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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

SALVADOR CORTEZ, individually and on behalf of others similarly situated,

Plaintiff,

vs.

DIRECT PAINTING & DECORATING, INC., a California corporation; and DOES 1 through 50, inclusive,

Defendants.

Case No.: 23STCV02248 (Lead)
Consolidated with Case No.: 23STCV07806

Assigned for all purposes to: Judge William F. Highberger, Department 10

JOINT STIPULATION FOR CLASS ACTION AND PAGA SETTLEMENT

Complaint Filed: February 1, 2023
Trial date: None Set

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

1 This Joint Stipulation for Class Action and PAGA Settlement is entered into by and
2 between Plaintiff Salvador Cortez, individually and on behalf of the Class, and Defendant Direct
3 Painting & Decorating, Inc.
4

DEFINITIONS

5
6 1. “Agreement” or “Settlement Agreement” means this Joint Stipulation for Class
7 Action and PAGA Settlement.

8 2. “Action” means the above entitled civil action in Los Angeles County Superior
9 Court which consolidates *Cortez v. Direct Painting & Decorating, Inc.*, LASC Case No.
10 23STCV02248 (“the Class Action”) filed February 1, 2023, and *Cortez v. Direct Painting &*
11 *Decorating Inc.* LASC Case No.: 23STCV07806 (“The PAGA Only Action”).

12 3. “Class Counsel” means Protection Law Group, LLP.

13 4. “Class Counsel’s Fees and Costs” means attorneys’ fees for Class Counsel’s
14 litigation and resolution of this Action and their expenses and costs incurred in connection with
15 the Action, which shall be paid from the Gross Settlement Amount. Class Counsel will request
16 attorneys’ fees not to exceed one-third (1/3) of the Gross Settlement Amount, i.e. Fifty Six
17 Thousand and Fourteen Dollars and Thirty Three Cents (\$56,014.33) and the reimbursement costs
18 and expenses associated with the litigation and settlement of the Action, not to exceed Six
19 Thousand Dollars (\$6,000.00). Defendant does not oppose Plaintiff’s contention that the filing of
20 the lawsuit had the catalytic effect of prompting Defendant to issue the \$20,543.00 in Prior Release
21 Payments and that Plaintiff’s counsel may seek to recover attorneys’ fees for their role in securing
22 the Prior Release Payments. The attorneys’ fees and costs awarded are subject to the Court’s
23 approval. If the attorneys’ fees and costs awarded by the Court are a reduced amount, then the
24 difference between the amount set forth above and the reduced attorneys’ fees and costs awarded
25 shall be distributed pro-rata to Participating Class Members. Defendant has agreed not to oppose
26 Class Counsel’s request for attorneys’ fees and costs as set forth above. Such attorneys’ fees and
27 costs shall be paid from the Qualified Settlement Fund. Class Counsel will be issued an IRS Form
28

1 1099 for the Attorneys' Fees and Costs Award detailed in this Section and shall be solely and
2 legally responsible for paying all applicable taxes on the payment made pursuant to this paragraph.

3 5. "Class List" means a complete list of all Class Members that Defendant will
4 diligently and in good faith compile from their records and provide to the Settlement Administrator
5 within fourteen (14) calendar days after Preliminary Approval of this Settlement. The Class List
6 will be formatted in a readable Microsoft Office Excel spreadsheet and will include Class
7 Member's: (1) full name; (2) last known home address; (3) last known telephone number; (4)
8 social security number; (5) start and end dates of active employment as a non-exempt employee
9 of Defendant in the State of California; (6) total Workweeks worked by each Class Member during
10 the Class Period; (7) total Workweeks worked by each PAGA Member during the PAGA Period;
11 (8) prior settlement payments made to the Class Members, if any; and (9) any other information
12 required by the Settlement Administrator in order to effectuate the terms of the Settlement.

13 6. "Class" or "Class Members" means all current and former hourly-paid, non-exempt
14 employees of Defendant who worked for Defendant in the State of California at any time during
15 the Class Period.

16 7. "Class Period" means the period from February 1, 2019, until May 31, 2024.

17 8. "Class Representative" means Plaintiff Salvador Cortez in his capacity as
18 representative of the Participating Class Members.

19 9. "Class Representative Enhancement Payment" means the amount that the Court
20 authorizes to be paid to Plaintiff Salvador Cortez, in addition to his Individual Settlement Payment,
21 in recognition of the efforts and risks he has taken in assisting with the prosecution of the Action
22 and in exchange for the General Release of his claims as provided herein.

23 10. "Complaint" means the Class Action Complaint in the Class Action and the
24 Representative Action in the PAGA-Only Action or any amendments thereto as of the Effective
25 Date.

26 11. "Court" means the Superior Court of the State of California for the County of Los
27 Angeles.

28 12. "Defendant" means Direct Painting & Decorating, Inc.

1 13. “Defense Counsel” means Bruce D. May and Edward J. Farrell of Stuart Kane LLP.

2 14. “Effective Date” means: the later of: (a) if no timely objections are submitted or if
3 all objections are withdrawn, the date upon which the Court enters Final Approval; (b) if an
4 objection is submitted and not withdrawn, the date for filing an appeal and no such appeal being
5 filed (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such
6 appeal in a way that does not alter the terms of the settlement

7 15. “Final Approval” means the Court entering an order granting final approval of the
8 Settlement Agreement.

9 16. “Gross Settlement Amount” means the sum of One Hundred Sixty-Eight Thousand,
10 Forty-Three Dollars (\$168,043.00). The Gross Settlement Amount is non-reversionary; no portion
11 of the Gross Settlement Amount will return to Defendant. The Parties agree that Defendant shall
12 receive credit towards the Gross Settlement Amount for release payments previously made to Class
13 Members after the filing of this lawsuit in the amount of Twenty Thousand Five Hundred and
14 Forty-Three Dollars and Zero Cents (\$20,543.00) (“Prior Release Payments”). Thus, the additional
15 total payment by Defendant in connection with this Settlement shall not exceed One Hundred
16 Forty-Seven Thousand, Five Hundred Dollars and Zero Cents (\$147,500.00), excluding employer-
17 side payroll taxes.

