Agreement.  
28

1           34.    Settlement Administrator. “Settlement Administrator” shall mean Phoenix  
2 Settlement Administrators, a neutral administrator as mutually chosen by the Parties and approved  
3 by the Court.

4           35.    Settlement Administration Costs. “Settlement Administration Costs” refers  
5 to the amount to be paid to the Settlement Administrator for the costs of administering this  
6 Settlement, not to exceed Fifteen Thousand Dollars and Zero Cents (\$15,000.00).

7           36.    Settlement Payment(s). “Settlement Payment(s)” shall refer to individual  
8 settlement payments made to Settlement Class Member(s) from the Net Distribution Fund as  
9 provided for in this Agreement.

10          37.    Settled Claims. “Settled Claims” are all claims, charges, complaints, liens,  
11 demands, causes of action, obligations, damages and liabilities, arising during the Class Period that  
12 each Class Member had, now has, or may hereafter claim to have against the Released Parties and  
13 that were asserted in the Complaint, or that could have been asserted in the Complaint based on any  
14 of the facts alleged in the Complaint, regardless of whether such claims arise under federal, state  
15 and/or local law, statute, ordinance, regulation, common law, or other source of law. The Settled  
16 Claims specifically include, but are not limited to, claims for: (1) Violation of California Labor Code  
17 §§ 510 and 1198 (failure to pay overtime wages); (2) Violation of California Labor Code §§ 226.7  
18 and 512(a) (failure to provide compliant meal periods and associated premiums); (3) Violation of  
19 California Labor Code § 226.7 (failure to provide compliant rest periods and associated premiums);  
20 (4) Violation of California Labor Code §§1194, 1194.2, 1197, and 1197.1 (failure to pay minimum  
21 and straight time wages); (5) Violation of California Labor Code §§ 201, 202 and 203 (failure to  
22 timely pay final wages); (6) Violation of California Labor Code § 204 (failure to timely pay wages  
23 during employment); (7) Violation of California Labor Code § 226(a) (failure to provide compliant  
24 wage statements); (8) Violation of California Labor Code § 1174(d) (failure to keep requisite payroll  
25 records); (9) Violation of California Labor Code §§ 2800 and 2802 (failure to reimburse business  
26 expenses); and (10) Violation of California Business & Professions Code §§ 17200, *et seq.*

27          38.    Settled PAGA Claims. “Settled PAGA Claims” means any of the Settled  
28 Claims that may serve as a basis for any claim under the Private Attorneys General Act (“PAGA”)

1 for *any* of the California Labor Code violations and/or violations of Wage Orders alleged within the  
2 Complaint, including, but not limited to, California Labor Code sections 201, 202, 203, 204, 226(a),  
3 226.7, 510, 512(a), 551, 552, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802.

4 39. Settlement Class/Settlement Class Member(s). “Settlement Class” or  
5 “Settlement Class Member(s)” means all Class Members who have not timely and validly submitted  
6 an Opt Out Request.

7 40. Settlement Proceeds Distribution Deadline. “Settlement Proceeds Distribution  
8 Deadline” means a date that is fourteen (14) days after the Maximum Settlement Amount has been  
9 deposited by Defendant.

10 41. Severance Class Members. “Severance Class Members” means the former  
11 hourly-paid or non-exempt employees with whom Defendant entered into severance agreements as  
12 of August 5, 2021.

13 42. Updated Address. “Updated Address” means a mailing address that was  
14 updated by a reasonable address verification measure of the Settlement Administrator or by an  
15 updated mailing address provided by the United States Postal Service for a Class Member or PAGA  
16 Member.

17 43. Workweek. “Workweek” shall mean any calendar week (*i.e.*, a week  
18 beginning on Sunday and ending on Saturday) in which a Class Member or PAGA Member  
19 performed work for Defendant at least one day. The Parties agree that, for purposes of determining  
20 Workweeks of Class Members and PAGA Members under this Agreement, Defendant may also  
21 calculate Workweeks by either (1) multiplying the number of Pay Periods attributable to a Class  
22 Member and/or PAGA Member by 2, or (2) calculating the number of days between the hire and  
23 termination dates and rehire and termination dates based on a 360-day year (using Microsoft Excel’s  
24 DAYS360 function which returns the number of days between two dates based on a 360-day year  
25 (*i.e.*, twelve 30-day months)) and dividing the result by 7.

26 **RECITALS**

27 44. The Action was filed on June 8, 2020 in the Superior Court of California,  
28 County of Santa Clara. The Complaint alleges the following causes of action: (1) Failure to Pay



1 Minimum and Straight Time Wages [Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197]; (2) Failure to  
2 Pay Overtime Compensation [Cal. Lab. Code §§ 1194 and 1198]; (3) Failure to Provide Meal Periods  
3 [Cal. Lab. Code §§ 226.7, 512]; (4) Failure to Authorize and Permit Rest Breaks [Cal. Lab. Code §§  
4 226.7]; (5) Failure to Timely Pay Final Wages at Termination [Cal. Lab. Code §§ 201-203]; (6)  
5 Failure to Provide Accurate Itemized Wage Statements [Cal. Lab. Code § 226]; (7) Unfair Business  
6 Practices [Cal. Bus. & Prof. Code §§ 17200, *et seq.*]; and (8) Civil Penalties Under PAGA [Cal. Lab.  
7 Code § 2699, *et seq.*]

8 45. Defendant filed an answer and denied all allegations and claims asserted in  
9 the Complaint on November 16, 2020.

10 46. Defendant and Class Counsel, on behalf of the Named Plaintiff and Class  
11 Members, attended mediation with Kelly A. Knight, Esq. on August 5, 2021. Through settlement  
12 discussions, the Parties reached the Agreement herein. The Parties agree that the terms and  
13 conditions of this Agreement are the result of lengthy, intensive arms-length negotiations between  
14 the Parties supervised by an experienced employment law mediator. The Parties agree that the  
15 Agreement is entered into in good faith as to each Class Member and PAGA Member and that the  
16 Settlement is fair, reasonable and adequate as to each Class Member and PAGA Member.

### 17 **TERMS AND CONDITIONS OF SETTLEMENT**

18 NOW THEREFORE, in consideration of the recitals listed above and the promises and  
19 warranties set forth below, and intending to be legally bound and acknowledging the sufficiency of  
20 the consideration and undertakings set forth herein, the Named Plaintiff, individually on behalf of  
21 herself and on behalf of the Class Members and PAGA Members and LWDA, on the one hand, and  
22 Defendant, on the other hand, agree that the Action shall be, and is finally and fully compromised  
23 and settled on the following terms and conditions.

