

## CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiffs Dorian Hood and Nicholas Jolly (“Plaintiffs”) and defendant Yardi Systems, Inc. (“Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as the “Parties,” or individually as “Party.”

### 1. DEFINITIONS

In addition to other terms defined in this Agreement, the terms below have the following meaning in this Agreement:

- 1.1. “Action” means Plaintiffs’ lawsuit alleging wage and hour violations against Defendant captioned *Dorian Hood v. Yardi Systems, Inc.*, Case No. 56-2021-00557901-CU-OE-VTA, initiated on September 3, 2021 and pending in Superior Court of the State of California, County of Ventura (“Class Action”), and the action captioned *Dorian Hood v. Yardi Systems, Inc.*, Case No. 56-2021-00558324-CU-OE-VTA, initiated on September 23, 2021 and pending the Superior Court of the State of California, County of Ventura (“PAGA Action”) and consolidated with the Class Action via stipulation and order on February 17, 2022.
- 1.2. “Administrator” means Apex Class Action, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse the Administrator’s reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval.
- 1.4. “Aggrieved Employees” means all individuals who were employed by Defendant in California and classified as a non-exempt employee at any time during the PAGA Period.
- 1.5. “Class” means all individuals who were employed by Defendant in California and are members of the Meal Period Class, Regular Rate Commissions Class, Regular Rate Bonus Class, and/or Reimbursement Class at any time during the Class Periods.
- 1.6. “Class Counsel” means Norman B. Blumenthal, Kyle R. Nordrehaug, and Aparajit Bhowmik of Blumenthal Nordrehaug Bhowmik De Blouw LLP.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts to be paid to Class Counsel for fees and expenses, respectively, as approved by the Court, to compensate Class Counsel for their legal work in connection with the Action, including their pre-filing investigation, their filing of the Action, all related litigation activities, all Settlement work, all post-Settlement compliance procedures, and related litigation expenses billed in connection with the Action.

- 1.8. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, email address (if known and available to Defendant), and number of Workweeks and PAGA Pay Periods.
- 1.9. “Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non- Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members by use of available email addresses, phone numbers, social security numbers, credit reports, LinkedIn and Facebook.
- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. “Class Notice Packet” means the Class Notice to be provided to the Class Members by the Administrator in the form set forth as Exhibit A to this Agreement (other than formatting changes to facilitate printing by the Administrator).
- 1.13. “Class Periods” means the periods of time applicable to the Meal Period Class, the Regular Rate Commissions Class, the Regular Rate Bonus Class, and the Reimbursement Class.
- 1.14. “Class Representatives” means the named Plaintiffs in the Operative Complaint in the Action seeking Court approval to serve as a Class Representatives.
- 1.15. “Class Representatives Service Payment” means the service payment made to the Plaintiffs as Class Representatives in order to compensate for initiating the Action, performing work in support of the Action, undertaking the risk of liability for Defendant’s expenses, and for the general release of all claims by the Plaintiffs.
- 1.16. “Court” means the Superior Court of California, County of Ventura.
- 1.17. “Defendant” means Yardi Systems, Inc.
- 1.18. “Defense Counsel” means Quinn Emanuel Urquhart & Sullivan, LLP.
- 1.19. “Effective Date” means the date by which both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement;

and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

- 1.20. “Final Approval” means the Court’s order granting final approval of the Settlement substantially in the form attached hereto as Exhibit C to this Agreement and incorporated by reference into this Agreement.
- 1.21. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement to determine whether to approve finally and implement the terms of this Agreement and enter the Judgment.
- 1.22. “Gross Settlement Amount” means one million two hundred thousand Dollars (\$1,200,000) which is the total amount to be paid by Defendant as provided by this Agreement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and the Administration Expenses Payment. This Gross Settlement Amount is an all-in amount without any reversion to Defendant, and excludes any employer payroll taxes, if any, due on the portion of the Individual Class Payments allocated to wages which shall not be paid from the Gross Settlement and shall be the separate additional obligation of Defendant.
- 1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Periods.
- 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.
- 1.25. “Judgment” means the judgment entered by the Court based upon Final Approval substantially in the form attached hereto as Exhibit C to this Agreement and incorporated by reference into this Agreement.
- 1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled under Labor Code section 2699, subd. (i).
- 1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28. “Meal Period Class” means all individuals who are or previously were employed by

Defendant in California and classified as nonexempt employees during the Meal Period Class Period for whom Defendant's time records reflect a meal period after the end of the fifth hour worked.

- 1.29. "Meal Period Class Period" means the period September 3, 2017 to the earlier of the date preliminary class settlement approval is entered or June 16, 2025, subject to the escalator clause.
- 1.30. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The Net Settlement Amount is to be paid to Participating Class Members as Individual Class Payments.
- 1.31. "Non-Participating Class Member" means a Class Member who opts out of the Class Settlement by submitting a valid and timely Request for Exclusion to the Administrator.
- 1.32. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.33. "PAGA Period" means the period of time from July 1, 2020 through to the earlier of the date preliminary class settlement approval is entered or June 16, 2025, subject to the escalator clause.
- 1.34. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.35. "PAGA Notice" means the Plaintiff's July 1, 2021 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.36. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$61,068.75) and the 75% to LWDA (\$183,206.25) in settlement of PAGA claims.
- 1.37. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion.
- 1.38. "Plaintiffs" means Dorian Hood and Nicholas Jolly, the named plaintiffs in the Action.
- 1.39. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement, substantially in the form attached hereto as Exhibit B to this Agreement and incorporated by this reference herein.
- 1.40. "Regular Rate Bonus Class" means all individuals who are or previously were

employed by Defendant in California and classified as non-exempt employees during the Regular Rate Class Period who received end-of-year bonus compensation.

- 1.41. “Regular Rate Class” means all individuals who are members of the Regular Rate Bonus Class and/or the Regular Rate Commissions Class.
- 1.42. “Regular Rate Class Period” means the period September 3, 2017 to the earlier of the date preliminary class settlement approval is entered or June 16, 2025, subject to the escalator clause.
- 1.43. “Regular Rate Commissions Class” means all individuals who are or previously were employed by Defendant in California and classified as non-exempt employees during the Regular Rate Class Period who received commission compensation.
- 1.44. “Reimbursement Class” means all individuals who are or previously were employed by Defendant in California and classified as non-exempt employees during the Reimbursement Class Period who received a \$500 payment from Defendant as announced in August 2020.
- 1.45. “Reimbursement Class Period” means the period of March 15, 2020 through July 6, 2021.
- 1.46. “Released Class Claims” means, collectively: (a) all claims arising from or reasonably related to the provision of meal periods, including any claims for reasonably related penalties, that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint which occurred during the Meal Period Class Period during employment in a non-exempt position; (b) all claims arising from or reasonably related to regular rate of pay calculations—including those related to commissions and bonus payments, and including any claims for reasonably related penalties—that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint which occurred during the Regular Rate Class Period during employment in a non-exempt position; and (c) all claims arising from or reasonably related to expense reimbursements or non-reimbursements—including those related to cell phone, home office, and work-from-home expenses, and including any reasonably related penalties—that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint which occurred during the Reimbursement Class Period during employment in a non-exempt position. Except as expressly set forth in this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.
- 1.47. “Released PAGA Claims” means all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice, which occurred during the PAGA Period. The

Released PAGA Claims do not include other PAGA claims, underlying wage and hour claims, claims for wrongful termination, discrimination, unemployment insurance, disability and worker's compensation, and claims outside of the PAGA Period.

1.48. "Released Parties" means: Defendant and each of its former and present directors, officers, employees, shareholders, owners, attorneys, insurers, predecessors, successors, assigns and subsidiaries.

1.49. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.50. "Response Deadline" means sixty (60) calendar days after the Administrator mails the Class Notice Packet to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) submit Requests for Exclusion from the Settlement, or (b) submit his or her Objection to the Settlement. Class Members to whom Class Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

1.51. "Settlement" means the disposition of the Action and all related claims effectuated by this Agreement and the Judgment.

1.52. "Workweek" means any week during the Class Period in which a Class Member worked for Defendant as a Class Member for at least one day.

## **2. RECITALS**

2.1. On September 3, 2021, plaintiff Hood commenced this Action by filing a Complaint against Defendant in the Superior Court of the State of California, County of Ventura. Plaintiff Hood's Complaint asserted claims that Defendant:

- (a) Violated California Business and Professions Code § 17200 et seq.;
- (b) Failed to pay minimum wages in violation of California Labor Code §§ 1194, 1197 & 1197.1;
- (c) Failed to pay overtime wages in violation of California Labor Code § 510, et seq.;
- (d) Failed to provide required meal periods in violation of California Labor Code §§ 226.7 & 512 and the applicable IWC Wage Order;
- (e) Failed to provide required rest periods in violation of California Labor Code §§ 226.7 & 512 and the applicable IWC Wage Order;
- (f) Failed to provide accurate itemized wage statements in violation of California Labor Code § 226;

- (g) Failed to reimburse employees for required expenses in violation of California Labor Code § 2802; and,
  - (h) Failed to provide wages when due in violation of California Labor Code §§ 201, 202 and 203.
- 2.2. On September 23, 2021, plaintiff Hood commenced a Representative Action Complaint alleging a single cause of action for civil penalties in violation of the Private Attorneys General Act, Cal. Labor Code §§ 2698, et seq. (“PAGA”). The PAGA Complaint was consolidated with this Action via stipulation and order on February 17, 2022.
  - 2.3. On February 21, 2022, plaintiff Hood filed a First Amended Complaint, adding the PAGA cause of action to the class action Complaint—the First Amended Complaint was deemed filed no later than April 21, 2022.
  - 2.4. On March 24, 2025, plaintiff Hood filed a Second Amended Complaint, adding plaintiff Nicholas Jolly as a named plaintiff.
  - 2.5. The Second Amended Complaint is the operative complaint in the Action (the “Operative Complaint”).
  - 2.6. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint, and denies any and all liability for the causes of action alleged.
  - 2.7. On December 19, 2024, the Parties participated in an all-day mediation presided over by Brandon McKelvey, a respected mediator of wage and hour representative and class actions. The Parties continued to engage in resolution discussions with the mediator following the mediation and were able to agree to settle the Action which was memorialized in the form of a Memorandum of Understanding. This Agreement replaces and supersedes the Memorandum of Understanding and any other agreements, understandings, or representations between the Parties.
  - 2.8. Prior to mediation, Plaintiffs obtained sufficient documents and information to sufficiently investigate the claims such that Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).
  - 2.9. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant that the claims in the Action of Plaintiffs or the Class have merit or that Defendant bears any liability to Plaintiffs or the Class on those claims or any other claims, or as an admission by Plaintiffs that Defendant’s defenses in the Action have merit. The Parties agree to certification of the Class for purposes of this Settlement only. If for any reason the settlement does not become effective, Defendant reserves the right to contest

certification of any class for any reason and reserves all available defenses to the claims in the Action.