18 17. “Individual Settlement Payment” means the amount payable from the Net
19 Settlement Amount to each Participating Class Member and any payment a PAGA Member is
20 eligible to receive from the employee portion of the PAGA Payment. Individual Settlement
21 Payments shall be paid by a Settlement Check made payable to Participating Class Members
22 and/or PAGA Members. Any Participating Class Members who received any Prior Release
23 Payments shall have such amounts credited against their Individual Settlement Payment. If the
24 payment amount a Participating Class Member received from the Prior Release Payments made
25 by Defendant exceeds the amount the Participating Class Member would be entitled to as an
26 Individual Settlement Payment, then that Participating Class Member will receive \$0 of the Net
27 Settlement Amount.

1 18. “Net Settlement Amount” means the funds available for payments to the Class,
2 which shall be amount remaining after the following amounts are deducted from the Gross
3 Settlement Amount: (1) Class Counsel’s fees, (2) Class Counsel’s costs, (3) Settlement
4 Administration Costs, (4) Class Representative Enhancement Payment to Plaintiff Cortez; and (5)
5 the PAGA Payment to the LWDA and PAGA Members.

6 19. “Notice” means the Notice of Class Action Settlement in a form substantially
7 similar to the form attached hereto as Exhibit A, that will be mailed to Class Members’ last known
8 addresses, and which will provide Class Members with information regarding the Action and
9 information regarding the settlement of the Action.

10 20. “PAGA” means the California Labor Code Private Attorneys General Act of 2004
11 Cal. Lab. Code §§ 2698 *et seq.*

12 21. “PAGA Payment” means the amount that the Parties have agreed to allocate in
13 order to settle claims arising under the Private Attorneys General Act of 2004 (Cal. Lab. Code §§
14 2698, *et seq.*, “PAGA”). The Parties have agreed that Eight Thousand Dollars (\$8,000.00) of the
15 Gross Settlement Amount will be allocated to the resolution of all PAGA claims. Seventy Five
16 Percent (75%) of this amount (\$6,000.00) will be paid to the California Labor and Workforce
17 Development Agency (“LWDA”) in accordance with Labor Code §§ 2698 *et seq.* Twenty Five
18 Percent (25%) of this amount (\$2,000.00), will be distributed to PAGA Members. PAGA Members
19 will receive payment from the employee portion of the PAGA Payment regardless of their decision
20 to participate in the class action if the PAGA Payment is approved by the Court.

21 22. “PAGA Period” means the period from February 1, 2022, through May 31, 2024.

22 23. “PAGA Members” means all current and former hourly-paid non-exempt
23 employees of Defendant who worked for Defendant in the state of California at any time during
24 the PAGA Period.

25 24. “Parties” means Plaintiff and Defendant, collectively, and “Party” shall mean either
26 Plaintiff or Defendant, individually.

27 25. “Participating Class Members” means all Class Members who do not submit valid
28 and timely Requests for Exclusion.

1 26. “Plaintiff” means Salvador Cortez.

2 27. “Preliminary Approval” means the Court order granting preliminary approval of
3 the Settlement Agreement.

4 28. “Prior Release Payments” means the payments previously made by the Company
5 for the release of certain class member’s individual wage claims and individual PAGA claims after
6 the filing of this lawsuit pursuant to individual settlement agreements in the total amount of Twenty
7 Thousand Five Hundred and Forty-Three Dollars and Zero Cents (\$20,543.00)

8 29. “Objection” means a Participating Class Member’s valid and timely written
9 objection to the Settlement Agreement. For an Objection to be valid, it must include: (a) the
10 objector’s full name, address, telephone number, last four digits of the employees’ social security
11 number or employee ID number and (b) the name of the case and case number; and (c) a written
12 statement of all grounds for the objection accompanied by legal support, if any, for such objection.
13 Any Participating Class Member may also object at the hearing on final approval, regardless of
14 whether they have submitted a written objection.

15 30. “Released Class Claims” means claims, rights, demands, liabilities and causes of
16 actions that are alleged, or that reasonably could have been alleged, based on the facts asserted in
17 the operative complaint in the Action including the following claims: (i) failure to pay all regular
18 wages, minimum wages and overtime wages due; (ii) failure to provide meal periods or
19 compensation in lieu thereof; (iii) failure to provide rest periods or compensation in lieu thereof;
20 (iv) failure to reimburse necessary business expenses; (v) failure to provide complete, accurate
21 wage statements; (vi) failure to pay wages timely at time of termination or resignation; (vii) failure
22 to provide timely pay wages during employment; (viii) failure to pay reporting time pay; (ix) unfair
23 business practices; (x) failure to maintain required payroll records and (xi) any other claim that
24 reasonably could have been alleged based on the allegations in the Complaint. This release shall
25 apply to claims that arose during the Class Period.

26 31. “Released PAGA Claims” means all claims for civil penalties under the California
27 Labor Code Private Attorneys General Act of 2004 (“PAGA”) that are or could have been
28 premised on the facts alleged both in the PAGA Notice provided to the LWDA and in the operative

1 complaint including allegations regarding Defendant's (i) failure to pay all regular wages,
2 minimum wages and overtime wages due; (ii) failure to provide meal periods or compensation in
3 lieu thereof; (iii) failure to provide rest periods or compensation in lieu thereof; (iv) failure to
4 reimburse necessary business expenses; (v) failure to provide complete, accurate wage statements;
5 (vi) failure to pay wages timely at time of termination or resignation; (vii) failure to provide timely
6 pay wages during employment; (viii) failure to pay reporting time pay; and (ix) failure to maintain
7 required payroll records. This release shall apply to claims that arose during the PAGA Period.

8 32. "Released Parties" means Defendant Direct Painting & Decorating, Inc., and its
9 past, present and/or future related entities and their respective officers, directors, members,
10 managers, employees, agents, representatives, attorneys, insurers, partners, investors,
11 shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors,
12 successors, assigns, and joint venturers.

13 33. "Request for Exclusion" means a valid and timely written statement submitted by
14 a Class Member requesting to be excluded from the settlement of the Released Class Claims. To
15 be effective, the Request for Exclusion must contain (a) the Class Member's name, address,
16 telephone number, and the last four digits of the Class Member's Social Security number and/or
17 the Employee ID number and (b) a clear statement requesting to be excluded from the settlement
18 of the class claims. To be effective, the Request for Exclusion must be post-marked by the
19 Response Deadline and received by the Settlement Administrator. The Request for Exclusion shall
20 not be effective as to the release of claims arising under PAGA.

