1		CLASS ACTION AND PAGA SETTLEMENT
2		AGREEMENT AND CLASS NOTICE
3	This Class A	ction and PAGA Settlement Agreement ("Agreement") is made by and between
4	Plaintiff Silvestre C	Gonzalez ("Plaintiff") and Defendants Fletchline Inc. and Hyde Group LLC
5	(collectively, "Defe	ndants"). The Agreement refers to Plaintiff and Defendants collectively as
6	"Parties," or individu	ally as "Party."
7	1. <u>DEF</u> I	INITIONS.
8	1.1.	"Action" means the Plaintiff's lawsuit alleging wage and hour violations
9		against Defendants captioned Silvestre Gonzalez v. Fletchline Inc., et al.,
10		initiated on May 5, 2022 and pending in the Superior Court of California,
11		County of San Joaquin, Case No. STK-CV-UOE-2022-0003439.
12	1.2.	"Administrator" means Phoenix Settlement Administrators, the neutral entity
13		the Parties have agreed to appoint to administer the Settlement.
14	1.3.	"Administration Expenses Payment" means the amount the Administrator will
15		be paid from the Gross Settlement Amount to reimburse its reasonable fees and
16		expenses in accordance with the Administrator's "not to exceed" bid submitted
17		to the Court in connection with Preliminary Approval of the Settlement.
18	1.4.	"Aggrieved Employees" means all current and former non-exempt, hourly paid
19		employees who worked for Fletchline as direct employees, or through Hyde
20		Group, in California at any time from February 28, 2021, through the date of
21		preliminary approval of the settlement or June 8, 2023, which is 90 days from
22		March 10, 2023, the date the Parties accepted the mediator's proposal
23		(whichever is earlier).
24	1.5.	"Class" means all current and former non-exempt, hourly-paid employees who
25		worked for Fletchline as direct employees, or through Hyde Group LLC, in
26		California at any time during the Class Period.
27	1.6.	"Class Counsel" means Jeremy F. Bollinger, Dennis F. Moss, Ari E. Moss, and
28		Jorge A. Flores of Moss Bollinger LLP.
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1.7. "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

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- 1.8. "Class Data" means Class Member identifying information in Defendants' possession including the Class Member's name, last-known mailing address, Social Security number, number of Class Period Workweeks and PAGA Pay Periods, and either (i) dates of employment or (ii) whether the Member experienced a termination between May 5, 2019 and the end of the Class Period.
- 1.9. "Class Member" or "Settlement Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. "Class Member Address Search" means the Administrator's investigation and search for Class Member current mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11. "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.
  - 1.12. "Class Period" means the period from May 5, 2018, to the date of Preliminary Approval of the Class Settlement, or June 8, 2023, which is 90 days from March 10, 2023, the date the Parties accepted the mediator's proposal (whichever is earlier).
    - 1.13. "Class Representative" means Silvestre Gonzalez.

- 1.14. "Class Representative Service Payment" means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15. "Court" means the Superior Court of California, County of San Joaquin.

- 1.16. "Defense Counsel" means Hieu T. Williams and Jesse D. Sutz of Hirschfeld Kraemer LLP.
- 1.17. "Effective Date" means later of: (i) if no timely objections are filed, or are withdrawn prior to Final Approval, then sixty (60) calendar days after the date the Court enters Judgment; or (ii) if a Class Member files an objection to the Settlement, the Effective Date shall be the later of the following events: five (5) business days after the period for filing any appeal, writ, or other appellate proceeding opposing Final Approval has elapsed without any appeal, writ, or other appellate proceeding opposing Final Approval has been filed; five business days after any appeal, writ, or other appellate proceeding opposing Final Approval has been filed, five business days after any appeal, writ, or other appellate proceeding opposing Final Approval has been filed, five business days after any appeal, writ, or other appellate proceedings opposing the Settlement has finally and conclusively dismissed with no right to pursue further remedies or relief and the Settlement has been upheld with no right to pursue further remedies or relief.
  - 1.18. "Final Approval" means the Court's order granting final approval of the Settlement.
    - 1.19. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.
  - 1.20. "Final Judgment" means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
  - 1.21. "Gross Settlement Amount" means Four Hundred Seventy-Five Thousand Dollars (\$475,000) which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 4.3 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA

1		Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel
2		Expenses, Class Representative Service Payment and the Administrator's
3		Expenses.
4	1.22.	"Individual Class Payment" means the Participating Class Member's pro rata
5		share of the Net Settlement Amount calculated according to the number of
6		Workweeks worked during the Class Period.
7	1.23.	"Individual PAGA Payment" means the Aggrieved Employee's pro rata share
8		of 25% of the PAGA Penalties calculated according to the number of pay
9		periods worked during the PAGA Period.
10	1.24.	"Judgment" means the judgment entered by the Court based upon the Final
11		Approval.
12	1.25.	"LWDA" means the California Labor and Workforce Development Agency,
13		the agency entitled, under Labor Code section 2699, subd. (i).
14	1.26.	"LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the
15		LWDA under Labor Code section 2699, subd. (i).
16	1.27.	"Net Settlement Amount" means the Gross Settlement Amount less proposed
17		attorneys' fees, costs, and enhancement award to named Plaintiff, PAGA
18		Penalties and Administrator's Expenses Payment.
19	1.28.	"PAGA Pay Period" means any Pay Period during which an Aggrieved
20		Employee worked for Fletchline as direct employees, or through Hyde Group,
21		for at least one day during the PAGA Period.
22	1.29.	"Non-Participating Class Member" means any Class Member who opts out of
23		the Settlement by sending the Administrator a valid and timely Request for
24		Exclusion.
25	1.30.	"PAGA Period" means the period from February 28, 2021 to the date the
26		Preliminary Approval of the Class Settlement is granted, or June 8, 2023, which
27		is 90 days from March 10, 2023, the date the Parties accepted the mediator's
28		proposal, whichever is sooner.
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1	1.31.	"PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et
2		seq.).
3	1.32.	"PAGA Notice" means Plaintiff's February 28, 2022 letter to Defendants and
4		the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
5	1.33.	"PAGA Penalties" means the PAGA civil penalties to be paid from the Net
6		Settlement Amount. \$12,000 of the Net Settlement amount will be allocated as
7		the PAGA Penalties, 25% (\$4,000.00) of which will be distributed to the
8		Aggrieved Employees and 75% (\$8,000.00) will be distributed to the LWDA
9		in settlement of the PAGA claims.
10	1.34.	"Participating Class Member" means a Class Member who does not submit a
11		valid and timely Request for Exclusion from the Settlement.
12	1.35.	"Plaintiff" means Silvestre Gonzalez, the named plaintiff in the Action.
13	1.36.	"Preliminary Approval" means the Court's Order Granting Preliminary
14		Approval of the Settlement.
15	1.37.	"Preliminary Approval Order" means the Order Granting Preliminary Approval
16		and Approval of PAGA Settlement.
17	1.38.	"Released Class Claims" means the claims being released as described in
18		Paragraph 5.2 below.
19	1.39.	"Released PAGA Claims" means the claims being released as described in
20		Paragraph 5.3 below.
21	1.40.	"Released Parties" means: Fletchline Inc. and Hyde Group LLC, and each of
22		their past, present, and future direct or indirect parents, subsidiaries,
23		predecessors, successors and affiliates, as well as each of their past, present and
24		future officers, directors, employees, partners, members, shareholders and
25		agents, attorneys, insurers, reinsurers, and any individual or entity which could
26		be jointly liable with Defendants.
27	1.41.	"Request for Exclusion" means a Class Member's submission of a written
28		request to be excluded from the Class Settlement signed by the Class Member.
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		CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

1.42. "Response Deadline" means forty-five (45) calendar days from the mailing of the Class Notice within which to complete and postmark a written request for exclusion, for return to the Settlement Administrator.

