

1 **JCL LAW FIRM, APC**  
Jean-Claude Lapuyade (State Bar #248676)  
2 Sydney Castillo Johnson (State Bar #343881)  
Perssia Razma (State Bar #351398)  
3 5440 Morehouse Drive, Suite 3600  
San Diego, CA 92121  
4 Telephone: (619) 599-8292  
Facsimile: (619) 599-8291  
5 [jlapuyade@jcl-lawfirm.com](mailto:jlapuyade@jcl-lawfirm.com)  
[scastillo@jcl-lawfirm.com](mailto:scastillo@jcl-lawfirm.com)  
6 [prazma@jcl-lawfirm.com](mailto:prazma@jcl-lawfirm.com)

7 **ZAKAY LAW GROUP, APLC**  
Shani O. Zakay (State Bar #277924)  
8 5440 Morehouse Drive, Suite 3600  
San Diego, CA 92121  
9 Telephone: (619) 255-9047  
Facsimile: (858) 404-9203  
10 [shani@zakaylaw.com](mailto:shani@zakaylaw.com)

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12 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
13 **IN AND FOR THE COUNTY OF RIVERSIDE**

14 BRAD KLEIN, an individual, on behalf of  
15 himself and on behalf of all persons similarly  
situated,

16 Plaintiff,

17 v.

18 REDZONE SECURITY INC., a California  
19 Corporation; and DOES 1-50, Inclusive,

20 Defendants.

Case No. CVRI2202841

[Complaint Filed: July 11, 2022]

**STIPULATION OF SETTLEMENT OF  
CLASS AND PAGA ACTION CLAIMS  
AND RELEASE OF CLAIMS**

1 This Stipulation of Settlement of Class and PAGA Action Claims and Release of Claims is  
2 entered into by and between plaintiff BRAD KLEIN (hereinafter “Plaintiff”), an individual, on behalf  
3 of the Settlement Class, and in his representative capacity on behalf of the State of California and  
4 the Aggrieved Employees, and Defendant REDZONE SECURITY INC., a California Corporation,  
5 (“Defendant”):

6 **I. DEFINITIONS**

- 7 A. “Action” shall mean the putative class action lawsuit designated *Brad Klein v.*  
8 *Redzone Security Inc.*, Riverside County Superior Court, Case No. CVRI2202841,  
9 filed July 11, 2022.
- 10 B. “Aggrieved Employees” shall mean all non-exempt employees who are or previously  
11 were directly employed by Defendant and performed work in California during the  
12 PAGA Period.
- 13 C. “Aggrieved Employee Payment” shall mean the twenty-five (25%) of the PAGA  
14 Payment (\$2,500) allocated and distributed to the Aggrieved Employees.
- 15 D. “Agreement” or “Settlement Agreement” means this Stipulation of Settlement of  
16 Class and PAGA Action Claims and Release of Claims.
- 17 E. “Class Counsel” shall mean Jean-Claude Lapuyade, Esq. of JCL Law Firm, APC and  
18 Shani Zakay of Zakay Law Group, APLC.
- 19 F. “Class Counsel Award” means the award of fees and expenses that the Court  
20 authorizes to be paid to Class Counsel for the services they have rendered to Plaintiff  
21 and the Class in the Action, consisting of attorneys’ fees currently not to exceed one-  
22 third of the Gross Settlement Amount currently estimated to be \$66,666.66 out of  
23 \$200,000.00, plus costs and expenses in the amount of \$15,000.00. Class Counsel’s  
24 award for attorneys’ fees will be divided equally between Class Counsel (50% to  
25 JCL Law Firm, APC and 50% to Zakay Law Group, APLC).
- 26 G. “Class Data” means information regarding Class Members that Defendant will in  
27 good faith compile from its records and provide to the Settlement Administrator. It  
28 shall be formatted as a Microsoft Excel spreadsheet and shall include: each Class

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Member’s full name; last known address; Social Security Number; start dates and end dates of employment.

H. “Class Members” or the “Class” means all persons who are or previously were employed by Defendant as a non-exempt employee in California during the Class Period.

I. “Class Period” means the period between July 11, 2019 through January 11, 2024.

J. “Class Representative” shall mean plaintiff Brad Klein.

K. “Class Representative Service Award” means the amount that the Court authorizes to be paid to the Class Representative in recognition of his efforts and risks in assisting with the prosecution of the Action.

L. “Court” means the Superior Court for the State of California, County of Riverside currently presiding over the Action.

M. “Defendant” shall mean Redzone Security Inc.

N. “Effective Date” means the earliest date, following entry by the Court of an order and judgment finally approving this Settlement, upon which one of the following have occurred: (i) if no objection is filed to the settlement and no objector appears at the hearing on final approval, the date of the Court’s entry of the order granting final approval, (ii) if an objection is filed to the settlement and/or an objector appears at the hearing on final approval, then the earlier of the following: (a) the expiration of all potential appeal periods without a filing of a notice of appeal of the final approval order or judgment; (b) final affirmance of the final approval order and judgment by an appellate court as a result of any appeal(s), or (c) final dismissal or denial of all such appeals (including any petition for review, rehearing, certiorari, etc.) such that the final approval order and judgment is no longer subject to further judicial review.

O. “Funding Date” shall mean sixty (60) calendar days after the Effective Date and is the date Defendant transfers the Gross Settlement Amount into the QSF in accordance with the terms of this Agreement.

- 1 P. "Gross Settlement Amount" means Two Hundred Thousand Dollars and Zero Cents  
2 (\$200,000.00) that Defendant must pay into the QSF in connection with this  
3 Settlement, inclusive of the sum of the Individual Settlement Payments, the Class  
4 Representative Service Award, the Class Counsel Award, PAGA Payment and the  
5 Settlement Administration Expenses and *exclusive* of the employer's share of payroll  
6 tax, if any, triggered by any payment under this Settlement.
- 7 Q. "Individual Settlement Payment" means the amount payable from the Net Settlement  
8 Amount to each Settlement Class Member and excludes any amounts distributed to  
9 Aggrieved Employees pursuant to PAGA.
- 10 R. "LWDA Payment" shall mean the seventy-five percent (75%) of the PAGA Payment  
11 (\$7,500) allocated to the California Labor and Workforce Development Agency.
- 12 S. "Net Settlement Amount" or "NSA" means the Gross Settlement Amount, less Class  
13 Counsel Award, Class Representative Service Award, PAGA Payment, and  
14 Settlement Administration Expenses.
- 15 T. "Notice Packet" means the Class Notice to be provided to the Class Members by the  
16 Settlement Administrator in the form set forth as Exhibit A to this Agreement (other  
17 than formatting changes to facilitate printing by the Settlement Administrator).
- 18 U. "PAGA" means the California Labor Code Private Attorneys General Act of 2004,  
19 Labor Code § 2698 *et seq.*
- 20 V. "PAGA Payment" shall mean Ten Thousand Dollars and Zero Cents (\$10,000.00) to  
21 be allocated from the Gross Settlement Amount in settlement of the Released PAGA  
22 Claims.
- 23 W. "PAGA Payment Ratio" means the respective pay periods during the PAGA Period  
24 for each Aggrieved Employee divided by the sum total of the pay periods for all  
25 Aggrieved Employees during the PAGA Period.
- 26 X. "PAGA Pay Periods," for purposes of calculating the distribution of the Aggrieved  
27 Employee Payment, as defined herein, means the number of pay periods of  
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1 employment during the PAGA Period that each Aggrieved Employee worked in  
2 California.

3 Y. "PAGA Period" means the period between May 5, 2021 to January 11, 2024.

4 Z. "Parties" means Plaintiff and Defendant, collectively, and "Party" shall mean either  
5 Plaintiff or Defendant, individually.

6 AA. "Payment Ratio" means the respective Workweeks for each Class Member divided  
7 by the sum total Workweeks for all Class Members.

8 BB. "Plaintiff" shall mean Brad Klein.

9 CC. "QSF" means the Qualified Settlement Fund established, designated and maintained  
10 by the Settlement Administrator to fund the Gross Settlement Amount.

11 DD. "Released Class Claims" means all class claims which are alleged in the operative  
12 complaint, which occurred during the Class Period, and expressly excluding all other  
13 claims, including claims for vested benefits, wrongful termination, unemployment  
14 insurance, disability, social security, workers' compensation, and class claims outside  
15 of the Class Period.

16 EE. "Released PAGA Claims" means all PAGA claims which are alleged in the operative  
17 complaint and Plaintiff's PAGA notice to the LWDA which occurred during the  
18 PAGA Period, and expressly excluding all other claims, including claims for vested  
19 benefits, wrongful termination, unemployment insurance, disability, social security,  
20 workers' compensation, and PAGA claims outside of the PAGA Period.