21 34. "Response Deadline" means the date sixty (60) days after the Settlement
22 Administrator mails Notice to Class Members which is the last date on which Class Members may
23 submit Requests for Exclusion from or Objections to the Settlement, or Workweek Disputes. In
24 the event the 60th day falls on a Sunday or Federal holiday, the Response Deadline will be
25 extended to the next day on which the U.S. Postal Service is open. The Response Deadline for
26 Requests for Exclusion, Objections, or Workweek Disputes will be extended fifteen (15) calendar
27 days for any Class Member who is re-mailed a Notice by the Settlement Administrator, unless the
28 15th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be

1 extended to the next day on which the U.S. Postal Service is open. The Response Deadline may
2 also be extended by express agreement between Class Counsel and Defense Counsel. Under no
3 circumstances, however, will the Settlement Administrator have the authority to unilaterally
4 extend the Response Deadline.

5 35. “Settlement” means the disposition of the Action pursuant to this Agreement under
6 the terms finally approved by the Court.

7 36. “Settlement Administrator” means Apex Class Action, LLC, 18 Technology Drive,
8 Suite 164, Irvine CA 92618; Phone: 1-800-355-0700. The Parties each represent that they do not
9 have any financial interest in the Settlement Administrator or otherwise have a relationship with
10 the Settlement Administrator that could create a conflict of interest.

11 37. “Settlement Administration Costs” mean the costs payable from the Gross
12 Settlement Amount to the Settlement Administrator for administering this Settlement, including,
13 but not limited to, printing, distributing, and tracking documents for this Settlement,
14 calculating/confirming the class member Workweeks from the information contained in the Class
15 List, calculating each Participating Class Member’s Individual Settlement Payment, calculating
16 the PAGA Portion of the PAGA Members individual settlement payment, tax reporting,
17 distributing the Gross Settlement Amount, providing necessary reports and declarations, and other
18 duties and responsibilities set forth herein to process this Settlement, and as requested by the
19 Parties. Settlement Administration Costs shall not exceed Four Thousand, Five Hundred Dollars
20 (\$4,500).

21 38. “Workweek” shall mean any calendar week (i.e. a week beginning on Sunday and
22 ending on Saturday) in which a Class Member or PAGA Member worked at least 1 day.

23 39. “Workweek Dispute” shall mean written notice that the Class Member is contesting
24 the number of weeks worked during the Class Period. Workweek disputes must be timely
25 submitted to the settlement Administrator by the Response Deadline.

26 **TERMS OF AGREEMENT**

27 40. Settlement Consideration: Defendant shall fund the Gross Settlement Amount and
28 all applicable employer-side payroll taxes following Final Approval by the Court and the

1 occurrence of the Effective Date. The total value of the Settlement is One Hundred Sixty-Eight
2 Thousand, Forty-Three Dollars (\$168,043.00) to be paid by Defendant in full satisfaction of all
3 claims arising from the Action. The Parties agree that Defendant shall receive credit towards the
4 Gross Settlement Amount for the Prior Release Payments in the amount of Twenty Thousand Five
5 Hundred and Forty-Three Dollars and Zero Cents (\$20,543.00). Thus, the additional total payment
6 by Defendant in connection with this Settlement shall not exceed One Hundred Forty-Seven
7 Thousand, Five Hundred Dollars and Zero Cents (\$147,500.00), excluding employer-side payroll
8 taxes. The Gross Settlement Amount includes all Individual Settlement Payments to Participating
9 Class Members, all employee-side taxes arising from the payments made under this Settlement,
10 the Class Representative Incentive Award to Plaintiff, Settlement Administration Costs to the
11 Settlement Administrator, PAGA Payment, and all Attorneys' Fees and Costs. In addition,
12 Defendant shall also pay the employer-side share of payroll taxes on the wage portion of the
13 Individual Settlement Payments. However, Defendant shall not pay more than the \$147,500.00 in
14 new funds plus the employer-side share of payroll taxes on the wage portion of the Individual
15 Settlement Payments, which will be calculated by the Settlement Administrator, subject to the
16 provisions below.

17 41. Potential Increase to the Gross Settlement Amount: The Gross Settlement Amount
18 is based on Defendant's representation that the Class Members worked a total approximately 5,086
19 Workweeks within the Class Period. Should the actual number of Workweeks increase by more
20 than ten percent (10%) (i.e. by more than 509 Workweeks) Defendant shall increase the Gross
21 Settlement Amount on a *pro-rata* basis equal to the percentage increase in the number of
22 Workweeks worked by the Class Members above 10%. For example, if the number of Workweeks
23 increases by 11% to 5,645 Workweeks, the Gross Settlement Amount would increase by 1%.

24 42. Funding of the Gross Settlement Amount: Within fourteen (14) calendar days after
25 the Effective Date of the Settlement, Defendant will deposit the Gross Settlement Amount (minus
26 the Prior Release Payments) and all applicable employer-side payroll taxes into a Qualified
27 Settlement Fund ("QSF") to be established by the Settlement Administrator. Defendant shall
28 provide all information necessary for the Settlement Administrator to calculate necessary payroll

1 taxes including its official name, 8 digit state unemployment insurance tax ID number, and other
2 information requested by the Settlement Administrator, no later than seven (7) calendar days after
3 the Effective Date.

4 43. Distribution of the Gross Settlement Amount: Within fourteen (14) calendar days
5 of the funding of the Settlement, the Settlement Administrator will issue payments for: (a)
6 Individual Settlement Payments; (b) the PAGA Payment to the Labor and Workforce Development
7 Agency; (c) the Class Representative Enhancement Payment; (d) Class Counsel's Fees and Costs
8 and (e) Settlement Administration Costs.

9 44. Attorneys' Fees and Costs: Defendant agrees not to oppose any application or
10 motion by Class Counsel for attorneys' fees of not more than one-third (1/3) of the total gross
11 settlement amount or Fifty-Six Thousand, and Fourteen Dollars and Thirty-Three Cents
12 (\$56,014.33) plus the reimbursement of costs and expenses associated with the litigation and
13 settlement of the Action, in an amount not to exceed Six Thousand Dollars (\$6,000.00), both of
14 which will be paid from the Gross Settlement Amount. Any portion of the requested fees or costs
15 that is not awarded to the Class Counsel shall be reallocated to the Net Settlement Amount and
16 distributed to Participating Class Members as provided in this Agreement.