24 47. Non-Admission of Liability. The Parties enter into this Agreement to resolve  
25 the Action and to avoid the burden, expense and risk of continued litigation. In entering into this  
26 Agreement, Defendant does not admit, and specifically denies, that it has: (1) violated any federal,  
27 state, or local law; (2) violated any regulations or guidelines promulgated pursuant to any statute or  
28 any other applicable laws, regulations, or legal requirements; breached any contract; or (3) engaged

1 in any other culpable, wrongful or unlawful conduct with respect to its employees or any other person  
2 or entity. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations  
3 connected with it or proceedings, payouts, or other events associated with it, shall be construed as an  
4 admission or concession by Defendant of any such violation(s) or failure(s) to comply with any  
5 applicable law by Defendant or any Released Parties. Except as necessary in a proceeding to  
6 approve, interpret, or enforce the terms of this Agreement, this Agreement and its terms and  
7 provisions shall not be offered or received as evidence in any action or proceeding to establish any  
8 admission on the part of Defendant or to establish the existence of any condition constituting a  
9 violation of, or noncompliance with, federal, state, local or other applicable law. The Parties intend  
10 this Settlement to be contingent upon the Preliminary Approval and Final Approval of this  
11 Agreement; and in the event Final Approval of this Agreement is not obtained, the Parties do not  
12 waive, and instead expressly reserve, their respective rights to prosecute and defend the Action as if  
13 this Agreement never existed. In the event that Final Approval of this Agreement is denied by the  
14 Court, fails to become effective, or is reversed, withdrawn, or modified by the Court or any other  
15 court with jurisdiction over the Action, the Agreement shall become null and void *ab initio* and shall  
16 have no bearing on, and shall not be admissible in connection with, further proceedings in the Action.

17           48.     Stipulation for Class Certification. The Parties stipulate to the certification of  
18 the Class for purposes of this Settlement only. If, however, the Settlement does not become final for  
19 any reason, the Parties' Agreement shall become null and void *ab initio* and shall have no bearing  
20 on, and shall not be admissible in connection with, whether class certification would be appropriate  
21 in any other context in the Action.

22           49.     Release of Settled Claims. As of the Effective Date and after payment of all  
23 funds due under the terms of this Settlement, Named Plaintiff and all Settlement Class Members  
24 hereby do and shall be deemed to have fully, finally, and forever released, settled, compromised,  
25 relinquished, and discharged any and all Settled Claims against any and all Released Parties. The  
26 Settlement includes a release of all Settled Claims during the Class Period by Settlement Class  
27 Members. The Parties agree that it is their intent that the terms set forth in this Agreement will  
28 release any further attempt, by lawsuit, administrative claim or action, arbitration, demand, or other

1 action of any kind, by each and every Settlement Class Member to obtain any recovery based on  
2 Settled Claims.

3 a. The Parties agree for settlement purposes only that, because the Class  
4 Members are so numerous, it is impossible or impracticable to have each Class Member execute this  
5 Agreement. Accordingly, the Class Notice will advise all Class Members of the binding nature of  
6 the release of Settled Claims and Settled PAGA Claims and such notice shall have the same force  
7 and effect as if the Agreement were executed by each Class Member.

8 b. Named Plaintiff and Class Counsel represent, covenant, and warrant  
9 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,  
10 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action,  
11 cause of action, or rights herein released and discharged, except as set forth herein.

12 c. The Parties agree that this is a settlement of disputed claims not  
13 involving undisputed wages, and that Labor Code Section 206.5 is therefore inapplicable.

14 50. Release of Settled PAGA Claims. As of the Effective Date and after payment  
15 of all funds due under the terms of this Settlement, Named Plaintiff, individually and on behalf of  
16 the State of California and all PAGA Members, hereby does and shall be deemed to have fully,  
17 finally, and forever released, settled, compromised, relinquished, and discharged any and all of the  
18 Released Parties of and from any and all Settled PAGA Claims during the PAGA Period. The Parties  
19 agree that it is their intent that the terms set forth in this Agreement  
20 will release any further attempt, by lawsuit, administrative claim or action, arbitration, demand, or  
21 other action of any kind, by each and every PAGA Member to obtain any recovery based on the  
22 Settled PAGA Claims. All PAGA Members shall release claims arising under PAGA regardless of  
23 their decision to participate in the Settlement.

24 51. Individual Release of Claims for Named Plaintiff. In addition to all other  
25 releases set forth in this Agreement, and except as to claims specifically excluded (as discussed in  
26 this paragraph), the Named Plaintiff makes the additional following general release of all claims,  
27 known or unknown. The Named Plaintiff releases the Released Parties from all claims, demands,  
28 rights, liabilities, and causes of action of every nature and description whatsoever, known or

1 unknown, asserted or that might have been asserted—whether based upon federal, state or local  
2 constitutional law, tort law, contract law, statute/rule/regulation, or any other legal or equitable  
3 theory of recovery—arising out of, relating to, or in connection with any act or omission by or on  
4 the part of any of the Released Parties committed or omitted through the execution of this Agreement.  
5 The Named Plaintiff also specifically agrees and acknowledges that she is waiving all claims under  
6 the Civil Rights Act of 1964, the California Fair Employment and Housing Act, the Americans with  
7 Disabilities Act, the Family and Medical Leave Act, the California Family Rights Act, the Age  
8 Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Employee  
9 Retirement Income Security Act, the Fair Labor Standards Act, the California Labor Code,  
10 California’s Wage Orders, all other laws governing the payment of wages, the California  
11 Government Code, and the California Business and Professions Code. (The release set forth in this  
12 Paragraph shall be referred to as the “General Release”). The Named Plaintiff agrees not to sue or  
13 otherwise make a claim against any of the Released Parties that is in any way related to the General  
14 Release to the maximum extent permitted by law. The General Release includes any unknown claims  
15 the Named Plaintiff does not know or suspect to exist in her favor at the time of the General Release,  
16 which, if known, might have affected Named Plaintiff’s settlement with, and release of, the Released  
17 Parties or might have affected her decision not to object to this Settlement or the General Release.  
18 With respect to the General Release, the Named Plaintiff stipulates and agrees that she shall be  
19 deemed to have, and by operation of the Final Judgment shall have, expressly waived and  
20 relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542  
21 of the California Civil Code, which states:

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

26 This General Release shall not affect or bar any claims that the Named Plaintiff may have for  
27 Unemployment Insurance, claims under the National Labor Relations Act, and the right to receive  
28 benefits under any retirement plan or to elect COBRA continuation of health insurance benefits. Nor

1 shall the General Release preclude the Named Plaintiff from filing a charge with any applicable  
2 administrative agency. The Named Plaintiff understands and agrees, however, that by way of the  
3 General Release, they individually release any right to recover monetary damages in an action  
4 brought by an administrative agency.

