

STIPULATION OF SETTLEMENT

This Stipulation of Settlement (“Settlement Agreement” or “Settlement”) is reached by and between Plaintiffs Mary Crowder (“Plaintiff Crowder”) and Lisa Jucha (“Plaintiff Jucha”) (collectively “Plaintiffs” or “Class Representatives”), individually and on behalf of all members of the Settlement Class and Aggrieved Employees (defined below), on the one hand, and Defendants Purple Communications, Inc. (“Purple”) and CSDVRS, LLC (“CSDVRS”) (collectively “Defendants”), on the other hand. Plaintiffs and Defendants are referred to herein collectively as the “Parties.” Plaintiffs are represented by Paul K. Haines, Fletcher W. Schmidt, and Andrew J. Rowbotham of Haines Law Group, APC (collectively, “Class Counsel”). Defendants are represented by Gary M. McLaughlin of Mitchell Silberberg & Knupp LLP and Gregory Knopp of Akin Gump Strauss Hauer & Feld LLP (collectively “Defense Counsel”).

On October 11, 2017, Plaintiff Crowder filed a class action complaint against Defendants in Placer County Superior Court entitled *Crowder v. Purple Communications, Inc., et al.*, Case No. SCV0040180 (*Crowder*), which alleges that Defendants: (1) failed to pay all overtime wages; (2) failed to pay all minimum wages; (3) failed to issue accurate, itemized wage statements; and (4) engaged in unfair competition. On May 22, 2018, after Plaintiff Crowder exhausted her administrative remedies with the Labor & Workforce Development Agency (“LWDA”), Plaintiff Crowder filed a first amended complaint adding a cause of action for civil penalties under the Private Attorneys General Act, Labor Code § 2698 *et seq.* (“PAGA”). On September 10, 2019, Plaintiff Crowder amended her complaint once more to modify the class definitions to exclude any union individuals who worked pursuant to a collective bargaining agreement from any overtime-related claims. On September 3, 2020, the *Crowder* court denied certification of the class claims without prejudice.

On February 28, 2019, Plaintiff Jucha filed a class action complaint against Defendants in Los Angeles County Superior Court entitled *Jucha v. Purple Communications, Inc., et al.*, Case No. 19STCV06373 (*Jucha*). Plaintiff Jucha’s complaint alleges that Defendants failed to timely pay all final wages due to employees upon separation of employment. This claim is entirely derivative of the wage claims alleged in *Crowder* and is pled to relate back to the *Crowder* filing (although Defendants do not concede that Plaintiff Jucha’s complaint can or should relate back to the *Crowder* filing).

Given the uncertainty of litigation, and without Defendants making any admission as to the merits of any of the claims asserted, Plaintiffs and Defendants wish to settle both individually and on behalf of the Settlement Class and Aggrieved Employees (as defined below). The Parties believe that this Settlement is a fair, adequate and reasonable settlement of the *Crowder* and *Jucha* actions and have arrived at this Settlement after arm’s-length negotiations and in the context of adversarial litigation, taking into account all relevant factors and circumstances. The Parties further acknowledge that they are each represented by competent counsel with respect to this Settlement.

Accordingly, Plaintiffs and Defendants agree as follows:

1. **Leave to File First Amended Complaint.** As a material term of, and for purposes of effectuating this Settlement only, the Parties agree and hereby stipulate to the filing of a First Amended Consolidated Complaint (“FAC”) in *Jucha*, adding Mary Crowder as a named plaintiff

and adding the claims asserted in *Crowder* on behalf of the Settlement Class and Aggrieved Employees (as defined below). The operative FAC in *Jucha* will be referred to herein as the “Action.” Should, for whatever reason, this Settlement not become final, the FAC shall be deemed stricken, null and void ab initio, and the operative complaint in *Jucha* as of July 1, 2021, shall be deemed the operative pleading in *Jucha*.

2. **Stay of Crowder Action.** The Parties agree to request a stay of all proceedings in *Crowder* and proceed with settlement approval in *Jucha* as soon as practicable after the FAC is filed. Should, for whatever reason, the *Crowder* court deny the request for a stay of all proceedings in *Crowder*, (i) the FAC shall be deemed stricken, null and void ab initio, and the operative complaint in *Jucha* as of July 1, 2021 shall be deemed the operative pleading in *Jucha*, and (ii) the Parties agree to cooperate and use their best efforts to seek separate court approval of settlements of the respective claims in *Jucha* and *Crowder*, with the total combined settlement amounts in both cases not exceeding the Maximum Settlement Amount (as defined below), and to amend the Settlement Agreement as necessary to effectuate such separate court approvals of settlement while maintaining the terms and intent of this Settlement Agreement to the greatest extent feasible.