17 45. Class Representative Enhancement Payment: Defendant agrees not to oppose or
18 object to any application or motion by Plaintiff for a Class Representative Enhancement Payment
19 of Five Thousand Hundred Dollars (\$5,000). The Class Representative Enhancement Payment is
20 in exchange for the General Release of the Plaintiff's individual claims and for his time, effort,
21 and risk in bringing and prosecuting the Action. Any portion of the requested Class Representative
22 Enhancement Payment that is not awarded to the Class Representative shall be reallocated to the
23 Net Settlement Amount and distributed to Participating Class Members as provided in this
24 Agreement.

25 46. Settlement Administration Costs: The Settlement Administrator will be paid for the
26 reasonable costs of administration of the Settlement and distribution of payments from the Gross
27 Settlement Amount as further set forth in this Agreement. Settlement Administration Costs shall
28 not exceed Four Thousand, Five Hundred Dollars (\$4,500).

1 47. PAGA Payment: Eight Thousand Dollars (\$8,000.00) shall be allocated from
 2 the Gross Settlement Amount for settlement of claims for civil penalties under the PAGA.
 3 The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Payment,
 4 or Six Thousand Dollars (\$6,000.00), to the California Labor and Workforce Development
 5 Agency (“LWDA”). Two Thousand Dollars (\$2,000.00) will be distributed to PAGA Members on
 6 a *pro rata* basis based on the total number of Workweeks worked by each PAGA Member during
 7 the PAGA Period. PAGA Members shall receive their portion of the PAGA Payment
 8 regardless of their decision to opt-out of the class settlement.

9 48. Net Settlement Amount for Payment of Class Claims: The Net Settlement Amount
 10 will be used to satisfy the class portion of Participating Class Members Individual Settlement
 11 Payments in accordance with the terms of this Agreement. The estimated Net Settlement Amount
 12 is as follows:

Gross Settlement Amount	\$	168,043.00
Enhancement Payments:	\$	5,000.00
Class Counsel’s Fees:	\$	56,014.33
Class Counsel’s Costs:	\$	6,000.00
PAGA Payment	\$	8,000.00
Settlement Administration Costs:	\$	4,500.00
Estimated Net Settlement Amount	\$	88,528.67

20 49. Individual Settlement Payment Calculations: Individual Settlement Payments will
 21 be paid from the Net Settlement Amount and the 25% portion of the PAGA Payment allocated for
 22 PAGA Members and shall be paid pursuant to the following formula:

23 a) Calculation of Class Portion of Individual Settlement Payments: The
 24 Settlement Administrator will calculate the total Workweeks for all Participating Class Members
 25 by adding the number of Workweeks worked by each Participating Class Member during the Class
 26 Period. The respective Workweeks for each Participating Class Member will be divided by the
 27 total Workweeks for all Participating Class Members, resulting in the Payment Ratio for each
 28

1 Participating Class Member. Each Participating Class Member's Payment Ratio will then be
2 multiplied by the Net Settlement Amount to calculate each Participating Class Member's estimated
3 share of the Net Settlement Amount.

4 Any Participating Class Members who received payment from the Prior Release Payments
5 made by Defendant shall have such amounts credited against their Individual Settlement Payment.
6 If the amount a Participating Class Member received from their Prior Release Payment made by
7 Defendant exceeds the amount the Participating Class Member would be entitled to as an
8 Individual Settlement Payment, then that Participating Class Member will receive \$0 of the Net
9 Settlement Amount.

10 b) Calculation of PAGA Portion of Individual Settlement Payments:

11 The Settlement Administrator will calculate the total Workweeks for all PAGA Members by
12 adding the number of Workweeks worked by each PAGA Member during the PAGA Period. The
13 respective Workweeks for each PAGA Member will be divided by the total Workweeks for all
14 PAGA Members, resulting in the Payment Ratio for each PAGA Member. Each PAGA Member's
15 Payment Ratio will then be multiplied by the employee portion of the PAGA Payment to calculate
16 each PAGA Member's estimated share of the PAGA Payment. PAGA Members shall receive this
17 portion of their Individual Settlement Payment regardless of whether they opt out of the
18 participation regarding the class claims.
19

20 c) Allocation of Individual Settlement Payments: The Class Portion of
21 each Individual Settlement Payments will be allocated as follows: twenty percent (20%) of each
22 Individual Settlement Payment will be allocated as wages, forty percent (40%) shall be allocated as
23 interest, and forty percent (40%) shall be allocated as penalties. The PAGA Portion of each
24 Individual Settlement Payment will be allocated 100% as Penalties. The portion of the Individual
25 Settlement Payment allocated to wages will be reported by the Settlement Administrator on an IRS
26 Form W-2. The remaining non-wage payments will be reported on an IRS Form-1099 by the
27 Settlement Administrator.
28

1 50. No Credit Toward Benefit Plans: The Individual Settlement Payments made to
2 Participating Class Members under this Settlement, as well as any other payments made pursuant
3 to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans
4 to which any Class Members may be eligible, including, but not limited to profit-sharing plans,
5 bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and
6 any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not
7 affect any rights, contributions, or amounts to which any Class Members may be entitled under
8 any benefit plans.

9 51. Settlement Administration Process: The Parties agree to cooperate in the
10 administration of the Settlement and to make all reasonable efforts to control and minimize the
11 costs and expenses incurred in administration of the Settlement. The Settlement Administrator will
12 provide the following services:

- 13 b) Establish and maintain a Qualified Settlement Fund.
- 14 c) Calculate the Individual Settlement Payment each Participating Class
15 Member is eligible to receive and the portion of the PAGA Payment each
16 PAGA Member shall receive.
- 17 d) Print and mail the Notice.
- 18 e) Conduct additional address searches for mailed Notices that are returned as
19 undeliverable.
- 20 f) Process Requests for Exclusion, field inquiries from Class Members,
- 21 g) Print and issue and issue Settlement Payment Checks, prepare IRS W2 and
22 1099 Tax Forms and any other filings required by any governmental taxing
23 authority.
- 24 h) Provide declarations and/or other information to this Court as requested by
25 the Parties and/or the Court regarding the settlement administration process.
- 26 i) Provide weekly status reports to counsel for the Parties.
- 27 j) Posting a notice of final judgment online at Settlement Administrator's
28 website.

1 k) Translate the Notice from English to Spanish

2 52. Delivery of the Class List: Within fourteen (14) calendar days after Preliminary
3 Approval, Defendant will provide the Class List to the Settlement Administrator. This is a material
4 term of the Agreement, and if Defendant fails to comply, Plaintiff shall have the right to void the
5 Agreement.