5           52.    Settlement Payments and Calculation of Claims. Subject to final Court  
6 approval and the conditions specified in this Agreement, and in consideration of the mutual  
7 covenants and promises set forth herein, Defendant agrees to make a payment or payments as set  
8 forth herein totaling an amount of, but not to exceed the Maximum Settlement Amount. The  
9 Maximum Settlement Amount shall be apportioned as follows:

10           a.    Attorneys' Fees. Class Counsel will apply to the Court for an award  
11 of attorneys' fees of no more than Two Hundred and Sixty-One Thousand Six Hundred and Sixty-  
12 Six Dollars and Sixty-Seven Cents (\$261,666.67) and which represents Thirty-Three and One-Third  
13 percent (33.33%) of the Maximum Settlement Amount (i.e., Attorneys' Fees). The Attorneys' Fees  
14 shall be paid from and be deducted from the Maximum Settlement Amount, and Defendant will not  
15 oppose such application. In the event the Court approves an amount less than 33.33% of the  
16 Maximum Settlement Amount, the un-awarded amount shall become part of the Net Distribution  
17 Fund for allocation to Settlement Class Members. Any reduction by the Court shall not constitute  
18 grounds for revocation or cancellation of this Agreement by Named Plaintiff.

19           b.    Attorneys' Costs. Class Counsel shall request approval of an amount  
20 not to exceed Fifteen Thousand Dollars and Zero Cents (\$15,000.00) in costs, including any litigation  
21 costs (i.e., Attorneys' Costs), which will be paid and deducted from the Maximum Settlement  
22 Amount. Defendant will not oppose such application. Any un-awarded Attorneys' Costs shall  
23 become part of the Net Distribution Fund for allocation to Settlement Class Members. Any reduction  
24 by the Court shall not constitute grounds for revocation or cancellation of this Agreement by Named  
25 Plaintiff. Attorneys' Fees as specified in the preceding paragraph and Attorneys' Costs as specified  
26 in this paragraph shall cover all claimed and unclaimed Attorneys' Fees, Attorneys' Costs, and other  
27 amounts payable or awardable against Defendant for Class Counsel's work, effort, or involvement  
28 in the Action and in carrying out the Agreement and includes any and all work, effort, or involvement

1 to carry out the terms of the Agreement and as may be potentially or actually necessary or advisable  
2 to defend the Agreement and/or Settlement through appeal, or collateral attack or in any other forum  
3 or proceeding. These specified Attorneys' Fees and Attorneys' Costs shall be the sole payment for  
4 attorneys' fees and costs and, otherwise, the Parties and Class Members and their counsel shall bear  
5 their own fees and costs in connection with the Action.

6 c. Settlement Administration Costs. Class Counsel will also apply to the  
7 Court for approval of costs of settlement administration in an amount estimated to be up to Fifteen  
8 Thousand Dollars and Zero Cents (\$15,000.00), which the Parties agree will be deducted from the  
9 Maximum Settlement Amount (i.e., Settlement Administration Costs). Defendant will not oppose  
10 such application. Any un-awarded amount shall become part of the Net Distribution Fund for  
11 allocation to Settlement Class Members. Class Counsel will specify the amount sought for such  
12 costs, up to the foregoing maximum, in Named Plaintiff's motion for final approval of the Settlement.

13 d. Named Plaintiff's Service Payment. Class Counsel will apply to the  
14 Court for approval of an enhancement award in an amount not to exceed Seven Thousand Five  
15 Hundred Dollars and Zero Cents (\$7,500.00) for the Named Plaintiff to be paid from the Maximum  
16 Settlement Amount for assuming the risks associated with this Action, and in consideration for a  
17 General Release of all claims by the Named Plaintiff (i.e., the Service Payment). Defendant will not  
18 oppose such application. Any un-awarded amount shall become part of the Net Distribution Fund  
19 for allocation to Settlement Class Members. Any reduction by the Court shall not constitute grounds  
20 for revocation or cancellation of this Agreement by Named Plaintiff. The Named Plaintiff  
21 understands and acknowledges that should she fail to keep the instant terms of this Agreement  
22 confidential prior to the filing of a motion for preliminary approval of the Settlement, her Service  
23 Payment may be reduced by the Court to One Thousand Dollars and Zero Cents (\$1,000.00).

24 e. Employer Payroll Taxes. Defendant agrees to pay its share of payroll  
25 taxes and contributions in connection with the portion of the settlement allocated towards wages  
26 (which it will pay in addition to the Maximum Settlement Amount).

27 f. PAGA Allocation and PAGA Payment(s). Pursuant to California  
28 Labor Code Section 2698, *et seq.*, the Parties designate Eighty Thousand Dollars and Zero Cents

1 (\$80,000.00) of the Maximum Settlement Amount to resolve the Settled PAGA Claims (i.e., the  
2 PAGA Allocation). Pursuant to the California Labor Code, seventy-five percent (75%) of the PAGA  
3 Allocation, which is Sixty Thousand Dollars and Zero Cents (\$60,000.00), will be paid to the LWDA.  
4 The remaining Twenty Thousand Dollars and Zero Cents (\$20,000.00) (“Net PAGA Distribution  
5 Amount”) shall be paid to PAGA Members on a *pro rata* basis based on the number of Workweeks  
6 worked by the PAGA Member during the PAGA Period as follows:

7 i. The Settlement Administrator will determine the total number  
8 of Workweeks worked by PAGA Members during the PAGA Period (“Qualifying PAGA  
9 Workweek(s)”) as reflected in the Class List to be provided by Defendant to the Settlement  
10 Administrator;

11 ii. Each of the PAGA Members is eligible to receive a pro rata  
12 share of the Net PAGA Distribution Amount based on his or her share of the total number of  
13 Qualifying PAGA Workweeks worked.

14 iii. The value of a single Qualifying PAGA Workweek shall be  
15 determined by dividing the Net PAGA Distribution Amount by the total number of Qualifying PAGA  
16 Workweeks worked by all PAGA Members. Each PAGA Member shall receive a PAGA Payment  
17 equal to his or her Qualifying PAGA Workweeks multiplied by the value of a single Qualifying  
18 PAGA Workweek. PAGA Members shall receive their respective PAGA Payments regardless of  
19 whether they opt out with respect to their class claims.

20 g. Settlement Payments to Settlement Class Members. Settlement  
21 Payments to the Settlement Class Members will be calculated as follows:

22 i. The Settlement Administrator will allocate Twenty-Five  
23 Thousand Dollars and Zero Cents (\$25,000.00) to Severance Class Members, which amount will be  
24 apportioned equally amongst all Severance Class Members who fall under the “Settlement Class  
25 Members” definition contained herein. Severance Class Members will not be entitled to any amounts  
26 in addition to the above (with the exception of any *pro rata* payments they receive from the Net  
27 PAGA Distribution Amount on account of being PAGA Member(s)).  
28

1                   ii.       The Settlement Administrator will thereafter determine the  
2 total number of Workweeks worked by Settlement Class Members (other than Severance Class  
3 Members) during the Class Period (“Qualifying Workweek(s)”) as reflected in the Class List to be  
4 provided by Defendant to the Settlement Administrator;

5                   iii.       Each of the Class Members (other than Severance Class  
6 Members) is eligible to receive a *pro rata* share of the Net Distribution Fund (less the \$25,000.00  
7 allocated for Severance Class Members) based on his or her share of the total number of Qualifying  
8 Workweeks worked.