21 FF. "Released Party" shall mean Defendant together with its officers, directors,  
22 employees and agents.

23 GG. "Response Deadline" means the date forty-five (45) days after the Settlement  
24 Administrator mails Notice Packets to Class Members and the last date on which  
25 Class Members may submit requests for exclusion or objections to the Settlement.

26 HH. "Settlement" means the disposition of the Action pursuant to this Agreement.

27 II. "Settlement Administrator" means Apex Class Action LLC, 18 Technology Drive,  
28 Suite 164 Irvine, CA 92618. The Settlement Administrator establishes, designates

1 and maintains, as a QSF under Internal Revenue Code section 468B and Treasury  
2 Regulation section 1.468B-1, into which the amount of the Gross Settlement Amount  
3 is deposited for the purpose of resolving the claims of Settlement Class Members.  
4 The Settlement Administrator shall maintain the funds until distribution in an  
5 account(s) segregated from the assets of Defendant and any person related to  
6 Defendant. *All accrued interest shall be paid and distributed to the Settlement Class*  
7 *Members as part of their respective Individual Settlement Payment.*

8 JJ. “Settlement Administration Expenses” shall mean the amount to be paid for the costs  
9 of administration of the Settlement from the Gross Settlement Amount in an amount  
10 not to exceed \$10,000.00.

11 KK. “Settlement Class Members” or “Settlement Class” means all Class Members who  
12 have not submitted a timely and valid request for exclusion as provided in this  
13 Agreement.

14 LL. “Workweeks”, for purposes of calculating the distribution of the Net Settlement  
15 Amount, means the number of weeks of employment during the Class Period that  
16 each Class Member was employed by Defendant in California, excluding weeks  
17 during which the Class Member did not perform any work for Defendant.

18 **II. RECITALS**

19 A. On May 5, 2022, Plaintiff filed a Notice of Violations with the Labor and Workforce  
20 Development Agency (LWDA) and served the same on Defendant.

21 B. On July 11, 2022, Plaintiff filed the Class Action lawsuit for:

- 22 1. Unfair Competition in Violation of Bus. and Prof. Code sections 17200 *et seq*;
- 23 2. Failure to pay minimum wages in violation of California Labor Code sections  
24 1194, 1197 and 1197.1;
- 25 3. Failure to pay overtime wages in violation of California Labor Code sections  
26 510 *et seq*;
- 27 4. Failure to provide required meal periods in violation of California Labor Code  
28 sections 226.7 and 512 and the applicable IWC wage order;

1 5. Failure to provide required rest periods in violation of California Labor Code  
2 sections 226.7 and 512 and the applicable IWC wage order;

3 6. Failure to provide accurate itemized wage statements in violation of California  
4 Labor Code section 226;

5 7. Failure to provide wages when due in violation of California Labor Code  
6 sections 201, 202 and 203; and

7 8. Failure to reimburse Plaintiff for required expenses in violation of California  
8 Labor Code section 2802; and

9 9. Violation of the Private Attorneys General Act in violation of California Labor  
10 Code sections 2698, *et seq.*

11 C. The Class Representative believes he has meritorious claims based on alleged  
12 violations of the California Labor Code, and the Industrial Wage Commission Orders,  
13 and that class certification is appropriate because the prerequisites for class  
14 certification can be satisfied in the Action, and this action is manageable as a PAGA  
15 representative action.

16 D. Defendant denies any liability or wrongdoing of any kind associated with the claims  
17 alleged in the Action, dispute any wages, damages and penalties claimed by the Class  
18 Representative are owed, and further contend that, for any purpose other than  
19 settlement, the Action is not appropriate for class or representative action treatment.  
20 Defendant contends, among other things, that at all times it complied with the  
21 California Labor Code and the Industrial Wage Commission Orders.

22 E. The Class Representative is represented by Class Counsel. Class Counsel investigated  
23 the facts relevant to the Action, including conducting an independent investigation as  
24 to the allegations, reviewing financial documents, and information exchanged through  
25 informal discovery. Defendant produced for the purpose of settlement negotiations  
26 certain employment data concerning the Settlement Class, which Class Counsel  
27 reviewed and analyzed. Based on their own independent investigation and evaluation,  
28 Class Counsel are of the opinion that the Settlement with Defendant is fair, reasonable

1 and adequate, and is in the best interest of the Settlement Class in light of all known  
2 facts and circumstances, including the risks of significant delay, defenses asserted by  
3 Defendant, uncertainties regarding class certification, and numerous potential  
4 appellate issues. Although it denies any liability, Defendant agrees to this Settlement  
5 solely to avoid the inconveniences and cost of further litigation. The Parties and their  
6 counsel have agreed to settle the claims on the terms set forth in this Agreement.

7 F. During the litigation, Defendant's sole owner had been stricken with a grave and  
8 debilitating illness that precluded him from participating in the litigation.

9 G. On July 13, 2023, counsel for Defendant informed Class Counsel that Defendant  
10 ceased operations and closed its business. Due to Defendant's sole owner's physical  
11 condition and Defendant's business closure, Defendant raised the possibility that it  
12 would be unable to satisfy a larger class-wide settlement.

13 H. Defendant produced various financial documents for Class Counsel to review and  
14 analyze. Class Counsel retained Certified Public Accountant, Kenneth L. Creal, CPA,  
15 to review and analyze Defendant's financial information, including its tax returns and  
16 profit and loss sheets.

17 I. On November 30, 2023, Plaintiff received a financial report from Mr. Creal. Based  
18 on Mr. Creal's review, he determined that Defendant could not afford a larger  
19 settlement than the one contemplated here.

20 J. This Agreement replaces and supersedes any other agreements, understandings, or  
21 representations between the Parties. This Agreement represents a compromise and  
22 settlement of highly disputed claims. Nothing in this Agreement is intended or will  
23 be construed as an admission by Defendant that the claims in the Action of Plaintiff  
24 or the Class Members have merit or that Defendant bears any liability to Plaintiff or  
25 the Class on those claims or any other claims, or as an admission by Plaintiff that  
26 Defendant's defenses in the Action have merit.

27 K. The Parties believe that the Settlement is fair, reasonable and adequate. The  
28 Settlement was arrived at through arm's-length negotiations, considering all relevant



1 factors. The Parties recognize the uncertainty, risk, expense and delay attendant to  
2 continuing the Action through trial and any appeal. Accordingly, the Parties desire to  
3 fully, finally, and forever settle, compromise and discharge all disputes and claims  
4 arising from or relating to the Action.

- 5 L. The Parties agree to certification of the Class for purposes of this Settlement only. If  
6 for any reason the settlement does not become effective, Defendant reserves the right  
7 to contest certification of any class for any reason and reserves all available defenses  
8 to the claims in the Action.

9 Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

10 **III. TERMS OF AGREEMENT**

11 A. Settlement Consideration and Settlement Payments by Defendant.

- 12 1. Settlement Consideration. In full and complete settlement of the Action, and  
13 in exchange for the releases set forth below, Defendant will pay the sum of  
14 the Individual Settlement Payment, the Class Representative Service Award,  
15 the Class Counsel Award, PAGA Payment, and the Settlement Administration  
16 Expenses, as specified in this Agreement, equal to the Gross Settlement  
17 Amount of Two Hundred Thousand Dollars and Zero Cents (\$200,000.00).  
18 The Parties agree that this is a non-reversionary Settlement and that no portion  
19 of the Gross Settlement Amount shall revert to Defendant. Other than the  
20 Defendant's share of employer payroll taxes and as provided for in Section  
21 III(A)(2) below, if any, Defendant shall not be required to pay more than the  
22 Gross Settlement Amount, except as provided for hereinbelow.
- 23 2. Class Size. At the time of mediation, Defendant estimated that the Settlement  
24 Class was comprised of 338 Class Members who collectively worked  
25 approximately 10,000 Workweeks ("Projected Workweeks") during the Class  
26 Period and 338 Aggrieved Employees who worked a total of 4,550 Pay  
27 Periods during the PAGA Period. In regard hereto, Defendant will provide a  
28 declaration under penalty of perjury before the deadline for filing the motion

1 for preliminary approval of the settlement, confirming the number of  
2 applicable Class Members and workweeks they worked during the applicable  
3 Class Period. If the actual number of Workweeks exceeds the Projected  
4 Workweeks, Defendant may opt to cut off the Class Period when 10,000  
5 Workweeks are reached.

6 3. Settlement Payment. Defendant and the Released Parties, and each of them,  
7 are jointly and severally liable for payment of the Gross Settlement Amount.  
8 Defendant shall pay the Gross Settlement Amount to the Settlement  
9 Administrator on the Funding Date.