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

### 3. MONETARY TERMS

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendant promises to pay \$1,200,000 and no more as the Gross Settlement Amount. This amount is all-inclusive of all payments contemplated in this resolution, excluding any employer-side payroll taxes on the portion of the Individual Class Payments allocated to wages which shall be separately paid by Defendant to the Administrator. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. Subject to the terms and conditions of this Agreement, the Administrator will make the following payments out of the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval.
- (a) To Plaintiffs: Class Representative Service Payments to the Class Representatives of not more than \$10,000 (in addition to any Individual Class Payments and any Individual PAGA Payments the Class Representatives are entitled to receive as Participating Class Members). Defendant will not oppose Plaintiffs' request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. Nothing in this Agreement is conditioned on the Court approving the Class Representative Service Payment. If the Court approves Class Representative Service Payments in an amount less than the amount requested, the Administrator will allocate the remainder as set forth in paragraph 3.2(f). The Administrator will pay the Class Representative Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payments.
- (b) To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3) of the Gross Settlement Amount, which is currently estimated to be \$400,000, and a Class Counsel Litigation Expenses Payment of not more than \$90,000. Defendant will not oppose requests for these payments provided that do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. Nothing in this Agreement is conditioned on the Court approving the Class Counsel Fees Payment or Class Counsel Litigation Expenses Payment. If

the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder as set forth in paragraph 3.2(f). Released Parties shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these payments.

- (c) To the Administrator: An Administration Expenses Payment not to exceed \$16,500 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses Payment is less or the Court approves payment less than \$16,500, the Administrator will retain the remainder in the Net Settlement Amount for distribution as set forth in paragraph 3.2(f).
- (d) To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$244,275, to be paid from the Gross Settlement Amount, with 75% (\$183,206.25) allocated to the LWDA PAGA Payment and 25% (\$61,068.75) allocated to the Individual PAGA Payments.
  - i. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$61,068.75) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
  - ii. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.
- (e) To Each Participating Class Member: An Individual Class Payment calculated as follows:
  - i. To Each Participating Meal Period Class Member: An individual Meal Period Class Member payment is calculated by (a) dividing 74.1% of the Net Settlement Amount by the total number of Workweeks worked by all Participating Meal Period Class Members during the Meal Period Class Period and (b) multiplying the result by each Participating Meal Period Class Member's Workweeks.
  - ii. To Each Participating Regular Rate Class Member: An individual Regular Rate Class Member payment is calculated by (a) dividing 19.9% of the Net Settlement Amount by the total number of Workweeks worked by all Participating Regular

Rate Class Members during the Regular Rate Class Period and (b) multiplying the result by each Participating Regular Rate Class Member's Workweeks.

- iii. To Each Participating Reimbursement Class Member: An individual Reimbursement Class Member payment is calculated by (a) dividing 6% of the Net Settlement Amount by the total number of Workweeks worked by all Participating Regular Rate Class Members during the Reimbursement Class Period and (b) multiplying the result by each Participating Reimbursement Class Member's Workweeks.
  - iv. Tax Allocation of Individual Class Payments. 50% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. 50% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for non-wages, expense reimbursement, interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.
  - v. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.
- (f) Any amounts from the Gross Settlement Amount which are not awarded in the amounts set forth above (e.g., if less than \$16,500 is actually needed for administration) shall be reallocated on a pro rata basis among the Class Members and Aggrieved Employee on a percentage of payment basis whereby the Meal Period Class allocation is 40%, the Regular Rate Class allocation is 10%, the Reimbursement Class is 3%, and the PAGA Penalties allocation is 47%.

#### **4. SETTLEMENT FUNDING**

- 4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on its records, Defendant has represented that the Meal Period Class consists of 822 Meal Period Class Members who collectively worked a total of approximately, but no more than, 22,808 Workweeks, the Regular Rate Commissions Class consists of 60 Regular Rate Commissions Class Members who collectively worked a total of approximately, but no more than, 426 Workweeks, the Regular Rate Bonus Class consists of 1,026 Regular Rate Bonus Class Members who collectively worked a total of approximately, but no more than, 5,681 Workweeks, the Reimbursement Class consists of 373 Reimbursement Class Members who collectively worked a total of approximately, but no more than, 24,630 Workweeks, and 1,176 Aggrieved Employees who worked a total of approximately, but no more than, 81,425 PAGA Pay Periods.

- 4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted Class Member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.3. Funding of the Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 14 days after the Effective Date.

## **5. PAYMENTS FROM THE GROSS SETTLEMENT AMOUNT**

- 5.1. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment.
- 5.2. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the "void date", which is 180 days after the date of mailing, when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database. If a Participating Class Member's or Aggrieved Employee's check is not cashed within 120 days after its last mailing to the affected individual, the Administrator will also send the individual a notice informing him or her that unless the check is cashed by the void date, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced but not cashed.

- 5.3. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.
- 5.4. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to a Santa Barbara-based charitable organization that is a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure Section 384(b) (“Cy Pres Recipient”). The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.
- 5.5. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.
- 6. RELEASE OF CLAIMS.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Participating Class Members, Aggrieved Employees and the LWDA will release claims against all Released Parties as follows:
- 6.1. Plaintiffs’ Release. Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences prior to the Effective Date, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, plaintiff Hood’s PAGA Notice (“Plaintiffs’ Release”). Plaintiffs’ Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers’ compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs’ Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs’ discovery of them.
- (a) Plaintiffs’ Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiffs’ Release, Plaintiffs expressly acknowledge having read Section 1542 of the California Civil Code, and they expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

6.2. Release by Participating Class Members. All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from the Released Class Claims, as follows:

- (a) The Meal Period Class Members release all claims arising from or reasonably related to the provision of meal periods, and including claims for reasonably related penalties, that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint which occurred during the Meal Period Class Period during employment in a non-exempt position;
- (b) The Regular Rate Commission Class Members and Regular Rate Bonus Class Members release all claims arising from or reasonably related to regular rate of pay calculations—including those reasonably related to commissions and bonus payments, and including any claims for reasonably related penalties—that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint which occurred during the Regular Rate Class Period during employment in a non-exempt position;
- (c) The Reimbursement Class Members release all claims arising from or reasonably related to expense reimbursements or non-reimbursements—including those reasonably related to cell phone, home office, and work-from-home-expenses, and including any claims for reasonably related penalties—that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint which occurred during the Reimbursement Class Period during employment in a non-exempt position.

6.3. Release of PAGA Claims. All Aggrieved Employees and the LWDA 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 the Released PAGA Claims.

7. **MOTION FOR PRELIMINARY APPROVAL.** The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s procedures and instructions.

7.1. Defendant’s Responsibilities. Within 14 days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed Declaration disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator and the Cy Pres Recipient, if any. In the Declaration, Defendant shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement. In this Declaration, Defendant shall also aver as to

the number of Meal Period Class Members, Regular Rate Commissions Class Members, Regular Rate Bonus Class Members, and Reimbursement Class Members and the number of Workweeks corresponding to each Class during the Class Period.

- 7.2. Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members and/or the proposed Cy Pres Recipient; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) signed declarations from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator and/or the proposed Cy Pres Recipient; (v) a signed declaration from Class Counsel's firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator and/or the Cy Pres Recipient, if any. In their Declarations, Plaintiffs and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement beyond the present litigation.
- 7.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.
- 7.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

## 8. SETTLEMENT ADMINISTRATION

- 8.1. Selection of Administrator. The Parties have jointly selected Apex Class Action to serve as the Administrator and verified that, as a condition of appointment, Apex Class Action agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Administrator's duties will include preparing, printing, and mailing the Class Notice Packet to all Class Members; conducting a National Change of Address search to update Class Member addresses before mailing the Class Notice Packets; re-mailing Class Notice Packets that are returned to the Class Member's new address; setting up a toll-free telephone number and email and a fax number to receive communications from Class Members; receiving and reviewing for validity completed Requests for Exclusion; providing the Parties with weekly status reports about the delivery of Class Notice Packets and receipt of Requests for Exclusion, objections and disputes; calculating Individual Class Payments and Individual PAGA Payments; issuing the checks to effectuate the payments due under the Settlement; issuing the tax reports required under this Settlement; and otherwise administering the Settlement pursuant to this Agreement. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 8.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 8.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 8.4. Notice to Class Members.
- (a) No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.
  - (b) Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
  - (c) Not later than 7 days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any

forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

- (d) The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the Response Deadline provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- (e) If the Administrator, the Parties, Defense Counsel, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

#### 8.5. Requests for Exclusion (Opt-Outs).

- (a) Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than the Response Deadline (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- (b) The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.
- (c) Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the

Participating Class Members' Releases under Paragraph 6.2 of the Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

- (d) Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 6.3 of this Agreement and are eligible for an Individual PAGA Payment. If a Class Member submits both a Request for Exclusion and an objection, only the Request for Exclusion will be accepted and the objection will be void.

8.6. Challenges to Calculation of Workweeks. Each Class Member shall have until the Response Deadline (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email, or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel, as well as the Administrator's determination as to the challenges.