1.43. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.44. "Workweek" means any week during which a Class Member worked for Fletchline as direct employees, or through Hyde Group, for at least one day, during the Class Period.

#### 2. **RECITALS.**

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2.1. On May 5, 2022, Plaintiff commenced this Action by filing a Complaint alleging a single cause of action against Defendants for civil penalties under the Private Attorneys General Act of 2004 ("PAGA") for Defendants' failure to provide adequate meal periods, failure to provide adequate rest periods, failure to reimburse business expenses, failure to provide accurate wage statements, failure to timely pay all wages during employment, failure to keep legally compliant payroll records, and failure to timely pay all wages upon cessation of employment. On June 23, 2022, Defendants filed their answer to Plaintiff's PAGA only complaint. On July 12, 2022, counsel for Defendants confirmed that the Parties never entered into an arbitration agreement that would preclude Plaintiff from pursuing class claims in this action. On July 20, 2022, the Parties stipulated that Plaintiff be granted leave to file a First Amended Complaint. On August 16, 2022, Plaintiff filed the First Amended Complaint which brought in Class Claims that extended from May 5, 2018 through the present as to meal, rest, and reimbursement claims, from May 5, 2019 through the present on the Labor Code § 201 et seq. claim, and from May 5, 2021 through the present on the wage statement claim. The Parties agree to stipulate to the filing of a Second Amended Complaint for Plaintiff to add claims for unpaid minimum and overtime wages based on Defendant's alleged failure to pay for time spent undergoing temperature checks and security checks. The Second Amended Complaint will be the operative complaint.

2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice.

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2.3. On March 9, 2023, the Parties participated in an all-day mediation presided over by mediator Hon. Jeffrey Winikow (ret.), which resulted in a mediator's proposal that both Parties accepted on March 10, 2023, and led to this Agreement to settle the Action.

2.4. Prior to mediation, the Parties agreed that Defendants would informally provide the data that Plaintiff and his counsel needed to evaluate the class and PAGA claims, including Defendants' pay data, time data and relevant policies for the period covering May 13, 2019 to February 3, 2023. However, because the Class Period began on May 5, 2018, Plaintiff extrapolated the workweeks for the portion of the Class Period for which Plaintiff did not have any workweek data. Through this process, Plaintiff and his counsel were able to evaluate class and PAGA claims. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal. App. 4<sup>th</sup> 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4<sup>th</sup> 116, 129-130 ("*Dunk/Kullar*").

2.5. The Court has not <u>yet</u> granted class certification. For settlement purposes only, the Parties agree that the Class, as defined in Paragraph 1.5 herein, may be certified in the Action. The Parties are not certifying any PAGA claims. In support of this Agreement, Plaintiff will request that the Court certify for settlement purposes only the Class as to all non-PAGA claims that have been asserted, which Defendants shall not oppose or object to.

2.6. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

**3. MONETARY TERMS.** 

- 3.1. <u>Gross Settlement Amount</u>. Except as otherwise provided by Paragraph 4.3 below, Defendants promise to pay Four Hundred Seventy-five Thousand Dollars (\$475,000), as the Gross Settlement Amount. In no event shall Defendants be liable for the payment of any amounts exceeding the Gross Settlement Amount with the exception of the employer's share of payroll taxes (all employer payroll taxes owed on the Wage Portions of the Individual Class Payments) or in the event the escalation clause is triggered. Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.
- 3.2. <u>Payments from the Gross Settlement Amount</u>. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
- 3.2.1. <u>To Plaintiff</u>: Class Representative Service Payment to the Class Representative of not more than Ten Thousand Dollars (\$10,000) (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendants will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no later than <u>sixteen (16) court</u> days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the

Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

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- 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 35% of the Gross Settlement Amount, which is currently estimated to be \$166,250 (subject to being increased if the Gross Settlement Amount increases pursuant to Section 8, *infra*) and a Class Counsel Litigation Expenses Payment of not more than \$12,000. Defendants will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.
  - 3.2.3. <u>To the Administrator</u>: An Administrator Expenses Payment not to exceed Ten Thousand Dollars (\$10,000) based on 404 class members

except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than Ten Thousand Dollars (\$10,000), the Administrator will retain the remainder in the Net Settlement Amount.

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- 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated as follows: The Net Settlement Amount will be allocated among Participating Class Members on a proportional basis based on the number of Work Weeks worked during the Class Period and whether the Participating Class Member experienced a termination during the Class Period. Participating Class Members shall be allocated one (1) point of credit for each Work Week they worked within the Class Period and five (5) points of credit if the Participating Class Member experienced a termination between May 5, 2019 and the end of the Class Period. One day worked in a given week will be credited as a Work Week for purposes of these calculations. To calculate each Class Member's proportional share, the Administrator will (i) Add all points for all Participating Class Members to obtain the Denominator; (ii) Divide the number of points for each Participating Class Member by the Denominator to obtain each Class Member's portion of the Net Settlement Amount; (iii) Multiply each Participating Class Member's portion of the Net Settlement Amount by the Net Settlement Amount to determine each Class Member's estimated individual settlement payment of the Net Settlement Amount.
  - 3.2.4.1.<u>Tax Allocation of Individual Class Payments</u>. Twenty percent (20%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. Eighty

1	Percent (80%) of each Participating Class Member's Individual
2	Class Payment will be allocated to settlement of claims for
3	interest and penalties (the "Non-Wage Portion"). The Non-
4	Wage Portions are not subject to wage withholdings and will be
5	reported on IRS 1099 Forms. Participating Class Members
6	assume full responsibility and liability for any employee taxes
7	owed on their Individual Class Payment.
8	3.2.4.2. Effect of Non-Participating Class Members on Calculation of
9	Individual Class Payments. Non-Participating Class Members
10	will not receive any Individual Class Payments. The
11	Administrator will retain amounts equal to their Individual Class
12	Payments in the Net Settlement Amount for distribution to
13	Participating Class Members on a pro rata basis.
14	3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the
15	amount of \$12,000.00 with 75% (\$8,000.00) allocated to the LWDA
16	PAGA Payment and 25% (\$4,000.00) allocated to the Individual PAGA
17	Payments.
18	3.2.5.1.The Administrator will calculate each Individual PAGA
19	Payment by (a) dividing the Aggrieved Employees' PAGA
20	Period Pay Periods by the total number of PAGA Period Pay
21	Periods worked by all Aggrieved Employees during the PAGA
22	Period and (b) multiplying the result by \$4,000 (the 25% of the
23	PAGA Penalties allocated to the Aggrieved Employee's).
24	Aggrieved Employees assume full responsibility and liability for
25	any taxes owed on their Individual PAGA Payment, if any.
26	3.2.5.2.If the Court approves PAGA Penalties of less than the amount
27	requested, the Administrator will allocate the remainder to the
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	CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