10 4. Defendant's Share of Payroll Taxes. Defendant's share of employer side  
11 payroll taxes is in addition to the Gross Settlement Amount and shall be paid  
12 together with the Gross Settlement Amount.

13 B. Release by Settlement Class Members. As of the Funding Date, in exchange for the  
14 consideration set forth in this Agreement, Plaintiff and the Settlement Class Members  
15 release the Released Parties from the Released Class Claims for the Class Period.

16 C. Release by the Plaintiff and State of California. As of the Funding Date, in exchange  
17 for the consideration set forth in this Agreement, the Plaintiff, the LWDA and the State  
18 of California release the Released Parties from the Released PAGA Claims for the  
19 PAGA Period. As a result of this release, the Aggrieved Employees shall be precluded  
20 from bringing claims against Released Parties for the Released PAGA Claims. The  
21 forgoing is subject to and intended to be in compliance with Case Management Order  
22 #1 H(9)(d), such that Plaintiff releases all claims for statutory penalties that could have  
23 been sought by the Labor Commissioner for the violations identified in Plaintiff's pre-  
24 filing letter to the LWDA and only to the extent they are alleged in the complaint;  
25 Plaintiff does not release any aggrieved employee's claim for wages or damages.

26 D. Conditions Precedent: This Settlement will become final and effective only upon the  
27 occurrence of all of the following events:

28 1. The Court enters an order granting preliminary approval of the Settlement;

- 1           2.     The Court enters an order granting final approval of the Settlement and a Final  
2           Judgment;
- 3           3.     If an objector appears at the final approval hearing, the time for appeal of the  
4           Final Judgment and Order Granting Final Approval of Class Action  
5           Settlement expires; or, if an appeal is timely filed, there is a final resolution of  
6           any appeal from the Judgment and Order Granting Final Approval of Class  
7           Action Settlement; and
- 8           4.     Defendant fully funds the Gross Settlement Amount.

9     E.     Nullification of Settlement Agreement. In the event that this Settlement Agreement is  
10     not preliminarily or finally approved by the Court, fails to become effective, or is  
11     reversed, withdrawn or modified by the Court, or in any way prevents or prohibits  
12     Defendant from obtaining a complete resolution of the Released Class Claims, or if  
13     Defendant fails to fully fund the Gross Settlement Amount:

- 14           1.     This Settlement Agreement shall be void *ab initio* and of no force or effect,  
15           and shall not be admissible in any judicial, administrative or arbitral  
16           proceeding for any purpose or with respect to any issue, substantive or  
17           procedural;
- 18           2.     The conditional class certification (obtained for any purpose) shall be void *ab*  
19           *initio* and of no force or effect, and shall not be admissible in any judicial,  
20           administrative or arbitral proceeding for any purpose or with respect to any  
21           issue, substantive or procedural; and
- 22           3.     None of the Parties to this Settlement will be deemed to have waived any  
23           claims, objections, defenses or arguments in the Action, including with respect  
24           to the issue of class certification.
- 25           4.     If Defendant fails to fully fund the Gross Settlement Amount, Defendant shall  
26           bear the sole responsibility for any cost to issue or reissue any curative notice  
27           to the Settlement Class Members and all Settlement Administration Expenses  
28           incurred to the date of nullification.

- 1 F. Certification of the Settlement Class. The Parties stipulate to conditional class  
2 certification of the Class for the Class Period for purposes of settlement only. In the  
3 event that this Settlement is not approved by the Court, fails to become effective, or is  
4 reversed, withdrawn or modified by the Court, or in any way prevents or prohibits  
5 Defendant from obtaining a complete resolution of the Released Class Claims, the  
6 conditional class certification (obtained for any purpose) shall be void *ab initio* and of  
7 no force or effect, and shall not be admissible in any judicial, administrative or arbitral  
8 proceeding for any purpose or with respect to any issue, substantive or procedural.
- 9 G. Tax Liability. The Parties make no representations as to the tax treatment or legal  
10 effect of the payments called for, and Class Members and/or Aggrieved Employees are  
11 not relying on any statement or representation by the Parties in this regard. Class  
12 Members and/or Aggrieved Employees understand and agree that they will be  
13 responsible for the payment of any taxes and penalties assessed on the Individual  
14 Settlement Payments and/or Aggrieved Employee Payment described and will be  
15 solely responsible for any penalties or other obligations resulting from their personal  
16 tax reporting of Individual Settlement Payments and/or Aggrieved Employee Payment.
- 17 H. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section,  
18 the “acknowledging party” and each Party to this Agreement other than the  
19 acknowledging party, an “other party”) acknowledges and agrees that: (1) no provision  
20 of this Agreement, and no written communication or disclosure between or among the  
21 Parties or their attorneys and other advisers, is or was intended to be, nor shall any  
22 such communication or disclosure constitute or be construed or be relied upon as, tax  
23 advice within the meaning of United States Treasury Department circular 230 (31 CFR  
24 part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his,  
25 her or its own, independent legal and tax counsel for advice (including tax advice) in  
26 connection with this Agreement, (b) has not entered into this Agreement based upon  
27 the recommendation of any other Party or any attorney or advisor to any other Party,  
28 and (c) is not entitled to rely upon any communication or disclosure by any attorney

1 or adviser to any other party to avoid any tax penalty that may be imposed on the  
2 acknowledging party, and (3) no attorney or adviser to any other Party has imposed  
3 any limitation that protects the confidentiality of any such attorney's or adviser's tax  
4 strategies (regardless of whether such limitation is legally binding) upon disclosure by  
5 the acknowledging party of the tax treatment or tax structure of any transaction,  
6 including any transaction contemplated by this Agreement.

7 I. Preliminary Approval Motion. Plaintiff shall draft and file with the Court a Motion for  
8 Order Granting Preliminary Approval and supporting papers within a reasonable  
9 period of time after complete execution of this agreement and will provide Defendant  
10 with a draft of the Motion at least three (3) business days prior to the filing of the  
11 Motion to give Defendant an opportunity to propose changes or additions to the  
12 Motion.

13 J. Settlement Administrator. The Settlement Administrator shall be responsible for:  
14 establishing and administering the QSF; calculating, processing and mailing payments  
15 to the Class Representative, Class Counsel, LWDA and Class Members; printing and  
16 mailing the Notice Packets to the Class Members as directed by the Court; receiving  
17 and reporting the objections and requests for exclusion; calculating, deducting and  
18 remitting all legally required taxes from Individual Settlement Payments and  
19 distributing tax forms for the Wage Portion and Non-Wage Portion of the Individual  
20 Settlement Payments and/or Aggrieved Employee Payment; processing and mailing  
21 tax payments to the appropriate state and federal taxing authorities; providing  
22 declaration(s) as necessary in support of preliminary and/or final approval of this  
23 Settlement; and other tasks as the Parties mutually agree or the Court orders the  
24 Settlement Administrator to perform. The Settlement Administrator shall keep the  
25 Parties timely apprised of the performance of all Settlement Administrator  
26 responsibilities by among other things, sending a weekly status report to the Parties'  
27 counsel stating the date of the mailing, the of number of Elections Not to Participate  
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1 in Settlement it receives (including the numbers of valid and deficient), and number of  
2 objections received.

3 K. Notice Procedure.

4 1. Class Data. No later than ten (10) business days after the Preliminary  
5 Approval Date, Defendant shall provide the Settlement Administrator with the  
6 Class Data for purposes of preparing and mailing Notice Packets to the Class  
7 Members.

8 2. Notice Packets.

9 a) The Notice Packet shall contain the Notice of Class Action Settlement  
10 in a form substantially similar to the form attached as **Exhibit A** and a  
11 Request for Exclusion form attached hereto as **Exhibit B**. The Notice  
12 of Class Action Settlement shall inform Class Members and  
13 Aggrieved Employees that they need not do anything in order to  
14 receive an Individual Settlement Payment and/or Aggrieved Employee  
15 Payment and to keep the Settlement Administrator apprised of their  
16 current mailing address, to which the Individual Settlement Payments  
17 and/or Aggrieved Employee Payment will be mailed following the  
18 Funding Date. The Notice of Class Action Settlement shall set forth  
19 the release to be given by all members of the Class who do not request  
20 to be excluded from the Settlement Class and/or Aggrieved  
21 Employees' in exchange for an Individual Settlement Payment and/or  
22 Aggrieved Employee Payment, the number of Workweeks worked by  
23 each Class Member during the Class Period and PAGA Period, if any,  
24 and the estimated amount of their Individual Settlement Payment if  
25 they do not request to be excluded from the Settlement and each  
26 Aggrieved Employee's share of the PAGA Payment, if any. The  
27 Settlement Administrator shall use the Class Data to determine Class  
28 Members' Workweeks and PAGA Pay Periods. The Notice will also

1 advise the Aggrieved Employees that they will release the Released  
2 PAGA Claims and will receive their share of the PAGA Payment  
3 regardless of whether they request to be excluded from the Settlement.