9                   iv.       The value of a single Qualifying Workweek shall be  
10 determined by dividing the Net Distribution Fund (less \$25,000.00 awarded to Severance Class  
11 Members) by the total number Qualifying Workweeks by all Settlement Class Members (excluding  
12 Severance Class Members). Each Settlement Class Member (excluding Severance Class Members)  
13 shall receive a gross individual payment (“Individual Settlement Payment”) equal to his or her  
14 Qualifying Workweeks multiplied by the value of a single Qualifying Workweek.

15                   h.       The Parties agree that under no circumstances shall Defendant be  
16 obligated to pay any amount under this Agreement to any Class Member other than all Settlement  
17 Class Members and PAGA Members.

18                   i.       The Parties acknowledge and agree that the formula used to calculate  
19 Settlement Payments and PAGA Payments does not imply that all of the elements of damages  
20 covered by the release are not being taken into account.

21                   53.   No Credit Toward Benefit Plans.   The Settlement Payments made to  
22 Settlement Class Members and PAGA Payments made to PAGA Members under this Agreement  
23 shall not be utilized to calculate any additional benefits under any benefit plans to which any  
24 Settlement Class Members or PAGA Members may be eligible, including, but not limited to: profit-  
25 sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO  
26 plans, and any other benefit plan. Rather, it is the Parties’ intention that this Agreement will not  
27 affect any rights, contributions, or amounts to which any Settlement Class Members and PAGA  
28 Members may be entitled under any benefit plans.



1                   54.    Taxation of Settlement Proceeds.

2                   a.       The Parties agree that the Settlement Payments shall be allocated as  
3 follows: thirty-three and one-third percent (33.33%) will be allocated to wages, and subject to all  
4 applicable employee state and federal tax withholdings; thirty-three and one-third percent (33.33%)  
5 will be considered penalties; and thirty-three and one-third percent (33.33%) shall be allocated to  
6 interest and any other non-wage related amount. The payment for wages shall be reported on an IRS  
7 Form W-2. The payments for penalties, interest and other non-wage related amounts will be reported  
8 on an IRS Form 1099.

9                   b.       The PAGA Payments to PAGA Members will be designated entirely  
10 as payments for alleged penalties.

11                  c.       The Settlement Administrator shall calculate, withhold from the  
12 Individual Settlement Payments, and remit to applicable governmental agencies sufficient amounts,  
13 if any, as may be owed by Settlement Class Members for applicable employee taxes. The Settlement  
14 Administrator will issue appropriate tax forms, as required, to each such Settlement Class Member  
15 and PAGA Member consistent with the above allocations.

16                  d.       All Parties represent that they have not received, and shall not rely on,  
17 advice or representations from other Parties or their agents regarding the tax treatment of payments  
18 under federal, state, or local law. In this regard, Defendant makes no representations regarding the  
19 taxability of the Settlement Payments, PAGA Payments, or any other payments made under this  
20 Agreement.

21                  e.       Class Counsel will be issued an IRS Form 1099 for the Attorneys’ Fees  
22 and Attorneys’ Costs awarded by the Court.

23                  f.       The Named Plaintiff will be issued IRS Form 1099s for any Service  
24 Payment approved by the Court. The Service Payment payable to the Named Plaintiff shall be in  
25 addition to the Settlement Payment and, if applicable, PAGA Payment that she will receive.

26                   55.    Provisional Approval of Settlement. Named Plaintiff shall file a motion in the  
27 Action and take all other necessary steps to request that the Court enter the Preliminary Approval  
28 Order based on an agreed-upon Settlement schedule, subject to Court approval, including:

1                   a.       Seeking class certification on the terms set forth in this Agreement  
2 solely for purposes of Settlement;

3                   b.       Preliminarily approving the proposed Settlement and this Agreement,  
4 including the payments to the Settlement Class Members, Class Counsel, the Named Plaintiff, PAGA  
5 Members, the Settlement Administrator, and the LWDA;

6                   c.       Preliminarily approving the appointment of the Named Plaintiff as  
7 representative of the Class for settlement purposes;

8                   d.       Preliminarily approving the appointment of counsel for Named  
9 Plaintiff as Class Counsel;

10                  e.       Appointing and approving the Settlement Administrator, to comply  
11 with the duties and obligations as required by this Agreement;

12                  f.       Approving the form of the Class Notice mutually agreed by the Parties;

13                  g.       Scheduling the Final Approval Hearing for consideration of final  
14 approval of this Agreement;

15                  h.       Approving the procedure to submit an Opt Out Request, Objection, or  
16 Dispute;

17                         Defendant shall not oppose Class Counsel’s motions for preliminary approval and  
18 final approval of the Settlement so long as the motions and supporting papers are consistent with the  
19 terms of this Agreement. Class Counsel shall provide Defendant with five (5) business days to  
20 review and provide comments on the motions for preliminary and final approval of the Settlement  
21 before the motion and supporting papers are filed with the Court. Failure of the Court to grant a  
22 Preliminary Approval Order will be grounds for the Parties to terminate the Settlement and the terms  
23 of the Agreement, provided that, should the Court fail to approve this Settlement for any reason, the  
24 Parties first agree that they will return to and attend mediation with a mutually agreed mediator in an  
25 effort to reach a settlement that may be approved by the Court. A request by the Court for  
26 supplemental brief, or a preliminary denial pending additional briefing, shall not be deemed a denial  
27 of preliminary approval. To the extent the Court requests further or supplemental briefing, the Parties  
28 will work in good faith to address the Court’s concerns and questions.

1                   56.    Notice Procedure.

2                   a.        *Class and PAGA Member Data.* Within fourteen (14) calendar days  
3 after notice of entry of the Preliminary Approval Order, Defendant shall provide to the Settlement  
4 Administrator Microsoft Office Excel data file(s) identifying for each Class Member: (1) full name;  
5 (2) last known address; (3) last known telephone number, if known; (4) social security number, if  
6 known; (5) start and end dates of active employment for Class Members; (5) information sufficient  
7 to identify Severance Class Members within the list of Class Members; (6) data necessary to  
8 determine Qualifying Workweeks for each Class Member (other than Severance Class Members);  
9 (7) data necessary to determine Qualifying PAGA Workweeks for each PAGA Member; and (8) any  
10 other information required by the Settlement Administrator in order to effectuate the terms of the  
11 Settlement (collectively referred to as the “Class List”). The Settlement Administrator will keep the  
12 Class List confidential and shall not provide to anyone, including Class Counsel absent express  
13 written approval from Defendant, and shall use it only for the purposes described herein, take  
14 adequate safeguards to protect confidential or private information, and return or certify the  
15 destruction of the information upon completion of the Settlement Administration process.

