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CLERK OF THE SUPERIOR COURT
COUNTY OF CONTRA COSTA, CA

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Attorneys for Plaintiff MARK DUTILLIEUL

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF CONTRA COSTA

MARK DUTILLIEUL, individually, and on behalf of other members of the general public similarly situated;

Plaintiff,

vs.

METHODOLOGY, INC., a Delaware corporation; and DOES 1 through 100, inclusive,

Defendant.

Case No. C22-00759

[PROPOSED] ORDER GRANTING PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS AND PAGA ACTION SETTLEMENT

Date: July 18, 2024

Time: 9:00 a.m.

Judge: Hon. Judge Charles S. Treat
Dept.: 12

1 This matter having come before the Honorable Judge Charles S. Treat of the Superior Court of
2 the State of California, in and for the County of Contra Costa, with Jean-Claude Lapuyade, Esq., of the
3 JCL Law Firm, APC and Shani O. Zakay, Esq. of the Zakay Law Group, APLC as counsel for Plaintiff
4 MARK DUTILLIEUL (“Plaintiff”), and Justin T. Curley, Esq. of Seyfarth Shaw LLP, appearing for
5 Defendant METHODOLOGY, INC., a Delaware corporation (“Defendant”). The Court, having
6 carefully considered the briefs, argument of counsel and all the matters presented to the Court, and
7 good cause appearing, hereby GRANTS Plaintiff’s Motion for Preliminary Approval of Class and
8 PAGA Action Settlement.

9 **IT IS HEREBY ORDERED:**

10 **A. Background and Settlement Terms**

11 Defendant is in the business of preparing and selling gourmet meals, delivered directly to
12 consumers. Plaintiff was employed at defendant as a material handler and delivery driver in 2018 and
13 2019.

14 The original complaint was filed on April 19, 2022 as a class action. PAGA claims were added
15 by later amendment.

16 The settlement would create a gross settlement fund of \$200,000. The class representative
17 payment to the plaintiff would be \$10,000. Attorney’s fees would be \$66,667 (one-third of the
18 settlement). Litigation costs would not exceed \$25,000. The settlement administrator’s costs are
19 estimated at \$9,650. PAGA penalties would be \$20,000, resulting in a payment of \$15,000 to the
20 LWDA.

21 The net amount paid directly to the class members would be about \$73,683. The fund is non-
22 reversionary. There are an estimated 352 class members. Based on the estimated class size, the average
23 net payment for each class member is approximately \$209, not including distribution of PAGA
24 penalties. The individual payments will vary considerably, however, because of the allocation formula
25 prorating payments according to the number of weeks worked during the relevant time. The number of
26 aggrieved employees for PAGA purposes is smaller, because the starting date of the relevant period is
27 later.

1 Payment of the gross settlement amount to the administrator, and payments through to the class
2 members, would be a good deal slower and more complicated than is usual, a settlement term strongly
3 influenced by the economics of defendant and its ability to pay. The total will be paid in 27 equal
4 monthly installments over a lengthy period. The initial payment was due after the long-form settlement
5 agreement was signed and has presumably been received already. Thus, it will be seen that the
6 settlement amount will not be fully funded and paid until sometime in 2026. No interim installment
7 payments will be made to the class members; they will receive their distributions in one-time payments
8 after the full amount has been received by the administrator. At the Court's suggestion, the parties will
9 take steps to encourage class members to update the administrator with current mailing addresses and
10 contact information so that the ultimate payments will reach their intended payees to the maximum
11 extent possible.

12 The proposed settlement would certify a class of all current and former non-exempt employees
13 employed at Defendants' California facilities between April 19, 2018 and August 16, 2023. For PAGA
14 purposes, the period covered by the settlement is May 16, 2022 to August 16, 2023. The class members
15 will not be required to file a claim. Class members may object or opt out of the settlement. (Aggrieved
16 employees cannot opt out of the PAGA portion of the settlement.) Funds would be apportioned to class
17 members based on the number of workweeks worked during the class period.

18 A list of class members will be provided to the settlement administrator within 21 days after
19 preliminary approval. Various prescribed follow-up steps will be taken with respect to mail that is
20 returned as undeliverable. Settlement checks not cashed within 180 days will be cancelled, and the
21 funds will be directed to the state controller's unclaimed property fund.

22 The settlement contains release language covering all claims and causes of action, alleged or
23 which could have reasonably been alleged based on the allegations in the operative pleading, including
24 a number of specified claims. Under recent appellate authority, the limitation to those claims with the
25 "same factual predicate" as those alleged in the complaint is critical. (*Amaro v. Anaheim Arena Mgmt.,*
26 *LLC* (2021) 69 Cal.App.5th 521, 537 ("A court cannot release claims that are outside the scope of the
27 allegations of the complaint.") "Put another way, a release of claims that goes beyond the scope of the

1 allegations in the operative complaint’ is impermissible.” (*Id.*, quoting *Marshall v. Northrop Grumman*
2 *Corp.* (C.D. Cal.2020) 469 F.Supp.3d 942, 949.)

3 Formal discovery was undertaken, resulting in the production of substantial documents. The
4 matter settled after arms-length negotiations, which included a session with an experienced mediator.
5 Counsel also has provided an analysis of the case, and how the settlement compares to the potential
6 value of the case, after allowing for various risks and contingencies. For example, much of plaintiff’s
7 allegations centers on possible off-the-clock work, including missed or skipped meal breaks and rest
8 breaks. Defendant, however, pointed out that its formal policies prohibit off-the-clock work, and
9 asserted that it would have had no knowledge of employees beginning work before punching in or
10 continuing after punching out. Further, it argued that it was required to make meal and rest breaks
11 available, but not required to ensure that they be taken, so long as no employer policy prevented or
12 discouraged taking such breaks. As to unreimbursed employee expenses (such as cell phone use,
13 mileage, and masks), plaintiff would have been called on to show that such expenses were in fact
14 incurred, were reasonably necessary to job performance, and were unreimbursed. There is also a
15 contention that bonuses were not properly taken into account in determining correct overtime hourly
16 rates. Defendant, however, contended that such bonuses were discretionary and irregular. Furthermore,
17 the fact-intensive character of all such claims would have presented a serious obstacle to class
18 certification.

19 The potential liability needs to be adjusted for various evidence and risk-based contingencies,
20 including problems of proof. PAGA penalties are difficult to evaluate for a number of reasons: they
21 derive from other violations, they include “stacking” of violations, the law may only allow application
22 of the “initial violation” penalty amount, and the total amount may be reduced in the discretion of the
23 court. (See Labor Code § 2699(e)(2) (PAGA penalties may be reduced where “based on the facts and
24 circumstances of the particular case, to do otherwise would result in an award that is unjust arbitrary
25 and oppressive, or confiscatory.”)) Moreover, recent decisions may make it difficult for PAGA
26 plaintiffs to recover statutory penalties, as opposed to actual missed wages. (See, e.g., *Naranjo v.*
27 *Spectrum Security Services, Inc.* (2024) 15 Cal.5th 1056.)

1 Counsel attest that notice of the proposed settlement was transmitted to the LWDA concurrently
2 with the filing of the motion.

3 **B. Legal Standards**

4 The primary determination to be made is whether the proposed settlement is “fair, reasonable,
5 and adequate,” under *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801, including “the
6 strength of plaintiffs’ case, the risk, expense, complexity and likely duration of further litigation, the
7 risk of maintaining class action status through trial, the amount offered in settlement, the extent of
8 discovery completed and the state of the proceedings, the experience and views of counsel, the presence
9 of a governmental participant, and the reaction ... to the proposed settlement.” (See also *Amaro*, 69
10 Cal.App.5th 521.)

11 Because this matter also proposes to settle PAGA claims, the Court also must consider the
12 criteria that apply under that statute. Recently, the Court of Appeal’s decision in *Moniz v. Adecco USA,*
13 *Inc.* (2021) 72 Cal.App.5th 56, provided guidance on this issue. In *Moniz*, the court found that the “fair,
14 reasonable, and adequate” standard applicable to class actions applies to PAGA settlements. (*Id.*, at
15 64.) The Court also held that the trial court must assess “the fairness of the settlement’s allocation of
16 civil penalties between the affected aggrieved employees”. (*Id.*, at 64-65.)

17 California law provides some general guidance concerning judicial approval of any settlement.
18 First, public policy generally favors settlement. (*Neary v. Regents of University of California* (1992) 3
19 Cal.4th 273.) Nonetheless, the court should not approve an agreement contrary to law or public policy.
20 (*Bechtel Corp. v. Superior Court* (1973) 33 Cal.App.3d 405, 412; *Timney v. Lin* (2003) 106 Cal.App.4th
21 1121, 1127.) Moreover, “The court cannot surrender its duty to see that the judgment to be entered is a
22 just one, nor is the court to act as a mere puppet in the matter.” (*California State Auto. Assn. Inter-Ins.*
23 *Bureau v. Superior Court* (1990) 50 Cal.3d 658, 664.) As a result, courts have specifically noted that
24 *Neary* does not always apply, because “Where the rights of the public are implicated, the additional
25 safeguard of judicial review, though more cumbersome to the settlement process, serves a salutary
26 purpose.” (*Consumer Advocacy Group, Inc. v. Kintetsu Enterprises of America* (2006) 141 Cal.App.4th
27 48, 63.)

1 The settlement agreement includes an escalator provision, to be triggered in the event that the
2 number of covered employees or work weeks turns out to be materially higher than now estimated. If
3 the clause is triggered and the defendant elects to increase the total payment, no further approval will
4 be needed. The parties are cautioned, however, that in the event the clause would result in a significant
5 negative modification of the settlement (such as cutting back the covered period), it would be prudent
6 to seek further approval from the Court.