1		Net Settlement Amount. The Administrator will report the
2		Individual PAGA Payments on IRS 1099 Forms.
3	<b>4. SET</b>	FLEMENT FUNDING AND PAYMENTS.
4	4.1.	Class Workweeks and Aggrieved Employee Pay Periods. The Parties agreed
5		to the Gross Settlement Sum based on an estimated 5,247 Workweeks worked
6		by members of the Class during the Class Period, and an estimated 1,041 PAGA
7		Pay Periods worked by Aggrieved Employees during the PAGA Period.
8	4.2.	Class Data. Not later than twenty-eight (28) days after the Court grants
9		Preliminary Approval of the Settlement, Defendants will deliver the Class Data
10		to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect
11		Class Members' privacy rights, the Administrator must maintain the Class Data
12		in confidence, use the Class Data only for purposes of this Settlement and for
13		no other purpose, and restrict access to the Class Data to Administrator
14		employees who need access to the Class Data to effect and perform under this
15		Agreement. Defendants have a continuing duty to immediately notify Class
16		Counsel if it discovers that the Class Data omitted class member identifying
17		information and to provide corrected or updated Class Data as soon as
18		reasonably feasible. Without any extension of the deadline by which
19		Defendants must send the Class Data to the Administrator, the Parties and their
20		counsel will expeditiously use best efforts, in good faith, to reconstruct or
21		otherwise resolve any issues related to missing or omitted Class Data.
22	4.3.	Funding of Gross Settlement Amount. Defendants shall fully fund the Gross
23		Settlement Amount, and also fund the amounts necessary to fully pay
24		Defendants' share of payroll taxes by transmitting the funds to the
25		Administrator no later than fourteen (14) calendar days after the Effective Date.
26	4.4.	Payments from the Gross Settlement Amount. Within fourteen (14) days after
27		Defendants fund the Gross Settlement Amount, the Administrator will mail
28		checks for all Individual Class Payments, all Individual PAGA Payments, the
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I	l	CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

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- 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
  - 4.4.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within five (5) calendar days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the

Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

- 4.4.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to Bet Tzedek Legal Services for the benefit of its Employment Rights Clinic pursuant to California Code of Civil Procedure Section 384, subd. (b).
  - 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS: Effective on the date when Defendants fully fund the entire Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff and Class Members will release claims against all Released Parties as follows:

5.1. <u>Plaintiff's Release</u>. Plaintiff releases and discharges Released Parties from any and all claims and damages alleged in the operative complaint or reasonably arising from any of the facts alleged in Plaintiff's operative complaint for damages, including Defendants' alleged violation of the California Business and Professions Code Sections 17200 *et seq*. for, inter alia, failure to pay overtime and minimum wages, provide meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide compliant wage statements, maintain complete and accurate payroll records, and reimburse necessary business related expenses, as

well as all claims for failure to pay minimum wages, failure to pay overtime wages, failure to provide meal and rest periods, failure to issue accurate itemized wage statements, and Defendants' alleged unfair business practices stemming from these alleged Labor Code violations. Plaintiff's Release also includes the "Released PAGA Claims" in paragraph 5.3 below. Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

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5.1.1. Plaintiff's Waiver of Rights Under California Civil Code Section 1542. Plaintiff shall be deemed to have, and by operation of the Judgment shall have, expressly waived and relinquished to the fullest extent permitted by law the provisions, rights, and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law that purports to limit the scope of a general release. Plaintiff, for himself, has read Section 1542 of the Civil Code of the State of California, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO **CLAIMS WHICH 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 HIS AFFECTED OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

5.1.2. Plaintiff understands that Section 1542 gives the right not to release existing claims of which he is not now aware, unless Plaintiff voluntarily chooses to waive this right. Having been so apprised, Plaintiff nevertheless voluntarily waives the rights described in Section 1542, and elects to assume all risks for claims that now exist in his favor, known or unknown. The release of the claims of Plaintiff as set forth in this Paragraph is a condition precedent to enforcement of the MOU and this Agreement.

- 5.2. The "Released Class Claims": All Participating Class Members, on behalf of themselves, release Released Parties from any and all claims and damages alleged in the operative complaint or reasonably arising from any of the facts alleged in Plaintiff's operative complaint for damages, including Defendants' alleged violation of the California Business and Professions Code Sections 17200 et seq. for, inter alia, failure to pay overtime and minimum wages, provide meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide compliant wage statements, maintain complete and accurate payroll records, and reimburse necessary business related expenses, as well as all claims for failure to pay minimum wages, failure to pay overtime wages, failure to provide meal and rest periods, failure to issue accurate itemized wage statements, and Defendants' alleged unfair business practices stemming from these alleged Labor Code violations.
  - 5.2.1. The claims set forth in subparagraphs 5.1-5.2. hereinabove shall be collectively referred to as the "Released Claims."
  - 5.3. <u>The "Released PAGA Claims"</u>: In exchange for Defendants' payment of the PAGA Penalties, all Aggrieved Employees, including Plaintiff, release all claims and damages arising under the Private Attorney General Act of 2004 ("PAGA"), as alleged in the First Amended Complaint filed by Plaintiff. The

Aggrieved Employees will be issued a check for their share of the PAGA Penalties and will not have the opportunity to opt out of, or object to, the PAGA Penalties and release of the Released PAGA Claims set forth in this Paragraph. The Aggrieved Employees are bound by the release of the Released PAGA Claims regardless of whether they cash or deposit their Individual PAGA Payment or opt out of being a Settlement Class Member in accordance with Paragraph 7.5.

#### 6. MOTION FOR PRELIMINARY APPROVAL.

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6.1. Class Counsel's Responsibilities. Class Counsel will prepare all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members and/or the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), a copy of the operative complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator. In their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement. Class Counsel is responsible for finalizing and filing the Motion for Preliminary Approval; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

6.2. <u>Duty to Cooperate</u>. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

#### 7. SETTLEMENT ADMINISTRATION.

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- 7.1. <u>Selection of Administrator</u>. The Parties have jointly selected <u>Phoenix</u> <u>Settlement Administrators</u> to serve as the Administrator and verified that, as a condition of appointment, the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2. <u>Employer Identification Number</u>. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

1 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund 2 that meets the requirements of a Qualified Settlement Fund ("QSF") under US 3 Treasury Regulation section 468B-1. 7.4. Notice to Class Members. 4 5 7.4.1. No later than three (3) business days after receipt of the Class Data, the 6 Administrator shall notify Class Counsel that the list has been received 7 and state the number of Class Members, PAGA Members, Workweeks, 8 and PAGA Pay Periods in the Class Data. 9 7.4.2. Using best efforts to perform as soon as possible, and in no event later 10 than fourteen (14) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-11 12 class United States Postal Service ("USPS") mail, the Class Notice 13 substantially in the form attached to this Agreement as Exhibit A. The 14 first page of the Class Notice shall prominently estimate the dollar 15 amounts of any Individual Class Payment and/or Individual PAGA 16 Payment payable to the Class Member/Aggrieved Employee, and the 17 number of Workweeks and PAGA Pay Periods (if applicable) used to 18 calculate these amounts. Before mailing Class Notices, the 19 Administrator shall update Class Member addresses using the National 20 Change of Address database. 21 7.4.3. Not later than five (5) business days after the Administrator's receipt of 22 any Class Notice returned by the USPS as undelivered, the 23 Administrator shall re-mail the Class Notice using any forwarding 24 address provided by the USPS. If the USPS does not provide a 25 forwarding address, the Administrator shall conduct a Class Member 26 Address Search, and re-mail the Class Notice to the most current address 27 obtained. The Administrator has no obligation to make further attempts 28 to locate or send Class Notice to Class Members whose Class Notice is 19 CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

returned by the USPS a second time.