8.7. Objections to Settlement.

- (a) Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representative Service Payment.
- (b) Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, or in addition to a written objection, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than the Response Deadline (plus an additional 14 days for Class Members whose Class Notice was re-mailed).
- (c) Non-Participating Class Members have no right to object to any of the class action components of the Settlement. If a Class Member submits both a Request for

Exclusion and an objection, only the Request for Exclusion will be accepted and the objection will be void.

8.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

- (a) Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time, and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval papers, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes, and emails. The parties shall mutually agree on the URL for the internet website.
- (b) Request for Exclusion (Opt-Outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 7 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing: (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; and (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).
- (c) Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.
- (d) Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- (e) Administrator’s Declaration. Not later than 7 days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations

under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) with the Court.

- (f) Final Report by Administrator. Within 10 days after the Administrator disburses all funds of the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 7 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court. If a second declaration attesting to the distribution of uncashed checks is required, the Administrator shall provide this second declaration at least 7 days before any deadline for a second declaration and Class Counsel shall be responsible for filing the second declaration with the Court.

**9. CLASS SIZE MODIFICATION AND ESCALATOR CLAUSE.** Based on its records, Defendant provided figures as to the Class size as set forth in paragraph 4.1 above. In regard hereto, Defendant is providing a declaration as set forth in paragraph 7.1 above. The Gross Settlement Amount will increase proportionally with added Class Members and/or added Workweeks if the actual number of Class Members and/or Workweeks in the Class Period is more than the estimates stated herein in paragraph 4.1.

- 9.1. If the actual number of work weeks with a purported violation worked during the Meal Period Class Period by the Meal Period Class is more than 22,808 workweeks, Defendant shall have the option of increasing the allocation to the Meal Period Class by the percentage increase over 22,808 workweeks or ending the Meal Period Class Period on the date on which the class workweek count reached 22,808 workweeks.
- 9.2. If the actual number of work weeks with a purported violation worked during the Regular Rate Class Period by the Regular Rate Commissions Class and the Regular Rate Bonus Class, combined, is more than 6,107 workweeks, Defendant shall have the option of increasing the Regular Rate allocation by the percentage increase over 6,107 workweeks or ending the Regular Rate Class Period on the date on which the class workweek count reached 6,107 workweeks.
- 9.3. If the actual number of employees who worked during the Reimbursement Class Period by the Reimbursement Class is more than 373, Defendant shall have the option of increasing the Reimbursement Class allocation by the percentage increase over 373 Reimbursement Class Members or ending the Reimbursement Class Period on the date on which there are no more than 373 Reimbursement Class Members.

9.4. If the actual number of pay periods worked during the PAGA Period is more than 81,425 pay periods, Defendant shall have the option of increasing the PAGA allocation by the percentage increase over 81,425 pay periods or ending the PAGA Period on the date on which the pay period count reached 81,425 pay periods.

**10. DEFENDANT’S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement. The Parties agree that if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Administration Expenses incurred as of the date Defendant makes this election to withdraw. Defendant must notify Class Counsel and the Court of its election to withdraw not later than 7 days after the Administrator sends the final Exclusion List to Defense Counsel. Invalid Requests for Exclusion will have no effect on this threshold for an election.

**11. MOTION FOR FINAL APPROVAL.** Unless otherwise ordered by the Court, not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699(1), a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than 7 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

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

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

11.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement under C.C.P. section 664.6 solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

11.4. Waiver of the Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and

Class Counsel Litigation Expenses Payment set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

11.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If a reviewing appellate court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing on an equal basis any additional Administration Expenses reasonably incurred at the time of remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

**12. AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

### **13. ADDITIONAL PROVISIONS**

13.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval, or Judgment pursuant to this Agreement, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

13.2. Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendant, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of

Settlement is filed, they and each of them will not disclose, disseminate, and/or publicize, or cause or permit another person to disclose, disseminate, and/or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 13.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees have not and will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 13.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 13.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 13.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 13.7. Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

- 13.8. Tax Advice. Neither Plaintiffs, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 13.9. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 13.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 13.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 13.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 13.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 13.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy, all paper and electronic versions of Class Data received from Defendant.
- 13.15. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 13.16. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 13.17. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

*To Plaintiffs and the Class:*

Norman B. Blumenthal  
Kyle R. Nordrehaug  
Blumenthal Nordrehaug Bhowmik De Blouw LLP  
2255 Calle Clara  
La Jolla, CA 92037  
Tel.: (858) 551-1223  
Fax: (858) 551-1232  
E-Mail: [norm@bamlawca.com](mailto:norm@bamlawca.com)  
[kyle@bamlawca.com](mailto:kyle@bamlawca.com)

*To Defendant:*

Shon Morgan  
John W. Baumann  
Brantley I. Pepperman  
Homin Ban  
Quinn Emanuel Urquhart & Sullivan, LLP  
865 South Figueroa Street, 10th Floor  
Los Angeles, California 90017-2543  
Telephone: (213) 443-3000  
Facsimile: (213) 443-3100  
Email: [shonmorgan@quinnemanuel.com](mailto:shonmorgan@quinnemanuel.com)  
[jackbaumann@quinnemanuel.com](mailto:jackbaumann@quinnemanuel.com)  
[brantleypepperman@quinnemanuel.com](mailto:brantleypepperman@quinnemanuel.com)  
[hominban@quinnemanuel.com](mailto:hominban@quinnemanuel.com)

- 13.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (e.g., DocuSign), or email, which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 13.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. Upon the signing of this Agreement, and pursuant to CCP section 583.330, the Parties further agree to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process from the mediation on December 19, 2024 until the earlier of the Effective Date or the date this Agreement shall no longer be of any force or effect.
- 13.20. Fair Settlement. The Parties, Class Counsel, and Defense Counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, both current and potential.

**14. EXECUTION BY PARTIES AND COUNSEL**

The Parties and their counsel hereby execute this Agreement.

Dated: 05/16/2025

Dorian Hood  
Dorian Hood (May 16, 2025 15:52 PDT)

Plaintiff Dorian Hood

Dated: 05/16/2025

Nicholas Jolly  
Nicholas Jolly (May 16, 2025 15:35 PDT)

Plaintiff Nicholas Jolly

Dated: 5/20/2025

Brady Bustany  
Brady Bustany  
For Defendant Yardi Systems, Inc.

Dated: 5/19/25

Kyle Nordrehaug  
Kyle Nordrehaug  
Blumenthal Nordrehaug Bhowmik De Blouw LLP  
Attorney for Plaintiffs

Dated: 5/20/2025

John W. Baumann  
John W. Baumann  
Quinn Emanuel Urquhart & Sullivan, LLP  
Attorney for Defendant

**EXHIBIT A**

[NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION AND HEARING DATE FOR  
FINAL COURT APPROVAL]

**EXHIBIT "A"**

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

***Hood v. Yardi Systems, Inc., Superior Court of the State of California,  
County of Ventura, Case No. 56-2021-00557901-CU-OE-VTA***

***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.***

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

**You may be eligible to receive money** from an employee class action lawsuit ("Action") against Defendant Yardi Systems, Inc. ("Defendant") for alleged wage and hour violations. The Action was filed by Plaintiffs Dorian Hood and Nicholas Jolly ("Plaintiffs"). No court or jury has made any determination regarding the merits of Plaintiffs' claims, or that the claim can be pursued as a class action, and Defendant maintains that it always complied with the law. Nevertheless, to avoid the expenses and disruption of class litigation, the Parties have voluntarily agreed to this settlement.

The proposed Settlement has two main parts: (1) a Class Settlement whereby Defendant has agreed to fund Individual Class Payments to all individuals who were employed by Defendant in California and are members of the Meal Period Class, Regular Rate Commissions Class, Regular Rate Bonus Class, and/or Reimbursement Class at any time during the Class Periods ("Class Members"), and (2) a PAGA Settlement whereby Defendant has agreed to fund the PAGA Penalties to pay penalties to the California Labor and Workforce Development Agency ("LWDA") and to all individuals who were employed by Defendant in California and classified as a non-exempt employee at any time during the PAGA Period (July 1, 2020 through June 16, 2025) ("Aggrieved Employees").

Based on Defendant's records, and the Parties' current assumptions, **your Individual Class Payment is estimated to be <<\$ \_\_\_\_\_>> (less withholding), and your Individual PAGA Payment is estimated to <<be \$ \_\_\_\_\_>>**. The actual amount you may receive likely will be different and will depend on a number of factors.

The above estimates are based on Defendant's records showing that **you worked << \_\_\_\_\_>> Workweeks** during the Meal Period Class Period (September 3, 2017 to June 16, 2025), **you worked << \_\_\_\_\_>> Workweeks** during the Regular Rate Class Period (September 3, 2017 to June 16, 2025), **you worked << \_\_\_\_\_>> Workweeks** Reimbursement Class Period (March 15, 2020 to July 6, 2021), and **you worked << \_\_\_\_\_>> pay periods** during the PAGA Period. If you believe that you worked more workweeks and/or pay periods during either period, you can submit a challenge by the deadline date. See Section 5 of this Notice below.