7 C. Attorney Fees

8 Plaintiff seeks one-third of the total settlement amount as fees, relying on the “common fund”
9 theory. Even a proper common fund-based fee award, however, should be reviewed through a lodestar
10 cross-check. In *Lafitte v. Robert Half International* (2016) 1 Cal.5th 480, 503, the Supreme Court
11 endorsed the use of a lodestar cross-check as a way to determine whether the percentage allocated is
12 reasonable. It stated: “If the multiplier calculated by means of a lodestar cross-check is extraordinarily
13 high or low, the trial court should consider whether the percentage used should be adjusted so as to
14 bring the imputed multiplier within a justifiable range, but the court is not necessarily required to make
15 such an adjustment.” (*Id.*, at 505.) Following typical practice, however, the fee award will not be
16 considered at this time, but only as part of final approval.

17 Similarly, litigation and administration costs and the requested representative payment of
18 \$10,000 for the plaintiff will be reviewed at time of final approval. Criteria for evaluation of
19 representative payment requests are discussed in *Clark v. American Residential Services LLC* (2009)
20 175 Cal.App.4th 785, 804-07.

21 D. Discussion and Conclusion

22 The Court finds that the settlement is sufficiently fair, reasonable, and adequate to justify
23 preliminary approval. Counsel will be directed to prepare an order reflecting this tentative ruling, the
24 other findings in the previously submitted proposed order, and to obtain a hearing date for the motion
25 for final approval from the Department clerk. Other dates in the scheduled notice process should track
26 as appropriate to the hearing date. The ultimate judgment must provide for a compliance hearing after
27 the settlement has been completely implemented. Plaintiffs’ counsel are to submit a compliance

1 statement one week before the compliance hearing date. Five percent of the attorney's fees are to be
2 withheld by the claims administrator pending satisfactory compliance as found by the Court.

3 1. The Court preliminarily approves the Joint Stipulation of Class and Representative
4 Action Settlement ("Settlement Agreement" or "Agreement"), a true and correct copy of which is
5 attached hereto as **Exhibit "1"**. This is based on the Court's determination that the Settlement
6 Agreement is within the range of possible final approval, pursuant to the provisions of Section 382 of
7 the California Code of Civil Procedure and California Rules of Court, rule 3.769.

8 2. This Order incorporates by reference the definitions in the Agreement, and all terms
9 defined therein shall have the same meaning in this Order as set forth in the Agreement.

10 3. Subject to the terms of the Settlement Agreement, the Gross Settlement Amount that
11 Defendant shall pay is Two Hundred Thousand Dollars (\$200,000.00). It appears to the Court on a
12 preliminary basis that the settlement amount and terms are fair, adequate, and reasonable as to all Class
13 Members when balanced against the probable outcome of further litigation relating to certification,
14 liability, and damages issues. It further appears that investigation and research have been conducted
15 such that counsel for the Parties are able to reasonably evaluate their respective positions. It further
16 appears to the Court that settlement at this time will avoid substantial additional costs by all Parties, as
17 well as avoid the delay and risks that would be presented by the further prosecution of the litigation. It
18 further appears that the Settlement has been reached as the result of intensive, serious, and non-collusive
19 arms-length negotiations.

20 4. The Court preliminarily finds that the Settlement appears to be within the range of
21 reasonableness of a settlement that could ultimately be given final approval by this Court. The Court
22 has reviewed the monetary recovery that is being granted as part of the Settlement and preliminarily
23 finds that the monetary settlement awards made available to the Class Members are fair, adequate, and
24 reasonable when balanced against the probable outcome of further litigation relating to certification,
25 liability, and damages issues.

26 5. Plaintiff seeks an award of Attorney's Fees and Costs in the amount of up-to one-third
27 of the Gross Settlement Amount for attorneys' fees, currently estimated at Sixty-Six Thousand Six

1 Hundred Sixty-Six Dollars and Sixty-Six Cents (\$66,666.66), plus costs of up to Twenty-Five
2 Thousand Dollars (\$25,000.00), and proposed Service Payment to the Class Representative, Mark
3 Dutilleul, in an amount of not more than Ten Thousand Dollars (\$10,000.00). While these awards
4 appear to be within the range of reasonableness, the Court will not approve the Attorneys' Fees and
5 Costs or Service Payment until the Final Approval Hearing.

6 6. The Court recognizes that Plaintiff and Defendant stipulate and agree to certification of
7 a class for settlement purposes only. This stipulation will not be deemed admissible in this, or any other
8 proceeding should this Settlement not become final. For settlement purposes only, the Court
9 conditionally certifies the following Class:

10 "All current and former non-exempt employees of Methodology who
11 worked for Methodology within the State of California at any time during
12 the Class Period [April 19, 2018 to August 16, 2023]."

13 7. The Court concludes that, for settlement purposes only, the Class meets the requirements
14 for certification under section 382 of the California Code of Civil Procedure in that: (a) the Class is
15 ascertainable and so numerous that joinder of all members of the Class Members is impracticable; (b)
16 common questions of law and fact predominate, and there is a well-defined community of interest
17 amongst the Class Members with respect to the subject matter of the litigation; (c) the claims of the
18 Class Representative is typical of the claims of the Class Members; (d) the Class Representative will
19 fairly and adequately protect the interests of the Class Members; (e) a class action is superior to other
20 available methods for the efficient adjudication of this controversy; and (f) Class Counsel are qualified
21 to act as counsel for the Class Representative in his individual capacities and as the representative of
22 the Class Members.

23 8. The Court provisionally appoints Plaintiff MARK DUTILLEUL as the representative
24 of the Class.

25 9. The Court provisionally appoints Jean-Claude Lapuyade, Esq., of the JCL Law Firm,
26 APC and Shani Zakay, Esq. of Zakay Law Group, APLC, as Class Counsel for the Class Members.

27 10. The Court hereby approves, as to form and content, the Court Approved Notice of Class
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1 Action Settlement and Hearing Date for Final Court Approval (“Class Notice”) attached to the
2 Agreement as **Exhibit “A”**. The Court finds that the notice appears to fully and accurately inform the
3 Class Members and PAGA Employees of all material elements of the proposed Settlement, including
4 the right of any Class Member to be excluded from the Class by submitting a written request for
5 exclusion, and of each Class Member’s right and opportunity to object to the Settlement. The Court
6 further finds that the distribution of the notices substantially in the manner and form set forth in the
7 Agreement and this Order meets the requirements of due process, is the most reasonable notice under
8 the circumstances, and shall constitute due and sufficient notice to all persons entitled thereto. The
9 Court orders the mailing of the notices by first class mail, pursuant to the terms set forth in the
10 Agreement.

11 11. The Court hereby appoints Apex Class Action Administration as Settlement
12 Administrator. Within twenty-one (21) calendar days after the Preliminary Approval Date, Defendant
13 shall provide the Settlement Administrator with the Class List, including information regarding Class
14 Members that Defendant will in good faith compile from its records, including each Class Member’s
15 full name; last known mailing address; Social Security Number; start dates and end dates of
16 employment (or total number of workweeks) as a non-exempt employee in California during the Class
17 Period. No later than fifteen (15) calendar days after receiving the Class List from Defendant, the
18 Settlement Administrator shall mail and email copies of the Class Notice to all Class Members via first
19 class U.S. Mail.

20 12. The Court hereby preliminarily approves the proposed procedure for exclusion from the
21 Settlement. Any Class Member may individually choose to opt out of and be excluded from the
22 Settlement as provided in the Class Notice by following the instructions for requesting exclusion from
23 the Settlement of the Released Claims that are set forth in the Class Notice. All requests for exclusion
24 must be postmarked or received by the Response Deadline which is forty-five (45) calendar days after
25 the Settlement Administrator mails the Class Notice to Class Members or, in the case of re-mailed
26 Notice, not more than fifteen (15) days from the original Response Deadline. Any such person who
27 chooses to opt out of and be excluded from the Settlement will not be entitled to a Class Settlement

1 Payment under the Settlement and will not be bound by the Class Settlement, or have any right to
2 object, appeal or comment thereon, but will still be bound by the terms of the PAGA settlement. Class
3 Members who have not requested exclusion shall be bound by all determinations of the Court, the
4 Agreement, and Judgment.

5 13. Any Class Member who has not opted out may appear at the final approval hearing and
6 may object or express the Class Member's views regarding the Settlement and may present evidence
7 and file briefs or other papers that may be proper and relevant to the issues to be heard and determined
8 by the Court as provided in the Class Notice. Class Members will have forty-five (45) calendar days
9 from the date the Settlement Administrator mails the Class Notice to postmark their written objections
10 to the Settlement Administrator.

11 14. A final approval hearing shall be held before this Court on **November 14, 2024 at 9:00**
12 **AM** in Department 12 of the Contra Costa County Superior Court to determine all necessary matters
13 concerning the Settlement, including: whether the proposed settlement of the Action on the terms and
14 conditions provided for in the Agreement is fair, adequate and reasonable and should be finally
15 approved by the Court; whether an Order Granting Final Approval should be entered herein; whether
16 the plan of allocation contained in the Agreement should be approved as fair, adequate and reasonable
17 to the Class; and to finally approve the award of Attorneys' Fees and Costs, Service Payment, and the
18 Settlement Administration Costs. All papers in support of the motion for final approval and the motion
19 for Attorneys' Fee and Costs and Service Payment shall be filed with the Court and served on all
20 counsel within twenty-eight (28) days following the expiration of the Response Deadline.

21 15. In the event the Settlement does not become effective in accordance with the terms of the
22 Agreement, or the Settlement is not finally approved, or is terminated, canceled, or fails to become
23 effective for any reason, this Settlement Agreement shall be rendered null and void and shall be vacated,
24 and the Parties shall revert to their respective positions as of before entering into the Agreement. In
25 such an event, the Court's orders regarding the Settlement, including this Preliminary Approval Order,
26 shall not be used or referred to in litigation for any purpose. Nothing in this paragraph is intended to
27 alter the terms of the Settlement Agreement with respect to the effect of the Settlement Agreement if it

1 is not approved.