7.4.4. If the Administrator, Defendants or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith. in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

#### 7.5. <u>Requests for Exclusion (Opt-Outs)</u>.

7.5.1. Each Class Member shall have forty-five (45) calendar days from the mailing of the Notice within which to complete and postmark a written request for exclusion, for return to the Settlement Administrator. The request need not be in any particular form and will be considered a valid request for exclusion so long as it communicates a clear desire by the Settlement Class Member not to be included in the Settlement and/or Settlement Class, and identifies his/her/their full name and date of birth, and current address along with his/her/their signature. No requests for exclusion shall be accepted if postmarked after the forty-five (45) calendar day period for the filing of exclusions. Class Members are responsible to maintain a photocopy of their request for exclusion, reflecting that it was submitted in a timely manner. Any disputes regarding the timeliness of a request for exclusion or whether a written communication constitutes a valid request that cannot be resolved between the Parties shall be determined by the Court, whose

determination shall be final. A Class Member, who is also an Aggrieved Employee, cannot opt-out of the PAGA component of the Settlement.

7.5.2. Any Class Member who validly excludes himself/herself/themselves from this Settlement shall not be bound by the Class Released Claims and shall not be entitled to any portion of the Net Settlement Amount.

7.6. Challenges to Calculation of Workweeks. Each Class Member shall have fortyfive (45) days after the Administrator mails the Class Notice to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

#### 7.7. Objections to Settlement.

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- 7.7.1. Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.
  - 7.7.2. Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating

1	Class Members may appear in Court (or hire an attorney to appear in
2	Court) to present verbal objections at the Final Approval Hearing. A
3	Participating Class Member who elects to send a written objection to the
4	Administrator must do so not later than forty-five (45) days after the
5	Administrator's mailing of the Class Notice
6	7.7.3. Any Class Member, who does not affirmatively opt-out of the
7	Settlement by submitting a valid and timely request for exclusion, may
8	object to the approval of class action settlement ("Objecting Class
9	Member"). Any Class Member who makes a timely request for
10	exclusion has waived their right to object.
11	7.7.4. Non-Participating Class Members have no right to object to any of the
12	class action components of the Settlement.
13	7.7.5. Counsel for the Parties shall file any response to the objections
14	submitted by Objecting Class Members, if any, at least five (5) court
15	days before the date of the Final Approval Hearing.
16	7.7.6. At no time shall any of the Parties or their counsel seek to solicit or
17	otherwise encourage Class Members to submit written objections to the
18	Settlement or to appeal from the Court's Final Judgment. Class Counsel
19	shall not represent any Class Members with respect to any such
20	objections to this Settlement.
21	7.8. <u>Administrator Duties</u> . The Administrator has a duty to perform or observe all
22	tasks to be performed or observed by the Administrator contained in this
23	Agreement or otherwise.
24	7.8.1. Requests for Exclusion (Opt-outs) and Exclusion List. The
25	Administrator will promptly review on a rolling basis Requests for
26	Exclusion to ascertain their validity. Not later than five (5) days after
27	the expiration of the deadline for submitting Requests for Exclusion, the
28	Administrator shall email a list to Defense Counsel containing (a) the
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	CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid). Separately, the Administrator shall email a list to Class Counsel containing (a) the names on the Exclusion List.

7.8.2. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

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7.8.3. <u>Administrator's Declaration</u>. Not later than fourteen (14) days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

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7.8.4. Final Report by Settlement Administrator. Within ten (10) days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least thirty (30) days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. CLASS SIZE ESTIMATES. The Parties agreed to this Settlement based on the following estimates: as of the date of the mediation (1) there were 467 Class Members and 5,247 total Workweeks during the Class Period and (2) there were 50 Aggrieved Employees who worked 1,041 PAGA Pay Periods during the PAGA Period. If the actual number of workweeks worked during the Class Period exceeds 5,247 workweeks by more than 10% (or 525 workweeks), the Parties agree that the Gross Settlement Sum shall be proportionately increased on a pro rata basis for workweeks in excess of 5,772 through the date of preliminary approval or 90 days from the Parties' acceptance of the mediator's proposal, whichever is earlier, or, Defendants in their sole discretion can limit the release periods to the point at which 5,772 workweeks is reached. If the Gross Settlement Sum increases pursuant to this escalation clause, Plaintiff's request for an attorney's fee award shall also increase as it is a percentage of the Gross Settlement Sum. Should the number of workweeks increase by more than 25%, each Party possesses the right to rescind the settlement. However, the Party that exercises its right to rescind the settlement shall bear all administration costs incurred as of that date. Should either Party exercise its their right to rescind the Settlement, the Parties agree

to make good-faith efforts to negotiate a settlement based on the additional number of workweeks.

9. DEFENDANTS' RIGHT TO WITHDRAW. If five percent (5%) or more of the Class Members opt out of the Settlement by submitting valid and timely requests for exclusion, Defendants shall have the sole and absolute discretion to rescind/void the Agreement within twenty (20) days after receiving from the Settlement Administrator the final list of requests for exclusion. Defendants agree to meet and confer in good faith with Class Counsel before rescinding or voiding the Agreement. The Parties agree that, if Defendants elect to rescind/void the Agreement, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendants will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendants must notify Class Counsel and the Court in writing of its election to withdraw not later than twenty (20) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

10. MOTION FOR FINAL APPROVAL. Not later than sixteen 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (1), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval").

