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RELIABLE ENERGY MANAGEMENT, INC.

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

DONALD DUFFIE, individually and on
behalf of all others similarly situated non-
exempt former and current employees,

Plaintiff,

v.

RELIABLE ENERGY MANAGEMENT,
INC., a California corporation; and DOES
1 through 100, inclusive,

Defendant.

CASE NO.: 23STCV28325

Assigned to HON. LAWRENCE P. RIFF
Dept. 7

**AMENDED JOINT STIPULATION OF
CLASS ACTION AND PAGA
SETTLEMENT**

Complaint Filed: November 17, 2023
Trial Date: None Set

This Amended Joint Stipulation of Class Action and Private Attorney General Act (“PAGA”) Settlement and Release of Claims (“the Stipulation”) is made and entered into by and between Plaintiff DONALD DUFFIE (“Plaintiff” or “Class Representative”), individually and on behalf of all others similarly situated non-exempt former and current employees, on the one hand, and Defendant RELIABLE ENERGY MANAGEMENT, INC., a California corporation (“Defendant”), on the other. Plaintiff and Defendant are collectively referred to herein as the “Parties” or individually as “Party.”

RECITALS

A. On November 17, 2023, Plaintiff filed a class action complaint in the Superior Court of California, County of Los Angeles, alleging eight causes of action for: (1) Failure to

1 Provide Required Meal Periods; (2) Failure to Provide Required Rest Periods; (3) Failure to Pay
2 Overtime Wages; (4) Failure to Timely Pay Wages During Employment; (5) Failure to Pay All
3 Wages Due to Discharged and Quitting Employees; (6) Failure to Maintain Required Records;
4 (7) Failure to Furnish Accurate Itemized Statements; and (8) Unfair and Unlawful Business
5 Practices.

6 B. On November 22, 2023, Plaintiff filed a Private Attorney General Act (“PAGA”) Notice with the California Labor Workforce Development Agency (“LWDA”), LWDA-CM-
7 995860-23, Submission Name AP-4916366.
8

9 C. On March 14, 2024, Plaintiff filed an Amended Complaint against Defendant,
10 adding a cause of action for Penalties under California Labor Code Section 2698 *et seq.*
11 (“PAGA”).

12 D. Defendant denies all of Plaintiff’s material allegations. Specifically, Defendant
13 denies that Plaintiff and all others similarly situated non-exempt former and current employees
14 are entitled to additional wages. Defendant claims that Plaintiff and all others similarly situated
15 non-exempt former and current employees were paid all wages earned and owed and did not
16 otherwise engage in unfair competition practices.

17 E. On April 17, 2024, the Parties participated in a mediation before mediator Kim
18 Deck, Esq. and reached a resolution during the mediation, subject to the Court’s approval, on a
19 class-wide basis. Each party, represented by its respective counsel and recognizing the risk of
20 an adverse result in the Action, agreed to the settlement and all other matters covered by the
21 Stipulation.

22 F. Based on their own thorough, independent investigation and evaluation of the
23 Action, Class Counsel is of the opinion that the settlement with Defendant for the consideration
24 and on the terms set forth in the Stipulation is fair, reasonable, adequate, and in the best interest
25 of the Settlement Class in light of all known facts and circumstances, including the risk of
26 significant costs and delay, the defenses asserted by Defendant, the risks of an adverse
27 determinations on the merits, and numerous potential appellate issues. Although Defendant
28 contend that they do not have any liability in this case, Defense Counsel shares Class Counsel’s

1 belief that the Stipulation represents a fair and adequate settlement, given the respective risks
2 associated with the Action.

3 G. The Stipulation represents a compromise and settlement of highly disputed
4 claims. Nothing in the Stipulation is intended to be, or will be, construed as an admission by
5 Defendant that Plaintiff's claims in the Action have merit, that Defendant has any liability to
6 Plaintiff or the Settlement Class on those claims, or as an admission by Plaintiff that Defendant's
7 defenses raised in the Action have merit. The Stipulation is intended to fully, finally, and forever
8 compromise, release, resolve, discharge, and settle the released claims subject to the terms and
9 conditions set forth in the Stipulation.

10 H. The Stipulation, and all associated exhibits and attachments, are made for the sole
11 purpose of settling the Action. Because the Action was pled as a Class Action, the Stipulation
12 must receive preliminary and final approval by the Court. Accordingly, the Parties enter into the
13 Stipulation on a conditional basis. If the Court does not enter the Order of Final Approval, the
14 proposed judgment does not become a Final Judgment for any reason, and/or the Effective Date
15 does not occur, the Parties agree to work together to address the Court's concerns and, if
16 necessary, attend some form of dispute resolution in an effort to reach an acceptable settlement.
17 Otherwise, the Stipulation shall be deemed null, it shall be of no force or effect whatsoever, it
18 shall not be referred to or utilized for any purpose whatsoever, and the negotiations, terms and
19 entry of the Stipulation shall remain subject to the provisions of California Evidence Code
20 sections 1119 and 1152, and any other analogous rules of evidence that are applicable. Defendant
21 has agreed to resolve the Action via the Stipulation, but to the extent the Stipulation is deemed
22 void or the Effective Date does not occur, Defendant does not waive, but rather expressly
23 reserves, all rights to challenge all such claims and allegations in the Action upon all procedural,
24 meritorious, and factual grounds, as well as asserting any and all other privileges and potential
25 defenses.