16                  b.        *Settlement Administrator Duties.* Prior to mailing the Class  
17 Notice, the Settlement Administrator will update the addresses for the Class Members and PAGA  
18 Members using the National Change of Address database and other available resources deemed  
19 suitable by the Settlement Administrator. To the extent this process yields a different address from  
20 the one supplied by Defendant (“Updated Address”), that Updated Address shall replace the address  
21 supplied by Defendant (i.e., Last Known Address) and be treated as the new Last Known Address  
22 for purposes of this Agreement and for subsequent mailings in particular.

23                  c.        *Notice Process.* Within fourteen (14) days following receipt of the  
24 Class List, the Settlement Administrator shall prepare and mail the approved Class Notice. The  
25 Settlement Administrator shall deliver the Class Notice by First-Class U.S. Mail to each Class  
26 Member and PAGA Member’s Last Known Address or Updated Address (if applicable).

27                  d.        *Opt Out Request.* Any Class Member may exclude himself or herself  
28 from the Settlement. Any such Opt Out Request must be submitted to the Settlement Administrator

1 in writing on or before the Response Deadline. Opt Out Requests do not apply to the Settled PAGA  
2 Claims and will not exclude PAGA Members from the release of Settled PAGA Claims.

3 e. *Objections.* Any Settlement Class Member may object to the  
4 Settlement by submitting an Objection to the Settlement Administrator on or before the Response  
5 Deadline. Any Settlement Class Member may also choose to appear at the Final Approval Hearing  
6 to state their objection. The Parties shall be permitted to file responses to any Objections no later  
7 than five (5) court days prior to the Final Approval Hearing. At no time shall any of the Parties or  
8 their counsel seek to solicit or otherwise encourage Settlement Class Members to submit any  
9 Objections to the Settlement or appeal from the Order of Final Approval and/or Final Judgment.  
10 Class Counsel shall not represent any Settlement Class Members with respect to any such Objections.  
11 The Settlement Administrator shall file or otherwise submit to the Court and serve on the Parties all  
12 Objections received by the Settlement Administrator within ten (10) days after the Response  
13 Deadline.

14 f. *Disputes.* Class Members will have the right to challenge the number  
15 of Qualifying Workweeks and/or Qualifying PAGA Workweeks allocated to them. Class Members  
16 shall have until the Response Deadline to submit to the Settlement Administrator their dispute *in*  
17 *writing* (“Dispute”) at the address indicated on the Class Notice. Each Dispute must (1) contain the  
18 name, address, and telephone number of the Class Member and the case name and number of the  
19 Action; (2) be signed by the Class Member; (3) be postmarked or fax stamped on or before the  
20 Response Deadline and returned to the Settlement Administrator at the specified address or fax  
21 number; (4) clearly state the number of Qualified Workweeks and/or Qualified PAGA Workweeks  
22 he or she believes is correct; and (5) attach any documentary evidence the Class Member has to prove  
23 the number of contented Qualified Workweeks and/or Qualified PAGA Workweeks. Defendant  
24 shall have the right to respond to any Dispute submitted by any Class Members. The Settlement  
25 Administrator will inform Class Counsel and Defendant’s Counsel in writing of any timely submitted  
26 Disputes and will determine all such Disputes. Subject to Court approval, Disputes will be resolved  
27 without hearing by the Settlement Administrator, who will make a decision based on Defendant’s  
28

1 records and any documents or other information presented by the Class Member making the Dispute,  
2 Class Counsel, or Defendant.

3 g. *Settlement Administrator Follow-Up Efforts.*

4 i. The Settlement Administrator shall re-mail by First-Class U.S.  
5 mail the Class Notice returned by the Post Office with a forwarding address, and shall re-mail by  
6 First-Class U.S. mail the Class Notice to any individual who personally provides an updated address  
7 to the Settlement Administrator.

8 ii. In the event that the first mailing of the Class Notice to any  
9 Class Member and PAGA Member is returned without a forwarding address, the Settlement  
10 Administrator will immediately perform a skip trace search using social security numbers provided  
11 by Defendant and National Change of Address searches, as needed, to obtain an updated mailing  
12 addresses.

13 h. *Documenting Communications.* The Settlement Administrator shall  
14 date stamp documents it receives, including Opt Out Requests, Objections, Disputes and any  
15 correspondences and documents from Class Members and PAGA Members.

16 i. *Settlement Administrator Declaration.* At least ten (10) days prior to  
17 the filing of the motion for final approval, the Settlement Administrator shall prepare, subject to the  
18 Parties' input and approval, a declaration setting forth the due diligence and proof of mailing of the  
19 Class Notice, the results of the Settlement Administrator's mailings, including tracing and re-mailing  
20 efforts, and the Class Members' and PAGA Members' responses to those mailing, and provide  
21 additional information deemed necessary to approve the settlement.

22 j. *Settlement Administrator Written Reports.* Each week after initially  
23 mailing the Class Notices and prior to the Response Deadline, the Settlement Administrator shall  
24 provide the Parties with a report listing the number of Class Members that submitted Opt Out  
25 Requests and Objections as well as the number of re-mailed and/or undeliverable class notices.  
26 Within seven (7) days after the Response Deadline, the Settlement Administrator will provide a final  
27 report listing the number of Class Members who submitted Opt Out Requests or Objections.  
28

1                   k.     *Settlement Administrator Calculations of Settlement Payments.*

2     Within seven (7) days after resolving all Disputes made by Settlement Class Members, and following  
3     the Final Approval Order, the Settlement Administrator shall provide to the Parties a report showing,  
4     by employee ID number and without individual names, its calculation of all Settlement Payments to  
5     be made to Settlement Class Members and PAGA Payments to be made to PAGA Members. After  
6     receiving the Settlement Administrator's report, Class Counsel and Defendant's counsel shall review  
7     the same to determine if the calculation of payments to Settlement Class Members and PAGA  
8     Members is consistent with this Agreement, and shall notify the Settlement Administrator if either  
9     counsel does not believe the calculation is consistent with the Agreement. After receipt of comments  
10    from counsel, the Settlement Administrator shall finalize its calculation of Settlement Payments and  
11    PAGA Payments, at least five (5) days prior to the distribution of such payments, and shall provide  
12    Class Counsel and Defendant's Counsel with a final report listing, by employee ID number and  
13    without individual names, the amount of all payments to be made to each Settlement Class Member  
14    from the Net Distribution Fund and listing the amount of all payments to be made to each PAGA  
15    Member from the Net PAGA Distribution Amount. The Settlement Administrator will also provide  
16    information that is requested and approved by both Parties regarding its duties and other aspects of  
17    the Settlement and that is necessary to carry out the terms of the Settlement.