4 b) The Notice Packet’s mailing envelope shall include the following  
5 language: “IMPORTANT LEGAL DOCUMENT- YOU MAY BE  
6 ENTITLED TO PARTICIPATE IN A CLASS ACTION  
7 SETTLEMENT; A PROMPT REPLY TO CORRECT YOUR  
8 ADDRESS IS REQUIRED AS EXPLAINED IN THE ENCLOSED  
9 NOTICE.”

10 3. Notice by First Class U.S. Mail and Email. Upon receipt of the Class Data,  
11 the Settlement Administrator will perform a search based on the National  
12 Change of Address Database to update and correct any known or identifiable  
13 address changes. No later than fourteen (14) calendar days after receiving the  
14 Class Data from Defendant, the Settlement Administrator shall mail and email  
15 copies of the Notice Packet to all Class Members via regular First-Class U.S.  
16 Mail and electronic mail. The Settlement Administrator shall exercise its best  
17 judgment to determine the current mailing address for each Class Member.  
18 The address identified by the Settlement Administrator as the current mailing  
19 address shall be presumed to be the best mailing address for each Class  
20 Member.

21 4. Undeliverable Notices. Any Notice Packets returned to the Settlement  
22 Administrator as non-delivered on or before the Response Deadline shall be  
23 re-mailed to any forwarding address provided. The Settlement Administrator  
24 will re-mail Notices within seven (7) days of receiving a returned Notice. If  
25 no forwarding address is provided, the Settlement Administrator shall  
26 promptly attempt to determine a correct address by lawful use of skip-tracing,  
27 or other search using the name, address and/or Social Security number of the  
28 Class Member involved, and shall then perform a re-mailing, if another

1 mailing address is identified by the Settlement Administrator. In addition, if  
2 any Notice Packets, which are addressed to Class Members who are currently  
3 employed by Defendant, are returned to the Settlement Administrator as non-  
4 delivered and no forwarding address is provided, the Settlement Administrator  
5 shall notify Defendant. Defendant will request that the currently employed  
6 Class Member provide a corrected address and transmit to the Administrator  
7 any corrected address provided by the Class Member. Class Members who  
8 received a re-mailed Notice Packet shall have their Response Deadline  
9 extended fifteen (15) days from the original Response Deadline.

10 5. Disputes Regarding Individual Settlement Payments. Class Members will  
11 have the opportunity, should they disagree with Defendant's records regarding  
12 the start and end dates of employment, to provide documentation and/or an  
13 explanation to show contrary dates. If there is a dispute, the Settlement  
14 Administrator will consult with the Parties to determine whether an  
15 adjustment is warranted. The Settlement Administrator shall determine the  
16 eligibility for, and the amounts of, any Individual Settlement Payments under  
17 the terms of this Agreement. The Settlement Administrator's determination  
18 of the eligibility for and amount of any Individual Settlement Payment shall  
19 be binding upon the Class Member and the Parties, except as provided herein  
20 below in Paragraph 6.

21 6. Disputes Regarding Administration of Settlement. Any disputes not resolved  
22 by the Settlement Administrator concerning the administration of the  
23 Settlement will be resolved by the Court under the laws of the State of  
24 California. Before any such involvement of the Court, counsel for the Parties  
25 will confer in good faith to resolve the disputes without the necessity of  
26 involving the Court.

27 7. Exclusions. The Notice of Class Action Settlement contained in the Notice  
28 Packet shall state that Class Members who wish to exclude themselves from



1 the Settlement must submit a signed copy of the Request for Exclusion form  
2 that will be mailed together with the Notice Packet to all Class Members. The  
3 Request for Exclusion will not be valid if it is not timely submitted, if the  
4 Class Member does not sign it, or if it does not contain the name and address  
5 and last four digits of the Social Security number of the Class Member. The  
6 date of the postmark on the mailing envelope or fax stamp on the Request for  
7 Exclusion shall be the exclusive means used to determine whether the request  
8 for exclusion was timely submitted. Any Class Member who submits a timely  
9 Request for Exclusion shall be excluded from the Settlement Class will not be  
10 entitled to an Individual Settlement Payment and will not be otherwise bound  
11 by the terms of the Settlement or have any right to object, appeal or comment  
12 thereon. However, any Class Member that submits a timely Request for  
13 Exclusion that is also a member of the Aggrieved Employees will still receive  
14 his/her pro rata share of the PAGA Payment, as specified below, and in  
15 consideration, will be bound by the Release by the Aggrieved Employees as  
16 set forth herein. Settlement Class Members who fail to submit a valid and  
17 timely Request for Exclusion on or before the Response Deadline shall be  
18 bound by all terms of the Settlement and any final judgment entered in this  
19 Action if the Court approves the Settlement. No later than fifteen (15)  
20 calendar days after the Response Deadline, the Settlement Administrator shall  
21 provide counsel for the Parties with a final list of the Class Members who have  
22 timely submitted timely Requests for Exclusion. At no time shall any of the  
23 Parties or their counsel seek to solicit or otherwise encourage members of the  
24 Class to submit Requests for Exclusion from the Settlement.

- 25 8. Objections. The Notice of Class Action Settlement contained in the Notice  
26 Packet shall state that Class Members who wish to object to the Settlement  
27 may submit to the Settlement Administrator a written statement of objection  
28 (“Notice of Objection” attached hereto as **Exhibit C**) by the Response

1 Deadline. The postmark date of mailing shall be deemed the exclusive means  
2 for determining that a Notice of Objection was served timely. The Notice of  
3 Objection, if in writing, must be signed by the Settlement Class Member and  
4 state: (1) the case name and number; (2) the name of the Settlement Class  
5 Member; (3) the address of the Settlement Class Member; (4) the last four  
6 digits of the Settlement Class Member's Social Security number; and (5) the  
7 basis for the objection. Class Members who fail to make objections in writing  
8 in the manner specified above may still make their objections orally at the  
9 Final Approval/Settlement Fairness Hearing with the Court's permission.  
10 Settlement Class Members will have a right to appear at the Final  
11 Approval/Settlement Fairness Hearing to have their objections heard by the  
12 Court regardless of whether they submitted a written objection. At no time  
13 shall any of the Parties or their counsel seek to solicit or otherwise encourage  
14 Class Members to file or serve written objections to the Settlement or appeal  
15 from the Order and Final Judgment. Class Members who submit a written  
16 request for exclusion may not object to the Settlement. Class Members may  
17 not object to the PAGA Payment.

18 L. Funding and Allocation of the Gross Settlement Amount. Defendant are required to  
19 pay the Gross Settlement Amount on or before the Funding Date, plus any employer's  
20 share of payroll taxes as mandated by law within the time specified herein.

21 1. Individual Settlement Payments. Individual Settlement Payments shall be  
22 paid from the Net Settlement Amount and shall be paid pursuant to the  
23 formula set forth herein. Using the Class Data, the Settlement Administrator  
24 shall add up the total number of Workweeks for all Class Members. The  
25 respective Workweeks for each Class Member will be divided by the total  
26 Workweeks for all Class Members, resulting in the Payment Ratio for each  
27 Class Member. Each Class Member's Payment Ratio will then be multiplied  
28 by the Net Settlement Amount to calculate each Class Member's estimated

1 Individual Settlement Payments. Each Individual Settlement Payment will be  
2 reduced by any legally mandated employee tax withholdings (e.g., employee  
3 payroll taxes, etc.). Individual Settlement Payments for Class Members who  
4 submit valid and timely requests for exclusion will be redistributed to  
5 Settlement Class Members who do not submit valid and timely requests for  
6 exclusion on a pro rata basis based on their respective Payment Ratios.

7 2. Calculation of Individual Payments to the Aggrieved Employees. Using the  
8 Class Data, the Settlement Administrator shall add up the total number of  
9 PAGA pay periods for all Aggrieved Employees during the PAGA Period.  
10 The respective PAGA pay periods for each Aggrieved Employee will be  
11 divided by the total PAGA pay periods for all Aggrieved Employees, resulting  
12 in the “PAGA Payment Ratio” for each Aggrieved Employee. Each  
13 Aggrieved Employee’s PAGA Payment Ratio will then be multiplied by the  
14 Aggrieved Employee Payment to calculate each Aggrieved Employee’s  
15 estimated share of the PAGA Payment.