10.1. <u>Response to Objections</u>. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2. <u>Duty to Cooperate</u>. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

- 10.3. <u>Continuing Jurisdiction of the Court</u>. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
  - 10.5. <u>Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment</u>. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously

1 work together in good faith to address the appellate court's concerns and to 2 obtain Final Approval and entry of Judgment. An appellate decision to vacate, 3 reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material 4 5 modification of the Judgment within the meaning of this paragraph, as long as 6 the Gross Settlement Amount remains unchanged. 7 11. **AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil 8 Procedure section 384, the Parties will work together in good faith to jointly submit a 9 proposed amended judgment. 12. **ADDITIONAL PROVISIONS.** 10 11 12.1. No Admission of Liability, Class Certification or Representative Manageability 12 for Other Purposes. This Agreement represents a compromise and settlement 13 of highly disputed claims. Nothing in this Agreement is intended or should be 14 construed as an admission by Defendants that any of the allegations in the 15 operative complaint have merit or that Defendants has any liability for any 16 claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree 17 18 that class certification and representative treatment is for purposes of this 19 Settlement only. If, for any reason, the Court does grant Preliminary Approval, 20 Final Approval, or enter Judgment, Defendants reserve the right to contest 21 certification of any class for any reasons, and Defendants reserve all available 22 defenses to the claims in the Action, and Plaintiff reserves the right to move for 23 class certification on any grounds available and to contest Defendants defenses. 24 The Settlement, this Agreement, and the Parties' willingness to settle the Action 25 will have no bearing on, and will not be admissible in connection with, any 26 litigation (except for proceedings to enforce or effectuate the Settlement and 27 this Agreement). 28 27

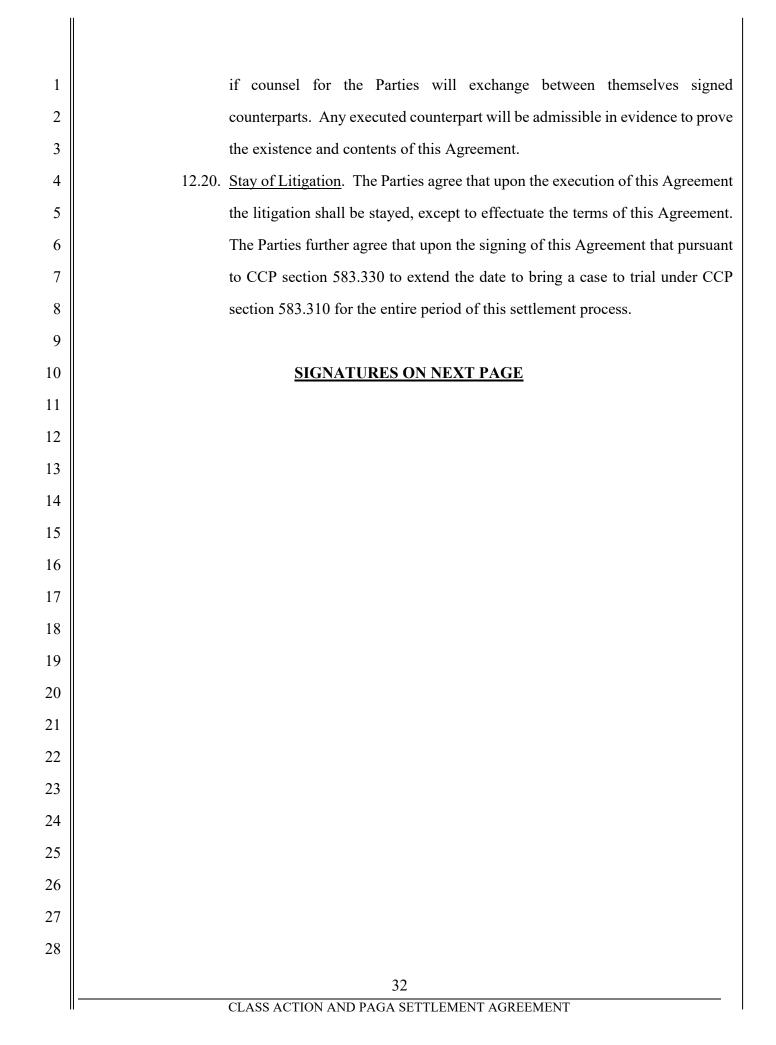
1	12.2.	Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel,
2	12.2.	Defendants, and Defense Counsel separately agree that, until the Motion for
3		Preliminary Approval of Settlement is filed, they and each of them will not
4		disclose, disseminate and/or publicize, or cause or permit another person to
5		disclose, disseminate or publicize, any of the terms of the Agreement directly
6		or indirectly, specifically or generally, to any person, corporation, association,
7		government agency, or other entity except: (1) to the Parties' attorneys,
8		accountants, or spouses, all of whom will be instructed to keep this Agreement
9		confidential; (2) to the extent necessary to report income to appropriate taxing
10		authorities; (3) in response to a court order or subpoena; or (4) in response to
11		an inquiry or subpoena issued by a state or federal government agency. Each
12		Party agrees to immediately notify each other Party of any judicial or agency
13		order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel,
14		Defendants and Defense Counsel separately agree not to, directly or indirectly,
15		initiate any conversation or other communication, before the filing of the
16		Motion for Preliminary Approval, with any third party regarding this
17		Agreement or the matters giving rise to this Agreement except to respond only
18		that "the matter was resolved," or words to that effect. This paragraph does not
19		restrict Class Counsel's communications with Class Members in accordance
20		with Class Counsel's ethical obligations owed to Class Members.
21	12.3.	Non-Publicity Post Preliminary Approval. Class Counsel and Plaintiff agree
22		not to publicize the terms of this Settlement with the media, including but not
23		limited to, any newspaper, journal, magazine, website and/or online reporter of
24		settlements or on any website.
25	12.4.	No Solicitation. The Parties separately agree that they and their respective
26		counsel and employees will not solicit any Class Member to opt out of or object
27		to the Settlement, or appeal from the Judgment, either directly or indirectly,
28		through any means. Nothing in this paragraph shall be construed to restrict
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		CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

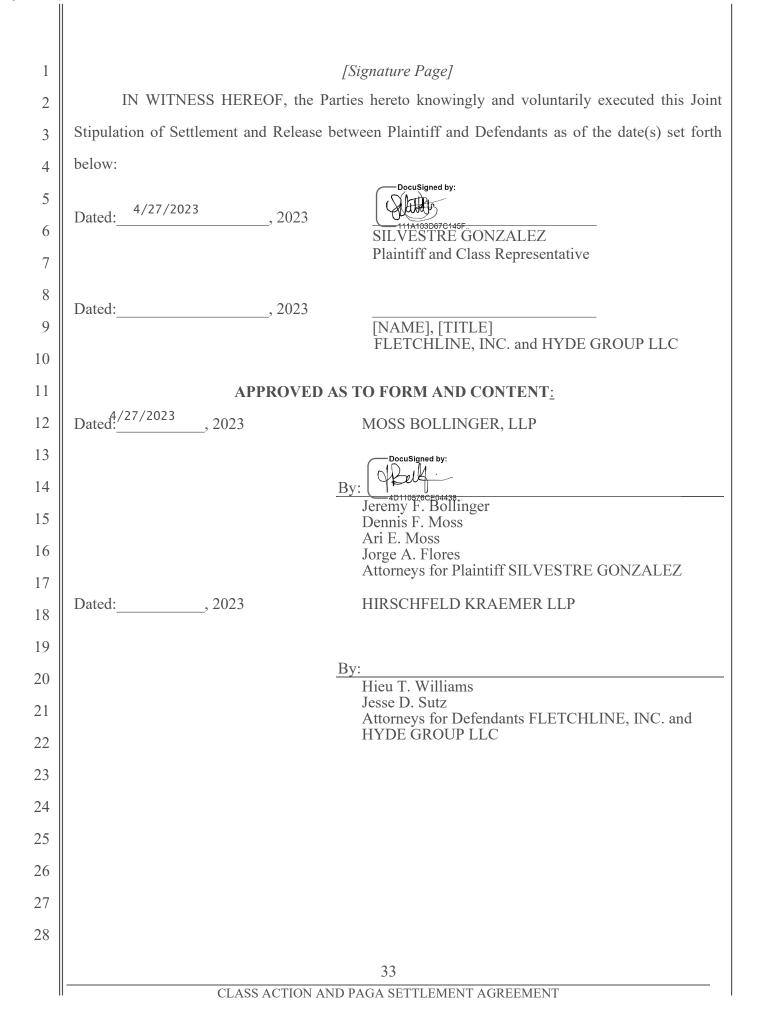
Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 12.5. <u>Integrated Agreement</u>. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.6. <u>Attorney Authorization</u>. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.7. <u>Cooperation</u>. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 12.8. <u>No Prior Assignments</u>. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
  - 12.9. <u>No Tax Advice</u>. Neither Plaintiff, Class Counsel, Defendants nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall

1	anything ir	this Settlement be relied upon as such within the meaning of United
2	States Tre	asury Department Circular 230 (31 CFR Part 10, as amended) or
3	otherwise.	
4	12.10. Modificati	on of Agreement. This Agreement, and all parts of it, may be
5	amended, 1	nodified, changed, or waived only by an express written instrument
6	signed by a	all Parties or their representatives, including their counsel of record,
7	and approv	ed by the Court.
8	12.11. Agreement	Binding on Successors. This Agreement will be binding upon, and
9	inure to the	e benefit of, the successors of each of the Parties.
10	12.12. Applicable	Law. All terms and conditions of this Agreement and its exhibits
11	will be gov	verned by and interpreted according to the internal laws of the state
12	of Californ	ia, without regard to conflict of law principles.
13	12.13. Cooperation	n in Drafting. The Parties have cooperated in the drafting and
14	preparation	of this Agreement. This Agreement will not be construed against
15	any Party	on the basis that the Party was the drafter or participated in the
16	drafting.	
17	12.14. Confidenti	ality. To the extent permitted by law, all agreements made, and
18	orders en	ered during Action and in this Agreement relating to the
19	confidentia	lity of information shall survive the execution of this Agreement.
20	12.15. <u>Use and Re</u>	eturn of Class Data. Information provided to Class Counsel pursuant
21	to Cal. Ev	id. Code §1152, and all copies and summaries of the Class Data
22	provided t	o Class Counsel by Defendants in connection with the mediation,
23	other settle	ment negotiations, or in connection with the Settlement, may be used
24	only with r	espect to this Settlement, and no other purpose, and may not be used
25	in any way	that violates any existing contractual agreement, statute, or rule of
26	court. Not	later than ninety (90) days after the date when the Court discharges
27	the Admin	strator's obligation to provide a Declaration confirming the final pay
28	out of all	Settlement funds, Plaintiff shall destroy, all paper and electronic
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ļ	CLASS ACT	ION AND PAGA SETTLEMENT AGREEMENT

1	versions of Class Data received from Defendants unless, prior to the Court's
2	discharge of the Administrator's obligation, Defendants makes a written request
3	to Class Counsel for the return, rather than the destructions, of Class Data.
4	12.16. <u>Headings</u> . The descriptive heading of any section or paragraph of this
5	Agreement is inserted for convenience of reference only and does not constitute
6	a part of this Agreement.
7	12.17. <u>Calendar Days</u> . Unless otherwise noted, all reference to "days" in this
8	Agreement shall be to calendar days. In the event any date or deadline set forth
9	in this Agreement falls on a weekend or federal legal holiday, such date or
10	deadline shall be on the first business day thereafter.
11	12.18. <u>Notice</u> . All notices, demands or other communications between the Parties in
12	connection with this Agreement will be in writing and deemed to have been
13	duly given as of the third business day after mailing by United States mail, or
14	the day sent by email or messenger, addressed as follows:
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16	To Plaintiff: Jeremy F. Bollinger
17	Moss Bollinger LLP
18	15300 Ventura Blvd., Ste. 207
	Sherman Oaks, CA 91430
19 20	
20	To Hieu T. Williams
21	Defendants: Jesse D. Sutz Hirschfeld Kramer LLP
22	456 Montgomery Street, Suite 2200
23	San Francisco, CA 94104
24	
25	12.19. Execution in Counterparts. This Agreement may be executed in one or more
26	counterparts by facsimile, electronically (i.e. DocuSign), or email which for
27	purposes of this Agreement shall be accepted as an original. All executed
28	counterparts and each of them will be deemed to be one and the same instrument
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	CLASS ACTION AND PAGA SETTLEMENT AGREEMENT





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1	[Signature Page]
2	IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily executed this Joint
3	Stipulation of Settlement and Release between Plaintiff and Defendants as of the date(s) set forth
4	below:
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6	Dated:, 2023
7	Plaintiff and Class Representative
8	4/26/2023 Ed Fletcher
9	Dated:, 2023
10	FLETCHLINE, INC. and HYDE GROUP LLC Ed Fletcher President
11	APPROVED AS TO FORM AND CONTENT:
12	Dated:, 2023 MOSS BOLLINGER, LLP
13	
14	By:
15	Jeremy F. Bollinger Dennis F. Moss
16	Ari E. Moss Jorge A. Flores
17	4/26/2023 Attorneys for Plaintiff SILVESTRE GONZALEZ
18	Dated:, 2023 HIRSCHFELD KRAEMER LLP
19	DocuSigned by:
20	$\frac{\text{By:}_{27C54\text{D178B33400}}}{\text{Hieu T. Williams}}$
21	Jesse D. Sutz Attorneys for Defendants FLETCHLINE, INC. and
22	HYDE GROUP LLC
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	CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

# Exhibit A

## to

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE *Gonzalez v. Fletchline Inc., et al.* San Joaquin County Sup. Court Case No. STK-CV-UOE-2022-0003439

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

Silvestre Gonzalez v. Fletchline Inc., et al.

San Joaquin County Superior Court Case No. STK-CV-UOE-2022-0003439

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

**You may be eligible to receive money** from an employee class action and PAGA lawsuit ("Action") against <u>Fletchline, Inc. ("Fletchline") and Hyde Group LLC</u> ("Hyde Group") (together "Defendants") for alleged wage and hour violations. The Action was filed by a former employee of Defendants, Silvestre Gonzalez ("Plaintiff"), and seeks payment of (1) back wages and other relief for a class of all current and former non-exempt, hourly-paid employees who worked for Fletchline as direct employees or through Hyde Group in California at any time from May 5, 2018, through the date of preliminary approval of the settlement or 90 days from June 8, 2023, the date the Parties accepted the mediator's proposal, whichever is earlier ("Class Members"). The Class Period is from May 5, 2018 through \_\_\_\_\_\_.

This Action also seeks civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA") on behalf of current and former non-exempt, hourly paid employees who worked for Fletchline as direct employees, or through Hyde Group, in California at any time from February 28, 2021, through the date of preliminary approval of the settlement or 90 days from June 8, 2023, the date the Parties accepted the mediator's proposal, whichever is earlier, whichever is earlier ("Aggrieved Employes"). The PAGA Period is from February 28, 2021 through

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendants to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendants to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA"). Based on Defendants' records, and the Parties' current assumptions, your Individual Class Payment is estimated to be <u>(less withholding)</u> and your Individual PAGA Payment is estimated to be <u>(less withholding)</u>. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendants' records you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work during the PAGA Period.)