3. **Settlement Class.** For the purposes of this Settlement only, Plaintiffs and Defendants stipulate to the certification of the following settlement subclasses:

a. A “Former Employee Settlement Subclass,” which shall include all former employees of Purple who worked as a non-exempt, non-union Video Interpreter at a California call center during, and whose employment terminated during, the period of October 11, 2013, through the date the Court enters preliminary approval of this Settlement. Any former employees who have already signed a general release of liability with Defendants will be excluded from the Former Employee Settlement Subclass; and

b. A “Current Employee Settlement Subclass,” which shall include all current employees of Purple who work or have worked as a non-exempt, non-union Video Interpreter at a California call center, and earned overtime wages and earned a “Video Interpreter Bonus” during the same month, at any time during the period of October 11, 2013 through the date the Court enters preliminary approval of this Settlement. Any current employees who have already signed a general release of liability with Defendants will be excluded from the Current Employee Settlement Subclass;

The Former Employee Settlement Subclass and the Current Employee Settlement Subclass will be referred to collectively as the “Settlement Class,” and the members of the Former Employee Settlement Subclass and the Current Employee Settlement Subclass will be referred to collectively as “Settlement Class Members.”

The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure. If for any reason this Settlement is not approved or is terminated, in whole or in part, this Settlement Agreement and conditional agreement to class certification will be void *ab initio* and will be inadmissible and have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties

will revert to the respective positions they held prior to entering into the Settlement Agreement without Defendants having waived or limited any objections or defenses to class certification or any other matter.

4. **Release by Settlement Class Members and Plaintiffs.** Plaintiffs and every member of the Settlement Class (except those who submit a valid and timely Request for Exclusion) will release and discharge Defendants, their past and present officers, directors, shareholders, managers, employees, agents, principals, spouses, heirs, representatives, accountants, auditors, consultants, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys (collectively “Defendants’ Releasees”) as follows:

- A. All members of the Former Employee Settlement Subclass who do not submit a valid and timely Request for Exclusion shall, for the Release Period (as defined below), fully and finally waive, release, and forever discharge Defendants and Defendants’ Releasees from all claims (and for all resulting damages, restitution, penalties, interest, costs attorneys’ fees, or other relief or liability) (i) asserted in the Action based on the factual allegations asserted in the Action, or (ii) which could have been asserted based on the factual allegations asserted in the Action, including those concerning the non-inclusion of bonus payments in the regular rate of pay for purposes of paying overtime wages, and off-the-clock work.
- B. All members of the Current Employee Settlement Subclass who do not submit a valid and timely Request for Exclusion shall, for the Release Period (as defined below), fully and finally waive, release, and forever discharge Defendants and Defendants’ Releasees from all claims (and for all resulting damages, restitution, penalties, interest, costs attorneys’ fees, or other relief or liability) based on or derivative of any alleged non-inclusion of bonus payments in the regular rate of pay for purposes of paying overtime wages.
- C. All of the claims described in paragraphs 4.A and 4.B shall be included within, and referred to as, the “Released Claims.” The “Release Period” shall be October 11, 2013, through the date of preliminary approval of the Settlement.
- D. In light of Plaintiffs’ Class Representative Enhancement Payments, Plaintiffs also agree to release, as individuals and in addition to the Released Claims described in Paragraph 2.A., above, all claims, whether known or unknown, under any federal, state or local law against Defendants and Defendants’ Releasees. This release includes, but is not limited to, claims arising under the California Labor Code; the Industrial Welfare Commission (IWC) wage orders; Title VII of the Civil Rights Act of 1964; the Employee Retirement Income Security Act (except such rights as may be vested under any retirement plan sponsored by Employers); the Family and Medical Leave Act; the Fair Labor Standards Act; the California Fair Employment and Housing Act; the Americans with Disabilities Act; the Age Discrimination in Employment Act; the Older Workers’ Benefit Protection Act; and claims of intentional infliction of emotional distress; breach of express or implied contract; wrongful termination; statutory or civil penalties of any kind; attorney’s fees; or any other statute or common law principle of similar effect, whether known or

unknown, that occurred prior to the date on which Plaintiffs execute this Settlement Agreement arising out of Plaintiffs' employment relationship or alleged employment relationship with Defendants or the termination of that relationship. The Parties understand and agree that Plaintiffs are not, by way of this release, releasing any workers' compensation claims nor any other claims which cannot be released as a matter of law. Notwithstanding the foregoing, Plaintiffs understand that this release includes known and unknown claims, and that Plaintiffs are, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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.