The Court has already preliminarily approved the proposed Settlement and approved this Notice, meaning that the Court has preliminarily determined that the settlement is fair and reasonable. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do 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 Plaintiffs and Plaintiffs’ attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment reflecting the terms of the Settlement, under which Defendant will make payments under the Settlement and Class Members and Aggrieved Employees will 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 don’t have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment, and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert the Released Class Claims against Defendant as described below in Section 4 below.
- (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, however you will preserve your right to personally pursue the Released Class Claims against Defendant. If you are an Aggrieved Employee, you remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

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

<b>SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:</b>	
<b>You Don’t Have to Do Anything to Participate in the Settlement</b>	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment. In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement (Released Class Claims).
<b>You Can Opt-out of the Class Settlement but not the PAGA Settlement</b>	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 7 of this Notice.
<b>The Opt-out Deadline is _____.</b>	However, you cannot opt-out of the PAGA portion of the proposed Settlement. If you are also an Aggrieved Employee and exclude

<b>SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:</b>	
	yourself, you will still be paid an Individual PAGA Payment and will remain subject to the release of the Released PAGA Claims regardless of whether you submit a request for exclusion.
<b>Participating Class Members Can Object to the Class Settlement</b>  <b>Written Objections Must be Submitted by the Response Deadline _____</b>	<p>All Class Members who do not opt-out (“Participating 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 can object to the Settlement and/or the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable.</p> <p>See Section 8 of this Notice.</p>
<b>You Can Participate in the _____ Final Approval Hearing</b>	<p>The Court’s Final Approval Hearing is scheduled to take place on _____ at _____ [a.m./p.m.], at the Ventura County Superior Court, located at 800 South Victoria Avenue, Ventura, California 93009, in Department 40 before Judge Mark Borrell. This hearing may change as explained below in Section 9.</p> <p>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. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 9 of this Notice</p>
<b>You Can Challenge the Calculation of Your Workweeks / Pay Periods</b>  <b>Written Challenges Must be Submitted by the Response Deadline _____</b>	<p>The amount of your Individual Class Payment depends on how many workweeks you worked at least one day during the Class Periods. The amount of your Individual PAGA Payment depends on how many pay periods you worked at least one day during the PAGA Period. The number of workweeks in the Class Periods and number of PAGA Period pay periods you worked according to Defendant’s 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 5 of this Notice</p>

**1. What is action about?**

Plaintiffs were employees of Defendant. The Action claims that Defendant violated California labor laws by failing to pay minimum wages, failing to pay overtime wages, failing to provide required meal periods and unpaid premiums, failing to provide required rest periods and unpaid premiums, failing to provide required expense reimbursement, failing to provide accurate itemized wage statements, failing to provide wages when due, and engaging in unfair competition. Plaintiffs also seek civil penalties under the Private Attorneys General Act

(“PAGA”). The Second Amended Complaint, filed March 4, 2025, is the Operative Complaint in the Action.

Defendant maintains that it has always paid all employees all wages, provided all required breaks, paid all required expense reimbursements, and furnished accurate wage statements.

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

All individuals who were employed by Defendant in California and are members of the Meal Period Class, Regular Rate Commissions Class, Regular Rate Bonus Class, and/or Reimbursement Class at any time during the Class Periods.

The “Meal Period Class” means all individuals who are or previously were employed by Defendant in California and classified as nonexempt employees during the Meal Period Class Period (September 3, 2017 to the earlier of the date preliminary class settlement approval is entered or June 16, 2025) for whom Defendant’s time records reflect a meal period after the end of the fifth hour worked.

The “Regular Rate Commissions Class” means all individuals who are or previously were employed by Defendant in California and classified as non-exempt employees during the Regular Rate Class Period (September 3, 2017 to the earlier of the date preliminary class settlement approval is entered or June 16, 2025) who received commission compensation.

The “Regular Rate Bonus Class” means all individuals who are or previously were employed by Defendant in California and classified as non-exempt employees during the Regular Rate Class Period (September 3, 2017 to the earlier of the date preliminary class settlement approval is entered or June 16, 2025) who received end-of-year bonus compensation.

The “Reimbursement Class” means all individuals who are or previously were employed by Defendant in California and classified as non-exempt employees during the Reimbursement Class Period (March 15, 2020 through July 6, 2021) who received a \$500 payment from Defendant as announced in August 2020.

## **2. What does it mean that the action has settled?**

So far, the Court has made no determination whether Defendant or Plaintiffs are correct on the merits, or that Plaintiffs can bring this claim on behalf of anyone but themselves. In the meantime, Plaintiffs and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to 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 written Class Action and PAGA Settlement Agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs 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. Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you

because they believe that: (1) Defendant have agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members. 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 terms of the Settlement?**

**Gross Settlement Amount.** Defendants has agreed to pay an “all in” amount of **One Million Two Hundred Thousand Dollars (\$1,200,000)** (“**Gross Settlement Amount**”) to fund the settlement of the Action. The Gross Settlement Amount includes all payments of Individual Class Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments, the Administration Expenses Payment, and the PAGA Penalties for civil penalties under PAGA. Any employer-side payroll taxes on the portion of the Individual Class Payments allocated to wages shall be separately paid by Defendant. Defendant will pay to the Administrator the Gross Settlement Amount and all employer-side payroll taxes due within fourteen (14) of the Effective Date. The “Effective Date” means the date the Judgment is entered, unless there are objections or an appeal, in which case it is the date the Judgment is final and no longer subject to appeal. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments to Participating Class Members.

**Court Approved Deductions from Gross Settlement Amount.** The proposed payments, subject to Court approval, will be deducted from the Gross Settlement Amount before payments of Individual Class Payments are made to Class Members who do not request exclusion (“Participating Class Members”). At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

- **Administration Expenses Payment.** Payment to the Administrator, estimated not to exceed \$16,500 for expenses, including expenses of notifying the Class Members of the Settlement, processing opt outs, and distributing settlement checks and tax forms.
- **Attorneys’ Fees and Costs.** Payment to Class Counsel of reasonable attorneys’ fees not to exceed one-third (1/3) of the Gross Settlement Amount, which presently equals \$400,000, and an additional amount to reimburse actual litigation costs incurred by the Plaintiffs not to exceed \$90,000. Class Counsel has been prosecuting the Action on behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses. The amounts stated are what Class Counsel will be requesting and the final amounts to be paid will be decided at the Final Approval Hearing.
- **Class Representative Service Payments.** Class Representative Service Payments in an amount not more than \$10,000 to each of the two Plaintiffs as a service award, or such lesser amount as may be approved by the Court, to compensate them for services on behalf of the Class in initiating and prosecuting the Action, and for the risks they undertook. The amount stated is what Plaintiffs will be requesting and the final amount

to be paid will be decided at the Final Approval Hearing.

- PAGA Penalties. A payment of \$244,275 relating to Plaintiffs' claim under PAGA, \$183,206.25 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA"). The remaining \$61,068.75 will be distributed to the Aggrieved Employees as Individual PAGA Payments. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$61,068.75) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period, which is July 1, 2020 through to the earlier of the date preliminary class settlement approval is entered or June 16, 2025.

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

Calculation of Payments to Class Members. After all of the payments of the court-approved Attorneys' Fees and Costs, the Class Representative Service Payments, the PAGA Penalties, and the Administration Expenses Payment are deducted from the Gross Settlement Amount, the remaining portion, the "Net Settlement Amount", shall be distributed as Individual Class Payments to the Participating Class Members. The Net Settlement Amount is estimated to be at least \$429,225. The Administrator will pay an Individual Class Payment from the Net Settlement Amount to each Participating Class Member. The Individual Class Payment for each Participating Class Member will be calculated as follows:

- (i) An individual Meal Period Class Member payment is calculated by (a) dividing 74.1% of the Net Settlement Amount by the total number of Workweeks worked by all Participating Meal Period Class Members during the Meal Period Class Period and (b) multiplying the result by each Participating Meal Period Class Member's Workweeks;
- (ii) An individual Regular Rate Class Member payment is calculated by (a) dividing 19.9% of the Net Settlement Amount by the total number of Workweeks worked by all Participating Regular Rate Class Members during the Regular Rate Class Period and (b) multiplying the result by each Participating Regular Rate Class Member's Workweeks; and,
- (iii) An individual Reimbursement Class Member payment is calculated by (a) dividing 6% of the Net Settlement Amount by the total number of Workweeks worked by all Participating Regular Rate Class Members during the Reimbursement Class Period and (b) multiplying the result by each Participating Reimbursement Class Member's Workweeks.

"Workweek" means any week during the Class Period in which a Class Member worked for Defendant as a Class Member for at least one day. The number of Workweeks will be based on

Defendant's records; however, Class Members may challenge the number of Workweeks as explained below.

**If the Settlement is approved by the Court and you do not exclude yourself, you will automatically be mailed a check for your Individual Class Payment and/or Individual PAGA Payment to the same address as this Class Notice. You do not have to do anything to receive a payment.** If your address has changed, you must contact the Administrator to inform them of your correct address to ensure you receive your payment. If you do not inform the Administrator of an updated address, the Administrator's mailing of your settlement check to the address on file shall be deemed sufficient proof of delivery of your settlement proceeds.

Tax Matters. Fifty Percent (50%) of each Participating Class Member's Individual Class Payment is in settlement of wage claims (the "Wage Portion"). Accordingly, the Wage Portion is subject to wage withholdings, and shall be reported on IRS Form W-2. Fifty Percent (50%) of each Participating Class Member's Individual Class Payment is in settlement of claims for non-wages, expense reimbursement, interest and penalties allegedly due to employees (collectively the "Non-Wage Portion"). The Non-Wage Portion shall not be subject to wage withholdings and shall be reported on IRS Form 1099. 100% of the Individual PAGA Payments are for penalties and shall not be subject to wage withholdings and shall be reported on IRS Form 1099. The employee portion of all applicable income and payroll taxes will be the responsibility of the Participating Class Members. Neither Class Counsel nor Defendant's Counsel intend anything contained in this Class Notice to constitute advice regarding taxes or taxability. The tax issues for each individual are unique to him/her, and you may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement and your receipt of the Individual Class Payment is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

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 to enter a Judgment. Plaintiffs 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.

Need to Promptly Cash Payment Checks. The front of every check issued 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 funds represented by such checks remitted to a Court-approved non-profit charity (the "Cy Pres Recipient") pursuant to California Code of Civil Procedure, section 384. The Parties will designate a Cy Pres Recipient.

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.