2 16. The Court reserves the right to adjourn or continue the date of the final approval hearing
3 and all dates provided for in the Agreement without further notice to Class Members and retains
4 jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.
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8 Dated:

7/24/24



JUDGE OF THE SUPERIOR COURT

CHARLES S. TREAT

EXHIBIT 1

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21 Attorneys for Plaintiff MARK DUTILLIEUL

22 *(Additional Counsel on Next Page)*

23 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

24 **COUNTY OF CONTRA COSTA**

25 MARK DUTILLIEUL, individually, and on
26 behalf of all other members of the general
27 public similarly situated,

28 Plaintiff,

v.

METHODOLOGY, INC., a Delaware
corporation, and DOES 1 through, inclusive,

Defendants.

Case No. C22-00759

*Assigned for all purposes to Hon. Charles
S. Treat, Dept. 12*

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

Complaint filed: April 19, 2022

Trial date: Not set

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16 METHODOLOGY, INC.

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1 **JOINT STIPULATION OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT**

2 This Joint Stipulation of Class and Representative Action Settlement (“Joint Stipulation of
3 Settlement” or “Settlement” or “Agreement”) is made and entered into by and between Plaintiff Mark
4 Dutilleul, individually, and on behalf of all others similarly situated (“Plaintiff” or “Class
5 Representative”), and Defendant Methodology, Inc. (“Methodology” or “Defendant”). Plaintiff and
6 Defendant are collectively referred to herein as “the Parties.”

7 THE PARTIES STIPULATE AND AGREE as follows:

8 **DEFINITIONS**

9 1. For purposes of this Settlement, “Complaint” refers to the Complaint for Damages, filed
10 and in Contra Costa County Superior Court, Case No. C22-00759 or any subsequent operative complaint
11 at the time the Court grants Preliminary Approval of this Settlement, including the First Amended
12 Complaint Plaintiff will file to add a claim for civil penalties under the California Private Attorneys
13 General Act of 2004 (“PAGA”).

14 2. For purposes of this Settlement, this matter entitled *Mark Dutilleul v. Methodology, Inc.*,
15 Contra Costa County Superior Court, Case No. C22-00759, is referred to herein as the “Action.”

16 3. For purposes of this Settlement, the “Class Period” is April 19, 2018 through August 16,
17 2023.

18 4. For purposes of this Settlement, the “Class” or “Class Members” consist of: All
19 current and former non-exempt employees of Methodology who worked for Methodology within the
20 State of California at any time during the Class Period. “Settlement Class Members” are those Class
21 Members who do not submit timely exclusion requests to the Settlement Administrator. The Parties’ best
22 estimate is that the Class includes approximately 352 individuals who worked approximately 12,532
23 workweeks.

24 5. For purposes of this Settlement, “Class Counsel” means JCL Law Firm, A.P.C., Lawyers
25 for Justice, PC, and Zakay Law Group.

26 6. For purposes of this Settlement, “Covered Workweeks” means any week during which a
27 Class Member worked for Defendant in California for at least one day, during the Class Period.

1 7. For purposes of this Settlement, “Response Deadline” means the date forty-five (45) days
2 after the Settlement Administrator initially mails the Notice of Class Settlement to the Class Members
3 and the last date on which Class Members may submit a request for exclusion or written objection to the
4 Settlement. In the case of a re-mailed Notice, the Response Deadline will be 15 calendar days from re-
5 mailing. The Response Deadline may be extended only as expressly described herein.

6 8. For purposes of the Settlement, “Defendant’s Counsel” means Seyfarth Shaw LLP.

7 9. For purposes of this Settlement, “PAGA” means the California Labor Code’s Private
8 Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*).

9 10. For purposes of this Settlement, “PAGA Allocation” means the portion of the Gross
10 Settlement Amount that the Parties have agreed to allocate to resolution of the Released PAGA Claims.
11 The Parties have agreed that the PAGA Allocation will be \$20,000.00 from the Gross Settlement Amount.
12 Pursuant to the PAGA, Seventy Five Percent (75%), or \$15,000.00, of the PAGA Allocation will be paid
13 to the Labor and Workforce Development Agency (“LWDA”) (“PAGA Penalty Payment”), and Twenty-
14 Five Percent (25%), or \$5,000, of the PAGA Allocation will be included in the Net Settlement Amount
15 for PAGA Employees (“PAGA Settlement Payment”).

16 11. For purposes of this Settlement, “PAGA Period” means the period between May 16, 2022
17 through August 16, 2023.

18 12. For purposes of this Settlement, “PAGA Employee” means all Class Members that
19 worked for Defendant during the PAGA Period. It is stipulated by the Parties that, for purposes of this
20 Settlement only, all PAGA Employees are “aggrieved employees” as defined pursuant to PAGA.

21 13. For purposes of this Settlement, “PAGA Pay Periods” means any pay period during which
22 a PAGA Employee worked for Defendant for at least one day during the PAGA Period.

23 14. For purposes of this Settlement, “Class Representative” or “PAGA Representative”
24 means Plaintiff.

25 15. For purposes of this Settlement, “Released Class Claims” means any and all claims stated
26 in the Action, or that could have been stated based on the facts alleged in the Action, implicitly or
27 explicitly, including but not limited to state wage-and-hour claims (including all claims under the
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1 Defendant agrees to conditionally waive its standing and statute of limitations defenses to Plaintiff's
2 anticipated PAGA claim. If this Settlement is not finally approved, the Parties shall return to the status
3 quo ante as if the Parties had not entered into this Settlement and Defendant shall have the right to assert
4 any potentially applicable defense to Plaintiff's PAGA claim, including that Plaintiff lacks standing to
5 assert a PAGA claim against Defendant and/or that Plaintiff's PAGA claim is barred by the statute of
6 limitations.

7 21. Solely for purposes of settling this case, the Parties and their respective counsel stipulate
8 and agree that the requisites for establishing class certification with respect to the Class Members have
9 been met and are met.

10 22. Should, for whatever reason, the Settlement not become effective, the fact that the Parties
11 were willing to stipulate to certification as part of the Settlement shall have no bearing on, and shall not
12 be admissible in connection with, the issue of whether the Class Members and/or the Class Claims should
13 be certified in a non-Settlement context in this Action or in any other lawsuit. Defendant expressly
14 reserves its right to oppose claim or class certification in this or any other action should this Settlement
15 not become effective.

16 23. Defendant denies any liability or wrongdoing of any kind whatsoever associated with the
17 claims alleged in the Complaint, and Defendant further denies that, for any purpose other than settling
18 this lawsuit, the action is appropriate for class or representative treatment.

19 24. It is the desire of the Parties to fully, finally, and forever settle, compromise, and discharge
20 all disputes and claims arising from or related to the Complaint and Plaintiff's anticipated PAGA notice
21 to the Labor and Workforce Development Agency.

22 25. Class Counsel has conducted a thorough investigation into the facts of this Action,
23 including an extensive review of relevant documents, and has diligently pursued an investigation of the
24 claims of the Class against Defendant. Based on its own independent investigation and evaluation, Class
25 Counsel is of the opinion that the Settlement with Defendant for the consideration and on the terms set
26 forth in this Joint Stipulation of Settlement is fair, reasonable, and adequate and is in the best interest of
27 the Class in light of all known facts and circumstances, including Defendant's financial position, the risk
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1 of significant delay, the risk the Class will not be certified by the Court, defenses asserted by Defendant,
2 and numerous potential appellate issues. Defendant and Defendant's Counsel also agree that the
3 Settlement is fair and in the best interest of the Class.

4 26. The Parties agree to cooperate and take all steps necessary and appropriate to obtain
5 preliminary and final approval of this Settlement.

6 27. The Parties agree to stay all proceedings in the Action, except such proceedings necessary
7 to implement and complete the Settlement, pending the Final Approval hearing to be conducted by the
8 Court.

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

11 **PRIMARY TERMS OF SETTLEMENT**

12 29. NOW THEREFORE, in consideration of the mutual covenants, promises and agreements
13 set forth herein, the Parties agree, subject to the Court's approval, as follows:

- 14 a) It is agreed by and among the Settlement Class Members, PAGA Employees, and
15 Defendant that this case and any claims, damages, or causes of action arising out of
16 the disputes which are the subject of this case, be settled and compromised as between
17 the Settlement Class Members, PAGA Employees, and Defendant, subject to the
18 terms and conditions set forth in this Settlement and the approval of the Court.
- 19 b) Effective Date: "Effective Date" means the date by when both of the following have
20 occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the
21 Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the
22 following occurrences: (a) if no Participating Class Member objects to the Settlement,
23 the expiration date of the time for filing or noticing any appeal of the Judgment; (b) if
24 there is an appeal of the Judgment, the date the Judgment is affirmed on appeal, the
25 date of dismissal of such appeal, or the expiration of the time to file a petition for
26 review with the California Supreme Court; or (c) if a petition for review is filed, the
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1 date of denial of the petition for review, or the date the Judgment is affirmed pursuant
2 to such petition.

3 c) Gross Settlement Amount: Defendant's maximum total payment under the
4 Settlement, including all attorney's fees and costs, the Service Payment to the named
5 Plaintiff, the costs of settlement administration, the PAGA Allocation, and any other
6 payments provided by this Settlement, is \$200,000.00 ("Gross Settlement Amount"),
7 except that, to the extent that any portions of the Class Members' Settlement
8 Payments constitute wages, Defendant will be separately responsible for any
9 employer payroll taxes required by law, including the employer FICA, FUTA, and
10 SDI contributions,

11 d) Non-reversionary Settlement: No portion of the Gross Settlement Amount will revert
12 to Defendant.