- E. The Settlement along with all associated releases will become effective on the date that Defendant fully funds the Maximum Settlement Amount ("Effective Date"), and such releases will have every preclusive effect permitted by law.

5. PAGA Release by Aggrieved Employees.

- A. "Aggrieved Employees" shall include all current and former employees of Defendants who work or have worked for Defendants as a non-exempt Video Interpreter at a California call center at any time during the period of October 11, 2016, through the date the Court enters preliminary approval of this Settlement.
- B. In consideration of the terms and conditions set forth herein, Plaintiffs, the Aggrieved Employees, and the State of California, shall for the period from October 11, 2016 through the date the Court enters preliminary approval of this Settlement, fully and finally waive, release, and forever discharge the Released Parties from any and all claims, rights, or causes of action for civil penalties (and for all resulting attorneys' fees, litigation costs, interest, and any other relief) under PAGA, predicated on, arising from, or derivative of any of the factual allegations or alleged California Labor Code and/or wage order violations (including, but not limited to, under California Labor Code sections 201-203, 204, 210, 216, 226, 226.3, 510, 558, 1174, 1182.12, 1194, 1194.2, 1197, and 1198) based on the factual allegations asserted in the Action, the *Crowder* action, or any letter to the LWDA relating to this Action or the *Crowder* action.

6. Maximum Settlement Amount. As consideration, Defendants agree to pay a "Maximum Settlement Amount" of \$320,000.00 in full and complete settlement of the Action, as follows:

- A. The Parties have agreed to engage Phoenix Settlement Administrators as the "Settlement Administrator" to administer this Settlement.

- B. Defendants will fund the Maximum Settlement Amount within 30 calendar days of the Court signing the order granting final approval of the Settlement.
- C. This is a non-reversionary settlement. The Maximum Settlement Amount includes:
- (1) All payments (including interest) to the Settlement Class and Aggrieved Employees;
 - (2) All costs of the Settlement Administrator associated with the administration of the Settlement, which are anticipated to be no greater than \$10,950.00;
 - (3) All Class Representative Enhancement Payments;
 - (4) All Class Counsel's attorneys' fees, costs and expenses; and
 - (5) The payment to the Labor and Workforce Development Agency (LWDA) for PAGA penalties.
- D. **Escalator Clause / Plaintiff's Right to Revoke.** Defendants represent that there are an estimated 542 individuals who meet the Settlement Class definition. If the actual number of Settlement Class Members reported to the Settlement Administrator following preliminary approval exceeds this figure by more than 15% (i.e., if there are 624 or more Settlement Class Members), Defendants may, at their sole option, agree to increase the Maximum Settlement Amount on a proportional basis (e.g., if there is a 20% increase in the number of Settlement Class Members, Defendants may agree to increase the Maximum Settlement Amount by 20%). If Defendants do not agree to increase the Maximum Settlement Amount on a proportional basis, and notify Class Counsel of such agreement within five (5) business days after the Settlement Administrator provides its report to the Parties containing the actual number of Settlement Class Members following preliminary approval, Plaintiffs may withdraw from this Settlement. This right to withdraw can be exercised only by both Plaintiffs jointly, and only by a writing stating clearly that Plaintiffs are canceling, and withdrawing from, the Settlement Agreement, which is sent by Class Counsel to counsel for Defendants by mail and email no later than five (5) business days after Defendants notify Plaintiffs that they do not agree to increase the Maximum Settlement Amount (or no later than five (5) business days after the expiration of the five-day period for Defendants to notify Class Counsel whether they will agree to increase the Maximum Settlement Amount, if Defendants do not notify Class Counsel). For purposes of this provision, Settlement Class Members hired or transferred into a relevant position between the date of this Settlement Agreement and preliminary approval shall not count towards any increase in Settlement Class Members.

7. **Payments to the Settlement Class Members and Aggrieved Employees.** Settlement Class Members and Aggrieved Employees are not required to submit a claim form to receive a payment ("Individual Settlement Payment") from the Settlement. Payments to the Settlement Class Members will be determined and paid as follows:

- A. The Settlement Administrator will first deduct from the Maximum Settlement Amount the amounts approved by the Court for Class Counsel’s attorneys’ fees, Class Counsel’s costs and expenses, the Class Representative Enhancement Payments, the payment to the LWDA for PAGA penalties, and the Settlement Administrator’s fees and expenses for administration. The remaining amount will be known as the “Net Settlement Amount.”
- B. The “Net Settlement Amount” will be divided three ways:
 - (1) \$5,000.00 will be allocated to the Aggrieved Employees (the “Aggrieved Employee Allocation”).
 - (2) \$5,000.00 will be allocated to the Current Employee Settlement Subclass (the “Current Employee Allocation”).
 - (3) The remainder of the Net Settlement Amount will be allocated to the Former Employee Settlement Subclass (the “Former Employee Allocation”).
- C. The individual payments received by each Settlement Class Member and Aggrieved Employee (“Individual Settlement Payments”) will be determined and paid from the Former Employee Allocation, Current Employee Allocation, and Aggrieved Employee Allocation as follows:
 - (4) Members of the Former Employee Settlement Subclass who do not submit a valid and timely Request for Exclusion will each receive an equal, pro-rata share of the Former Employee Allocation.
 - (5) Members of the Current Employee Settlement Subclass who do not submit a valid and timely Request for Exclusion will each receive an equal, pro-rata share of the Current Employee Allocation.
 - (6) Aggrieved Employees will each receive an equal, pro-rata share of the Aggrieved Employee Allocation.
- D. Within 10 business days following the funding of the Maximum Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate each Settlement Class Member’s and Aggrieved Employee’s Individual Settlement Payment, and will prepare and mail Individual Settlement Payments to Settlement Class Members and Aggrieved Employees. Within 10 business days of the funding of the Maximum Settlement Amount, the Settlement Administrator will also prepare the following payments to be sent by U.S. certified mail and/or personal delivery: 1) Class Representative Enhancement Payments to the named Plaintiffs; 2) Attorneys’ fees and costs to Class Counsel; and 3) payment to the LWDA for its share of the PAGA settlement.
- E. Individual Settlement Payments will be allocated as follows:

- a. Each Individual Settlement Payment for members of the Former Employee Settlement Subclass will be allocated as 100% penalties and interest, from which no withholdings will be taken;
 - b. Each Individual Settlement Payment for members of the Current Employee Settlement Subclass will be allocated as 50% penalties and interest, from which no withholdings will be taken, and 50% wages, from which applicable withholdings will be taken.
 - c. Each Individual Settlement Payment for Aggrieved Employees will be allocated as 100% penalties, from which no withholdings will be taken; except that in the event an Aggrieved Employee is also a Settlement Class Member, the portion of the total Individual Settlement Payment attributable to that individual being an Aggrieved Employee will be allocated as 100% penalties, and the portion attributable to that individual being a Settlement Class Member will be allocated as described in Paragraph 7.E.a or 7.E.b, as applicable.
 - d. The Settlement Administrator will be responsible for issuing to participating Settlement Class Members and Aggrieved Employees IRS Form 1099s and W2s (if applicable) for their Individual Settlement Payments.
- F. Defendants will fully discharge their obligations to those Settlement Class Members and Aggrieved Employees to whom Defendants will pay an Individual Settlement Payment through the mailing of a settlement check by the Settlement Administrator, regardless of whether such checks are actually received and/or negotiated by Settlement Class Members or Aggrieved Employees. Any check that is not negotiated within 180 days of mailing to a Settlement Class Member or Aggrieved Employee will be distributed by the Settlement Administrator to the cy pres, Legal Aid Foundation of Los Angeles, a 501(c)(3) organization dedicated to providing legal services to the indigent population of Greater Los Angeles.
- G. Neither Plaintiffs nor Defendants will bear any liability for lost, stolen, undelivered or misdelivered checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

8. **Attorneys' Fees and Costs.** Defendants will not object to Class Counsel's request for a total award of attorneys' fees of up to one-third of the Maximum Settlement Amount, which is currently estimated to be \$106,666.67. Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed \$40,000.00 from the Maximum Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed, and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when the Settlement Administrator pays the fee award approved by the Court. Plaintiffs and Class Counsel will not have the right to revoke

this Settlement in the event that the Court does not approve the amount of attorneys' fees, costs or expenses sought by Class Counsel, and Plaintiffs and Class Counsel agree that they will not appeal a decision by the Court to approve a lesser amount of attorney's fees, costs or expenses. If the Court reduces the requested attorneys' fees, costs or expenses, any such reduction will be added to the Net Settlement Amount.