18                1.     *Case Website.* The Settlement Administrator shall establish a static website  
19    and, on the website, post this stipulation, any preliminary approval order and the Final Approval  
20    Order and Judgment, for a duration of at least 180 days after the Effective Date, unless otherwise  
21    ordered by the Court. Posting of the Final Approval Order and Judgment on such website shall  
22    constitute notice of judgment to the Settlement Class, as required by California Rule of Court  
23    3.771(b).

24                57.    Requirements for Recovery of Settlement Payments.

25                a.     *Class Members.* No claim form is necessary to participate in the  
26    Settlement. Unless a Class Member submits a valid and timely Opt Out Request, that Class Member  
27    will be a Settlement Class Member, bound by the Final Judgment, and will receive a payment from  
28    the Net Distribution Fund (i.e., a Settlement Payment). All Class Members except for those who

1 timely and validly opt out of the Settlement (i.e., Settlement Class Members) shall be bound by the  
2 release of Settled Claims in this Agreement.

3 b. *PAGA Members.* All PAGA Members shall be bound by the release  
4 of Settled PAGA Claims in this Agreement.

5 c. *Late Submissions.* The Settlement Administrator shall not accept as  
6 valid any Opt Out Request postmarked after the Response Deadline. It shall be presumed that, if an  
7 Opt Out Request or Objection is not postmarked by, facsimiled, or otherwise received on or before  
8 the Response Deadline, the Class Member did not return the Opt Out Request or Objection in a  
9 timely manner.

10 d. *Opt-Out Procedure.* A Class Member will not be entitled to opt out of  
11 the Settlement established by this Agreement unless he or she submits to the Settlement  
12 Administrator a timely and valid Opt Out Request.

13 i. The Settlement Administrator shall not have the authority to  
14 extend the deadline for Class Members to submit an Opt Out Request absent agreement by both  
15 Parties.

16 ii. Class Members shall be permitted to rescind in writing their  
17 Opt Out Request by submitting a written rescission statement to the Settlement Administrator no  
18  
19 later than the filing date of the motion for Final Approval.

20 iii. If more than ten percent (10%) of the Class Members timely  
21 opt out of the Settlement, Defendant shall have the sole and absolute discretion to withdraw from  
22 this Agreement within thirty (30) days after the Response Deadline and written notice from the  
23 Settlement Administrator of the final opt out rate. Defendant shall provide written notice of such  
24 withdrawal to Class Counsel. In the event that Defendant elects to so withdraw, the withdrawal shall  
25 have the same effect as a termination of this Agreement for failure to satisfy a condition of  
26 Settlement, and the Agreement shall become null and void and have no further force or effect and  
27 Defendant will be responsible for any and all Settlement Administration Costs incurred thus far.  
28

1                   58.     Final Fairness Hearing, Final Approval and Final Judgment.

2                   a.       *Entry of Final Judgment.* At the Final Approval Hearing, Named  
3 Plaintiff will request, and Defendant will concur in said request, that the Court enter a Final  
4 Judgment.

5                   b.       *Motion.* Named Plaintiff will draft and file a motion for final approval  
6 in conformity with any requirements from the Court and will take other action to request the entry  
7 of Final Judgment in accordance with this Agreement. In conjunction with the motion for final  
8 approval and requesting an award of Attorneys' Fees, Attorneys' Costs, and Service Payment, Class  
9 Counsel shall file a declaration from the Settlement Administrator confirming that the Class Notice  
10 was mailed to all Class Members as required by this Agreement, as well as any additional information  
11 Class Counsel, with the input and approval of Defendant, deems appropriate to provide to the Court.

12                  c.       *Order.* The Parties shall take all reasonable efforts to secure entry of  
13 the Final Approval Order and Final Judgment. If the Court rejects the Agreement or denies Final  
14 Approval of the Settlement, this Agreement shall be void *ab initio*, and Defendant shall have no  
15 obligation to make any payments under the Agreement besides any Settlement Administration Costs  
16 incurred thus far. The Named Plaintiff will submit a proposed Final Approval Order substantially  
17 similar to the form attached hereto as **Exhibit C**. Said Final Approval Order shall contain the  
18 following provisions:

19                   i.       Wherein the Court enters Final Judgment, finding that this  
20 Agreement and Settlement is fair, just, equitable, reasonable, adequate, and in the best interests of  
21 the Class and was reached as a result of intensive, serious, and non-collusive arms-length  
22 negotiations and was achieved with the aid of an experienced mediator and in good faith as to each  
23 Class Member;

24                   ii.       Affirming that each side will bear its own costs and fees  
25 (including attorneys' fees), except as provided by the Agreement, and that Defendant shall not be  
26 required to pay any amounts other than as set forth in the Agreement;

27                   iii.       Confirming that the certification of the Class for purposes of  
28 Settlement only;



1                   iv.           Finding that the Settlement Administration process as carried  
2 out afforded adequate protections to Class Members, provided the best notice practicable, and  
3 satisfied the requirements of law and due process;

4                   v.            Rejecting any objections to the Settlement;

5                   vi.           Approving the settlement of Settled PAGA Claims consistent  
6 with the Settlement;

7                   vii.          Retaining Court jurisdiction after entry of judgment to oversee  
8 administration and enforcement of the terms of the Agreement; and

9                   viii.         Requiring the Parties to carry out the provisions of this  
10 Agreement.

11                   59.         Notice to the Labor and Workforce Development Agency. Class Counsel is  
12 responsible for complying with all requirements of the PAGA governing notice to the LWDA of  
13 settlement and/or final judgment. Specifically, Class Counsel will provide a copy of the proposed  
14 settlement to the LWDA at the same time that it is submitted to the Court and will further provide a  
15 copy of the Court’s judgment to the LWDA within ten (10) days after entry of judgment or order as  
16 required by Labor Code sections 2699(1)(2)-(3).

17                   60.         Payment of Settlement. Defendant will deposit the Maximum Settlement  
18 Amount into an account established by the Settlement Administrator within 15 days of the Effective  
19 Date.

20                   a.           The Parties agree that the Maximum Settlement Amount will qualify  
21 as a settlement fund pursuant to the requirements of Section 468(B)(g) of the Internal Revenue Code  
22 of 1986, as amended, and Section 1.468B-1 *et seq.* of the income tax regulations. Furthermore, the  
23 Settlement Administrator is hereby designated as the “Administrator” of the qualified Settlement  
24 funds for purposes of Section 1.468B-2(k) of the income tax regulations. As such, all employee  
25 taxes imposed on the gross income of that settlement fund and any tax-related expenses arising from  
26 any income tax returns or other reporting documents that may be required by the Internal Revenue  
27 Service or any state or local taxing body will be paid from the Net Distribution Fund by the  
28 Settlement Administrator.