6 53. Notice by First-Class U.S. Mail: Within seven (7) calendar days after receiving the
7 Class List from Defendant, the Settlement Administrator will mail the Notice to all Class Members
8 via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in
9 the Class List.

10 54. Confirmation of Contact Information in the Class List: Prior to mailing, the
11 Settlement Administrator will perform a search based on the National Change of Address Database
12 for information to update and correct for any known or identifiable address changes. Any Notice
13 returned to the Settlement Administrator as non-deliverable on or before the Response Deadline
14 will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto
15 and the Settlement Administrator will indicate the date of such re-mailing on the Notice. If no
16 forwarding address is provided, the Settlement Administrator will promptly attempt to determine
17 the correct address using a skip-trace, or other search using the name, address and/or Social
18 Security number of the Class Member involved, and will then perform a single re-mailing. If any
19 notice sent to a Class Member by the Settlement Administrator is returned as undeliverable to a
20 current employee, then Defendant shall make all reasonable efforts to obtain the current address
21 from the Class Member and provide the same within seven (7) calendar days of notice from the
22 Settlement Administrator. Those Class Members who receive a re-mailed Notice, whether by skip-
23 trace or by request, will have between the later of (a) an additional fifteen (15) calendar days or
24 (b) the Response Deadline to postmark a Request for Exclusion, Objection, or Workweek Dispute.

25 55. Notice: All Class Members will be mailed a Notice. Each Notice will provide: (a)
26 information regarding the nature of the Action; (b) a summary of the Settlement's principal terms;
27 (c) the Class definition; (d) the total number of Workweeks each respective Class Member worked
28 for Defendat during the Class Period; (e) each Class Member's estimated Individual Settlement

1 Payment and the formula for calculating Individual Settlement Payments; (f) the dates which
 2 comprise the Class Period; (g) instructions on how to opt-out of and object to the Class Portion of
 3 the Settlement; (h) the deadlines by which the Class Member must postmark Requests for
 4 Exclusion, Objections to the Settlement, or Workweek Disputes; (i) the claims to be released, as
 5 set forth herein; and (j) the date for the final approval hearing.

6 56. Disputed Information on Notice: Class Members will have an opportunity to
 7 dispute the information provided in their Notice. To the extent Class Members dispute the number
 8 of Workweeks with which they have been credited or the amount of their Individual Settlement
 9 Payment, Class Members may produce evidence to the Settlement Administrator showing that
 10 such information is inaccurate. Absent evidence rebutting Defendant’s records, Defendant’s
 11 records will be presumed determinative. However, if a Class Member produces evidence to the
 12 contrary by the Response Deadline, the Settlement Administrator will evaluate the evidence
 13 submitted by the Class Member and will make the final decision as to the number of eligible
 14 Workweeks that should be applied and/or the Individual Settlement Payment to which the Class
 15 Member may be entitled.

16 57. Defective Submissions: If a Class Member’s Request for Exclusion is defective as
 17 to the requirements listed herein, that Class Member will be given an opportunity to cure the
 18 defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3)
 19 business days of receiving the defective submission to advise the Class Member that his or her
 20 submission is defective and that the defect must be cured to render the Request for Exclusion valid.
 21 The Class Member will have until the later of (a) the Response Deadline or (b) fifteen (15) calendar
 22 days from the date of the cure letter, whichever date is later, to postmark a revised Request for
 23 Exclusion. If a Class Member responds to a cure letter by filing a defective claim, then the
 24 Settlement Administrator will have no further obligation to give notice of a need to cure. If the
 25 revised Request for Exclusion is not postmarked within that period, it will be deemed untimely.

26 58. Request for Exclusion Procedures: Any Class Member wishing to be excluded from
 27 the Settlement must sign and postmark a written Request for Exclusion to the Settlement
 28 Administrator by the Response Deadline. The Request for Exclusion must include (a) the Class

1 Member's name, address, telephone number, and the last four digits of the Class Member's Social
 2 Security number and/or the Employee ID number and (b) a clear statement requesting to be
 3 excluded from the settlement of the class claims. The date of the postmark on the return mailing
 4 envelope receipt confirmation will be the exclusive means to determine whether a Request for
 5 Exclusion has been timely submitted. All Requests for Exclusion will be submitted to the
 6 Settlement Administrator, who will certify jointly to Class Counsel and Defendant's Counsel the
 7 Requests for Exclusion that were timely submitted. All Class Members who do not request
 8 exclusion from the Action will be bound by all terms of the Settlement Agreement if the Settlement
 9 is granted final approval by the Court. The Request for Exclusion shall not be effective as to the
 10 release of claims arising under the Private Attorneys General Act.

11 59. Defendant's Right to Rescind: If ten percent (10%) or more of the Class Members
 12 (rounded to the next whole number) elect not to participate in the Settlement, Defendant may, at
 13 its election, rescind the Settlement Agreement and all actions taken in furtherance of it will be
 14 thereby null and void. Defendant must meet and confer with Class Counsel prior to exercising this
 15 right and must make clear their intent to rescind the Agreement within fourteen (14) calendar days
 16 of the Settlement Administrator notifying the Parties of these opt-outs. If Defendant exercises its
 17 right to rescind the Agreement, Defendant shall be responsible for all Settlement Administration
 18 Costs incurred to the date of rescission.

19 60. Settlement Terms Bind All Class Members Who Do Not Opt-Out: Upon the
 20 complete funding of the Gross Settlement Amount, any Class Member who does not affirmatively
 21 opt-out of the Settlement by submitting a timely and valid Request for Exclusion will be bound by
 22 all of its terms, including those pertaining to the Released Class Claims, as well as any Judgment
 23 that may be entered by the Court if it grants final approval to the Settlement. Class Members who
 24 opt-out of the Settlement shall not be bound by such Judgment or the Class Release. However, the
 25 opt-out shall not be effective as to the release of claims arising under the Private Attorneys General
 26 Act. The names of Class Members who have opted-out of the settlement shall be disclosed to the
 27 Counsel for both Plaintiff and Defendant and noted in the proposed Judgment submitted to the
 28 Court.