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

Released Class Claims. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from the Released Class Claims, as follows:

- i. The Meal Period Class Members release all claims arising from or reasonably related to the provision of meal periods, and including claims for reasonably related penalties, that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint which occurred during the Meal Period Class Period during employment in a non-exempt position;
- ii. The Regular Rate Commission Class Members and Regular Rate Bonus Class Members release all claims arising from or reasonably related to regular rate of pay calculations—including those reasonably related to commissions and bonus payments, and including any claims for reasonably related penalties—that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint which occurred during the Regular Rate Class Period during employment in a non-exempt position; and,
- iii. The Reimbursement Class Members release all claims arising from or reasonably related to expense reimbursements or non-reimbursements—including those reasonably related to cell phone, home office, and work-from-home-expenses, and including any claims for reasonably related penalties—that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint which occurred during the Reimbursement Class Period during employment in a non-exempt position.

Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

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

Released PAGA Claims. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all Aggrieved Employees and the LWDA 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 the Released PAGA Claims. The "Released PAGA Claims" are all claims for PAGA penalties

that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice, which occurred during the PAGA Period. The Released PAGA Claims do not include other PAGA claims, underlying wage and hour claims, claims for wrongful termination, discrimination, unemployment insurance, disability and worker's compensation, and claims outside of the PAGA Period.

Released Parties. The Released Parties are: Defendant and each of its former and present directors, officers, employees, shareholders, owners, attorneys, insurers, predecessors, successors, assigns and subsidiaries.

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

Individual Class Payments. The Administrator will calculate Individual Class Payments based on each Participating Class Member's Workweeks as detailed above in Section 3.

**Defendant's records reflect that you worked << \_\_\_\_ >> Workweeks as Meal Period Class Member during the Meal Period Class Period (September 3, 2017 to the earlier of the date preliminary class settlement approval is entered or June 16, 2025), you worked << \_\_\_\_ >> Workweeks as a Regular Rate Class Member during the Regular Rate Class Period (September 3, 2017 to the earlier of the date preliminary class settlement approval is entered or June 16, 2025), and you worked << \_\_\_\_ >> Workweeks during as a Reimbursement Class Member during the Reimbursement Class Period (March 15, 2020 through July 6, 2021)**

**Based on this information, your estimated Individual Class Payment from the Net Settlement Amount is << \_\_\_\_\_ >>.**

**Defendant's records reflect that you worked << \_\_\_\_ >> PAGA Pay Periods during the during the PAGA Period (July 1, 2020 through to the earlier of the date preliminary class settlement approval is entered or June 16, 2025). Based on this information your estimated Individual PAGA Payment is << \_\_\_\_\_ >>.**

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Administrator at the address provided in this Class Notice no later than the Response Deadline, which is \_\_\_\_\_ [sixty (60) days after the mailing of the Class Notice or an additional 14 days in the case of re-mailing]. You may also fax the dispute to \_\_\_\_\_ or email the dispute to \_\_\_\_\_ by no later than the Response Deadline. Any dispute should include credible written evidence and will be resolved by the Administrator.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks 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 challenges based on your submission and on the Parties' counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

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

To get money from the Settlement, you do not have to do anything. A check for your Individual Class Payment will be mailed automatically to the same address as this Class Notice.

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

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

If you do not wish to participate in the Settlement, you may exclude yourself from the Class portion of the Settlement or “opt out.” **If you opt out, you will not receive an Individual Class Payment from the Settlement, and you will not be bound by its terms, which means you will retain the right to sue Defendant for the Released Class Claims.** However, Aggrieved Employees who opt out will still be paid their allocation of the PAGA Penalties and will remain subject to the release of the Released PAGA Claims regardless of whether they submit a request for exclusion.

To opt out, you must submit to the Administrator a written, signed and dated request to opt-out postmarked no later than the Response Deadline which is \_\_\_\_\_. You may also fax your request to opt out to \_\_\_\_\_ or email the dispute to \_\_\_\_\_ by no later than the Response Deadline. The request to opt-out should state in substance that you wish to be excluded from the class settlement in the *Hood v. Yardi Systems, Inc.* lawsuit. The request to opt-out should state the Class Member’s full name, address and email address or telephone number. Please include the name and number of the case, which is *Hood v. Yardi Systems, Inc.*, Case No. 56-2021-00557901-CU-OE-VTA. The request to opt-out must be completed and signed by you. No other person may opt-out for a living member of the Class.

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

**8. How do I Object to the Settlement?**

A Participating Class Member who disagrees with any aspect of the Agreement may wish to object to the Settlement. **The Response Deadline for sending written objections to the Administrator is \_\_\_\_\_** [sixty (60) days after the date of the Notice or an additional 14 days after the Notice in the case of re-mailing]. You may also fax the dispute to \_\_\_\_\_ or email the dispute to \_\_\_\_\_ by no later than this Response Deadline. 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, *Hood v. Yardi Systems, Inc.*, Case No. 56-2021-00557901-CU-OE-VTA, and include your name, current address, email or telephone number, and approximate dates of employment for Defendant and sign the objection. The Administrator’s contact information is as follows:

Administrator:

Name of Company: Apex Class Action

Email Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

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

Fax Number: \_\_\_\_\_

Settlement Website: \_\_\_\_\_

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. You also have the option to appear at the hearing remotely through the Court's procedure at <http://www.ventura.courts.ca.gov/>. Check the Court's website for the most current information. See Section 9 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

**QUESTIONS REGARDING OBJECTIONS, REQUESTS FOR EXCLUSION, AND ANYTHING ELSE IN THIS NOTICE SHOULD BE DIRECTED TO THE ADMINISTRATOR, APEX CLASS ACTION, WHOSE CONTACT INFORMATION IS ABOVE.**

Class Counsel and their contact information is as follows:

Kyle Nordrehaug  
Blumenthal Nordrehaug Bhowmik DeBlouw  
2255 Calle Clara  
La Jolla, CA 92037  
Tel.: (858) 551-1223  
Fax: (858) 551-1232  
E-Mail: [kyle@bamlawca.com](mailto:kyle@bamlawca.com)

Counsel for Defendant is as follows:

Shon Morgan  
John W. Baumann  
Brantley I. Pepperman  
Homin Ban  
Quinn Emanuel Urquhart & Sullivan, LLP  
865 South Figueroa Street, 10th Floor  
Los Angeles, California 90017-2543

**9. Can I Attend the Final Approval Hearing?**

You can, but don't have to, attend the Final Approval Hearing at \_\_\_\_\_ (Pacific Standard Time) on \_\_\_\_\_, in Department 40 of the Superior Court of California, County of Ventura, at 800 South Victoria Avenue, Ventura, California 93009, before Judge Mark Borrell. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate.

The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement and to fix the amounts to be paid as attorneys' fees and costs to Class Counsel and as a service payments to Plaintiffs. If there are objections, the Court will consider them. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing using the procedure at <http://www.ventura.courts.ca.gov/>, or by telephone using Courtcall (<https://www.courtcall.com/>) at 888-882-6878. For assistance in making an appearance at the Final Approval Hearing, please contact Class Counsel.

It's possible the Court will reschedule the Final Approval Hearing. If the hearing is continued, notice will be posted on the Internet via the Case Inquiry page for the California Superior Court for the County of Ventura (<https://www.ventura.courts.ca.gov/case-inquiry.html>) and entering the Case No. 56-2021-00557901-CU-OE-VTA. It will also be posted on the Administrator's website for this settlement: << \_\_\_\_\_ >>.

#### **10. How Can I Get More Information?**

You may call the Administrator at \_\_\_\_\_ or write to *Hood v. Yardi Systems, Inc.* Administrator, c/o \_\_\_\_\_.

This Class Notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Judgment, the motion for attorneys' fees, costs and service award, the motion for final approval or other Settlement documents by going to the Administrator's website for this settlement:

<< \_\_\_\_\_ >> where these documents will be posted as they become available, by reaching out to the Administrator, or examining the Court's file on the Internet via the Case Inquiry page for the California Superior Court for the County of Ventura (<https://www.ventura.courts.ca.gov/case-inquiry.html>) and entering the Case No. 56-2021-00557901-CU-OE-VTA. If you wish to view the Court files in person, you do so at the Clerk's Office at t800 South Victoria Avenue, Ventura, California 93009.

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

#### **IMPORTANT:**

- **What if Your Address Changes** - To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.
- **What if You Fail to Cash a Check** - Settlement checks will be null and void 180 days after issuance if not deposited or cashed, and this expiration date is printed on the check. In such events, the Administrator shall direct all unclaimed funds to be paid a Court-approved non-profit charity (the "Cy Pres Recipient") pursuant to California Code of Civil Procedure, section 384. The Parties will designate a Cy Pres Recipient
- **What if You Lose Your Check** - If your check is lost or misplaced, you should contact the Administrator immediately to request a replacement.

**EXHIBIT B**

[ORDER GRANTING PRELIMINARY APPROVAL]

**EXHIBIT "B"**

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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF VENTURA

DORIAN HOOD and NICHOLAS JOLLY,  
on behalf of themselves and on behalf of all  
persons similarly situated,

Plaintiffs,

vs.

YARDI SYSTEMS, INC., a Corporation;  
and DOES 1 through 50, inclusive,

Defendants.

**CASE NO.: 56-2021-00557901-CU-OE-VTA**

**[PROPOSED] PRELIMINARY APPROVAL  
ORDER**

Hearing Date: \_\_\_\_\_  
Hearing Time: \_\_\_\_\_

Judge: Hon. Mark Borrell  
Dept: 40

Date Filed: September 3, 2021  
Trial Date: Not set

This matter came before the Honorable Mark Borrell of the Superior Court of the State of California, in and for the County Ventura, on \_\_\_\_\_[DATE], for hearing on the unopposed motion by Plaintiffs Dorian Hood and Nicholas Jolly (“Plaintiffs”) for preliminary approval of the Settlement with Defendant Yardi Systems, Inc. (“Defendant”). The Court, having considered the

1 briefs, argument of counsel and all matters presented to the Court and good cause appearing,  
2 hereby GRANTS Plaintiffs' Motion for Preliminary Approval of Class Action Settlement.