13 e) No Claim Forms Required: Class Members will not be required to submit a claim
14 form to receive their Settlement payment.

15 f) Net Settlement Amount: The Net Settlement Amount shall be calculated by
16 deducting from the Gross Settlement Amount (\$200,000.00) the following sums,
17 subject to approval by the Court: (1) attorney's fees (not to exceed 1/3 of the Gross
18 Settlement Amount, or \$66,666.66); (2) reasonable litigation costs (not to exceed
19 \$25,000.00); (3) the Service Payment (not to exceed \$10,000.00 to the named
20 Plaintiff); (4) the PAGA Penalty Payment in the amount of \$15,000.00 (which is 75%
21 of the PAGA Allocation); and (5) costs of settlement administration (estimated not to
22 exceed \$9,650.00). Settlement Payments to the Class Members will be calculated by
23 the Settlement Administrator and paid out of the Net Settlement Amount as set forth
24 below.

25 g) Installment Funding of Settlement: The Gross Settlement Amount will be paid
26 through a payment plan spanning a 27-month period ("Installment Payments"). The
27 first payment in the amount of Seven Thousand Four Hundred and Seven Dollars and
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1 Forty Cents \$7,407.40 shall be paid thirty days after the Parties execute the long-form
2 settlement agreement. Thereafter, Defendant will be responsible for submitting 26
3 equal payments in the amount of Seven Thousand Four Hundred and Seven Dollars
4 and Forty Cents (\$7,407.40) every thirty days. The twenty-seventh and final payment
5 will be in the amount of Seven Thousand Four Hundred and Seven Dollars and Sixty
6 Cents \$7,407.60 and will be submitted thirty days after the twenty-sixth payment. To
7 the extent that any payment required by this paragraph is due on a Saturday, Sunday
8 or legal holiday, the due date shall be continued to the following business day. The
9 settlement administrator shall deposit the Installment Payments into a federally
10 insured bank account. Any interest on the earned money in said bank account shall
11 be remitted to the Net Settlement Amount for distribution to Settlement Class
12 Members. In the event Defendant defaults and fails to make a timely Installment
13 Payment, Defendant shall have ten (10) business days to cure the default (“Cure
14 Period”). Plaintiff and Defendant shall meet and confer during the Cure Period to
15 resolve Defendant’s default. If Defendant fails to cure the default within the Cure
16 Period, Plaintiff shall be entitled to enter a stipulated judgment against Defendant for
17 the unpaid balance of the Gross Settlement Amount at the time of default plus interest,
18 and reasonable attorneys’ fees and costs incurred enforcing the terms of this
19 Agreement. The Stipulated Judgment is attached as Exhibit A to this Agreement and
20 Defendant will execute the judgment in conjunction with this Agreement. If the
21 Settlement fails to obtain court approval, all deposited monies including interest shall
22 revert back to Defendant.

23 h) Payroll Taxes and Required Withholdings: To the extent that any portions of the
24 Settlement Class Members’ Settlement Payments constitute wages, Defendant will be
25 separately responsible for any employer payroll taxes required by law, including the
26 employer FICA, FUTA, and SDI contributions. Except for any employer payroll
27 taxes, it is understood and agreed that Defendant’s maximum total liability under this
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1 Settlement shall not exceed the Gross Settlement Amount. The Settlement
2 Administrator will calculate and submit the Defendant's employer share of payroll
3 taxes after advising Defendant of the total amount owed, in aggregate, as employer-
4 side payroll taxes and receiving a lump sum payment from Defendant in that amount
5 when Defendant makes the 27th Installment Payment as provided for in paragraph
6 30(g).

7 i) Settlement Class Payments (Excludes PAGA Settlement Payments): Settlement
8 Class Payments will be paid out of the Net Settlement Amount. Each Settlement Class
9 Member will be paid a pro-rata share of the Net Settlement Amount (less the PAGA
10 Settlement Payment totalling \$5,000.00), as calculated by the Settlement
11 Administrator. The pro-rata share will be determined by comparing the individual
12 Settlement Class Member's Covered Workweeks employed during the Class Period
13 in California to the total Covered Workweeks of all the Settlement Class Members
14 during the Class Period as follows: [Workweeks worked by a Settlement Class
15 Member] ÷ [Sum of all Covered Workweeks worked by all Settlement Class
16 Members] × [Net Settlement Amount – all PAGA Settlement Payments] =
17 individual Settlement Payment for a Settlement Class Member. Settlement Class
18 Payments in the appropriate amounts will be distributed by the Settlement
19 Administrator by mail to the Settlement Class Members. Un-cashed, unclaimed or
20 abandoned checks, shall be transmitted to the California Controller's Office, as set
21 forth below.

22 j) PAGA Payments: PAGA Settlement Payments will be paid out of the Net
23 Settlement Amount. Each PAGA Employee will be paid a pro-rata share of the
24 PAGA Employees' PAGA Settlement Payment, as calculated by the Settlement
25 Administrator. Class Members who are PAGA Employees will not be permitted to
26 exclude themselves from this portion of the Settlement. The pro-rata share will be
27 determined by comparing the individual PAGA Employees' PAGA Pay Periods
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1 during the PAGA Period to the total PAGA Pay Periods of all the PAGA Employees
2 during the PAGA Period as follows: [PAGA Pay Periods worked by a PAGA
3 Employee] ÷ [Sum of all PAGA Pay Periods worked by all PAGA Employees] ×
4 [PAGA Settlement Payment] = individual PAGA Employee's portion of the PAGA
5 Settlement Payment. PAGA Settlement Payments to PAGA Employees in the
6 appropriate amounts will be distributed by the Settlement Administrator by mail to
7 the PAGA Employees at the same time Settlement Class Payments issue to the
8 Settlement Class. Un-cashed, unclaimed or abandoned checks, shall be transmitted
9 to the California Controller's Office, as set forth below. The LWDA's PAGA
10 Penalty Payment will issue to the LWDA at the same time Settlement Payments
11 issue to the Settlement Class.

12 k) Allocation of Settlement Payments: The Parties have agreed that Settlement Class
13 Payments will be allocated as follows: one-third to wages, two-thirds to statutory
14 penalties and interest. The PAGA Settlement Payment shares to PAGA Employees
15 will be entirely allocated to civil penalties. Appropriate federal, state and local
16 withholding taxes will be paid separately by Defendant and in addition to the GSA,
17 and each Class Member will receive an IRS Form W-2 with respect to this portion of
18 the Settlement Payment. The employer's share of payroll taxes and other required
19 withholdings will be paid as set forth above, including but not limited to the
20 Defendant's FICA and FUTA contributions, based on the payment of claims to the
21 Class Members. Class Members are responsible to pay appropriate taxes due on the
22 Settlement Payments they receive. The Settlement Administrator will issue to each
23 Settlement Class Member an Internal Revenue Service Form W-2 and comparable
24 state forms with respect to the wage allocation and a Form 1099 with respect to the
25 penalties and interest allocations, to the extent required by law.

26 l) Escalator Clause: It is estimated that there are approximately 352 Class Members who
27 worked approximately 12,532 workweeks during the Class Period. The Parties
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1 acknowledge and agree that this data (and other information provided by Defendant
2 for purposes of mediation) was relied on to extrapolate and reach an arms-length
3 negotiation of Plaintiff's claims in the Action through the Class Period. Should the
4 Covered Workweeks during the Class Period increase beyond 10% of 12,532 (i.e.,
5 more than 1,532 workweeks), Defendant shall have the option to (1) increase the
6 Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the
7 number of Covered Workweek worked by the Class Members above ten percent
8 (10%), meaning Defendant will increase the Gross Settlement Amount by the
9 percentage amount above ten percent (10%) (e.g., if the number of Covered
10 Workweeks increases by 11% to 13,911 workweeks, the Gross Settlement Amount
11 will increase by one percent (1%)), or (2) end the Class Period on the day that the total
12 workweeks reaches 12,532 workweeks.

13 m) Settlement Payments Do Not Give Rise to Additional Benefits: All Settlement
14 Payments to individual Class Members shall be deemed to be paid to such Class
15 Member solely in the year in which such payments actually are received by the Class
16 Member. It is expressly understood and agreed that the receipt of such Settlement
17 Payments will not entitle any Class Member to additional compensation or benefits
18 under any company bonus, contest or other compensation or benefit plan or
19 agreement in place during the period covered by the Settlement, nor will it entitle any
20 Class Member to any increased retirement, 401(k) benefits or matching benefits or
21 deferred compensation benefits. It is the intent that the Settlement Payments provided
22 for in this Settlement are the sole payments to be made by Defendant to the Class
23 Members, and that the Class Members are not entitled to any new or additional
24 compensation or benefits as a result of having received the Settlement Payments
25 (notwithstanding any contrary language or agreement in any benefit or compensation
26 plan document that might have been in effect during the period covered by this
27 Settlement).

1 n) Attorney's Fees and Costs: Subject to approval by the Court, Defendant will not
2 object to Class Counsel's application for attorney's fees not to exceed 1/3 of the Gross
3 Settlement Amount (\$66,666.66) and reimbursement of litigation costs and expenses
4 not to exceed \$25,000.00. Approved attorney's fees and litigation costs shall be paid
5 at the same time Settlement Payments issue to the Settlement Class. Should the Court
6 approve attorney's fees and costs in an amount less than that set forth above, the
7 difference between the lesser amount(s) approved by the Court and the attorney's fees
8 and costs set forth above shall be added to the Net Settlement Amount.