9. **Class Representative Enhancement Payments.** Defendants will not object to a request for enhancement payments to Plaintiffs totaling \$10,000.00 (\$5,000.00 for each named Plaintiff) for Plaintiffs' time and risk in prosecuting this case and Plaintiffs' service to the Settlement Class ("Class Representative Enhancement Payments"). This award will be in addition to Plaintiffs' Individual Settlement Payments as Settlement Class Members and/or Aggrieved Employees, and will be reported on an IRS Form 1099 issued by the Settlement Administrator. Plaintiffs will be solely responsible to pay any and all applicable taxes on the payments made pursuant to this paragraph and will hold Defendants harmless from any claim or liability for taxes, penalties, or interest arising as a result of the payments. Plaintiffs will not have the right to revoke this Settlement in the event that the Court does not approve the amount sought by Plaintiffs as Class Representative Enhancement Payments, and Plaintiffs agree that they will not appeal a decision by the Court to approve lesser (or no) enhancement award(s). If the Court reduces or rejects the requested Class Representative Enhancement Payments, any such reduction or rejected amount will be added to the Net Settlement Amount.

10. **LWDA Payment and Aggrieved Employee Amount.** Subject to Court approval, the Parties agree that the amount of twenty thousand dollars (\$20,000.00) from the Gross Settlement Amount will be paid in settlement of all PAGA claims brought in the Action by or on behalf of Plaintiffs and Aggrieved Employees. Pursuant to PAGA, seventy-five percent (75%), or fifteen thousand dollars (\$15,000.00), of this sum will be paid to the LWDA and twenty-five percent (25%), or five thousand dollars (\$5,000.00), will be paid to the Aggrieved Employees as described in Paragraph 7 above.

11. **Settlement Administrator.** Defendants will not object to the appointment of Phoenix Settlement Administrator as Settlement Administrator. Defendants will not object to Plaintiffs seeking approval to pay up to \$10,950.00 for administration services from the Maximum Settlement Amount. The Settlement Administrator will be responsible for sending notices or other mailings to the Settlement Class Members and Aggrieved Employees, for calculating Individual Settlement Payments, preparing all checks and mailings, calculating any taxes in connection with any payments, and issuing to Plaintiffs, Settlement Class Members, Aggrieved Employees, and Class Counsel any W-2, 1099, and/or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement Administrator will be authorized to pay itself from the Maximum Settlement Amount only after Individual Settlement Payments have been mailed to all Settlement Class Members.

12. **Reasonableness of Requests.** Defendants will not oppose the reasonableness of the requests and amounts specified in Paragraphs 7-11. Any reduction by the Court of these requests will revert and be added to the Net Settlement Amount.

13. **Preliminary Approval.** Within a reasonable time after execution of this Settlement Agreement by the Parties, Plaintiffs will apply to the Court for the entry of an Order:

- A. Conditionally certifying the Settlement Class for settlement purposes only;
- B. Appointing Paul K. Haines, Fletcher W. Schmidt, and Andrew J. Rowbotham of Haines Law Group, APC as class counsel;
- C. Appointing Plaintiffs Mary Crowder and Lisa Jucha as class representatives for the Current Employee Settlement Subclass and Former Employee Settlement Subclass, respectively;
- D. Approving Phoenix Settlement Administrator as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the “Notice Packet” (which is comprised of the notice of the Settlement to the Settlement Class (“Class Notice”) and Notice of Settlement Payment), and which counsel for all Parties will mutually agree upon before submitting to the Court, and directing the mailing of same; and
- G. Scheduling a final approval hearing.

Defendants shall be given an adequate opportunity and reasonable period of time, and not less than three business days prior to filing, to review and comment on the preliminary approval papers to be submitted by Plaintiffs.

14. **Notice to Settlement Class Members.** Following preliminary approval, the Settlement Class will be notified as follows:

- A. Within 10 business days after the Court signs an order preliminarily approving this Settlement, Defendants will provide the Settlement Administrator with the names, most recent addresses, phone numbers, social security numbers, and employment status (current or former) for each Settlement Class Member and Aggrieved Employee. The Settlement Administrator is required to follow all reasonable data security protocols and best practices to safeguard this sensitive data against unauthorized access or disclosure. Class Counsel will not receive a copy of the list. The Settlement Administrator shall not use the Settlement Class Member or Aggrieved Employee information for any purpose other than to administer the Settlement in accordance with this Agreement. Upon completion of the administration of the Settlement, the Settlement Administrator shall destroy the Settlement Class Member and Aggrieved Employee information or return it and all copies to Defendants.
- B. Within 10 business days from receipt of this information, the Settlement Administrator will (i) run the names of all Settlement Class Members and Aggrieved Employees through the National Change of Address (“NCOA”) database to determine any updated addresses for Settlement Class Members and Aggrieved Employees; (ii) update the address of any Settlement Class Member or Aggrieved Employee for whom an updated address was found through the NCOA

search; (iii) calculate the estimated Individual Settlement Payment for each Settlement Class Member and Aggrieved Employee; and (iv) mail a Notice Packet to each Settlement Class Member at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing. Notice Packets will not be mailed to Aggrieved Employees who are not also Settlement Class Members. Individuals who are solely Aggrieved Employees under the Settlement will receive a separate cover letter accompanying their payment which will explain the Settlement and the reasons for receiving a payment.