1 61. Objection Procedures: To object to the Settlement, a Participating Class Member
 2 must postmark a valid Objection to the Settlement Administrator on or before the Response
 3 Deadline. The Objection must be signed by the Participating Class Member and contain all
 4 information required by this Settlement Agreement including the employees full name, address,
 5 telephone number, the last four digits of their social security number and/or Employee ID number,
 6 the name of the case and case number, and the specific reason including any legal grounds for the
 7 Participating Class Member’s objection. The postmark date will be deemed the exclusive means
 8 for determining that the Notice of Objection is timely. Participating Class Members who fail to
 9 object in the manner specified above will be foreclosed from making a written objection but shall
 10 still have a right to appear at the Final Approval Hearing in order to have their objections heard by
 11 the Court. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage
 12 Participating Class Members to submit written objections to the Settlement or appeal from the
 13 Order and Judgment. Class Counsel will not represent any Class Members with respect to any
 14 objections to this Settlement.

15 62. Certification Reports Regarding Individual Settlement Payment Calculations: The
 16 Settlement Administrator will provide Defense Counsel and Class Counsel a weekly report which
 17 certifies: (a) the number of Class Members who have submitted valid Requests for Exclusion; (b)
 18 the number of Notices returned and re-mailed and (c) whether any Class Member has submitted a
 19 challenge to any information contained in the Notice. Additionally, the Settlement Administrator
 20 will provide to counsel for both Parties any updated reports regarding the administration of the
 21 Settlement Agreement as needed or requested.

22 63. Uncashed Settlement Checks: Any checks issued by the Settlement Administrator
 23 to Participating Class Members and PAGA Members will be negotiable for at least one hundred
 24 eighty (180) calendar days. If a Participating Class Member or PAGA Member does not cash his
 25 or her Settlement Check or PAGA payment check within 180 days, the uncashed funds, subject to
 26 Court approval, shall be distributed to the Controller of the State of California to be held pursuant
 27 to the Unclaimed Property Law, California Civil Code §1500, *et. seq.* for the benefit of those
 28 Participating Class Members and PAGA Members who did not cash their checks until such time

1 that they claim their property. The Parties agree that this disposition results in no “unpaid residue”
2 under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid
3 out to Participating Class Members and the entire 25% portion of the PAGA Payment will be paid
4 out to the PAGA Members, whether or not they all cash their Settlement Checks or PAGA payment
5 checks. Therefore, Defendant will not be required to pay any interest on such amounts. The
6 Individual Settlement Payments provided to Participating Class Members and to PAGA Members
7 shall prominently state the expiration date or a statement that the Settlement Check will expire in
8 one hundred eighty (180) days, or alternatively, such a statement may be made in a letter
9 accompanying the Individual Settlement Payment. Expired Individual Settlement Payments will
10 not be reissued, except for good cause and as mutually agreed by the Parties in writing. The parties
11 agree no unclaimed funds will result from the settlement.

12 64. Administration of Taxes by the Settlement Administrator: The Settlement
13 Administrator will be responsible for issuing to Plaintiff, Participating Class Members, PAGA
14 Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all
15 amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible
16 for forwarding all payroll taxes and penalties to the appropriate government authorities.

17 65. Tax Liability: Defendant makes no representation as to the tax treatment or legal
18 effect of the payments called for hereunder, and Plaintiff and Participating Class Members are not
19 relying on any statement, representation, or calculation by Defendant or by the Settlement
20 Administrator in this regard. Plaintiff and Participating Class Members understand and agree that
21 they will be solely responsible for the payment of any taxes and penalties assessed on the payments
22 described herein. Defendant’s share of any employer payroll taxes and other required employer
23 withholdings due on the Individual Settlement Payments, including, but not limited to, Defendant’s
24 FICA and FUTA contributions, shall be paid separate and apart from the Gross Settlement
25 Amount.

26 66. Circular 230 Disclaimer: Each Party to this Agreement (for purposes of this section,
27 the “acknowledging party” and each Party to this Agreement other than the acknowledging party,
28 an “other party”) acknowledges and agrees that: (1) no provision of this Agreement, and no written

1 communication or disclosure between or among the Parties or their attorneys and other advisers,
2 is or was intended to be, nor shall any such communication or disclosure constitute or be construed
3 or be relied upon as, tax advice within the meaning of United States Treasury Department circular
4 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon
5 his, her or its own, independent legal and tax counsel for advice (including tax advice) in
6 connection with this Agreement, (b) has not entered into this Agreement based upon the
7 recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not
8 entitled to rely upon any communication or disclosure by any attorney or advisor to any other party
9 to avoid any tax penalty that may be imposed on the acknowledging party, and (3) no attorney or
10 adviser to any other Party has imposed any limitation that protects the confidentiality of any such
11 attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon
12 disclosure by the acknowledging party of the tax treatment or tax structure of any transaction,
13 including any transaction contemplated by this Agreement.

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

18 68. Release by Participating Class Members: Upon the complete funding of the Gross
19 Settlement Amount and all applicable employer-side payroll taxes by Defendant, Participating
20 Class Members shall fully release and discharge the Released Parties from the Released Class
21 Claims that arose during the Class Period. This release shall be binding on all Participating Class
22 Members.

23 69. Release by the State of California and LWDA: Upon the complete funding of the
24 Gross Settlement Amount and all applicable employer-side payroll taxes by Defendant the LWDA
25 and the State of California, through Plaintiff as its agent and/or proxy, shall release and discharge
26 the Released Parties from the Released PAGA Claims that arose during the PAGA Period. The
27 Parties intend for this PAGA settlement to have claim preclusion, issue preclusion, or otherwise
28 bar a representative action if an aggrieved employee were to bring a subsequent claim on behalf

1 of the LWDA based on the same factual predicate as this action and covering the same time period.

2 70. Release of Additional Claims & Rights by Plaintiff: Upon the funding of the Gross
3 Settlement Amount, Plaintiff Salvador Cortez agrees—on behalf of himself only—to the
4 additional following General Release: In consideration of Defendant’s promises and agreements
5 as set forth herein, Plaintiff hereby fully releases the Released Parties from any and all Released
6 Class Claims and Released PAGA Claims and also generally releases and discharges the Released
7 Parties from any and all claims, demands, obligations, causes of action, rights, or liabilities of any
8 kind which have been or could have been asserted against the Released Parties arising out of or
9 relating to their employment by Defendant or termination thereof, including but not limited to
10 claims for wages, restitution, penalties, retaliation, defamation, discrimination, harassment or
11 wrongful termination of employment. This release specifically includes any and all claims,
12 demands, obligations and/or causes of action for damages, restitution, penalties, interest, and
13 attorneys’ fees and costs (except provided by the Settlement Agreement) relating to or in any way
14 connected with the matters referred to herein, whether or not known or suspected to exist, and
15 whether or not specifically or particularly described herein. Specifically, Plaintiff Salvador Cortez
16 waives all rights and benefits afforded by California Civil Code Section 1542, which provides:

17 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
18 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
19 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
20 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE
21 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE
22 DEBTOR OR RELEASED PARTY.