9 o) General Release and Service Payment: Subject to Court approval, and in exchange
10 for a general release, Defendant will not object to Class Counsel's application for an
11 additional payment of up to \$10,000.00 to the Plaintiff as consideration for a general
12 release of all claims and as a payment for service as Class Representative ("Service
13 Payment"). It is understood that the Service Payment is in addition to the individual
14 Settlement Payment to which Plaintiff is entitled to along with the other Class
15 Members. In exchange, Plaintiff has agreed to a general release of all claims,
16 whether known or unknown, under federal law or state law against the Releasees,
17 to the extent permitted by law, through the Class Period ("Plaintiff's Released
18 Claims"). Plaintiff understands that this general release includes unknown claims
19 and that Plaintiff is, as a result, waiving all rights and benefits afforded by Civil
20 Code section 1542, which provides:

21 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**
22 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR**
23 **SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF**
24 **EXECUTING THE RELEASE. WHICH IF KNOWN BY HIM OR HER**
25 **MUST HAVE MATERIALLY AFFECTED HIS OR HER**
26 **SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

1 Specifically excluded from Plaintiff's Released Claims are any claims for workers'
2 compensation benefits. The Service Payment will issue at the same time all Settlement
3 Payments are mailed to the Settlement Class.

4 p) Service Payment: The Settlement Administrator will issue an IRS Form 1099 for the
5 Service Payment to the Plaintiff. The Plaintiff will be individually responsible for
6 correctly characterizing this compensation on personal income tax returns for tax
7 purposes and for paying any taxes on the amounts received. Should the Court approve
8 a Service Payment in an amount less than that set forth above, the difference between
9 the lesser amount approved by the Court and the Service Payment amount set forth
10 above shall be added to the Net Settlement Amount. Plaintiff agrees not to opt out or
11 object to the Service Payment as the Class Representative.

12 q) Settlement Administrator: The Settlement Administrator will be Apex Class Action
13 Administration, or such other Settlement Administrator as may be mutually agreeable
14 to the Parties and approved by the Court. The Settlement Administrator's bid for
15 settlement administration services in the amount of \$9,650.00 was selected for the
16 reasonable price and the quality of administration services provided by Apex Class
17 Action Administration.

18 r) Mailing of Settlement Payments: The Settlement Administrator shall cause the
19 Settlement Payments to be mailed to the Class Members within 15 calendar days of
20 Defendant fully-funding the Settlement as provided for in paragraph 29(g).

21 s) Notice of Settlement: Within 21 calendar days of the Court's preliminary approval of
22 the Settlement, Defendant will provide to the Settlement Administrator a list in
23 Microsoft Excel format containing each Class Member's (i) full name, (ii) last known
24 address, (iii) Social Security Number, and (iv) the total number of Covered
25 Workweeks for each Class Member during the Class Period and Covered Pay Periods
26 for each PAGA Employee during the PAGA Period ("Class List"). Within 15
27 calendar days of receipt of the Class List, the Settlement Administrator will perform

1 an NCOA check and will mail the notice to the Class Members setting forth the
2 material terms of the proposed Settlement, along with instructions about how to object
3 or request exclusion from the proposed class action Settlement (“Class Notice”). The
4 Administrator will skip-trace returned mail and re-mail the notice to the new
5 addresses within five calendar days. These deadlines are subject to court approval.
6 For each Class Member, there will be pre-printed information on the mailed Class
7 Notice, based on Defendant’s records, stating the Class Member’s Covered
8 Workweeks during the Class Period and the estimated total Settlement Payment under
9 the Settlement, including the Settlement Class Payment and the PAGA Settlement
10 Payment that will be distributed irrespective of any exclusion request. The pre-
11 printed information based on Defendant’s records shall be presumed to be correct. A
12 Class Member may dispute the pre-printed information on the Notice as to his or her
13 Covered Workweeks during the Class Period. Class Members must submit any
14 dispute regarding the information on the Class Notice to the Settlement Administrator
15 as to his or her Covered Workweeks within the Response Deadline. Unless a
16 disputing Class Member submits documentary evidence in support of his or her
17 dispute, the records of Defendant will be dispositive.

- 18 t) Class Members Cannot Exclude Themselves from the Released PAGA Claims: Class
19 Members who are also PAGA Employees submitting a Request for Exclusion will
20 nevertheless receive their pro-rata share of the PAGA Settlement Payment. If the
21 Court approves the compromise of the PAGA Claim, all Class Members who are also
22 PAGA Employees are bound by the Court’s resolution of that Claim. Plaintiff shall
23 serve a notice of settlement on the California Labor and Workforce Development
24 Agency at or before the time Plaintiff files the motion for preliminary approval.
- 25 u) Resolution of Workweek Disputes: If a Class Member disputes the accuracy of
26 Defendant’s records used to calculate Covered Workweeks, and the Parties’ counsel
27 cannot resolve the dispute informally, the matter will be referred to the Settlement
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1 Administrator. The Settlement Administrator will review Defendant's records and
2 any information or documents submitted by the Class Member and issue a decision
3 regarding the dispute. If the Settlement Administrator's decision is not accepted by
4 the Parties and the disputing Class Member, the dispute will be submitted to the Court
5 for resolution at the time of the final approval hearing. The Class Member must
6 submit information or documents supporting his or her position to the Settlement
7 Administrator prior to the expiration of the Response Deadline. Information or
8 documents submitted after the expiration of the Response Deadline will not be
9 considered by the Settlement Administrator, unless otherwise agreed to by the Parties.
10 In the event that the number of Covered Workweeks is increased for any Class
11 Member, then the Settlement Administrator will recalculate the Individual Settlement
12 Payments accordingly; in no event will Defendant be required to increase Gross
13 Settlement Amount.

14 v) Right of Class Member to Request Exclusion from the Settlement: Any Class
15 Member may request to be excluded from the Class by mailing a "Request for
16 Exclusion" from the Settlement within the Response Deadline. A Request for
17 Exclusion must clearly and unequivocally state a desire to be excluded from the Class,
18 with a statement comparable to the following:

19 "I want to be excluded from the settlement class in *Dutilleul v. Methodology,*
20 *Inc.*, CCSC Case No. C22-00759."

21 No specific wording is required to state a Request for Exclusion, so long as it is clear
22 and unequivocal. Any Request for Exclusion must include the name, address,
23 telephone number, last four digits of the Class Member's Social Security Number,
24 and the signature of the Class Member requesting exclusion to protect against
25 falsified Requests for Exclusion. Any such request must be made in accordance
26 with the terms of the Class Notice, and the Class Notice will advise Class Members
27 of these requirements. Any Class Member who timely requests exclusion in
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1 compliance with these requirements (i) shall not have any rights under this
2 Settlement other than a right to receive a pro-rata share of the portion of the PAGA
3 payment allocated to the Class Members if the Class Member is also PAGA
4 Employee; (ii) shall not be entitled to receive any Settlement Payments under this
5 Settlement other than as stated in (i) in this paragraph; and (iii) shall not be bound by
6 this Settlement or the Court's Order and Final Judgment other than as it applies to
7 the PAGA Claim.

8 w) Right of Settlement Class Member to Object to The Settlement: Any Class Member
9 may object to the Settlement. To object, the Class Member may (1) appear in person
10 (including through an audio or video call appearance as required or authorized by the
11 Court) at the Final Approval Hearing to explain any objection, (2) have an attorney
12 object for the Class Member, or (3) submit a simple written brief or statement of
13 objection to the Settlement Administrator. If any Class Member chooses to submit a
14 written objection, the written objection should contain sufficient information to
15 confirm the identity of the objector and the basis of the objection, including (1) the
16 full name of the Settlement Class Member; (2) the signature of the Settlement Class
17 Member; (3) the grounds for the objection; and (4) be postmarked within the
18 Response Deadline to permit adequate time for processing and review by the Parties
19 of the written statement or objection. Class Counsel shall ensure that any written
20 objections are transmitted to the Court for the Court's review (either by Class Counsel
21 or as an attachment to declaration from the Settlement Administrator). A Class
22 Member who does not object prior to or at the Final Approval Hearing, will be
23 deemed to have waived any objections and will be foreclosed from making any
24 objections (whether at the Final Approval Hearing, by appeal, or otherwise) to the
25 Settlement. If the Court rejects the Class Member's objection, the Class Member will
26 still be bound by the terms of this Agreement. Class Counsel and Defendant's
27 Counsel may file responses to any written objections submitted to the Court.

1 x) Tax Liability: Class Counsel and Defendant make no representations as to the tax
2 treatment or legal effect of payments called for hereunder, and Plaintiff and the
3 Settlement Class Members are not relying on any statement or representation by Class
4 Counsel or Defendant in this regard. Plaintiff and Settlement Class Members
5 understand and agree that they will be solely responsible for the payment of any taxes
6 and penalties assessed on their respective payments described herein. The amount of
7 federal income tax withholding will be based upon a flat withholding rate for
8 supplemental wage payments in accordance with Treas. Reg. § 31.3402(g)-1(a)(2) as
9 amended or supplemented. Income tax withholding will also be made pursuant to
10 applicable state and/or local withholding codes or regulations. Forms W-2 and/or
11 Forms 1099 will be distributed at times and in the manner required by the Internal
12 Revenue Code of 1986 (the “Code”) and consistent with this Agreement. If the Code,
13 the regulations promulgated thereunder, or other applicable tax law, is changed after
14 the date of this Agreement, the processes set forth in this Section may be modified in
15 a manner to bring Defendant into compliance with any such changes.

16 y) CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS AGREEMENT (FOR
17 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND
18 EACH PARTY TO THIS AGREEMENT OTHER THAN THE
19 ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES
20 AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO
21 WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG
22 THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS
23 INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR
24 DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS,
25 TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY
26 DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
27 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS,
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1 HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR
2 ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS
3 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED
4 UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY
5 ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT
6 ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY
7 ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY
8 TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING
9 PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY
10 HAS IMPOSED ANY LIMITATION THAT PROTECTS THE
11 CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX
12 STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS
13 LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING
14 PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
15 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY
16 THIS AGREEMENT.