3  
4 **IT IS HEREBY ORDERED:**

5 1. The Court preliminarily approves the Class Action and PAGA Settlement  
6 Agreement ("Agreement") attached as Exhibit \_\_\_ to the Declaration of Kyle Nordrehaug in  
7 Support of Plaintiffs' Motion for Preliminary Approval of Class Action Settlement. This is based  
8 on the Court's determination that the Settlement set forth in the Agreement is within the range of  
9 possible final approval, pursuant to the provisions of Section 382 of the California Code of Civil  
10 Procedure and California Rules of Court, rule 3.769.

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

13 3. The Gross Settlement Amount that Defendant shall pay is One Million Two  
14 Hundred Thousand Dollars (\$1,200,000). It appears to the Court on a preliminary basis that the  
15 settlement amount and terms are fair, adequate and reasonable as to all potential Class Members  
16 when balanced against the probable outcome of further litigation and the significant risks relating  
17 to certification, liability and damages issues. It further appears that investigation and research  
18 have been conducted such that counsel for the Parties are able to reasonably evaluate their  
19 respective positions. It further appears to the Court that the Settlement will avoid substantial  
20 additional costs by all Parties, as well as avoid the delay and risks that would be presented by the  
21 further prosecution of the Action. It further appears that the Settlement has been reached as the  
22 result of serious and non-collusive, arm's-length negotiations.

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

2           5.       The Agreement specifies for an attorneys’ fees award not to exceed one-third of the  
3 Gross Settlement Amount, an award of litigation expenses incurred, not to exceed \$90,000, and a  
4 proposed Class Representative Service Payments to the Plaintiffs in an amount not to exceed  
5 \$10,000 each, which are payable out of the Gross Settlement Amount. The Court will not approve  
6 the amount of attorneys’ fees and costs, nor the amount of any service award, until the Final  
7 Approval Hearing. Plaintiffs will be required to present evidence supporting these requests,  
8 including lodestar, prior to final approval.

9           6.       The Court recognizes that Plaintiffs and Defendant stipulate and agree to  
10 representative treatment and certification of a class for settlement purposes only. This stipulation  
11 will not be deemed admissible in this or any other proceeding should this Settlement not become  
12 final. For settlement purposes only, the Court conditionally certifies the Class which consists of  
13 “all individuals who were employed by Defendant in California and are members of the Meal  
14 Period Class, Regular Rate Commissions Class, Regular Rate Bonus Class, and/or Reimbursement  
15 Class at any time during the Class Periods.” The “Meal Period Class” means all individuals who  
16 are or previously were employed by Defendant in California and classified as nonexempt  
17 employees during the Meal Period Class Period (September 3, 2017 to the earlier of the date  
18 preliminary class settlement approval is entered or June 16, 2025) for whom Defendant’s time  
19 records reflect a meal period after the end of the fifth hour worked. The “Regular Rate  
20 Commissions Class” means all individuals who are or previously were employed by Defendant in  
21 California and classified as non-exempt employees during the Regular Rate Class Period  
22 (September 3, 2017 to the earlier of the date preliminary class settlement approval is entered or  
23 June 16, 2025) who received commission compensation. The “Regular Rate Bonus Class” means  
24 all individuals who are or previously were employed by Defendant in California and classified as  
25 non-exempt employees during the Regular Rate Class Period (September 3, 2017 to the earlier of  
26 the date preliminary class settlement approval is entered or June 16, 2025) who received end-of-  
27 year bonus compensation. The “Reimbursement Class” means all individuals who are or  
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1 previously were employed by Defendant in California and classified as non-exempt employees  
2 during the Reimbursement Class Period (March 15, 2020 through July 6, 2021) who received a  
3 \$500 payment from Defendant as announced in August 2020.

4         7.         The Court concludes that, for settlement purposes only, the Class meets the  
5 requirements for certification under section 382 of the California Code of Civil Procedure in that:  
6 (a) the Class is ascertainable and so numerous that joinder of all members of the Class is  
7 impracticable; (b) common questions of law and fact predominate, and there is a well-defined  
8 community of interest amongst the members of the Class with respect to the subject matter of the  
9 litigation; (c) the claims of the Plaintiffs are typical of the claims of the members of the Class; (d)  
10 the Plaintiffs will fairly and adequately protect the interests of the members of the Class; (e) a  
11 class action is superior to other available methods for the efficient adjudication of this controversy;  
12 and (f) counsel for the Class is qualified to act as counsel for the Class and the Plaintiffs are  
13 adequate representatives of the Class.

14         8.         The Court provisionally appoints Plaintiffs as the representative of the Class. The  
15 Court provisionally appoints Norman B. Blumenthal, Kyle R. Nordrehaug, and Aparajit Bhowmik  
16 of Blumenthal Nordrehaug Bhowmik De Blouw LLP as Class Counsel for the Class.

17         9.         The Agreement provides for a PAGA Penalties out of the Gross Settlement  
18 Amount of \$244,275, which shall be allocated \$183,206.25 to the Labor & Workforce  
19 Development Agency (“LWDA”) as the LWDA’s 75% share of the settlement of civil penalties  
20 paid under this Agreement pursuant to the PAGA and \$61,068.75 to the Aggrieved Employees as  
21 the Individual PAGA Payments. “Aggrieved Employees” are all individuals who were employed  
22 by Defendant in California and classified as a non-exempt employee at any time during the PAGA  
23 Period (July 1, 2020 through to the earlier of the date preliminary class settlement approval is  
24 entered or June 16, 2025). The Administrator will calculate each Individual PAGA Payment by  
25 (a) dividing the amount of the Aggrieved Employees’ 25% share of PAGA Penalties (\$61,068.75)  
26 by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA  
27 Period and (b) multiplying the result by each Aggrieved Employee’s PAGA Pay Periods.

1 Aggrieved Employees assume full responsibility and liability for any taxes owed on their  
2 Individual PAGA Payment. Pursuant to Labor Code section 2699, subdivision (s), the LWDA  
3 will be provided notice of the Agreement and these settlement terms. The Court finds the PAGA  
4 Penalties to be reasonable.

5       10. The Court hereby approves, as to form and content, the Class Notice attached to the  
6 Agreement as Exhibit A. The Court finds that the Class Notice appears to fully and accurately  
7 inform the Class of all material elements of the proposed Settlement, of the Class Members' right  
8 to be excluded from the Class by submitting a written opt-out request, and of each member's right  
9 and opportunity to object to the Settlement. The Court further finds that the distribution of the  
10 Class Notice substantially in the manner and form set forth in the Agreement and this Order meets  
11 the requirements of due process, is the best notice practicable under the circumstances, and shall  
12 constitute due and sufficient notice to all persons entitled thereto. The Court orders the mailing of  
13 the Class Notice by first class mail pursuant to the terms set forth in the Agreement. If a Class  
14 Notice Packet is returned because of an incorrect address, the Administrator will promptly search  
15 for a more current address for the Class Member and re-mail the Class Notice Packet to any new  
16 address for the Class Member no later than seven (7) days after the receipt of the undelivered  
17 Class Notice.

18       11. The Court hereby appoints Apex Class Action LLC as the Administrator. No later  
19 than fifteen (15) days after this Order, Defendant will provide the Class Data to the Administrator.  
20 The Administrator will perform address updates and verifications as necessary prior to the first  
21 mailing. Using best efforts to mail it as soon as possible, and in no event later than fourteen (14)  
22 days after receiving the Class Data, the Administrator will mail the Class Notice Packet to all  
23 Class Members via first-class regular U.S. Mail to their last known address.

24       12. The Court hereby preliminarily approves the proposed procedure for exclusion  
25 from the Settlement. Any Class Member may individually choose to opt out of and be excluded  
26 from the Class as provided in the Class Notice by following the instructions for requesting  
27 exclusion from the Class that are set forth in the Class Notice. All requests for exclusion must be  
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1 postmarked or received no later than sixty (60) calendar days after the date of the mailing of the  
2 Class Notice (“Response Deadline”). If a Class Notice Packet is re-mailed, the Response Deadline  
3 for requests for exclusion will be extended an additional fourteen (14) days. A Request for  
4 Exclusion may also be faxed or emailed to the Administrator as indicated in the Class Notice.  
5 Any such person who chooses to opt out of and be excluded from the Class will not be entitled to  
6 any recovery under the Class Settlement and will not be bound by the Class Settlement or have  
7 any right to object, appeal or comment thereon. Class Members who have not requested exclusion  
8 shall be bound by all determinations of the Court, the Agreement and the Judgment. A request for  
9 exclusion may only opt out that particular individual, and any attempt to affect an opt-out of a  
10 group, class, or subclass of individuals is not permitted and will be deemed invalid.

11 13. Any Class Member who has not opted out may appear at the final approval hearing  
12 and may object or express the Member’s views regarding the Settlement and may present evidence  
13 and file briefs or other papers that may be proper and relevant to the issues to be heard and  
14 determined by the Court as provided in the Class Notice. Class Members will have until the  
15 Response Deadline to submit their written objections to the Administrator. Written objections  
16 may also be faxed or emailed to the Administrator as indicated in the Class Notice. If a Class  
17 Notice Packet is re-mailed, the Response Deadline for written objections will be extended an  
18 additional fourteen (14) days. Alternatively, Class Members may appear at the Final Approval  
19 Hearing to make an oral objection.

20 14. A final approval hearing shall be held before this Court on \_\_\_\_\_  
21 \_\_\_\_\_ at \_\_\_\_\_ in Department 40 of the Ventura County Superior Court to hear  
22 the motion for final approval and for attorneys’ fees and costs, and to determine all necessary  
23 matters concerning the Settlement, including: whether the proposed settlement of the Action on  
24 the terms and conditions provided for in the Agreement is fair, adequate and reasonable and  
25 should be finally approved by the Court; whether the Final Approval Order and Judgment should  
26 be entered herein; whether the plan of allocation contained in the Agreement should be approved  
27 as fair, adequate and reasonable to the Class Members; and to finally approve attorneys’ fees and  
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1 costs, service award, and the fees and expenses of the Administrator. All papers in support of the  
2 motion for final approval and for attorneys' fees, costs and service award shall be filed with the  
3 Court and served on all counsel no later than sixteen (16) court days before the hearing and the  
4 motion shall be heard at this final approval hearing.