23 This release specifically excludes claims for unemployment insurance, disability, social
24 security, and workers compensation (with the exception of claims arising pursuant to California
25 Labor Code Sections 132(a) and 4553)

26 71. Neutral Employment Reference: Defendant agrees that it will adopt a neutral
27 reporting policy regarding any future employment references related to Plaintiff. In the event that
28 any potential or future employers of Plaintiff requests a reference regarding Defendant’s

1 employment of Plaintiff, Defendant shall only provide Plaintiff's dates of employment and job
 2 titles during employment. Defendant shall not refer to the Action or this Settlement in responding
 3 to reference requests concerning Plaintiff.

4 72. Contentions Regarding Termination and Future Employment: Defendant contends
 5 that it had legitimate non-discriminatory and non-retaliatory reasons for terminating Diaz's
 6 employment which would also disqualify him from being rehired or reemployed by Defendant.
 7 Plaintiff acknowledges that Defendant contends he has no legal right to be rehired or re-employed
 8 by the Defendant, and currently has no intention of seeking to be rehired or reemployed by
 9 Defendant.

10 73. Nullification of Settlement Agreement: In the event that: (a) the Court does not
 11 finally approve the Settlement as provided herein; (b) the Court strikes or does not approve any
 12 material term of this Settlement Agreement; or (c) the Settlement does not become final as written
 13 and agreed to by the Parties for any other reason, then this Settlement Agreement, and any
 14 documents generated to bring it into effect, will be null and void, all amounts deposited into the
 15 QSF will be returned to Defendant, and the Parties shall be returned to their original respective
 16 positions. Any order or judgment entered by the Court in furtherance of this Settlement Agreement
 17 will likewise be treated as void from the beginning. Should the Court fail to approve this settlement
 18 for any reason, the Parties agree that they will meet and confer in good faith in an effort to reach a
 19 settlement that may be approved by the Court.

20 74. Preliminary Approval Hearing: Plaintiff will obtain a hearing before the Court to
 21 request Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary
 22 Approval Order for: (a) conditional certification of the Class for settlement purposes only, (b)
 23 Preliminary Approval of the proposed Settlement Agreement, and (c) setting a date for a Final
 24 Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the
 25 Notice to be sent to all Class Members as specified herein. In conjunction with the Preliminary
 26 Approval hearing, Plaintiff will submit this Agreement, which sets forth the terms of the
 27 Settlement, and will include the proposed Notice attached as Exhibit A. Defendant agrees that it
 28 will not oppose Plaintiff's motion for Preliminary Approval. Any failure by the Court to fully and

1 completely approve the Agreement as to the Action will result in this Settlement Agreement and
2 the Memorandum of Understanding entered into by the Parties, and all obligations under this
3 Settlement Agreement and the Memorandum of Understanding being nullified and voided.

4 75. Final Settlement Approval Hearing and Entry of Judgment: Upon expiration of the
5 deadlines to postmark Requests for Exclusion or Objections to the Settlement Agreement, a Final
6 Approval/Settlement Fairness Hearing will be conducted to determine the Final Approval of the
7 Settlement Agreement along with the amounts properly payable for: (a) Individual Settlement
8 Payments; (b) the Attorneys' Fees and Costs; (c) the Class Representative Enhancement Payments;
9 and (d) the Settlement Administration Costs. Class Counsel will be responsible for drafting all
10 documents necessary to obtain Final Approval, and will allow Defense Counsel to review final
11 drafts of all such documents at least 48 hours before the documents are filed. Any failure by the
12 Court to fully and completely approve the Settlement Agreement as to all of the Action, or the
13 entry of any Order by another Court with regard to any of the Action which has the effect of
14 modifying material terms of this Agreement or preventing the full and complete approval of the
15 Settlement Agreement as written and agreed to by the Parties, will result in this Agreement and all
16 obligations under this Agreement being null and void. Defendant agrees it shall not oppose the
17 granting of the Motion for Final Approval, provided Defendant has not exercised its right to rescind
18 pursuant to the terms of this Agreement.

19 76. Judgment and Continued Jurisdiction: Upon Final Approval of the Settlement by
20 the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the
21 Judgment to the Court for its approval. After entry of the Judgment, the Court will have continuing
22 jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms
23 of the Settlement, (b) Settlement administration matters, and (c) such post-Judgment matters as
24 may be appropriate under court rules or as set forth in this Settlement.

25 77. Exhibits Incorporated by Reference: The terms of this Settlement include the terms
26 set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
27 herein. Any Exhibits to this Settlement are an integral part of the Settlement.

28 78. Entire Agreement: This Settlement Agreement and any attached Exhibits constitute

1 the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral
2 agreements may be deemed binding on the Parties.

3 79. Amendment or Modification: This Settlement Agreement may be amended or
4 modified only by a written instrument signed by counsel for all Parties or their successors-in-
5 interest and approved by the Court.

6 80. Authorization to Enter into Settlement Agreement: Counsel for all Parties warrant
7 and represent they are expressly authorized by the Parties whom they represent to negotiate this
8 Settlement Agreement and to take all appropriate action required or permitted to be taken by such
9 Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other
10 documents required to effectuate the terms of this Settlement Agreement. The Parties and their
11 counsel will cooperate with each other and use their best efforts to affect the implementation of
12 the Settlement. If the Parties are unable to reach agreement on the form or content of any document
13 needed to implement the Settlement, or on any supplemental provisions that may become
14 necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court
15 to resolve such disagreement.

16 81. Binding on Successors and Assigns: This Settlement Agreement will be binding
17 upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously
18 defined.

19 82. California Law Governs: All terms of this Settlement Agreement and Exhibits
20 hereto will be governed by and interpreted according to the laws of the State of California.