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The above estimates are based on Defendants' records showing that **you worked workweeks** during the Class Period and **you worked** workweeks during the PAGA Period and that **you experienced** terminations. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. *See* Section 4 of this Notice.

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

If you worked for Defendants during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

(1) Do Nothing. You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. If you do nothing, and the Court approves the Settlement, as a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendants.

(2) Opt-Out of the Class Settlement. You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendants, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. If you are an Aggrieved Employee, you cannot opt-out of the PAGA portion of the proposed Settlement.

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

# SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

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10	You Don't Have to Do	If you do nothing, you will be a Participating Class Member, eligible
11	Anything to Participate	for an Individual Class Payment and an Individual PAGA Payment (if
12	in the Settlement	any). In exchange, you will give up your right to assert the wage
13		claims against Defendants that are covered by this Settlement
14		("Released Claims").
15	You Can Opt-out of the	If you don't want to fully participate in the proposed Settlement, you
16	Class Settlement but not	can opt-out of the Class Settlement by sending the Administrator a
17	the PAGA Settlement	written Request for Exclusion. Once excluded, you will be a Non-
18		Participating Class Member and no longer eligible for an Individual
19	The Opt-out Deadline is	Class Payment. Non-Participating Class Members cannot object to
20		any portion of the proposed Settlement. See Section 6 of this Notice.
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22		You cannot opt-out of the PAGA portion of the proposed Settlement.
23		Defendants must pay Individual PAGA Payments to all Aggrieved
24		Employees and the Aggrieved Employees must give up their rights to
25		pursue Released Claims.
26	Participating Class	All Class Members who do not opt-out ("Participating Class
27	Members Can Object to	Members") can object to any aspect of the proposed Settlement. The
28	the Class Settlement but	Court's decision whether to finally approve the Settlement will include
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not the PAGA	a determination of how much will be paid to Class Counsel and
Settlement	Plaintiff who pursued the Action on behalf of the Class. You are no
	personally responsible for any payments to Class Counsel or Plaintif
Written Objections	but every dollar paid to Class Counsel and Plaintiff reduces the overal
Must be Submitted by	amount paid to Participating Class Members. You can object to the
	amounts requested by Class Counsel or Plaintiff if you think they an
	unreasonable. See Section 7 of this Notice.
You Can Participate in	The Court's Final Approval Hearing is scheduled to take place on
the	You don't have to attend but you do have the
Final Approval Hearing	right to appear (or hire an attorney to appear on your behalf at your
	own cost), in person, by telephone or by using the Court's virtual
	appearance platform. Participating Class Members can verbally
	object to the Settlement at the Final Approval Hearing. See Section
	of this Notice.
You Can Challenge the	The amount of your Individual Class Payment and PAGA Payment
<b>Calculation of Your</b>	(if any) depend on how many workweeks you worked at least one
Workweeks/Pay Periods	day during the Class Period and how many Pay Periods you worked
	at least one day during the PAGA Period, respectively. The number
Written Challenges	Class Period Workweeks and number of PAGA Period Pay Periods
Must be Submitted by	you worked according to Defendants' records is stated on the first
	page of this Notice. If you disagree with either of these numbers,
	you must challenge it by See Section 4 of this
	Notice.
1. WHAT IS T	HE ACTION ABOUT?

### ON ABOUT?

26 Plaintiff is a former employee of Defendants. The Action accuses Defendants of violating 27 California labor laws by failing to provide adequate meal periods, failing to allow rest periods, failing to pay all wages for time spent undergoing temperature checks and security checks, failing to furnish 28

itemized wage statements, failing to timely pay all wages upon cessation of employment, failing to reimburse business expenses, and unfair competition. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Jeremy F. Bollinger, Dennis F. Moss, Ari E. Moss, and Jorge A. Flores of Moss Bollinger LLP ("Class Counsel.")

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

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

So far, the Court has made no determination whether Defendants or Plaintiff is correct on the merits.

In the meantime, Plaintiff and Defendants hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendants have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendants do not admit any violations or concede the merit of any claims.

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

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

Defendants Will Pay Four Hundred Seventy-Five Thousand Dollars (\$475,000) as the
 Gross Settlement Amount ("Gross Settlement"). Defendants have agreed to deposit the Gross

1 Settlement into an account controlled by the Administrator of the Settlement. The Administrator will 2 use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class 3 Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's 4 expenses, and penalties to be paid to the California Labor and Workforce Development Agency 5 ("LWDA"). Assuming the Court grants Final Approval, Defendants will fund the Gross Settlement 6 not more than fourteen (14) calendar days after the Judgment entered by the Court become final. The 7 Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class 8 Members object to the proposed Settlement or the Judgment is appealed. 9 2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing,

2. <u>Court Approved Deductions from Gross Settlement</u>. At the Final Approval Hearing,
Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross
Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

12A. Up to \$166,250 (35% of the Gross Settlement) to Class Counsel for attorneys'13fees (subject to increase if the Gross Settlement increases) and up to \$12,00014for their litigation expenses. To date, Class Counsel have worked and incurred15expenses on the Action without payment.

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- B. Up to \$<u>10,000</u> as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
  - C. Up to \$<u>10,000</u> to the Administrator for services administering the Settlement based on 404 class members.
- D. Approximately \$12,000 for PAGA Penalties, allocated 75% (\$8,000.00) to the LWDA PAGA Payment and 25% (\$4,000.00) in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

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

3. <u>Net Settlement Distributed to Class Members</u>. After making the above deductions in
amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the

"Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks and whether they have experienced a termination within the relevant period.

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4. Taxes Owed on Payments to Class Members. Plaintiff and Defendants are asking the Court to approve an allocation of <u>20%</u> of each Individual Class Payment to taxable wages ("Wage Portion") and **80%** to non-economic damages and interest ("Non-Wage Portion.). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendants will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

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

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

22 6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a 23 Participating Class Member, participating fully in the Class Settlement, unless you notify the 24 Administrator in writing, not later than \_\_\_\_\_, that you wish to opt-out. The easiest way to 25 notify the Administrator is to send a written and signed Request for Exclusion by the 26 Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her 27 representative setting forth a Class Member's name, present address, telephone number, and a simple 28 statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-

Participating Class Members) will not receive Individual Class Payments, but will preserve their rights
to personally pursue wage and hour claims against Defendants. You cannot opt-out of the PAGA
portion of the Settlement. Class Members who exclude themselves from the Class Settlement (NonParticipating Class Members) remain eligible for Individual PAGA Payments and are required to give
up their right to assert PAGA claims against Defendants based on the PAGA Period facts alleged in
the Action.

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7. <u>The Proposed Settlement Will be Void if the Court Denies Final Approval</u>. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendants have agreed that, in either case, the Settlement will be void: Defendants will not pay any money and Class Members will not release any claims against Defendants.