1                   b.       The Settlement Administrator shall be deemed to have timely  
2 distributed Settlement Payments and PAGA Payments if it places said payment in the mail (First-  
3 Class U.S.). If the Settlement Administrator receives notice from Settlement Class Members or  
4 PAGA Members that they have not received their settlement check due to changes of address or  
5 other circumstances, the Settlement Administrator shall make reasonable efforts to ensure the initial  
6 payment is cancelled and re-mail the Settlement Payment to the Settlement Class Member and/or  
7 PAGA Payment to the PAGA Member.

8                   c.       The distribution of Attorneys' Fees, Attorneys' Costs, Service  
9 Payment, Settlement Administration Costs, and LWDA's portion of the PAGA Allocation shall  
10 occur no later than the Settlement Proceeds Distribution Deadline. Under no circumstances shall the  
11 foregoing payments be made prior to the distribution of Settlement Payments to Settlement Class  
12 Members and PAGA Payments to PAGA Members.

13                   d.       Settlement Class Members who are sent Settlement Payments and  
14 PAGA Members who are sent PAGA Payments shall have one hundred eighty (180) days after  
15 mailing by the Settlement Administrator to cash their settlement checks.

16                   e.       If such Settlement Class Members and/or PAGA Members do not cash  
17 their checks within the one hundred eighty (180) day period, those checks will become void and a  
18 stop payment will be placed on the uncashed checks. In the event settlement checks that are not  
19 cashed within one hundred eighty (180) days of mailing, or are returned to the Settlement  
20 Administrator, the Settlement Administrator shall send the uncashed funds to Katherine and George  
21 Alexander Community Law Center, a jointly-selected non-profit organization in compliance with  
22 California Code of Civil Procedure section 384. Settlement Class Members and PAGA Members  
23 who fail to deposit or negotiate their check(s) in a timely fashion shall remain subject to the terms of  
24 the Agreement and the Final Judgment.

25                   f.       Upon completion of administration of the Settlement, the Settlement  
26 Administrator shall provide written certification of such completion to the Court, Class Counsel, and  
27 Defendant's Counsel.

1                   61.    Binding Effect of Agreement on Settlement Class Members and PAGA  
2 Members. Subject to final Court approval, all Settlement Class Members and PAGA Members shall  
3 be bound by this Agreement and Final Judgment shall be entered in the Action.

4                   62.    Waiver of Appeal. Subject to preliminary and final approval of this  
5 Settlement, Named Plaintiff and all Class Members, except those Class Members who make timely  
6 and valid Objections pursuant to the terms of this Agreement, expressly waive the right to appeal.

7                   63.    Automatic Voiding of Agreement if Settlement Not Finalized. If for any  
8 reason the Effective Date does not occur, the Settlement shall be null and void and the orders,  
9 judgment, and dismissal to be entered pursuant to this Agreement shall be vacated; and the Parties  
10 will be returned to the status quo prior to entering this Agreement with respect to the Action, as if  
11 the Parties had never entered into this Agreement. In addition, in such event, the Agreement and all  
12 negotiations, court orders and proceedings relating thereto shall be without prejudice to the rights of  
13 any and all Parties hereto, and evidence relating to the Agreement and all negotiations shall not be  
14 admissible or discoverable in the Action or otherwise in any other proceeding.

15                   64.    No Injunctive Relief. The Parties agree that the Settlement does not include  
16 injunctive relief against Defendant or the Released Parties.

17                   65.    Publicity, Confidentiality and Non-Disparagement.

18                   a.    No public comment, communications to media, or any form of  
19 advertising or public announcement (including social media) regarding the Action shall be made by  
20 Named Plaintiff or Class Counsel at any time.

21                   b.    Class Counsel agrees not to solicit any Class Members to exclude  
22 themselves from the terms of this Agreement, and further agrees not to initiate, contact or have any  
23 communications with Class Members during the settlement approval process. Nothing will prevent  
24 Class Counsel from responding to inquiries from Class Members. Defendant agrees that it shall not  
25 discourage any Class Members from participating in the settlement and shall refer any questions to  
26 the Settlement Administrator.

27                   c.    Prior to the motion for preliminary approval and submission of this  
28 Agreement to the Court, Class Counsel shall not discuss the terms of the Agreement or the

1 negotiations leading to Agreement with any person other than the Named Plaintiff, Defendant's  
2 Counsel, and the Settlement Administrator, and will not discuss the negotiations leading to  
3 Agreement with any person other than the Named Plaintiff and Defendant's Counsel.

4 d. Named Plaintiff acknowledges that she has not, and will not, discuss  
5 the terms of the Settlement with any persons other than Class Counsel prior to filing the motion for  
6 preliminary approval and submission of this Agreement to the Court. Named Plaintiff further  
7 acknowledges that at no time will she disclose details of the negotiations leading to this Settlement,  
8 including information learned during or after mediation. Named Plaintiff acknowledges that a breach  
9 of these provisions will result in the forfeiture of their individual enhancement award (i.e., Service  
10 Payment) from this Settlement.

11 e. To the extent permitted by applicable law, Named Plaintiff agrees that  
12 she will not make any defamatory or disparaging statements about Defendant or any Released Party.

13 f. Named Plaintiff and Class Counsel agree to maintain the  
14 confidentiality of any documents produced, formally or informally, during the course of the Action.

15 g. Nothing in this provision will prohibit Class Counsel or the Named  
16 Plaintiff from seeking Preliminary Approval or Final Approval of the Settlement, or from making  
17 any disclosures as required by law. Moreover, nothing in this provision will prohibit Class Counsel  
18 from discussing the Action and Settlement with any Class Member or PAGA Member.

19 66. Pro Rata Adjustment to Maximum Settlement Amount Based on Workweeks.  
20 Defendant provided among other things, a class list prior to the Parties' August 5, 2021 mediation  
21 that contained, among other things, the hire and termination dates and rehire and termination dates  
22 of Class Members for the period June 8, 2016 to June 19, 2021. Using this class list, Class Counsel  
23 and Defendant' Counsel estimated 21,022 Workweeks worked by all Class Members (who do not  
24 fall under the "Severance Class Members" definition herein) based on data for the period June 8,  
25 2016 and June 19, 2021. Accordingly, if the actual number of Workweeks for Class Members (who  
26 are not Severance Class Members) for the period June 8, 2016 to June 19, 2021 *exceeds* the 21,022  
27 estimate by more than five percent (5%) (i.e., is 22,074 or more), the Parties agree that Maximum  
28 Settlement Amount shall be increased *pro rata* according to the percentage that the actual Workweek

1 count is greater than the estimated Workweek count of 21,022. This provision is tied to the Class  
2 Period as defined herein, meaning it will apply from June 8, 2016 to the date of the Preliminary  
3 Approval Order or sixty (60) days from August 5, 2021, whichever is sooner.