5         15.       Neither the Settlement nor any exhibit, document, or instrument delivered  
6 thereunder shall be construed as a concession or admission by Defendant in any way that the  
7 claims asserted have any merit or that this Action was properly brought as a class or representative  
8 action, and shall not be used as evidence of, or used against Defendant as, an admission or  
9 indication in any way, including with respect to any claim of any liability, wrongdoing, fault or  
10 omission by Defendant or with respect to the truth of any allegation asserted by any person.  
11 Whether or not the Settlement is finally approved, neither the Settlement, nor any exhibit,  
12 document, statement, proceeding or conduct related to the Settlement, nor any reports or accounts  
13 thereof, shall in any event be construed as, offered or admitted in evidence as, received as or  
14 deemed to be evidence for any purpose adverse to the Defendant, including, but not limited to,  
15 evidence of a presumption, concession, indication or admission by Defendant of any liability,  
16 fault, wrongdoing, omission, concession or damage.

17         16.       In the event the Settlement does not become effective in accordance with the terms  
18 of the Agreement, or the Settlement is not finally approved, or is terminated, canceled or fails to  
19 become effective for any reason, this Order shall be rendered null and void and shall be vacated,  
20 and the Parties shall revert to their respective positions as of before entering into the Agreement,  
21 and expressly reserve their respective rights regarding the prosecution and defense of this Action,  
22 including all available defenses and affirmative defenses, and arguments that any claim in the  
23 Action could not be certified as a class action and/or managed as a representative action . In such  
24 an event, the Court's orders regarding the Settlement, including this Order, shall not be used or  
25 referred to in litigation for any purpose. Nothing in this paragraph is intended to alter the terms of  
26 the Agreement with respect to the effect of the Agreement if it is not approved.

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**EXHIBIT C**

[FINAL APPROVAL ORDER AND JUDGMENT]

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**EXHIBIT "C"**

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF VENTURA

DORIAN HOOD and NICHOLAS JOLLY, on  
behalf of themselves and on behalf of all  
persons similarly situated,

Plaintiffs,

vs.

YARDI SYSTEMS, INC., a Corporation; and  
DOES 1 through 50, inclusive,

Defendants.

**CASE NO.: 56-2021-00557901-CU-OE-VTA**

**[PROPOSED] FINAL APPROVAL  
ORDER AND JUDGMENT**

Hearing Date: \_\_\_\_\_  
Hearing Time: \_\_\_\_\_

Judge: Hon. Mark Borrell  
Dept: 40

Date Filed: September 3, 2021  
Trial Date: Not set

1 The unopposed motion of Plaintiffs Dorian Hood and Nicholas Jolly (“Plaintiffs”) for an  
2 order finally approving the Class Action and PAGA Settlement Agreement (“Agreement”) with  
3 Defendant Yardi Systems, Inc. (“Defendant”), attorneys’ fees and costs, service payments, and the  
4 expenses of the Administrator duly came on for hearing on \_\_\_\_\_ before the  
5 Honorable Mark Borrell.

6 **I.**  
7 **FINDINGS**

8 Based on the oral and written argument and evidence presented in connection with the  
9 motion, the Court makes the following findings:

- 10 1. All terms used herein shall have the same meaning as defined in the Agreement.
- 11 2. This Court has jurisdiction over the subject matter of this litigation pending before  
12 the Superior Court for the State of California, in and for the County of Ventura, and over all  
13 Parties to this litigation, including the Class.
- 14 3. Based on a review of the papers submitted by Plaintiffs and a review of the  
15 applicable law, the Court finds that the Gross Settlement Amount of One Million Two Hundred  
16 Thousand Dollars (\$1,200,000) and the terms set forth in the Agreement are fair, reasonable, and  
17 adequate. The Gross Settlement Amount will be used to pay Individual Class Payments,  
18 Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class  
19 Counsel Litigation Expenses Payment, Class Representative Service Payments, and the  
20 Administration Expenses Payment. This Gross Settlement Amount is an all-in amount without  
21 any reversion to Defendant, and excludes any employer payroll taxes, if any, due on the portion of  
22 the Individual Class Payments allocated to wages which shall not be paid from the Gross  
23 Settlement and shall be the separate additional obligation of Defendant.
- 24 4. The Court further finds that the Settlement was the result of arm’s length  
25 negotiations conducted after Class Counsel had adequately investigated the claims and became  
26 familiar with the strengths and weaknesses of those claims. In particular, the amount of the  
27 Settlement, and the assistance of an experienced mediator in the settlement process, among other  
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1 factors, support the Court’s conclusion that the Settlement is fair, reasonable, and adequate.

2 **Preliminary Approval of the Settlement**

3 5. On \_\_\_\_\_, the Court granted preliminary approval of the Settlement. At  
4 this same time, the Court approved conditional certification of the Class for settlement purposes  
5 only.

6 **Notice to the Class**

7 6. In compliance with the Preliminary Approval Order, the Court-approved Class  
8 Notice was mailed by first class mail to members of the Class at their last-known addresses on or  
9 about \_\_\_\_\_. Mailing of the Class Notice to their last-known addresses was the best  
10 notice practicable under the circumstances and was reasonably calculated to communicate actual  
11 notice of the litigation and the proposed settlement to the Class. The Class Notice given to the  
12 Class Members fully and accurately informed the Class Members of all material elements of the  
13 proposed Settlement and of their opportunity to object to or comment thereon or to seek exclusion  
14 from the Settlement; was valid, due, and sufficient notice to all Class Members; and complied  
15 fully with the laws of the State of California, the United States Constitution, due process and other  
16 applicable law. The Class Notice fairly and adequately described the Settlement and provided  
17 Class Members adequate instructions and a variety of means to obtain additional information.

18 7. The Response Deadline for opting out or submitting written objections to the  
19 Settlement was \_\_\_\_\_, which for re-mailings was extended by fourteen (14) days. There  
20 was an adequate interval between notice and the deadline to permit Class Members to choose what  
21 to do and to act on their decision. A full and fair opportunity has been afforded to the Class  
22 Members to participate in this hearing, and all Class Members and other persons wishing to be  
23 heard have had a full and fair opportunity to be heard. Class Members also have had a full and  
24 fair opportunity to exclude themselves from the proposed Settlement and Class. Accordingly, the  
25 Court determines that all Class Members who did not timely and properly submit a request for  
26 exclusion are bound by the Settlement and this Final Approval Order and Judgment.

1           **Fairness of the Settlement**

2           8.       The Agreement is entitled to a presumption of fairness. *Dunk v. Ford Motor Co.*  
3 48 Cal.App.4th 1794, 1801 (1996).

4                 a.       The settlement was reached through arm's-length bargaining between the  
5 Parties during an all-day mediation before Brandon McKelvey, an experienced mediator of wage  
6 and hour class actions. There has been no collusion between the Parties in reaching the  
7 Settlement.

8                 b.       Plaintiffs' and Class Counsel's investigation and discovery have been  
9 sufficient to allow the Court and counsel to act intelligently.

10                c.       Counsel for all Parties are experienced in similar employment class action  
11 litigation. Class Counsel recommended approval of the Agreement.

12                d.       The percentage of objectors and requests for exclusion is small. \_\_\_\_  
13 objections were received. \_\_\_\_\_ requests for exclusion were received.

14                e.       The participation rate was high. \_\_\_\_\_ Class Members will be mailed a  
15 settlement payment, representing \_\_\_\_% of the overall Class.

16           9.       The consideration to be given to the Class Members under the terms of the  
17 Agreement is fair, reasonable and adequate considering the strengths and weaknesses of the claims  
18 asserted in this action and is fair, reasonable and adequate compensation for the release of Class  
19 Members' claims, given the uncertainties and significant risks of the litigation and the delays  
20 which would ensue from continued prosecution of the action.

21           10.      The Agreement is finally approved as fair, adequate and reasonable and in the best  
22 interests of the Class Members.

23           **Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment**

24           11.      From the Gross Settlement Amount, an award of \$400,000 for attorneys' fees,  
25 representing one-third of the Gross Settlement Amount, and \$ \_\_\_\_\_ for litigation costs  
26 and expenses, is reasonable, in light of the contingent nature of Class Counsel's fee, the hours  
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1 worked by Class Counsel, and the results achieved by Class Counsel. The requested award has  
2 been supported by Class Counsel’s lodestar and billing statement.

3 **Class Representative Service Payments**

4 12. The Agreement provides for a Class Representative Service Payments of not more  
5 than \$10,000 to each of the two Plaintiffs, subject to the Court’s approval. The Court finds that  
6 Class Representative Service Payments in the amount of \$ \_\_\_\_\_ from the Gross Settlement  
7 Amount to each of the Plaintiffs are reasonable in light of the risks and burdens undertaken by the  
8 Plaintiffs in this litigation and for their time and effort in bringing and prosecuting this matter on  
9 behalf of the Class.

10 **Administration Expenses Payment**

11 13. The Administrator shall calculate and administer the payment to be made to the  
12 Class Members, transmit payment for attorneys’ fees and costs to Class Counsel, transmit the  
13 Class Representative Service Payments to the Plaintiffs, issue all required tax reporting forms,  
14 calculate withholdings and perform the other remaining duties set forth in the Agreement. The  
15 Administrator has documented \$ \_\_\_\_\_ in fees and expenses, and this amount is reasonable in  
16 light of the work performed by the Administrator.