16 3. Allocation of Individual Settlement Payments. For tax purposes, Individual  
17 Settlement Payments shall be allocated and treated as follows: 20% as wages  
18 (“Wage Portion”); 80% as penalties and interest (“Non-Wage Portion”). The  
19 Wage Portion is subject to wage withholdings and shall be reported on IRS  
20 Form W-2. The Non-Wage Portion shall not be subject to wage withholdings  
21 and shall be reported on IRS Form 1099.

22 4. Allocation of Aggrieved Employee Payments. For tax purposes, Aggrieved  
23 Employee Payments shall be allocated and treated as 100% penalties and shall  
24 be reported on IRS Form 1099.

25 5. No Credit Toward Benefit Plans. The Individual Settlement Payments and  
26 Aggrieved Employee Payment made to Settlement Class Members and/or  
27 Aggrieved Employees under this Settlement Agreement, as well as any other  
28 payments made pursuant to this Settlement Agreement, will not be utilized to

1 calculate any additional benefits under any benefit plans to which any Class  
2 Members may be eligible, including, but not limited to profit-sharing plans,  
3 bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave  
4 plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention  
5 that this Settlement Agreement will not affect any rights, contributions, or  
6 amounts to which any Class Members may be entitled under any benefit plans.

7 6. All monies received by Settlement Class Members under the Settlement which  
8 are attributable to wages shall constitute income to such Settlement Class  
9 Members solely in the year in which such monies actually are received by the  
10 Settlement Class Members. It is the intent of the Parties that Individual  
11 Settlement Payments and Aggrieved Employee Payment provided for in this  
12 Settlement Agreement are the sole payments to be made by Defendant to  
13 Settlement Class Members and/or Aggrieved Employees in connection with this  
14 Settlement Agreement, with the exception of Plaintiff, and that the Settlement  
15 Class Members and/or Aggrieved Employees are not entitled to any new or  
16 additional compensation or benefits as a result of having received the Individual  
17 Settlement Payments and/or their shares of the PAGA Payment.

18 7. Mailing. Individual Settlement Payments and Aggrieved Employee Payments  
19 shall be mailed by regular First-Class U.S. Mail to Settlement Class Members'  
20 and/or Aggrieved Employees last known mailing address no later than fifteen  
21 (15) calendar days after the Funding Date.

22 8. Expiration. Any checks issued to Settlement Class Members and Aggrieved  
23 Employees shall remain valid and negotiable for one hundred and eighty (180)  
24 days from the date of their issuance. If a Settlement Class Member and/or  
25 Aggrieved Employee does not cash his or her settlement check within ninety  
26 (90) days, the Settlement Administrator will send a letter to such persons,  
27 advising that the check will expire after the one hundred eightieth (180<sup>th</sup>) day,  
28 and invite that Settlement Class Member and/or Aggrieved Employee to

1 request reissuance in the event the check was destroyed, lost or misplaced. In  
2 the event an Individual Settlement Payment and/or Aggrieved Employee's  
3 Aggrieved Employee Payment check has not been cashed within one hundred  
4 and eighty (180) days, the check will be voided and the Settlement Class  
5 Member and/or Aggrieved Employee will remain bound by the Settlement.  
6 The funds from any such uncashed checks shall be reallocated and  
7 redistributed by the Settlement Administrator to those Settlement Class  
8 Members and/or Aggrieved Employees who cashed their Individual  
9 Settlement Payment checks through a second distribution using the same  
10 allocation as the first distribution. The Parties agreed that under this  
11 procedure, there is no residue as the entire Gross Settlement Amount will be  
12 distributed.

13 9. Class Representative Service Award. In addition to the Individual Settlement  
14 Payment and his Aggrieved Employee Payment to be paid to Plaintiff,  
15 Plaintiff will apply to the Court for an award of not more than \$10,000, as the  
16 Class Representative Service Award. Defendant will not oppose a Class  
17 Representative Service Award of not more than \$10,000 for Plaintiff. The  
18 Settlement Administrator shall pay the Class Representative Service Award,  
19 either in the amount stated herein if approved by the Court or some other  
20 amount as approved by the Court, to Plaintiff from the Gross Settlement  
21 Amount no later than fifteen (15) calendar days after the Funding Date. Any  
22 portion of the requested Class Representative Service Award that is not  
23 awarded to the Class Representative shall be part of the Net Settlement  
24 Amount and shall be distributed to Settlement Class Members as provided in  
25 this Agreement. The Settlement Administrator shall issue an IRS Form 1099  
26 — MISC to Plaintiff for his Class Representative Service Award. Plaintiff  
27 shall be solely and legally responsible to pay any and all applicable taxes on  
28 his Class Representative Service Award and shall hold harmless the Released

1 Parties from any claim or liability for taxes, penalties, or interest arising as a  
2 result of the Class Representative Service Award. The Class Representative  
3 Service Award shall be in addition to Plaintiff's Individual Settlement  
4 Payment as a Settlement Class Member. Approval of this Settlement shall not  
5 be conditioned on Court approval of the requested amount of the Class  
6 Representative Service Award. If the Court reduces or does not approve the  
7 requested Class Representative Service Award, Plaintiff shall not have the  
8 right to revoke the Settlement, and it will remain binding.

9 10. Class Counsel Award. Defendant understand a motion by Class Counsel for  
10 attorneys' fees not to exceed one-third of the Gross Settlement Amount  
11 currently estimated to be Sixty-Six Thousand, Six Hundred Sixty-Six Dollars  
12 and Sixty-Six Cents (\$66,666.66) plus costs and expenses supported by  
13 declaration not to exceed Fifteen Thousand Dollars and Zero Cents  
14 (\$15,000.00), from the Gross Settlement Amount will be filed. Defendant  
15 agrees not to oppose the request for the Class Counsel Award. Any portion  
16 of the requested Class Counsel Award that is not awarded to Class Counsel  
17 shall be part of the Net Settlement Amount and shall be distributed to  
18 Settlement Class Members as provided in this Agreement. The Settlement  
19 Administrator shall allocate and pay the Class Counsel Award to Class  
20 Counsel from the Gross Settlement Amount no later than fifteen (15) calendar  
21 days after the Funding Date. Class Counsel shall be solely and legally  
22 responsible to pay all applicable taxes on the payment made pursuant to this  
23 paragraph. The Settlement Administrator shall issue an IRS Form 1099 —  
24 MISC to Class Counsel for the payments made pursuant to this paragraph. In  
25 the event that the Court reduces or does not approve the requested Class  
26 Counsel Award, Plaintiff and Class Counsel shall not have the right to revoke  
27 the Settlement, or to appeal such order, and the Settlement will remain  
28 binding.

1           11.    PAGA Payment. Ten Thousand Dollars and Zero Cents (\$10,000.00) shall be  
2           allocated from the Gross Settlement Amount for settlement of claims for civil  
3           penalties under the Private Attorneys General Act of 2004 (“PAGA  
4           Payment”). The Settlement Administrator shall distribute the LWDA  
5           Payment to the California Labor and Workforce Development Agency no later  
6           than twenty-five (25) calendar days after the Funding Date. The Aggrieved  
7           Employee Payment will be distributed to the Aggrieved Employees as  
8           described in this Agreement. For purposes of distributing the Aggrieved  
9           Employee Payments, each Aggrieved Employee shall receive their pro-rata  
10          share of the Aggrieved Employee Payment using the PAGA Payment Ratio  
11          as defined above.

12          12.    Settlement Administration Expenses. The Settlement Administrator shall be  
13          paid for the costs of administration of the Settlement from the Gross  
14          Settlement Amount. The estimate of the Settlement Administration Expenses  
15          is \$10,000. The Settlement Administrator shall be paid the Settlement  
16          Administration Expenses no later than fifteen (15) calendar days after the  
17          Funding Date.

18          M.    Final Approval Motion. Class Counsel and Plaintiff shall use best efforts to file with  
19          the Court a Motion for Order Granting Final Approval and Entering Judgment, within  
20          twenty-eight (28) days following the expiration of the Response Deadline, which  
21          motion shall request final approval of the Settlement and a determination of the  
22          amounts payable for the Class Representative Service Award, the Class Counsel  
23          Award, the PAGA Payment, and the Settlement Administration Expenses. Plaintiff  
24          will provide Defendant with a draft of the Motion at least three (3) business days prior  
25          to the filing of the Motion to give Defendant an opportunity to propose changes or  
26          additions to the Motion.