- C. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline will be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will make reasonable efforts, including utilizing a “skip trace,” to obtain an updated mailing address within 5 business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator will resend the Notice Packet to the Settlement Class Member immediately, and in any event within 5 business days of obtaining the updated address. This same procedure will be used with respect to checks to Aggrieved Employees that are returned to the Settlement Administrator as non-delivered. The address identified by the Settlement Administrator as the current mailing address will be presumed to be the best mailing address for each Settlement Class Member and/or Aggrieved Employee. Settlement Class Members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator will have an additional 14 calendar days after the Response Deadline to opt-out, object, or dispute their Settlement Payment. Notice Packets that are re-mailed will inform the recipient of this adjusted deadline. With regard to any Settlement Class whose Notice Packet is returned as non-deliverable, and any Aggrieved Employee whose check of his or her Individual Settlement Payment is returned as non-deliverable, and for whom the Settlement Administrator is unable to determine a reliable address using reasonable and customary methods, their Individual Settlement Payment will be distributed to the cy pres beneficiary, as described in Paragraph 7.F above.
- D. Requests for Exclusion. Any Settlement Class Member who does not affirmatively opt out of the Settlement by submitting a timely and valid Request for Exclusion will be bound by all of the Settlement Agreement’s terms, including those pertaining to the Released Claims, as well as any Judgment that may be entered by the Court if it grants final approval of the Settlement. Any Settlement Class Member who wishes to opt-out of the Settlement must complete and mail a Request for Exclusion (defined below) to the Settlement Administrator within 60 calendar days of the date of the initial mailing of the Notice Packets (the “Response Deadline”).
- i. The Notice Packet will state that Settlement Class Members who wish to exclude themselves from the Settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (1) contain the name, address, telephone number and the last four digits of the

Social Security number of the Settlement Class Member; (2) contain a statement that the Settlement Class Member wishes to be excluded from the Settlement; (3) be signed by the Settlement Class Member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the Settlement, except a Request for Exclusion not containing a Settlement Class Member's telephone number and/or last four digits of the Social Security number will be deemed valid if the Settlement Class Member is otherwise identifiable. The date of the postmark on the Request for Exclusion will be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class Member who timely requests to be excluded from the Settlement Class in compliance with this paragraph will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the Settlement or have any right to object, appeal or comment thereon. However, any Settlement Class Member who is also an Aggrieved Employee and submits a timely and valid Request for Exclusion will still receive the pro rata share of the Aggrieved Employee Allocation, as specified in Paragraph 7, and will be bound by the release of PAGA claims as set forth herein.

- ii. At no time will the Parties or their counsel seek to solicit or otherwise encourage any Settlement Class Member to object to the Settlement or opt-out of the Settlement Class or encourage any Settlement Class Member to appeal from the final judgment.
- iii. Aggrieved Employees will not have the right to opt-out of the Settlement or release of PAGA claims; except that, to the extent that an Aggrieved Employee is also a Settlement Class Member, he or she may opt-out of the Settlement with respect to non-PAGA claims, as described above in Paragraph 14(D)(i), but shall still be bound by the release of PAGA claims. In the event that a Settlement Class Member's Request for Exclusion purports to opt-out as both a Settlement Class Member and as an Aggrieved Employee, the portion of the request purporting to opt-out as an Aggrieved Employee shall be disregarded and the request shall be treated as seeking to opt-out as a Settlement Class Member only. In the event that a Settlement Class Member's Request for Exclusion purports to opt-out only as an Aggrieved Employee, and not as a Settlement Class Member, such Request for Exclusion shall be disregarded in its entirety.

E. Objections. Members of the Settlement Class who do not opt-out may object to this Settlement Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator (who will serve all objections as received on Class Counsel and Defendants' counsel, as well as file all such objections with the Court) within the Response Deadline. Any such written objections must contain the

Settlement Class Member's name, address, and last four digits of his or her social security number and must state the legal and factual bases for objection. The objection must also be signed by the Settlement Class Member. Defendants' counsel and Class Counsel will file any responses to objections no later than the deadline to file the motion for final approval. To be valid, any objection must be postmarked no later than the Response Deadline. Any Settlement Class Member who wishes to may appear in person or through their own counsel and raise an objection at the final approval hearing. Settlement Class Members need not submit written objections to be heard by the Court at the final approval hearing.