21 83. Execution and Counterparts: This Settlement Agreement is subject only to the
22 execution of all Parties. However, the Settlement Agreement may be executed in one or more
23 counterparts. All executed counterparts and each of them, including facsimile and scanned copies
24 of the signature page, will be deemed to be one and the same instrument provided that counsel for
25 the Parties will exchange among themselves original signed counterparts.

26 84. Acknowledgement that the Settlement is Fair and Reasonable: The Parties believe
27 this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have
28 arrived at this Settlement after arm's-length negotiations and in the context of adversarial

1 litigation, taking into account all relevant factors, present and potential. The Parties further
2 acknowledge that they are each represented by competent counsel and that they have had an
3 opportunity to consult with their counsel regarding the fairness and reasonableness of this
4 Settlement.

5 85. Invalidity of Any Provision: Before declaring any provision of this Agreement
6 invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible
7 consistent with applicable precedents so as to define all provisions of this Agreement valid and
8 enforceable.

9 86. Waiver of Certain Appeals: The Parties agree to waive appeals and to stipulate to
10 class certification for purposes of this Settlement only; except, however, that either party may
11 appeal any court order that materially alters the Settlement Agreement's terms.

12 87. Class Action Certification for Settlement Purposes Only: The Parties agree to
13 stipulate to class action certification only for purposes of the Settlement. If, for any reason, the
14 Settlement is not approved, the stipulation to certification will be void. The Parties further agree
15 that certification for purposes of the Settlement is not an admission that class action certification
16 is proper under the standards applied to contested certification motions and that this Agreement
17 will not be admissible in this or any other proceeding as evidence that either: (a) a class action
18 should be certified or (b) Defendant is liable to Plaintiff or any Class Member, other than according
19 to the Settlement's terms.

20 88. Non-Admission of Liability: The Parties enter into this Agreement to resolve the
21 dispute that has arisen between them and to avoid the burden, expense and risk of continued
22 litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, it
23 has violated any federal, state, or local law; violated any regulations or guidelines promulgated
24 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached
25 any contract; violated or breached any duty; engaged in any misrepresentation or deception; or
26 engaged in any other unlawful conduct with respect to their employees. Neither this Agreement,
27 nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed
28 as an admission or concession by Defendant of any such violations or failures to comply with any

1 applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this
2 Agreement and its terms and provisions shall not be offered or received as evidence in any action
3 or proceeding to establish any liability or admission on the part of Defendant or to establish the
4 existence of any condition constituting a violation of, or a non-compliance with, federal, state,
5 local or other applicable law.

6 89. Captions: The captions and section numbers in this Agreement are inserted for the
7 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
8 provisions of this Agreement.

9 90. Waiver: No waiver of any condition or covenant contained in this Settlement
10 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered
11 to imply or constitute a further waiver by such party of the same or any other condition, covenant,
12 right or remedy.

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

18 92. Mutual Preparation: The Parties have had a full opportunity to negotiate the terms
19 and conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly
20 against one Party than another merely by virtue of the fact that it may have been prepared by
21 counsel for one of the Parties, it being recognized that, because of the arms-length negotiations
22 between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

23 93. Representation By Counsel: The Parties acknowledge that they have been
24 represented by counsel throughout all negotiations that preceded the execution of this Agreement,
25 and that this Agreement has been executed with the consent and advice of counsel and reviewed
26 in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the
27 Agreement.

28 94. All Terms Subject to Final Court Approval: All amounts and procedures described

1 in this Settlement Agreement herein will be subject to final Court approval.

2 95. Cooperation and Execution of Necessary Documents: The Parties agree to
3 cooperate to promote participation in the Settlement, and in seeking court approval of the
4 Settlement. The Parties and their counsel agree not to take any action to encourage any Class
5 Members to opt out of and/or object to the Settlement. Defendant agrees not to obtain any
6 settlement agreement waivers, Pick Up Stix agreements or arbitration agreements from any Class
7 Member prior to the funding of the Gross Settlement Amount concerning claims released via this
8 Agreement, or enter into any arbitration agreement with any Class Member that covers the claims
9 released via this Agreement during the Settlement approval process prior to the funding of the
10 Gross Settlement Amount and that the Parties will work in good faith to reach an agreement
11 approved by the Court.

12 96. Confidentiality: The Parties and their counsel agree to keep the terms of the
13 Settlement confidential until the filing of Plaintiff's Motion for Preliminary Approval. Plaintiff,
14 Class Counsel, Defendant and their counsel agree that they will not issue any press releases, initiate
15 any contact with the press, respond to any press inquiry or have any communication with the press
16 about the fact, amount or terms of the Settlement Agreement. Nothing in this Settlement
17 Agreement shall limit Defendant's ability to fulfill disclosure obligations reasonably required by
18 law or in furtherance of business purposes, including the fulfillment of obligations stated in this
19 Settlement Agreement or limit Class Counsel's communications with the Class Members in
20 furtherance of approval of this Settlement.

21 97. Binding Agreement: The Parties warrant that they understand and have full
22 authority to enter into this Settlement, and further intend that this Settlement Agreement will be
23 fully enforceable and binding on all Parties, and agree that it will be admissible and subject to
24 disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality
25 provisions that otherwise might apply under federal or state law.

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27 [SIGNATURES ON FOLLOWING PAGE]
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Dated: 8/18/2024

PLAINTIFF

Signed by:

By:



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Salvador Cortez

Dated: 8/19/2024

PROTECTION LAW GROUP, LLP

By:



Heather Davis

Amir Nayebdadash

D. Luke Clapp

Attorneys for Plaintiff

Dated: _____

DEFENDANT

DIRECT PAINTING & DECORATING, INC.

By: _____

Name: _____

Title: _____

Dated: _____

STUART KANE LLP

By:

Bruce D. May

Edward J. Farrell

Attorneys for Defendant

1 Dated: _____

PLAINTIFF

2 By: _____
3 Salvador Cortez

4 Dated: _____

PROTECTION LAW GROUP, LLP

5 By: _____
6 Heather Davis
7 Amir Nayebdadash
8 D. Luke Clapp
9 Attorneys for Plaintiff
10

11 Dated: 8/15/24

DEFENDANT

DIRECT PAINTING & DECORATING, INC.

12 By: Edward Lozano
13 Name: Edward Lozano
14 Title: Vice President
15

16 Dated: Aug. 14, 2024

STUART KANE LLP

17 By: Bruce D. May
18 Bruce D. May
19 Edward J. Farrell
20 Attorneys for Defendant
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