17 **PAGA Penalties**

18 14. The Agreement provides for a PAGA Penalties out of the Gross Settlement  
19 Amount of \$244,275, which shall be allocated \$183,206.25 to the Labor & Workforce  
20 Development Agency (“LWDA”) as the LWDA’s 75% share of the settlement of civil penalties  
21 paid under this Agreement pursuant to the PAGA and \$61,068.75 to the Aggrieved Employees as  
22 the Individual PAGA Payments pursuant to the PAGA. The Administrator will calculate each  
23 Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees’ 25% share of  
24 PAGA Penalties (\$61,068.75) by the total number of PAGA Pay Periods worked by all Aggrieved  
25 Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee’s  
26 PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes  
27 owed on their Individual PAGA Payment. “Aggrieved Employees” are all individuals who were  
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1 employed by Defendant in California and classified as a non-exempt employee at any time during  
2 the PAGA Period (July 1, 2020 through to the earlier of the date preliminary class settlement  
3 approval is entered or June 16, 2025). Pursuant to Labor Code section 2699, subdivision (s), the  
4 LWDA was provided notice of the Agreement and these settlement terms and has not indicated  
5 any objection thereto. The Court finds the PAGA Penalties to be reasonable.

6 **II.**

7 **ORDERS**

8 Based on the foregoing findings, and good cause appearing, IT IS HEREBY ORDERED:

9 15. The Class is certified for the purposes of settlement only. The Class is defined as  
10 follows:

11 All individuals who were employed by Defendant in California and are members of  
12 the Meal Period Class, Regular Rate Commissions Class, Regular Rate Bonus  
Class, and/or Reimbursement Class at any time during the Class Periods.

13 The “Meal Period Class” means all individuals who are or previously were employed by  
14 Defendant in California and classified as nonexempt employees during the Meal Period Class  
15 Period (September 3, 2017 to the earlier of the date preliminary class settlement approval is  
16 entered or June 16, 2025) for whom Defendant’s time records reflect a meal period after the end of  
17 the fifth hour worked. The “Regular Rate Commissions Class” means all individuals who are or  
18 previously were employed by Defendant in California and classified as non-exempt employees  
19 during the Regular Rate Class Period (September 3, 2017 to the earlier of the date preliminary  
20 class settlement approval is entered or June 16, 2025) who received commission compensation.

21 The “Regular Rate Bonus Class” means all individuals who are or previously were employed by  
22 Defendant in California and classified as non-exempt employees during the Regular Rate Class  
23 Period (September 3, 2017 to the earlier of the date preliminary class settlement approval is  
24 entered or June 16, 2025) who received end-of-year bonus compensation. The “Reimbursement  
25 Class” means all individuals who are or previously were employed by Defendant in California and  
26 classified as non-exempt employees during the Reimbursement Class Period (March 15, 2020  
27 through July 6, 2021) who received a \$500 payment from Defendant as announced in August  
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1 2020.

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3 16. All persons who meet the foregoing definition are members of the Class, except for  
4 those individuals who filed a valid request for exclusion (“opt out”) from the Class. [Identify the  
5 names of any opt outs.]

6 17. The Agreement is hereby finally approved as fair, reasonable, adequate, and in the  
7 best interest of the Class. Defendant will pay to the Administrator the Gross Settlement Amount  
8 and all employer-side payroll taxes due within fourteen (14) of the Effective Date.

9 18. Class Counsel are awarded attorneys’ fees in the amount of \$\_\_\_\_\_ and  
10 costs in the amount of \$\_\_\_\_\_, payable from the Gross Settlement Amount. Class Counsel  
11 shall not seek or obtain any other compensation or reimbursement from Defendant, Plaintiffs or  
12 members of the Class.

13 19. The payment of a Class Representative Service Payments from the Gross  
14 Settlement Amount in the amount of \$\_\_\_\_\_ each to the Plaintiffs is approved.

15 20. The payment of \$\_\_\_\_\_ to the Administrator for its fees and expenses  
16 from the Gross Settlement Amount is approved.

17 21. The PAGA Penalties amount of \$275,244 is approved and is to be distributed from  
18 the Gross Settlement Amount and allocated in accordance with the Agreement.

19 22. Pursuant to Labor Code section 2699, subdivision (s), Class Counsel shall submit a  
20 copy of this Final Approval Order and Judgment to the LWDA within 10 days after its entry.

21 23. Neither the Agreement nor this Settlement is an admission by Defendant, nor is this  
22 Final Approval Order and Judgment a finding, of the validity of any claims in the Action or of any  
23 wrongdoing by Defendant or that this Action is appropriate for class or representative treatment  
24 (other than for settlement purposes). Neither this Final Approval Order and Judgment, the  
25 Agreement, nor any document referred to herein, nor any action taken to carry out the Agreement  
26 is, may be construed as, or may be used as an admission by or against Defendant of any fault,  
27 wrongdoing or liability whatsoever. The entering into or carrying out of the Agreement, and any  
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1 negotiations or proceedings related thereto, shall not in any event be construed as, or deemed to be  
2 evidence of, an admission or concession with regard to the denials or defenses by Defendant.  
3 Notwithstanding these restrictions, Defendant may file in the Action or in any other proceeding  
4 this Final Approval Order and Judgment, the Agreement, or any other papers and records on file in  
5 the Action as evidence of the Settlement to support a defense of *res judicata*, collateral estoppel,  
6 release, or other theory of claim or issue preclusion or similar defense as to the Released Class  
7 Claims and/or Released PAGA Claims.

8         24. Notice of entry of this Final Approval Order and Judgment shall be given to all  
9 Parties by Class Counsel on behalf of Plaintiffs and all Class Members. The Final Approval Order  
10 and Judgment shall be posted on the Administrator’s settlement website as set forth in the Class  
11 Notice to the Class. It shall not be necessary to send notice of entry of this Final Approval Order  
12 and Judgment to individual Class Members.

13         25. If the Agreement does not become final and effective in accordance with the terms  
14 of the Agreement, then this Final Approval Order and Judgment, and all orders entered in  
15 connection herewith, shall be rendered null and void and shall be vacated, and the Parties shall  
16 revert to their respective positions as of before entering into the Agreement, and expressly reserve  
17 their respective rights regarding the prosecution and defense of this Action, including all available  
18 defenses and affirmative defenses, and arguments that any claim in the Action could not be  
19 certified as a class action and/or managed as a representative action.

20 **IT IS HEREBY ORDERED, ADJUDICATED AND DECREED THAT:**

21         26. Except as set forth in the Agreement and this Final Approval Order and Judgment,  
22 Plaintiffs, and all members of the Class, shall take nothing in the Action.

23         27. All Parties shall bear their own attorneys’ fees and costs, except as otherwise  
24 provided in the Agreement and in this Final Approval Order and Judgment.

25         28. Effective on the date when Defendant fully funds the entire Gross Settlement  
26 Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class  
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1 Payments, Plaintiffs, Participating Class Members, Aggrieved Employees and the LWDA will  
2 release claims against all Released Parties as follows:

3 (a) All Participating Class Members, on behalf of themselves and their  
4 respective former and present representatives, agents, attorneys, heirs, administrators, successors,  
5 and assigns, release Released Parties from the Released Class Claims, as follows: (i) The Meal  
6 Period Class Members release all claims arising from or reasonably related to the provision of  
7 meal periods, and including claims for reasonably related penalties, that were alleged, or  
8 reasonably could have been alleged, based on the facts stated in the Operative Complaint which  
9 occurred during the Meal Period Class Period during employment in a non-exempt position; (ii)  
10 The Regular Rate Commission Class Members and Regular Rate Bonus Class Members release all  
11 claims arising from or reasonably related to regular rate of pay calculations—including those  
12 reasonably related to commissions and bonus payments, and including any claims for reasonably  
13 related penalties—that were alleged, or reasonably could have been alleged, based on the facts  
14 stated in the Operative Complaint which occurred during the Regular Rate Class Period during  
15 employment in a non-exempt position; and, (iii) The Reimbursement Class Members release all  
16 claims arising from or reasonably related to expense reimbursements or non-reimbursements—  
17 including those reasonably related to cell phone, home office, and work-from-home-expenses, and  
18 including any claims for reasonably related penalties—that were alleged, or reasonably could have  
19 been alleged, based on the facts stated in the Operative Complaint which occurred during the  
20 Reimbursement Class Period during employment in a non-exempt position. Participating Class  
21 Members do not release any other claims, including claims for vested benefits, wrongful  
22 termination, violation of the Fair Employment and Housing Act, unemployment insurance,  
23 disability, social security, workers' compensation, or claims based on facts occurring outside the  
24 Class Period.

25 (b) All Aggrieved Employees and the LWDA are deemed to release, on behalf  
26 of themselves and their respective former and present representatives, agents, attorneys, heirs,  
27 administrators, successors, and assigns, the Released Parties from the Released PAGA Claims.

1 The “Released PAGA Claims” are all claims for PAGA penalties that were alleged, or reasonably  
2 could have been alleged, based on the facts stated in the Operative Complaint and the PAGA  
3 Notice, which occurred during the PAGA Period. The Released PAGA Claims do not include  
4 other PAGA claims, underlying wage and hour claims, claims for wrongful termination,  
5 discrimination, unemployment insurance, disability and worker’s compensation, and claims  
6 outside of the PAGA Period.

7 (c) Plaintiffs and their respective former and present spouses, representatives,  
8 agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge  
9 Released Parties from the Plaintiffs’ Release, as set forth fully in the Agreement.

10 29. For any Class Member or Aggrieved Employee whose Individual Class Payment  
11 check or Individual PAGA Payment check is uncashed and cancelled after the void date, the  
12 Administrator shall transmit the funds represented by such checks to the Cy Pres Recipient,  
13 [REDACTED], in accordance with the requirements of California Code of Civil Procedure  
14 Section 384, subd. (b).

15 30. The Court hereby enters judgment in the entire Action as of the filing date of this  
16 Order and Judgment, pursuant to the terms set forth in the Settlement. Without affecting the  
17 finality of this Order and Judgment in any way, the Court hereby retains continuing jurisdiction  
18 over the interpretation, implementation, and enforcement of the Settlement and all orders entered  
19 in connection therewith pursuant to California Code of Civil Procedure section 664.6.

20 **LET JUDGMENT BE FORTHWITH ENTERED ACCORDINGLY. IT IS SO ORDERED.**

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

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HON. MARK BORRELL  
JUDGE OF THE SUPERIOR COURT OF CALIFORNIA

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