27          1.    Declaration by Settlement Administrator. No later than fifteen (15) days after  
28          the Response Deadline, the Settlement Administrator shall submit a

1 declaration in support of Plaintiff's motion for final approval of this  
2 Settlement detailing the number of Notice Packets mailed and re-mailed to  
3 Class Members, the number of undeliverable Notice Packets, the number of  
4 timely requests for exclusion and the names of the Class Members requesting  
5 exclusion (if any), the number of objections received, the amount of the  
6 average Individual Settlement Payment, lowest Individual Settlement  
7 Payment, and highest Individual Settlement Payment, the amount of the  
8 average Aggrieved Employee Payment, lowest Aggrieved Employee  
9 Payment, and highest Aggrieved Employee Payment, the Settlement  
10 Administration Expenses, and any other information as the Parties mutually  
11 agree or the Court orders the Settlement Administrator to provide.

12 2. Final Approval Order and Judgment. Class Counsel shall present an Order  
13 Granting Final Approval of Class Action Settlement to the Court for its  
14 approval, and Judgment thereon, at the time Class Counsel files the Motion  
15 for Final Approval.

16 N. Review of Motions for Preliminary and Final Approval. Class Counsel will provide  
17 an opportunity for Counsel for Defendant to review the Motions for Preliminary and  
18 Final Approval, including the Order Granting Final Approval of Class Action  
19 Settlement, and Judgment before filing with the Court. The Parties and their counsel  
20 will cooperate with each other and use their best efforts to affect the Court's approval  
21 of the Motions for Preliminary and Final Approval of the Settlement, and entry of  
22 Judgment.

23 O. Cooperation. The Parties and their counsel will cooperate with each other and use  
24 their best efforts to implement the Settlement.

25 P. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action,  
26 except such proceedings necessary to implement and complete the Settlement, pending  
27 the Final Approval/Settlement Fairness Hearing to be conducted by the Court.  
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- 1 Q. Amendment or Modification. This Agreement may be amended or modified only by  
2 a written instrument signed by counsel for all Parties or their successors-in-interest.
- 3 R. Entire Agreement. This Agreement and any attached Exhibit constitute the entire  
4 Agreement among these Parties, and no oral or written representations, warranties or  
5 inducements have been made to any Party concerning this Agreement or its Exhibit  
6 other than the representations, warranties and covenants contained and memorialized  
7 in this Agreement and its Exhibits.
- 8 S. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and  
9 represent they are expressly authorized by the Parties whom they represent to negotiate  
10 this Agreement and to take all appropriate Action required or permitted to be taken by  
11 such Parties pursuant to this Agreement to effectuate its terms, and to execute any other  
12 documents required to effectuate the terms of this Agreement. The persons signing  
13 this Agreement on behalf of Defendant represent and warrant that he/she is authorized  
14 to sign this Agreement on behalf of Defendant. Plaintiff represents and warrants that  
15 he is authorized to sign this Agreement and that he has not assigned any claim, or part  
16 of a claim, covered by this Settlement to a third-party.
- 17 T. No Public Comment: The Parties and their counsel agree that they will not issue any  
18 press releases, initiate any contact with the press, respond to any press inquiry, or have  
19 any communication with the press about the fact, amount or terms of the Settlement  
20 Agreement. Class Counsel further agrees not to use the Settlement Agreement or any  
21 of its terms for any marketing or promotional purposes. Nothing herein will restrict  
22 Class Counsel from including publicly available information regarding this settlement  
23 in future judicial submissions regarding Class Counsel's qualifications and experience.  
24 Further, Class Counsel will not include, reference or use the Settlement Agreement for  
25 any marketing or promotional purposes, either before or after the Motion for  
26 Preliminary Approval is filed.
- 27 U. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure  
28 to the benefit of, the successors or assigns of the Parties, as previously defined.

- 1 V. California Law Governs. All terms of this Agreement and the Exhibit and any disputes  
2 shall be governed by and interpreted according to the laws of the State of California.
- 3 W. Counterparts. This Agreement may be executed in one or more counterparts. All  
4 executed counterparts and each of them shall be deemed to be one and the same  
5 instrument provided that counsel for the Parties to this Agreement shall exchange  
6 among themselves copies or originals of the signed counterparts.
- 7 X. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this Settlement  
8 is a fair, adequate and reasonable settlement of this Action and have arrived at this  
9 Settlement after extensive arms-length negotiations, considering all relevant factors,  
10 present and potential.
- 11 Y. Continuing Jurisdiction of the Court. The Parties agree that the Court shall retain  
12 jurisdiction over this case under CCP section 664.6 to ensure the continuing  
13 implementation of the provisions of this settlement and that the time within which to  
14 bring this action to trial under CCP section 583.310 shall be executed from the date of  
15 the signing of this Agreement by all Parties until the entry of the final approval order  
16 and judgment or if not entered the date this Agreement shall no longer be of any force  
17 or effect.
- 18 Z. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid,  
19 the Court shall first attempt to construe the provisions valid to the fullest extent  
20 possible consistent with applicable precedents so as to define all provisions of this  
21 Agreement valid and enforceable.
- 22 AA. No Unalleged Claims. Plaintiff and Class Counsel represent that they do not currently  
23 intend to pursue any claims against the Released Parties, including, but not limited to,  
24 any and all claims relating to or arising from Plaintiff's employment with Defendant,  
25 regardless of whether Class Counsel is currently aware of any facts or legal theories  
26 upon which any claims or causes of action could be brought against Released Parties,  
27 including those facts or legal theories alleged in the operative complaint in this Action.  
28 The Parties further acknowledge, understand and agree that this representation is

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essential to the Agreement and that this Agreement would not have been entered into were it not for this representation.

BB. Stipulation to Class Certification. The Parties agree to stipulate to class certification for purposes of this settlement only.

CC. No Admissions by the Parties. Plaintiff has claimed and continues to claim that the Released Claims have merit and give rise to liability on the part of Defendant. Defendant claims that the Released Claims have no merit and do not give rise to liability. This Agreement is a compromise of disputed claims. Nothing contained in this Agreement and no documents referred to and no action taken to carry out this Agreement may be construed or used as an admission by or against the Defendant or Plaintiff or Class Counsel as to the merits or lack thereof of the claims asserted. Other than as may be specifically set forth herein, each Party shall be responsible for and shall bear its/his own attorney's fees and costs.

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IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFF:

DATED: 02/22/2024

  
BRAD KLEIN

IT IS SO AGREED, FORM AND CONTENT, BY DEFENDANT:

DATED: \_\_\_\_\_

\_\_\_\_\_  
REDZONE SECURITY INC.

\_\_\_\_\_  
Printed Name

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IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFF:

DATED: \_\_\_\_\_



BRAD KLEIN

IT IS SO AGREED, FORM AND CONTENT, BY DEFENDANT:

DATED: 02/23/2024

  
\_\_\_\_\_  
REDZONE SECURITY INC.

  
Printed Name

  
Title 

1 IT IS SO AGREED AS TO FORM BY COUNSEL:  
2

3 DATED: 2/23/24

JCL LAW FIRM, APC

4

By:  \_\_\_\_\_

5

Jean-Claude Lapuyade

6

Attorneys for Plaintiff and the Settlement Class  
Members

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8 DATED: 2/23/24

ZAKAY LAW GROUP, APLC

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By:  \_\_\_\_\_

10

Shani Zakay

11

Attorneys for Plaintiff and the Settlement Class  
Members

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13 DATED: \_\_\_\_\_

LAW OFFICE OF KAREN J. SLOAT, APC

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By: \_\_\_\_\_

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Karen Sloat

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Attorneys for Defendant

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1 IT IS SO AGREED AS TO FORM BY COUNSEL:  
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3 DATED: \_\_\_\_\_

JCL LAW FIRM, APC

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By: \_\_\_\_\_

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Jean-Claude Lapuyade

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Attorneys for Plaintiff and the Settlement Class  
Members

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8 DATED: \_\_\_\_\_

ZAKAY LAW GROUP, APLC

9

By: \_\_\_\_\_

10

Shani Zakay

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Attorneys for Plaintiff and the Settlement Class  
Members

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13 DATED: February 23, 2024

LAW OFFICE OF KAREN J. SLOAT, APC

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By: *Karen Sloat*

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Karen Sloat

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Attorneys for Defendant

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# EXHIBIT A



**NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT  
AND FINAL HEARING DATE**

*(Brad Klein v. Redzone Security Inc., Riverside County Superior Court Case No. CVRI2202841)*

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE  
READ THIS NOTICE CAREFULLY.**

<b>SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:</b>	
<b>Do Nothing and Receive a Payment</b>	<p>To receive a cash payment from the Settlement, you do <b>not</b> have to do anything.</p> <p><b>Your estimated Individual Settlement Payment is: \$&lt;&lt; [REDACTED] &gt;&gt;. Your estimated Aggrieved Employee Payment is &lt;&lt; _____ &gt;&gt;. See the explanation below.</b></p> <p>After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendant as detailed below.</p>
<b>Exclude Yourself</b>	<p>If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive <b>no money from the Settlement</b>.</p> <p>Instructions are set forth below.</p>
<b>Object</b>	<p>You may write to the Court about why you believe the Settlement should not be approved.</p> <p>Directions are provided below.</p>

**1. Why did I get this Notice?**

A proposed class action settlement (the “Settlement”) of this lawsuit pending in the Superior Court for the State of California, County of Riverside (the “Court”) has been reached between Plaintiff Brad Klein (“Plaintiff”) and Defendant Redzone Security Inc., a California corporation (“Defendant”). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

**You have received this Class Notice because you have been identified as a member of the Class, which is defined as:**

All persons who are or previously were employed by Defendant as a non-exempt employee in California during the Class Period.