8. <u>Administrator</u>. The Court has appointed a neutral company, <u>Phoenix Settlement</u> <u>Administrators</u> (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

9. <u>Participating Class Members' Release</u>. After the Judgment is final and Defendants
 have fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating
 Class Members will be legally barred from asserting any of the claims released under the Settlement.
 This means that unless you opted out by validly excluding yourself from the Class Settlement, you
 cannot sue, continue to sue, or be part of any other lawsuit against Defendants or their related entities
 for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged
 in the Action and resolved by this Settlement.

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

All Participating Class Members, on behalf of themselves, release Released Parties from any and all claims and damages alleged in the operative complaint or reasonably arising from any of the facts alleged in Plaintiff's operative complaint for damages, including Defendants' alleged violation of the California Business and Professions Code Sections 17200 et seq. for, inter alia,

1 failure to pay overtime and minimum wages, provide meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide compliant wage statements, maintain complete and 2 accurate payroll records, and reimburse necessary business related expenses, as 3 well as all claims for failure to pay minimum wages, failure to pay overtime wages, failure to provide meal and rest periods, failure to issue accurate itemized wage statements, and Defendants' alleged unfair business practices 4 stemming from these alleged Labor Code violations. 5 10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and 6 Defendants have paid the Gross Settlement (and separately paid the employer-side payroll taxes), all 7 Aggrieved Employees will be barred from asserting PAGA claims against Defendants, whether or not 8 9 10 11 12 13 are as follows: 14 15 16 17 18 1. 19 20 21 22 23 24 25 26 27 28

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

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Individual Class Payments. The Administrator will calculate Individual Class Payments using the following formula: The Net Settlement Amount will be allocated among Participating Class Members on a proportional basis based on the number of Work Weeks worked during the Class Period and whether the Participating Class Member experienced a termination between May 5, 2018 and the end of the Class Period. Participating Class Members shall be allocated one (1) points of credit for each Work Week they worked within the Class Period and five (5) points of credit if the Participating Class Member experienced a termination between May 5, 2018 and the end of the Class Period. One day worked in a given week will be credited as a Work Week for purposes of these calculations. To calculate each Class Member's proportional share, the Administrator will (i) Add all points for all Participating Class Members to obtain the Denominator; (ii) Divide the number

they exclude themselves from the Settlement. This means that all Aggrieved Employees, including

those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue,

continue to sue, or participate in any other PAGA claim against Defendants or their related entities

based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members

All Aggrieved Employees, including Plaintiff, release all claims and damages arising under the Private Attorney General Act of 2004 ("PAGA"), as alleged in the First Amended Complaint filed by Plaintiff.

# 4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

of points for each Participating Class Member by the Denominator to obtain each Class Member's portion of the Net Settlement Amount; (iii) Multiply each Participating Class Member's portion of the Net Settlement Amount by the Net Settlement Amount to determine each Class Member's estimated individual settlement payment of the Net Settlement Amount.

2. <u>Individual PAGA Payments</u>. The Administrator will calculate Individual PAGA Payments by (a) dividing the Aggrieved Employees' PAGA Period Pay Periods by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by \$4,000 (the 25% of the PAGA Penalties allocated to the Aggrieved Employees).

10 3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked 11 during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, 12 as recorded in Defendants' records, are stated in the first page of this Notice. You have until 13 to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your 14 challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this 15 Notice has the Administrator's contact information. You need to support your challenge by sending 16 copies of pay stubs or other records. The Administrator will accept Defendants' calculation of 17 Workweeks and/or Pay Periods based on Defendants' records as accurate unless you send copies of 18 records containing contrary information. You should send copies rather than originals because the 19 documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period 20 challenges based on your submission and on input from Class Counsel (who will advocate on behalf 21 of Participating Class Members) and Defendants' Counsel. The Administrator's decision is final. You 22 can't appeal or otherwise challenge its final decision.

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# 5. HOW WILL I GET PAID?

Participating Class Members. The Administrator will send, by U.S. mail, a single
 check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including
 those who also qualify as Aggrieved Employees. The single check will combine the Individual Class
 Payment and the Individual PAGA Payment.

2. <u>Non-Participating Class Members</u>. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

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

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as <u>Silvestre Gonzalez v. Fletchline Inc., et al.</u>, San Joaquin County <u>Superior Court Case No. STK-CV-UOE-2022-0003439</u>, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. The Administrator must be sent your request to be excluded by \_\_\_\_\_\_\_, or it will be invalid. Section 9 of the Notice has the Administrator's contact information.

## 7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendants are asking the Court to approve. At least <u>sixteen (16)</u> court days before the [INSERT DATE OF FINAL APPROVAL HEARING] Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you.

You can also view them on the Administrator's Website <u>(url)</u> or the Court's website

(<mark>url</mark>)

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. The deadline for sending written objections to the Administrator is \_\_\_\_\_\_\_. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action <u>Silvestre Gonzalez v.</u> <u>Fletchline Inc., et al., San Joaquin County Superior Court Case No. STK-CV-UOE-2022-0003439</u>, and include your name, current address, telephone number, and approximate dates of employment for and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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

# 8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on \_\_\_\_\_\_ at (time) in Department 10B of the San Joaquin County Superior Court, located at 180 E Weber Ave., 2nd Floor, Stockton, CA 95202. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or remotely by dialing (209) 992-5590, then follow the prompts and use the Bridge # and Pin # for the Department where your case is to be heard: Dept. 10B (Judge Guy Castillo): Bridge # 6939; Pin # 3892). Check the Court's website for the most current information.

1	It's possible the Court will reschedule the Final Approval Hearing. You should check the			
2	Administrator's website beforehand or contact Clas			
3	Counsel to verify the date and time of the Final Approval Hearing.			
4	9. HOW CAN I GET MORE INFORMATION?			
5	The Agreement sets forth everything Defendants and Plaintiff have promised to do under the			
6	proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement			
7	documents is to go to <u>(specify entity</u> ) <u></u> s website at <u>(url</u> ). You can also			
8	telephone or send an email to Class Counsel or the Administrator using the contact information listed			
9	below or consult the Superior Court website by going to			
10	(https://cms.sjcourts.org/fullcourtweb/start.do) and entering the Case Number for the Action, Case No.			
11	STK-CV-UOE-2022-0003439. You can also make an appointment to personally review court			
12	documents in the Clerk's Office at the San Joaquin County Superior Courthouse by calling (209) 992-			
13	5693			
14	DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION			
15	ABOUT THE SETTLEMENT.			
16	Class Counsel: Jeremy F. Bollinger, Dennis F. Moss, Ari E. Moss, Jorge A. Flores			
17	Name of Attorney: Jeremy F. Bollinger Email Address: jeremy@mossbollinger.com			
18	Name of Firm: Moss Bollinger LLP Mailing Address: 15300 Ventura Blvd., Ste. 207, Sherman Oaks, California 91403			
19	Telephone: (310) 982-2984			
20	Settlement Administrator: Name of Company:			
21	Mailing Address:			
22	Telephone: Fax Number:			
23	10. WHAT IF I LOSE MY SETTLEMENT CHECK?			
24	If you lose or misplace your settlement check before cashing it, the Administrator will			
25	replace it as long as you request a replacement before the void date on the face of the original check.			
26	If your check is already void you should consult the Unclaimed Property Fund			
27	for instructions on how to retrieve the funds.			
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	CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE			