4 67. Destruction or Return of Evidence. Upon distribution of all settlement  
5 funds, the Parties shall destroy all confidential documents related to the Complaint, including but not  
6 limited to the Action. Within twenty-one (21) days of the distribution of all payments described in  
7 this Agreement, Class Counsel shall sign a declaration confirming the destruction of all Defendant's  
8 confidential information, including but not limited to, employees' ID numbers, timekeeping data and  
9 payroll information related to the Class Members.

10 68. Modification in Writing. This Agreement may be altered, amended, modified  
11 or waived, in whole or in part, only in a writing signed by counsel for the Parties and, if a material  
12 change, approved by the Court. Any waiver of any provision of this Agreement shall not constitute  
13 a waiver of any other provision of this Agreement unless expressly so indicated.

14 69. Ongoing Cooperation. Named Plaintiff and Defendant, and each of their  
15 respective counsel, shall cooperate in good faith to execute all documents and perform all acts  
16 necessary and proper to effectuate and implement the terms of this Agreement, including but not  
17 limited to drafting and submitting the Motions for Preliminary and Final Approval, and defending  
18 the Agreement and Final Judgment against objections and appeals. The Parties to this Agreement  
19 shall use their best efforts, including all efforts contemplated by this Agreement and any other efforts  
20 that may become necessary by order of the Court or otherwise, to effectuate this Agreement and the  
21 terms set forth herein.

22 70. No Prior Assignments. The Parties hereto represent, covenant, and warrant  
23 that they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign,  
24 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action,  
25 cause of action, or rights herein released and discharged except as set forth herein.

26 71. Binding on Successors. This Agreement shall be binding and shall inure to  
27 the benefit of the Parties and their respective successors, assigns, executors, administrators, heirs and  
28 legal representatives, including the Released Parties.

1           72.    Integration/Entire Agreement.    The Parties warrant that no promise or  
2 inducement has been offered or made to any of the Parties except as set forth herein. This Agreement  
3 constitutes the full, complete and entire understanding, agreement and arrangement between Named  
4 Plaintiff and the Class Members/PAGA Members on the one hand, and Defendant and Released  
5 Parties on the other hand, with respect to the Settlement of the Action and the Settled Claims and  
6 Settled PAGA Claims against the Released Parties. This Agreement supersedes any and all prior  
7 oral or written understandings, agreements and arrangements, written or oral, express or implied,  
8 between the Parties with respect to the Settlement of the Action and the Settled Claims and Settled  
9 PAGA Claims against the Released Parties. The Parties explicitly recognize California Civil Code  
10 Section 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written  
11 agreement is to be construed according to its terms, and may not be varied or contradicted by extrinsic  
12 evidence, and agree that no such extrinsic oral or written representations or terms shall modify, vary,  
13 or contradict the terms of this Agreement.

14           73.    Execution in Counterparts.    This Agreement may be signed in one or more  
15 counterparts. A photographic, scanned or facsimile copy of signatures shall be treated as an original  
16 signature for all purposes. All executed copies of this Agreement, and photocopies thereof (including  
17 facsimile or email copies of the signature pages), shall have the same force and effect and shall be  
18 as legally binding and enforceable as the original.

19           74.    Captions.    The captions and section numbers in this Agreement are inserted  
20 for the reader's convenience, and in no way define, limit, construe, or describe the scope or intent of  
21 the provisions of this Agreement.

22           75.    Governing Law.    This Agreement shall be interpreted, construed, enforced,  
23 and administered in accordance with the laws of the State of California, without regard to otherwise  
24 applicable principles of conflicts of laws.

25           76.    Invalidity of Any Provision.    Before declaring any provision of this  
26 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent  
27 possible consistent with applicable precedents so as to define all provisions of this Agreement valid  
28 and enforceable.

1           77.    Enforcement and Continuing Jurisdiction of the Court. To the extent  
2 consistent with class action procedure, this Agreement shall be enforceable by the Court pursuant to  
3 California Code of Civil Procedure § 664.6. The Court shall retain continuing jurisdiction over this  
4 Action and over all Parties and Class Members, to the fullest extent to enforce and effectuate the  
5 terms and intent of this Agreement, and to adjudicate any claimed breaches of this Settlement  
6 Agreement. The Court may award reasonable attorneys’ fees and costs to the prevailing party in any  
7 motion or action taken and based on an alleged violation of any material term of the Agreement.

8           78.    Fair and Reasonable; Mutual Preparation. The Parties have had a full  
9 opportunity to negotiate the terms and conditions of this Agreement, which they believe represents  
10 a fair, adequate and reasonable resolution of the Action. Accordingly, this Agreement shall not be  
11 construed more strictly against one Party than another merely by virtue of the fact that it may have  
12 been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length  
13 negotiations between the Parties, all Parties have contributed to the preparation of this Agreement.

14           79.    Resolution of Disputes. The Parties agree to refer any disputes related to the  
15 drafting of the Agreement and attached documents to mediator, Kelly A. Knight.

16           80.    Representation by Counsel. The Parties acknowledge that they have been  
17 represented by counsel throughout all negotiations that preceded the execution of this Agreement,  
18 and that this Agreement has been executed with the consent and advice of counsel.

19           81.    Voluntary Agreement. The Parties acknowledge that they have entered into  
20 this Settlement Agreement voluntarily, on the basis of their own judgment and without coercion,  
21 duress, or undue influence of any Party, and not in reliance on any promises, representations, or  
22 statements made by the other Parties other than those contained in this Agreement. Each of the Parties  
23 hereto expressly waives any right she/it might ever have to claim that this Agreement was in any  
24 way induced by fraud.

25           82.    Parties’ Authority. The signatories hereby represent that they are fully  
26 authorized to enter into this Agreement and bind the Parties hereto to the terms and conditions hereof.

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**IT IS SO AGREED:**

Dated: 1/17/2022, ~~2021~~

DocuSigned by:  


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LUCITA F. SAMONTE

Dated: 1/20/2022, ~~2021~~

VELODYNE LIDAR, INC.



By: Daniel Harwood  
Its: General Counsel

**APPROVED AS TO FORM:**

Dated: January 20, 2022, ~~2021~~

HOPKINS & CARLEY, ALC



By: \_\_\_\_\_  
Daniel F. Pyne  
Jennifer S. Coleman  
Elaisha Nandrajog  
Attorneys for Defendant,  
Velodyne Lidar, Inc.

Dated: January 18, 2022, ~~2021~~

MOON & YANG, APC



By: \_\_\_\_\_  
Kane Moon  
Allen Feghali  
Enzo Nabiev  
Attorneys for Plaintiff,  
Lucita F. Samonte