17 **THE SETTLEMENT ADMINISTRATOR'S PRIMARY DUTIES**

18 30. Subject to the Court's approval, and subject to reconsideration by the Parties after
19 a competitive bidding process, the Parties have agreed to the appointment of Apex Class Action
20 Administration to perform the customary duties of Settlement Administrator. The Settlement
21 Administrator will mail the Notice to the Class Members.

22 31. The Settlement Administrator will independently calculate and/or review the
23 Covered Workweeks and PAGA Pay Periods attributed to each Class Member and will calculate the
24 estimated amounts due to each Class Member and the actual amounts due to each Settlement Class
25 Member and PAGA Employee in accordance with this Settlement. The Settlement Administrator shall
26 report, in summary or narrative form, the substance of its findings.

1 Defendant pursuant to the terms of this Settlement, and Defendant has fully funded the Settlement in
2 accordance with the Paragraph 29(g) in this Agreement.

3 **THE NOTICE PROCESS**

4 35. A Notice in approximately the form attached hereto as Exhibit "A," and as approved by
5 the Court, shall be sent by the Settlement Administrator to the Class Members by first class mail. Any
6 returned envelopes from this mailing with forwarding addresses will be utilized by the Settlement
7 Administrator to forward the Notices to the Class.

8 a) Within 21 calendar days from the date of preliminary approval of this Settlement
9 by the Court, Defendant shall provide to the Settlement Administrator the Class List.
10 This database shall be based on Defendant's payroll and other business records. The
11 Settlement Administrator will run a check of the Class Members' addresses against
12 those on file with the U.S. Postal Service's National Change of Address List; this
13 check will be performed only once per Class Member by the Settlement
14 Administrator. Absent mutual written agreement of counsel for the Parties or Court
15 order, the Settlement Administrator will keep this database confidential and secure
16 and use it only for the purposes described herein, and will return this database to
17 Defendant upon final approval of the settlement or destroy electronic records
18 containing the database after the Settlement is final and all payments are distributed
19 as required under this Agreement.

20 b) Within 15 calendar days after the Class database is provided to the Settlement
21 Administrator, the Settlement Administrator will mail the Notices to the Class
22 Members by First Class United States mail.

23 c) Class Notices returned to the Settlement Administrator as non-deliverable on or
24 before the initial Response Deadline shall be resent to the forwarding address, if any,
25 on the returned envelope. A returned Class Notice will be forwarded by the
26 Settlement Administrator any time that a forwarding address is provided with the
27 returned mail. If there is no forwarding address, the Settlement Administrator will do

1 a computer search for a new address using the Class Member's social security number
2 and/or other information. In any instance where a Class Notice is re-mailed, that Class
3 Member will have until the extended Response Deadline as described above. A letter
4 prepared by the Settlement Administrator will be included in the re-mailed Class
5 Notice in that instance, stating the extended Response Deadline if different than the
6 original Response Deadline. Upon completion of these steps by the Settlement
7 Administrator, Defendant and the Settlement Administrator shall be deemed to have
8 satisfied their obligations to provide the Class Notice to the affected Class Member.
9 The affected Class Member shall remain a member of the Settlement Class and shall
10 be bound by all the terms of the Settlement and the Court's Order and Final Judgment.
11 d) Class Counsel shall provide to the Court a declaration by the Settlement
12 Administrator of due diligence and confirming mailing of the Notices.

13 **DISPOSITION OF SETTLEMENT PAYMENTS AND UNCASHED CHECKS**

14 36. As set forth above, each Class Member will have until the expiration of the applicable
15 Response Deadline to submit to the Settlement Administrator any challenge or dispute to the Class
16 Member's Covered Workweek information on the Notice. No disputes will be honored if they are
17 submitted after the Response Deadline, unless the Parties mutually agree to accept the untimely dispute.
18 Each Class Member is responsible to maintain a copy of any documents sent to the Settlement
19 Administrator and a record of proof of mailing.

20 37. The Settlement Administrator shall cause the Settlement Payments to be mailed to the
21 Settlement Class Members and PAGA Employees as provided herein. Settlement Class Payments and
22 PAGA Payments may be combined into one check. Settlement Payment checks shall remain valid and
23 negotiable for 180 calendar days from the date of their issuance. Settlement Payment checks will
24 automatically be cancelled by the Settlement Administrator if they are not cashed by the Class Member
25 within that time, and the Class Member's relevant claims will remain released by the Settlement.
26 Settlement Payment checks which have expired will not be reissued.

1 38. Funds from un-cashed or abandoned Settlement Payment checks, based on a 180-day
2 void date, shall be transmitted to the California State Controller’s Office for Unclaimed Property in the
3 name of each Class Member who failed to cash their Settlement Payment check prior to the void date.
4 39. Upon completion of its calculation of Settlement Payments, the Settlement Administrator
5 shall provide Class Counsel and Defendant’s Counsel with a report listing the amounts of all payments
6 to be made to Class Members (to be identified anonymously by employee number or other identifier). A
7 Declaration attesting to completion of all payment obligations will be provided to Class Counsel and
8 Defendant’s Counsel and filed with the Court by Class Counsel.

9 **RELEASE BY THE CLASS AND PAGA EMPLOYEES**

10 40. Upon the final approval by the Court of this Settlement and Defendant’s payment of all
11 sums due pursuant to this Settlement, and except as to such rights or claims as may be created by this
12 Settlement, the Class Representative, the Class and each Class Member who has not submitted a valid
13 and timely request for exclusion as to claims other than the PAGA claim, and each PAGA Employee,
14 regardless of whether they have requested exclusion from the Settlement of Class claims, will release
15 claims as follows:

- 16 a) **Identity of Released Parties.** The released parties are Defendant, and its owners,
17 subsidiaries, affiliates, parents, agents, exempt employees, partners, directors,
18 officers, attorneys, trustees, insurers, representatives, predecessors, successors,
19 assigns and agents, (collectively “Releasees”).
- 20 b) **Date Release Becomes Active.** The Released Class Claims and Released PAGA
21 Claims will be released upon the later of (1) the Settlement’s Effective Date, or (2)
22 the satisfaction of Defendant’s obligation to provide to the Settlement Administrator
23 a sum in the amount required to satisfy all required payments and distributions
24 pursuant to this Settlement and the Order and Judgment of final approval. Class
25 Members will not release the Released Class Claims or Released PAGA Claims until
26 both the Effective Date of the Settlement has occurred, and Defendant has paid all
27 amounts owing under the Settlement.

1 c) **Claims Released by Settlement Class Members.** Each and every Class Member, on
2 behalf of himself or herself and his or her heirs and assigns, unless he or she has
3 submitted a timely and valid Request for Exclusion (which will not effectuate an opt-
4 out from the release of Released PAGA Claims if the Class Member is also a PAGA
5 Employee), hereby releases the Releasees from the following claims for the entire
6 Class Period:

7 Any and all claims stated in the Action, or that could have been stated based on
8 the facts alleged in the Action, implicitly or explicitly, including but not limited
9 to state wage and hour claims (including all claims under the California Labor
10 Code) for unpaid minimum and overtime wages, meal and rest period violations,
11 untimely payment of wages, wage statement violations, recordkeeping violations,
12 unreimbursed business expenses, interest, penalties, and attorneys' fees, waiting
13 time penalties, withholding from wages and the related provisions of the Labor
14 Code including but not limited to Labor Code §§ 201-203, 204, 210, 218.6, 226,
15 226.3, 226.7, 510, 512, 1174, 1194, 1197, 1198, 1197.1, 2800, 2802, derivative
16 claims under California Business & Professions Code §§ 17200, et seq., and all
17 claims under the governing Wage Orders. (*see* Paragraph 15, above).

18 d) **Claims Released by PAGA Employees.** All PAGA Employees employed during
19 the Released PAGA Claims Period (whether requesting exclusion from the Settlement
20 or not) will release the Released PAGA Claims (*see* Paragraph 16, above).

21 **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

22 41. The Parties shall submit this Joint Stipulation of Class Action Settlement to the Court
23 in support of Plaintiff's unopposed motion for preliminary approval – to be provided to Defendant's
24 Counsel for review and approval at least five days in advance of filing – for determination by the Court
25 as to its fairness, adequacy, and reasonableness. Upon execution of this Joint Stipulation of Class Action
26 Settlement, the Parties shall apply to the Court for the entry of an order:

- 1 a) Scheduling a final approval and fairness hearing on the question of whether the
2 proposed Settlement, including payment of attorney's fees and costs, and the Class
3 Representative's service payment, should be finally approved as fair, reasonable, and
4 adequate as to the members of the Class;
- 5 b) Certifying a Class for purposes of this Settlement only;
- 6 c) Approving as to form and content the proposed Notice;
- 7 d) Directing the mailing of the Notice;
- 8 e) Preliminarily approving the Settlement subject only to any objections of Class
9 Members and final review by the Court;
- 10 f) Conditionally appointing Plaintiff and Class Counsel as representatives of the
11 proposed Class Members; and,
- 12 g) Appointing Apex Class Action Administration as the Settlement Administrator, and
13 order the Settlement Administrator to issue Notices as outlined above.

14 **DUTIES OF THE PARTIES FOLLOWING FINAL COURT APPROVAL**

15 42. In conjunction with the hearing of a motion for final approval by the Court of the
16 Settlement provided for in this Joint Stipulation of Settlement, Class Counsel will provide to Defendant's
17 Counsel for review and approval at least five days in advance and then submit to the Court a motion for
18 final approval and a proposed final order and judgment containing provisions sufficient to accomplish
19 the following:

- 20 a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable and
21 adequate, and directing consummation of its terms and provisions;
- 22 b) Approving Class Counsel's application for an award of attorney's fees and costs;
- 23 c) Approving the Settlement Administration Costs;
- 24 d) Approving the Service Payment to the Class Representative;
- 25 e) Adjudging the Settlement Administrator has fulfilled its initial notice and reporting
26 duties under the Settlement.