- F. Notice of Individual Settlement Payment / Disputes. Each Notice Packet mailed to a Settlement Class Member will disclose the amount of the Settlement Class Member's estimated Individual Settlement Payment as well as all of the information that was used to calculate the Individual Settlement Payment (the "Notice of Settlement Payment"). Settlement Class Members will have the opportunity, should they disagree with Defendants' records regarding the information stated in the Notice of Settlement Payment, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator will determine the eligibility for, and the amounts of, any Individual Settlement Payment under the terms of this Settlement Agreement. However, if the Settlement Administrator and the Parties cannot agree on a resolution, the Parties will submit the dispute to the Court for a final determination.
- G. Defendants understand their legal obligation not to retaliate against the Settlement Class Members for their participation and/or election to participate in the benefits to be afforded any of them by the Settlement and/or the Action.

15. Defendants' Limited Right to Cancel. If twenty (20) or more of the Settlement Class Members submit valid and timely Requests for Exclusion, Defendants shall have the absolute right, in their sole discretion, and notwithstanding any other provisions of the Settlement Agreement, to withdraw from, and cancel the Settlement Agreement in its entirety, whereupon the Settlement Agreement will be null and void for all purposes, and may not be used or introduced in further litigation. This right can be exercised only by a writing stating clearly that Defendants are canceling, and withdrawing from, the Settlement Agreement, which is sent by counsel for Defendants to Class Counsel by mail or email no later than five (5) business days after Defendants receive notice of the final number of Requests for Exclusion from the Settlement Administrator. If the right provided in this paragraph is not so exercised, it shall be waived and cannot later be exercised.

16. Final Approval. Following preliminary approval and the close of the period for filing Requests for Exclusion, objections, or disputes under this Settlement Agreement, Plaintiffs will apply to the Court for entry of an Order:

- A. Granting final approval to the Settlement and adjudging its terms to be fair, reasonable, and adequate;
- B. Approving Plaintiffs' and Class Counsel's application for attorneys' fees and costs, Class Representative Enhancement Payments, settlement administration costs, and LWDA payment; and
- C. Entering judgment pursuant to California Rule of Court 3.769.

Defendants shall be given an adequate opportunity and reasonable period of time, and not less than three business days prior to filing, to review and comment on the final approval papers to be submitted by Plaintiffs.

17. Rights of Termination. Except as set forth above, if the Court or, in the event of an appeal, any appellate court modifies the scope of the release or Defendants' financial obligations, Defendants may terminate this Settlement by providing written notice of termination to Class Counsel and the Settlement Administrator. Within fifteen (15) days of the Settlement Administrator receiving notice from Defendants of such termination, the Settlement Administrator shall provide the Parties with a report of all settlement administration costs incurred, and Defendants will be responsible for paying any settlement administration costs already incurred as well as further costs, if any, for providing notice to the Settlement Class Members of Defendants' election to withdraw from or cancel the Settlement Agreement.

18. Dismissal of Crowder Action. Upon final approval by the Court of the Settlement and funding of the Gross Settlement Amount, Plaintiff Crowder will promptly file a dismissal of the *Crowder* action in its entirety with prejudice as soon as practicable.

19. Tax Liability. Plaintiffs, Settlement Class Members and Aggrieved Employees understand and agree that except for the employer's share of payroll taxes (if any), Plaintiffs, Settlement Class Members and Aggrieved Employees will be solely responsible for the payment of any and all taxes and penalties assessed on the payments as described herein. Defendants and Class Counsel make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiffs, Settlement Class Members and Aggrieved Employees are not relying on any statement, representation, or calculation by Defendants, Class Counsel or by the Settlement Administrator in this regard.

20. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

21. No Credit Towards Benefit Plans. The Individual Settlement Payments made to Settlement Class Members and Aggrieved Employees under this Settlement, as well as any other payments made pursuant to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans for which any Settlement Class Members may be eligible, including, but not limited to: (i) profit-sharing plans, (ii) bonus plans, (iii) 401(k) plans, (iv) stock purchase plans, (v) vacation plans, (vi) sick leave plans, (vii) PTO plans, and (viii) any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions,

or amounts to which any Settlement Class Members and Aggrieved Employees may be entitled under any benefit plans.

22. **Non-Admission of Liability.** Nothing in this Settlement Agreement will operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this Settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code § 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement.

23. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties and their counsel, and subject to any necessary Court approval. Court approval is required for any and all amendments to the Settlement Agreement. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

24. **Confidentiality.** The Parties and their counsel will keep the Settlement, the Settlement-related documents, and their Settlement negotiations confidential, and will not disclose that information to any third party through the date of preliminary approval. Thereafter, the Parties and their counsel agree to make no comments to the media or otherwise publicize the terms of the Settlement.

25. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement will be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Plaintiffs: Fletcher W. Schmidt of Haines Law Group, APC
2155 Campus Drive, Suite 180, El Segundo, CA 90265
fschmidt@haineslawgroup.com

if to Defendants: Gary M. McLaughlin of Mitchell Silberberg & Knupp LLP
2049 Century Park East, 18th Floor, Los Angeles, CA 90067
gmm@msk.com

26. **Entire Agreement.** Aside from a separate individual settlement agreement with Plaintiff Crowder addressing her individual claims and any potential disputes regarding the termination of her employment, this Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

27. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together will be deemed to constitute one and the same instrument.

28. **Enforcement Action.** In the event that one more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys’ fees and costs, including expert witness fees incurred in connection with any enforcement actions.

29. **Continuing Jurisdiction.** The Parties stipulate that, pursuant to California Code of Civil Procedure § 664.6, the Los Angeles County Superior Court will retain jurisdiction over the Parties to enforce this Settlement Agreement until full performance of the terms of the settlement has been completed. The Parties further stipulate that, pursuant to California Code of Civil Procedure § 384, Plaintiffs will file a “final accounting declaration” at least 5 court days prior to the Final Accounting Hearing, which will be set for a time and date convenient for the Court after the Maximum Settlement Amount is distributed to the Settlement Class and the Aggrieved Employees. The “final accounting declaration” will include the following information regarding the distribution of the Maximum Settlement Amount: 1) the amount of funds that were paid to the Settlement Class, the Aggrieved Employees, the LWDA, Class Counsel, and the Settlement Administrator; and 2) the number of checks and amount of funds that remain uncashed after the check cashing deadline has passed. The Settlement Administrator will distribute the remaining uncashed funds and any interest accrued to the cy pres, Legal Aid Foundation of Los Angeles, after the Court amends the Final Judgment and Order to direct final distribution of the residual funds.

DATED: 2/14/2023

PURPLE COMMUNICATIONS, INC.

By: Caryn Bain
Name: Caryn Bain
Title: Chief Administrative Officer

DATED: 2/14/2023

CSDVRS, LLC

By: Caryn Bain
Name: Caryn Bain
Title: Chief Administrative Officer

DATED:

PLAINTIFF MARY CROWDER

By: _____
Plaintiff and Settlement Class Representative

DATED:

PLAINTIFF LISA JUCHA

By: _____
Plaintiff and Settlement Class Representative

28. **Enforcement Action.** In the event that one more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

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DATED: PURPLE COMMUNICATIONS, INC.

By: _____
Name: Caryn Bain
Title: Chief Administrative Officer

DATED: CSDVRS, LLC

By: _____
Name: Caryn Bain
Title: Chief Administrative Officer

DATED: Feb 14, 2023

PLAINTIFF MARY CROWDER


By: Mary Crowder (Feb 14, 2023 14:47 PST)
Plaintiff and Settlement Class Representative

DATED:

PLAINTIFF LISA JUCHA

By: _____
Plaintiff and Settlement Class Representative

28. **Enforcement Action.** In the event that one more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

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DATED: PURPLE COMMUNICATIONS, INC.

By: _____
Name: Caryn Bain
Title: Chief Administrative Officer

DATED: CSDVRS, LLC

By: _____
Name: Caryn Bain
Title: Chief Administrative Officer

DATED: PLAINTIFF MARY CROWDER

By: _____
Plaintiff and Settlement Class Representative

DATED: Feb 16, 2023

PLAINTIFF LISA JUCHA

By: *Lisa Jucha*
Lisa Jucha (Feb 16, 2023 07:39 EST)
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: 2/15/2023

MITCHELL SILBERBERG & KNUPP LLP

By: Gary McLaughlin
Gary M. McLaughlin
Attorneys for Defendants

DATED:

HAINES LAW GROUP, APC

By: _____
Fletcher W. Schmidt
Attorneys for Plaintiffs

APPROVED AS TO FORM:

DATED:

MITCHELL SILBERBERG & KNUPP LLP

By: _____
Gary M. McLaughlin
Attorneys for Defendants

DATED: Feb 16, 2023

HAINES LAW GROUP, APC

By:  _____
Fletcher W. Schmidt
Attorneys for Plaintiffs