The “Class Period” is the period of time running from July 11, 2019 through January 11, 2024.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

## 2. What is this class action lawsuit about?

On July 11, 2022, Plaintiff filed a Complaint against Defendant in the Superior Court of the State of California, County of Riverside (the “Action”). Plaintiff asserted the following claims alleging that Defendant: (1) Unfair Competition in Violation of Bus. and Prof. Code sections 17200 and 17203; (2) Failure to pay minimum wages in violation of California Labor Code sections 1194, 1197 and 1197.1; (3) Failure to pay overtime wages in violation of California Labor Code sections 510, 1194, and 1198; (4) Failure to provide required meal periods in violation of California Labor Code sections 226.7 and 512 and the applicable Industrial Welfare Commission wage order; (5) Failure to provide required rest periods in violation of California Labor Code sections 226.7 and 512 and the applicable Industrial Welfare Commission wage order; (6) Failure to provide accurate itemized wage statements in violation of California Labor Code section 226; (7) Failure to provide wages when due in violation of California Labor Code sections 201, 202 and 203; (8) Failure to reimburse Plaintiff for required expenses in violation of California Labor Code section 2802; and (9) Violation of the Private Attorneys General Act in violation of California Labor Code sections 2698-2699.8. (“PAGA”). PAGA is a mechanism by which the State of California itself can enforce state labor laws through the employee suing under the PAGA who does so as the proxy or agent of the state’s labor law enforcement agency. The purpose of the PAGA is not to recover damages or restitution, but to create a means of “deputizing” citizens as private attorney general to enforce the Labor Code.

Defendant denies and disputes all claims asserted in the Action. Specifically, Defendant contended (and continues to contend) that the Action could not properly be maintained as a class action; that Defendant properly paid members of the class all wages and overtime that was due; that Defendant provided members of the class with all legally required meal breaks and rest breaks; that Defendant paid any members of the class all wages due them at the time of their terminations; that Defendant reimbursed members of the class for required business expenses; that Defendant did not violate California Business and Professions Code section 17200.

The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiff to serve as the Class Representative, and the law firms of JCL Law Firm, APC and Zakay Law Group, APLC to serve as Class Counsel.

## 3. What are the terms of the Settlement?

Gross Settlement Amount. Defendant has agreed to pay an “all in” amount of Two Hundred Thousand Dollars and Zero Cents (\$200,000.00) (the “Gross Settlement Amount”) to fund the Settlement. The Gross Settlement Amount includes the payment of all Individual Settlement Payments to Settlement Class Members, Class Counsel Award, Settlement Administration Expenses, PAGA Payment, and the Class Representative Service Award to the Plaintiff.

After the Judgment becomes Final, Defendant will pay the Gross Settlement Amount by depositing the money with the Settlement Administrator. “Final” means the date the Judgment is no longer subject to appeal, or if an appeal is filed, the date the appeal process is completed, and the Judgment is affirmed.

Amounts to be Paid from the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before settlement payments are made to Class Members, as follows:

- Settlement Administration Expenses. Payment to the Settlement Administrator, estimated not to exceed \$10,000.00 for expenses, including expenses of sending this Notice, processing opt-outs, and distributing settlement payments.

- Class Counsel Award. Payment to Class Counsel attorneys' not to exceed one-third of the Gross Settlement Amount (currently \$66,666.66) plus costs and expenses not to exceed \$15,000 for all costs and expenses incurred as documented in Class Counsel's billing records, both subject to Court approval. Class Counsel have been prosecuting the Action on behalf of Plaintiff and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.
- Class Representative Service Award. Class Representative Service Award of up to Ten Thousand Dollars and Zero Cents (\$10,000.00) to Plaintiff, or such lesser amount as may be approved by the Court, to compensate him for services on behalf of the Class in initiating and prosecuting the Action, and for the risks he undertook.
- PAGA Payment. A payment of Ten Thousand Dollars and Zero Cents (\$10,000.00) relating to Plaintiff's claim under the Private Attorneys General Act ("PAGA"), \$7,500 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA Payment") and the remaining \$2,500 will be distributed to the Aggrieved Employees ("Aggrieved Employee Payment").
- Calculation of Individual Settlement Payments. After all the above payments of the court-approved Class Counsel Award, the Class Representative Service Award, the PAGA Payment, and the Settlement Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to class members who do **not** request exclusion ("Settlement Class Members"). The Individual Settlement Payment for each Settlement Class Member will be calculated by dividing the Net Settlement Amount by the total number of workweeks for all Settlement Class Members that occurred during the Class Period and multiplying the result by each individual Settlement Class Member's workweeks that occurred during the Class Period. A "workweek" is defined as a normal seven-day week of work during the Class Period in which, according to Defendant's records, a member of the class worked at least one day during any such workweek.
- Calculation of Aggrieved Employee Payments to Aggrieved Employees. The Aggrieved Employee Payment portion of the PAGA Payment shall be distributed to Aggrieved Employees irrespective of whether they exclude themselves or opt-out. The Aggrieved Employee Payment will be divided by the total number of pay periods worked by all Aggrieved Employees during the PAGA Period, and then taking that number and multiplying it by the number of pay periods worked by each respective Aggrieved Employee during the PAGA Period. "Aggrieved Employees" means all non-exempt employees who are or previously were directly employed by Defendant and performed work in California during the PAGA Period. The PAGA Period means the period between May 5, 2021 to January 11, 2024.

**If the Settlement is approved by the Court, you will automatically be mailed a check for your Individual Settlement Payment to the same address as this Class Notice. You do not have to do anything to receive a payment.** If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to ensure you receive your payment.

You may find the Settlement Agreement entitled "Stipulation of Settlement of Class and PAGA Action Claims and Release of Claims" filed on **MONTH XX**, 2024, with the Riverside County Superior Court, Dept. 1, located at 4050 Main Street, Riverside, CA 92501. You may also find the Settlement Agreement online by visiting the Riverside County Superior Court website <https://www.riverside.courts.ca.gov/>. The Settlement Agreement can be found at Exhibit 1 of the Lapuyade Declaration filed on **MONTH XX**, 2024.

Tax Matters. Fifty percent (20%) of each Individual Settlement Payment is allocated to wages. Taxes are withheld from this amount, and each Settlement Class Member will be issued an Internal Revenue Service Form W-2 for such payment. Fifty percent (80%) of each Individual Settlement Payment is allocated to interest, penalties and other non-wage payments, and no taxes will be withheld from this portion, and each Settlement Class Member will be issued an Internal Revenue Service Form 1099 for such payment. In addition, no taxes will be withheld

from Aggrieved Employee Payments paid to Aggrieved Employees, and each Aggrieved Employee will be issued an Internal Revenue Service Form 1099 for such payment. Neither Class Counsel nor Defendant’s counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

**4. What Do I Release Under the Settlement?**

Released Claims. Upon entry of final judgment and funding in full of the Gross Settlement Amount by Defendant, Plaintiff and the Settlement Class Members shall release all Released Class Claims that occurred during the Class Period as to the Released Parties. Released Class Claims means all class claims which are alleged in the operative complaint or could have been alleged based upon the facts in the operative complaint, which occurred during the Class Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and class claims outside of the Class Period. The Released PAGA Claims shall be released as follows: Upon entry of final judgment and upon funding in full of the Gross Settlement Amount by Defendant, all Aggrieved Employees shall release all Released PAGA Claims, irrespective of whether they opted-out of the Class Settlement and will be bound by this PAGA Release (the “PAGA Release”). “Released PAGA Claims” means all PAGA claims which are alleged in the operative complaint and Plaintiff’s PAGA notice to the LWDA which occurred during the PAGA Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and PAGA claims outside of the PAGA Period.