- 1 f) Adjudging Plaintiff and Class Counsel may adequately represent the Final Settlement
2 Class for the purpose of entering into and implementing the Agreement;
3 g) Adjudging that Defendant has funded the Gross Settlement Amount;
4 h) Entering a final judgment in the action;
5 i) Adjudging that notwithstanding the submission of a timely request for exclusion,
6 Class Members are still bound by the settlement and release of the Released PAGA
7 Claims or remedies under the Judgment pursuant to *Arias v. Superior Court*, 46 Cal.
8 4th 969 (2009), as requests to be excluded from the Settlement do not apply to the
9 Released PAGA Claims, and further affirms that the State's claims for civil penalties
10 pursuant to PAGA are also extinguished;
11 j) Directing the posting of the final judgment on a webpage maintained by the
12 Settlement Administrator for a period of not less than 90 calendar days after entry of
13 final judgment.

14 Any revised final judgments will also be provided to Defendant's Counsel for review and
15 approval before they are submitted to the Court.

16 **NULLIFICATION AND TERMINATION**

17 43. This Settlement will be null and void if any of the following occur: (a) the Court should
18 for any reason fail to certify a class for settlement purposes; (b) the Court should for any reason fail to
19 preliminarily or finally approve of this Settlement in the form agreed to by the Parties, other than
20 adjustments made to the attorney's fees and costs or granting of the Service Payment; (c) the Court should
21 for any reason fail to enter the final judgment; (d) the final judgment is reversed, modified, or declared or
22 rendered void; or (e) the Settlement does not become final for any other reason.

23 44. If ten percent (10%) or more of the Class Members opt out of this Settlement, then
24 Defendant in its sole discretion may terminate, nullify and void this Settlement. The Settlement
25 Administrator shall provide Defendant's Counsel with the information necessary to effectuate this
26 provision on a regular basis, but no less frequently than on a weekly basis. To terminate this Settlement
27 under this paragraph, Defendant's Counsel must give Plaintiff's Counsel written notice, by facsimile, e-

1 mail, or mail, no later than 10 court days after the Response Deadline. If this option is exercised by
2 Defendant, Defendant shall be solely responsible for the costs incurred by the Settlement Administrator
3 for the settlement administration.

4 45. In the event this Settlement is nullified or terminated as provided above: (i) this Settlement
5 shall be considered null and void, (ii) neither this Settlement nor any of the related negotiations or
6 proceedings shall have any force or effect and no party shall be bound by any of its terms, and (iii) all
7 Parties to this Settlement shall stand in the same position, without prejudice, as if the Settlement had been
8 neither entered into nor filed with the Court.

9 **PARTIES' AUTHORITY**

10 46. The signatories hereto hereby represent that they are fully authorized to enter into this
11 Settlement and bind the Parties hereto to the terms and conditions thereof.

12 **MUTUAL FULL COOPERATION**

13 47. The Parties agree to fully cooperate with each other to accomplish the terms of this
14 Settlement including, but not limited to, execution of such documents and taking such other action as
15 reasonably may be necessary to implement the terms of this Settlement. The Parties to this Settlement
16 shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that
17 may become necessary by order of the Court, or otherwise, to effectuate this Settlement and the terms set
18 forth herein. As soon as practicable after execution of this Settlement, Class Counsel shall, with the
19 assistance and cooperation of Defendant and Defendant's Counsel, take all necessary steps to secure the
20 Court's preliminary and final approval of this Settlement.

21 **NO PRIOR ASSIGNMENTS**

22 48. The Parties and their respective counsel represent, covenant, and warrant that they have
23 not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber
24 to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein
25 released and discharged except as set forth herein.

26 **NO ADMISSION OF LIABILITY**

1 49. Nothing contained herein, nor the consummation of this Settlement, is to be construed or
2 deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant.
3 Defendant denies all the claims and contentions alleged by the Plaintiff in this case. Defendant has
4 entered into this Settlement solely with the intention to avoid further disputes and litigation with the
5 attendant inconvenience and expenses.

6 **ENFORCEMENT ACTIONS**

7 50. In the event that one or more of the Parties to this Settlement institutes any legal action or
8 other proceeding against any other party or parties to enforce the provisions of this Settlement or to
9 declare rights and/or obligations under this Settlement, the successful party or parties shall be entitled to
10 recover from the unsuccessful party or parties reasonable attorney's fees and costs, including expert
11 witness fees incurred in connection with any enforcement actions.

12 **NOTICES**

13 51. Unless otherwise specifically provided herein, all notices, demands or other
14 communications given hereunder shall be in writing and shall be deemed to have been duly given as of
15 the third business day after mailing by United States registered or certified mail, return receipt requested,
16 addressed as follows:

17 Class Counsel:

18 **ZAKAY LAW GROUP, APLC**
19 Shani O. Zakay (SBN 277924)
20 Jackland K. Hom (SBN 327243)
21 Julieann Alvarado (SBN 334727)
22 5440 Morehouse Drive, Suite 3600
23 San Diego, CA 92121
24 Telephone: (619) 255-9047
25 Facsimile: (858) 404-9203
26 shani@zakaylaw.com
27 jackland@zakaylaw.com
28 julieann@zakaylaw.com

JCL LAW FIRM, APC
Jean-Claude Lapuyade (SBN 248676)
Sydney Castillo Johnson (SBN 343881)
Monnett De La Torre (SBN 272884)

Counsel for Defendant

SEYFARTH SHAW LLP
Justin T. Curley
560 Mission Street, 31st Floor
San Francisco, California 94105
Telephone: (415) 397-2823
Facsimile: (415) 397-8549
jcurley@seyfarth.com

SEYFARTH SHAW LLP
Jeffrey A. Nordlander (SBN 308929)
400 Capitol Mall, Suite 2350
Sacramento, California 95814
T: (916) 448-0159
F: (916) 558-4839
jnordlander@seyfarth.com
Telephone: (818) 265-1020
Fax: (818) 265-1021

1 5440 Morehouse Drive, Suite 3600
2 San Diego, CA 92121
3 Telephone: (619) 599-8292
4 Facsimile: (619) 599-8291
5 jlapuyade@jcl-lawfirm.com
6 scastillo@jcl-lawfirm.com
7 mdelatorre@jcl-lawfirm.com

8 **LAWYERS FOR JUSTICE, PC**

9 Edwin Aiwazian (SBN 232943)
10 410 West Arden Avenue, Suite 203
11 Glendale, California 91203

12 **CONSTRUCTION**

13 52. The Parties hereto agree that the terms and conditions of this Settlement are the result of
14 lengthy, intensive arms-length negotiations between the Parties, and this Settlement shall not be construed
15 in favor of or against any party by reason of the extent to which any party or his, her or its counsel
16 participated in the drafting of this Settlement.

17 **CAPTIONS AND INTERPRETATIONS**

18 53. Paragraph titles or captions contained herein are inserted as a matter of convenience and
19 for reference, and in no way define, limit, extend, or describe the scope of this Settlement or any provision
20 hereof. Each term of this Settlement is contractual and not merely a recital.

21 **MODIFICATION**

22 54. This Settlement may not be changed, altered, or modified, except in writing and signed
23 by the Parties hereto, and approved by the Court. This Settlement may not be discharged except by
24 performance in accordance with its terms or by a writing signed by the Parties hereto.

25 **INTEGRATION CLAUSE**

26 55. This Settlement contains the entire agreement between the Parties relating to the
27 Settlement and transaction contemplated hereby, and all prior or contemporaneous agreements,
28 understandings, representations, and statements, whether oral or written and whether by a party or such
party's legal counsel regarding this Settlement and transaction are merged herein. No rights hereunder
may be waived except in writing.

WAIVER OF APPEALS

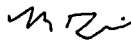
1 would necessarily be included in any Court-approved Notice if a Class Member requests details about the
2 proposed Settlement, and (3) a warning that the terms of the proposed Settlement have not yet been
3 approved by the Court. Prior to preliminary approval, the Class Representative is prohibited from
4 discussing the terms or the fact of the settlement with third parties other than (1) a spouse, (2) accountants
5 or lawyers as necessary for tax purposes, or (3) Class Members. At all times, the Class Representative is
6 prohibited from communicating about the terms or the fact of the settlement on any form of public media
7 or social media. Class Counsel will take all steps necessary to ensure the Class Representative is aware
8 of, and will adhere to, the restrictions against any public disclosure of the Settlement. Class Counsel will
9 not include or use the settlement for any marketing or promotional purposes.


10 **FINAL JUDGMENT**

11 61. The Parties agree that, upon final approval of the Settlement, final judgment of this Action
12 will be made and entered in its entirety. The final judgment may be included in the Order granting Final
13 Approval of the Settlement.

14 IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint
15 Stipulation of Class Action Settlement between Plaintiff and Defendant as set forth below:

16 **IT IS SO STIPULATED.**

17
18
19 Dated: 03/19, 2024 
20 Mark Dutilleul (Mar 19, 2024 09:53 PDT)
21 Plaintiff MARK DUTILLEUL

22 Dated: 03/20, 2024
23 By: 
24 Signature
25 Stephen Liu
26 Name
27 COO
28 Title

27 AS TO FORM:

1 Dated: March 11, 2024

ZAKAY LAW GROUP, APLC

2

3

By: 

Shani O. Zakay
Jackland K. Hom
Julieann Alvarado
Rachel Newman

4

5

6

7 Dated: March 11, 2024

JCL LAW FIRM, APC

8

9

By: 

Jean-Claude Lapuyade

10

11

Attorneys for Plaintiff
MARK DUTILLIEUL

12

13 Dated: March 11, 2024

Lawyers for Justice, PC

14

15

By: 

Edwin Aiwazian
Arby Aiwazian
Joanna Ghosh
Vartan Madoyan

16

17

18

Attorneys for Plaintiff
MARK DUTILLIEUL

19

20

21 Dated: March 19, 2024

SEYFARTH SHAW LLP

22

By: 

Justin T. Curley
Jeffrey A. Nordlander

23

24

Attorneys for Defendant
METHODOLOGY, INC.

25

26

27

28

EXHIBIT A

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

Mark Dutilleul v. Methodology, Inc., Case Number C22-00759

***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 lawsuit (“Action”) against METHODOLOGY, INC. (“Defendant”) for alleged wage and hour violations. The Action was filed by former employees Mark Dutilleul (“Plaintiff”) and seeks payment of (1) back wages and other relief for a class of non-exempt employees who are or previously were employed by Defendant (“Class Members”) and performed work in California during the Class Period (April 19, 2018 to August 16, 2023); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all non-exempt employees who are or previously were employed by Defendant and performed work in California during the PAGA Period (May 16, 2022 to August 16, 2023) (“PAGA Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on Defendant’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$XX (less withholding) and your Individual PAGA Payment is estimated to be \$XX**. 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 Defendant’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on Defendant’s records showing that **you worked XX workweeks** during the Class Period and **you worked XX workweeks** during the PAGA Period. 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 Defendant to make payments under the Settlement and requires Class Members and PAGA Employees to give up their rights to assert certain claims against Defendant.

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

- (1) **Do Nothing.** You do not have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Settlement 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 PAGA Employee, remain eligible for an Individual PAGA Payment. 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

<p>You Don't Have to Do Anything to Participate in the Settlement</p>	<p>If you do nothing, you will be a Settlement Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement (Released Claims).</p>
<p>You Can Opt-out of the Class Settlement but not the PAGA Settlement</p> <p>The Opt-out Deadline is _____</p>	<p>If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.</p> <p>You cannot opt-out of the PAGA portion of the proposed Settlement. Defendants must pay Individual PAGA Payments to all PAGA Employees and the PAGA Employees must give up their rights to pursue Released Claims (defined below).</p>
<p>Settlement Class Members Can Object to the Class Settlement but not the PAGA Settlement</p> <p>Written Objections Must be Submitted by</p>	<p>All Class Members who do not opt-out ("Settlement Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Settlement Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.</p>

<p>You Can Participate in the _____ Final Approval Hearing</p>	<p>The Court's Final Approval Hearing is scheduled to take place on _____. You don't have to attend but you do have the 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. Settlement Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.</p>
<p>You Can Challenge the Calculation of Your Workweeks/Pay Periods</p> <p>Written Challenges Must be Submitted by _____</p>	<p>The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods 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.</p>

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant. The Action accuses Defendant of violating California labor laws by failing to pay overtime wages, failing to pay meal period premiums, failing to pay rest period premiums, failing to pay minimum wages, failing to provide required meal and rest periods, failing to pay timely final wages, failing to pay timely wages during employment, failing to provide compliant wage statements, failing to keep requisite payroll records, and failing to reimburse employees for required expenses. 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:

JCL Law Firm, APC, Zakay Law Group, APLC, and Lawyers for Justice, PC ("Class Counsel.")

Defendant strongly denies violating any laws or failing to pay any wages and contend they complied with all applicable laws.

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

So far, the Court has made no determination whether Defendant or Plaintiff are correct on the merits. In the meantime, Plaintiff and Defendant hired a retired judge in an effort to resolve the Action by negotiating 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 Defendant 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, Defendant does 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) Defendant has 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 PAGA Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

1. Gross Settlement Amount. Defendant Will Pay \$200,000.00 as the Gross Settlement Amount ("Gross Settlement Amount"). Defendant has agreed to deposit the Gross Settlement Amount into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement Amount to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and litigation costs, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement through a payment plan spanning a 27-month period.
2. Court Approved Deductions from Gross Settlement Amount. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$66,666.66 (One-third of the Gross Settlement Amount) to Class Counsel for attorneys' fees and up to \$20,000.00 for their litigation costs. To date, Class Counsel has worked and incurred costs on the Action without payment.
 - B. Up to \$10,000.00 as a Class Representative Service Payment to Plaintiff for filing the Action, working with Class Counsel and representing the Class. A Class Representative Service Payment will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$9,650.00 to the Administrator for services administering the Settlement.
 - D. Up to \$20,000.00 for PAGA Penalties, allocated 75% to the LWDA Payment and 25% in Individual PAGA Payments to the PAGA Employees based on their PAGA Period Pay Periods.

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

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

Settlement Amount (the "Net Settlement") by making Individual Class Payments to Settlement Class Members based on their Class Period Workweeks.

4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to interests and penalties ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant 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 Defendant 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 irrevocably lost to you because they will be paid to a non-profit organization or foundation ("Cy Pres").
6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Settlement Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than XX, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the XX Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement comparable to the following: "I want to be excluded from the settlement class in *Dutillieul v. Methodology, Inc.*, CCSC Case No. C22-00759." 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 (Non-Participating 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.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. 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. Plaintiff and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.

8. Administrator. The Court has appointed a neutral company, Apex Class Action LLC (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. Settlement Class Members’ Release. After the Judgment is final and Defendant has fully funded the Gross Settlement Amount, and separately paid all employer payroll taxes, Settlement 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 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 Settlement Class Members will be bound by the following release:

All Settlement Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from any and all claims stated in the Action, or that could have been stated based on the facts alleged in the Action, implicitly or explicitly, including but not limited to state wage-and-hour claims (including all claims under the California Labor Code) for unpaid minimum and overtime wages, meal and rest period violations, untimely payment of wages, wage statement violations, recordkeeping violations, unreimbursed business expenses, interest, penalties, and attorneys’ fees, waiting time penalties, withholding from wages and the related provisions of the Labor Code including but not limited to Labor Code §§ 201-203, 204, 210, 218.6, 226, 226.3, 226.7, 246, 510, 512, 1174, 1194, 1197, 1198, 1197.1, 2800, 2802, derivative claims under California Business & Professions Code §§ 17200, et seq., and all claims under the governing Wage Orders.

10. PAGA Employees’ PAGA Release. After the Court’s judgment is final, and Defendant has paid the Gross Settlement Amount (and separately paid the employer-side payroll taxes), all PAGA Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all PAGA Employees, including those who are Settlement 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 its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The PAGA Employees’ Releases for Settlement Class Members and Non-Participating Class Members are as follows:

All Settlement Class Members and Non-Participating Class Members who are

PAGA Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for civil penalties under PAGA that have been pleaded or could have been pleaded, based upon the factual allegations and issues set forth in the Notice to the LWDA and alleged in Plaintiff's First Amended Complaint, including civil penalties under PAGA, fees, and all other claims under PAGA based on allegations made or which could have been made in the Action based on the facts and allegations pleaded in Plaintiff's Notice to the LWDA and the Complaint, including claims for PAGA penalties arising from allegations of unpaid minimum and overtime wages, failure to provide meal periods, failure to authorize rest periods, failure to provide accurate wage statements, failure to timely pay wages during employment, failure to timely pay final wages, failure to keep records, and failure to indemnify necessary business expenditures.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. Each Settlement Class Member will be paid a pro-rata share of the Net Settlement Amount, less the PAGA Settlement Payment totaling \$5,000. Each Settlement Class Members' Individual Class Payment will be calculated by comparing the individual Settlement Class Members' Workweeks worked during the Class Period to the Workweeks of all Settlement Class Members worked during the Class Period as follows: $[\text{Workweeks worked by a Settlement Class Member} \div \text{sum of all Workweeks worked by all Settlement Class Members}] \times [\text{Net Settlement Amount} - \text{the PAGA Settlement Payment}] = \text{Individual Class Payment}$.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by comparing the individual PAGA Employees' PAGA Pay Periods during the PAGA Period to the total PAGA Pay Periods of all the PAGA Employees as follows: $[\text{PAGA Pay Periods worked by an PAGA Employee} \div [\text{Sum of all PAGA Pay Periods worked by all PAGA Employees}]] \times [\text{PAGA Settlement Payment}] = \text{Individual PAGA Payment}$.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until **MONTH XX, 202X** to challenge the number of Workweeks and/or PAGA Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks and/or PAGA Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or PAGA Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Settlement Class Members) and

Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Settlement Class Members. The Administrator will send, by U.S. mail, a single check to every Settlement Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as PAGA Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every PAGA 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 in 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 comparable to the following: "I want to be excluded from the settlement class in *Dutillieul v. Methodology, Inc.*, CCSC Case No. C22-00759." The Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as *Mark Dutillieul v. Methodology, Inc., Case Number C22-00759*, 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 receive your request to be excluded by MONTH XX, 202X, 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 Settlement 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 twenty-eight (28) days before the MONTH XX, 202X 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 costs; 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 <https://www.apexclassaction.com/> or the Court's website <https://www.cc-courts.org/>.

A Settlement 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 XX.** 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 *Mark Dutillieul v. Methodology, Inc., Case Number C22-00759* and include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Settlement 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 XX at XX:XX am/pm in Department XX of the Contra Costa Superior Court, located at 725 Court Street, Martinez Martinez, CA 94553. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement Amount 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 virtually. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website <https://www.apexclassaction.com/> beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendants and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to Apex Class Action LLC's website at <https://www.apexclassaction.com/>. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<https://www.cc-courts.org/default.aspx>) and entering the Case Number for the Action, Case No. C22-00759. You can also make an appointment to personally review court documents in the Clerk's Office at the Contra Costa Superior Court.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

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F: 858-404-9203
Shani@zakaylaw.com

Apex Class Action LLC
18 Technology Drive, Suite 164
Irvine, CA 92618
Tel: 1-800-355-0700

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you will have no way to recover the money.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.