This means that, if you do not timely and formally exclude yourself from the Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant about the legal issues resolved by this Settlement. It also means that all of the Court’s orders in this Action will apply to you and legally bind you.

**5. How much will my payment be?**

Defendant’s records reflect that you have << \_\_\_\_ >> Workweeks worked during the Class Period (July 11, 2019 through January 11, 2024).

Based on this information, your estimated Individual Settlement Payment is << \_\_\_\_\_ >>.

Defendant’s records reflect that you have << \_\_\_\_ >> pay periods worked during the PAGA Period (May 5, 2021 to January 11, 2024).

Based on this information, your estimated Aggrieved Employee Payment is << \_\_\_\_\_ >>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than \_\_\_\_\_ [forty-five (45) days after the Notice or re-mailed Notice].

**6. How can I get a payment?**

**To get money from the Settlement, you do not have to do anything.** A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: Apex Class Action LLC at 1-800-355-0700.

The Court will hold a hearing on \_\_\_\_\_ to decide whether to finally approve the Settlement. If

the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient. After entry of the Judgment, the Settlement Administrator will provide notice of the final judgment to the Class Members by posting a copy of the Judgment on the administrator's website at <https://apexclassaction.com/>.

#### **7. What if I don't want to be a part of the Settlement?**

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms, except as provided as follows.** Irrespective of whether you exclude yourself from the Settlement or "opt out," you will be bound by the Released PAGA Claims, you will be deemed to have released the Released PAGA Claims, and you will receive a share of the Aggrieved Employee Payment.

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than \_\_\_\_\_. The address for the Settlement Administrator is 18 Technology Drive, Suite 164, Irvine, CA 92618. The request for exclusion must state in substance: "I wish to opt out of the settlement of the class action lawsuit entitled **Brad Klein v. Redzone Security Inc., Riverside County Superior Court, Case No. CVRI2202841**. I understand that by requesting to be excluded from the Settlement, I will receive no money from the Settlement described in this Notice." The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class.

Written requests for exclusion that are postmarked after \_\_\_\_\_, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

#### **8. How do I tell the Court that I would like to challenge the Settlement?**

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections may be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair. All written objections or other correspondence must also state the name and number of the case, which is **Brad Klein v. Redzone Security Inc., Riverside County Superior Court, Case No. CVRI2202841**. You may also object without submitting a written objection by appearing at the final approval hearing scheduled as described in Section 9 below.

To object to the Settlement, you cannot opt out. If the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

**Written objections must be delivered or mailed to the Settlement Administrator no later than \_\_\_\_\_.** The address for the Settlement Administrator is Apex Class Action LLC, 18 Technology Drive, Suite 164, Irvine, CA 92618.

The addresses for the Parties' counsel are as follows:

**Class Counsel:**

Jean-Claude Lapuyade, Esq.  
JCL Law Firm, APC  
5440 Morehouse Drive, Suite 3600  
San Diego, CA 92121  
Tel.: (619) 599-8292  
Fax: (619) 599-2891  
Email: [jlapuyade@jcl-lawfirm.com](mailto:jlapuyade@jcl-lawfirm.com)

**Class Counsel:**

Shani O. Zakay, Esq.  
Zakay Law Group, APLC  
5440 Morehouse Drive, Suite 3600  
San Diego, CA 92121  
Tel: (619) 599-8292  
Fax: (619) 599-8291  
Email: [shani@zakaylaw.com](mailto:shani@zakaylaw.com)

**Counsel for Defendant:**

Karen Sloat, Esq.  
Law Office of Karen J. Sloat, APC  
42-600 Caroline Court, Suite 101  
Palm Desert, CA 92211  
Tel: (760) 779-1313  
Fax: (760) 340-4834  
Email: [karen@karensloatlaw.com](mailto:karen@karensloatlaw.com)

**9. When and where will the Court decide whether to approve the Settlement?**

The Court will hold a Final Approval Hearing at **00:00 AM/PM on** \_\_\_\_\_, at the Riverside County Superior Court, Dept. 1, located at 4050 Main Street, Riverside, CA 92501 before Judge Harold Hopp. The Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, reasonable, and adequate. At the Final Approval Hearing, the Court will determine whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing or who appear at the hearing to object. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

**10. How do I get more information about the Settlement?**

You may call the Settlement Administrator at 1-800-355-0700 or write to **Brad Klein v. Redzone Security Inc., Riverside County Superior Court, Case No. CVRI2202841**, Settlement Administrator, c/o \_\_\_\_\_.

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You may receive a copy of the Stipulation of Settlement of Class and PAGA Action Claims and Release of Claims ("Settlement Agreement") filed on **MONTH XX**, 2043, the Final Judgment or other Settlement documents by writing to JCL Law Firm, APC, 5440 Morehouse Drive, Suite 3600, San Diego, CA 92121.

**PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.**

**IMPORTANT:**

- You must inform the Settlement Administrator of any change of address to ensure receipt of your Individual Settlement Payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks will be redistributed to those Class Members who did cash their Settlement checks. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

# EXHIBIT B

**REQUEST FOR EXCLUSION**

Instructions: Please complete this Form **ONLY IF YOU DO NOT WANT TO PARTICIPATE IN THE SETTLEMENT** that is described in the Notice Pendency of Class Action Settlement and Final Hearing Date that accompanies this Form. If you choose to complete this Form, the deadline for mailing it to the Settlement Administrator is **\*\* INSERT DATE\*\***.

I. PERSONAL INFORMATION

Name (first, middle and last): \_\_\_\_\_  
Home Street Address: \_\_\_\_\_  
City, State, Zip Code: \_\_\_\_\_  
Telephone Number: (\_\_\_\_) \_\_\_\_\_

II. REQUEST FOR EXCLUSION

By signing and returning this Form, I certify that I wish to opt out of the settlement of the class action lawsuit entitled *Brad Klein v. Redzone Security Inc.*, Case No. CVRI2202841, filed in the Superior Court of California, County of Riverside. I understand that by requesting to be excluded from the Settlement, I will receive no money from the Settlement described in the Notice Pendency of Class Action Settlement and Final Hearing Date that accompanies this Form.

Any Class Member that submits a timely Request for Exclusion who is also an Aggrieved Employee will still receive his/her pro rata share of the PAGA Payment. Exclusion from the Class Action Settlement does not result in exclusion from the PAGA Payment.

III. MAILING INSTRUCTIONS

If you choose to return this Form, you must return it to the Settlement Administrator postmarked on or before **\*\*INSERT DATE\*\*** AT THE ADDRESS LISTED BELOW:

Apex Class Action LLC  
18 Technology Drive, Suite 164  
Irvine, CA 92618

IV. PLEASE SIGN BELOW

I declare that the foregoing is true and correct.

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)



# EXHIBIT C

Apex Class Action LLC  
18 Technology Drive, Suite 164  
Irvine, CA 92618

**Must Be Postmarked**  
**No Later Than**  
**XXX, 2024**

**OBJECTION FORM**

SUPERIOR COURT OF THE STATE OF CALIFORNIA – COUNTY OF RIVERSIDE  
*Brad Klein v. Redzone Security Inc., Case No. CVRI2202841*

Indicate Name/Address Changes, if any: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

<<Name>>  
<<Address>>  
<<City>>, <<State>> <<Zip Code>>

**YOU DO NOT NEED TO COMPLETE THIS FORM TO PARTICIPATE IN THE SETTLEMENT. THIS FORM IS TO BE USED ONLY IF YOU WANT TO PARTICIPATE IN THE SETTLEMENT, BUT YOU OBJECT TO THE TERMS OF THE SETTLEMENT. IF YOU OBJECT TO THE SETTLEMENT, YOU MUST SIGN AND COMPLETE THIS FORM ACCURATELY AND IN ITS ENTIRETY AND YOU MUST MAIL IT BY FIRST CLASS U.S. MAIL TO THE SETTLEMENT ADMINISTRATOR SO THAT IT IS POSTMARKED ON OR BEFORE **XXX, 2024**. THE ADDRESS FOR THE SETTLEMENT ADMINISTRATOR IS NOTED AT THE TOP OF THIS FORM. IF YOU DO NOT OBJECT TO THE SETTLEMENT, DO NOT SUBMIT THIS FORM.**

The Court will consider your objection at the Final Approval Hearing if you submit a timely and valid written statement of objection. All of the information on this form is required. If you do not provide all of the information below, your objection will be deemed null and void.

I, \_\_\_\_\_, (name of Class Member) hereby object to the Settlement in this case for the following reasons:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dated: \_\_\_\_\_

Signature: \_\_\_\_\_

Print or Type Name: \_\_\_\_\_

Telephone Number: \_\_\_\_\_