26 **AGREEMENT**

27 Subject to the approval of the Court, the Parties agree as follows:

28 **1. "Action"** shall mean the instant civil action that Plaintiff commenced on

November 17, 2023, against Defendant in the Superior Court of California, County of Los Angeles, Case No. 23STCV28325, captioned *DONALD DUFFIE v. RELIABLE ENERGY MANAGEMENT, INC.*

2. “Aggrieved Employee” means a person directly employed by Defendant in California and classified as a non-exempt employee who worked during the PAGA Period.

3. “Court” shall mean the Superior Court of California, County of Los Angeles.

4. “Settlement” shall mean the disposition of the Action and all related claims effectuated by the Stipulation.

5. “Class Period” shall mean the period of time from November 17, 2019 to February 1, 2021.

6. “PAGA Class Period” or “PAGA Period” means the period from September 13, 2022 through the date of Preliminary Approval of the Settlement.

7. “Settlement Class” shall mean all current and former non-exempt employees of Defendant in the State of California during the Class Period. The persons in the Settlement Class who do not opt out of any class settlement may also be referred to herein collectively as “**Class Members**” and individually as a “**Class Member.**”

8. “Participating Class Members” shall mean Class Members or members of the Settlement Class who do not timely and validly request exclusion from the Settlement.

9. “Individual Settlement Payment” shall mean the payment Participating Class Members are entitled to receive based on the number of pay periods that Participating Class Members worked during the Class Period. Participating Class Members’ Individual Class Payments were calculated by (a) dividing the Net Settlement Fund by the total number of pay periods by Class Members during the Class Period and (b) multiplying the result by each Participating Class Member’s individual number of pay periods during the Class Period.

10. “Individual PAGA Payment” shall mean the payment Aggrieved Employees are entitled to receive based on the number of pay periods worked for Defendant during the PAGA Period. Payment to Aggrieved Employees is calculated by dividing \$10,000.00 (the amount allocated to the settlement of claims under PAGA) by the total number of pay periods worked by

1 the Aggrieved Employees during the PAGA Period and multiplied by the number each Aggrieved
2 Employee worked during the PAGA Period.

3 **11. “Class Counsel”** shall mean the attorneys of record for Plaintiff in the Action,
4 Brandon Sweeney of The Sweeney Law Firm, APC and Eashoo Law, P.C., James M. Eashoo
5 and Rochelle E. Rodriguez. The Sweeney Law Firm, APC and Eashoo Law, P.C. have a joint
6 prosecution agreement which includes a fee splitting agreement.

7 **12. “Defense Counsel,”** shall mean the attorneys of record for Defendant in the
8 Action, Linda Guthmann Krieger of Ellenoff Grossman & Schole LLP.

9 **13. “Claims Administrator”** shall mean APEX Class Actions, which shall be
10 responsible for the administration of the Settlement and distribution of the Gross Fund Value, as
11 defined below, and all related matters.

12 **14. “Preliminary Approval of the Settlement”** shall mean the Court’s preliminary
13 approval of the Settlement without material change.

14 **15. “Final Approval Hearing”** shall mean the hearing the Court conducts to
15 determine whether to approve finally and implement the terms of the Stipulation.

16 **16. “Judgment”** shall mean the Order of Final Judgment that the Parties anticipate
17 the Court will enter following a Final Approval Hearing on the Settlement in the Action.

18 **17. “Effective Date”** shall mean the date by which the Court approves the Agreement
19 by entry of Judgment and the Judgment becomes final. The Judgment shall become final when
20 the later of the following events occurs: (a) the period for filing any appeal, writ, or other
21 appellate proceeding opposing the Settlement has elapsed without any appeal, writ, or other
22 appellate proceeding having been filed; (b) any appeal, writ, or other appellate proceeding
23 opposing the Settlement has been dismissed, finally and conclusively, with no right by any
24 appellant or objector to pursue further remedies or relief; or (c) any appeal, writ, or other appellate
25 proceeding has upheld the Judgment with no right by any appellant or objector to pursue further
26 remedies or relief. In this regard, it is the Parties’ intention that the Settlement shall not become
27 effective until the Court’s Judgment granting final approval of the Settlement is completely final,
28 and no further recourse exists by an appellant or objector who seeks to contest the Settlement.

1 **18. “Gross Fund Value” or “GFV”** shall mean the maximum amount of Two
2 Hundred Thousand Dollars and Zero Cents (\$200,000.00) that Defendant agrees to pay in
3 consideration for the Settlement and release of claims based on Defendant’s representation that
4 the number of workweeks the Class Members were employed by Defendant during the period
5 between November 17, 2019 to February 1, 2021 does not exceed 11,712 workweeks. The
6 number of workweeks is calculated based on the number of Class Members employed by
7 Defendant during the period between November 17, 2019 to February 1, 2021 multiplied by the
8 number of weeks they worked during this time period. In the event that the number of workweeks
9 the Class Members were employed by Defendant during the period between November 17, 2019
10 to February 1, 2021 increases by more than 10%, as determined by the Settlement Share
11 Worksheet provided by the Settlement Administrator, then the GFV shall be increased by 10%.
12 The GFV is the maximum total amount that Defendant may be required to pay for all Class
13 Members’ claims that are alleged, or that could have been alleged, in the Action arising from the
14 allegations made therein, and also including reimbursement and enhancement to the Class
15 Representative, all Court-approved attorneys’ fees for Class Counsel, all costs and expenses
16 incurred or advanced by Class Counsel related to the Action, and the Claims Administrators’ fees
17 and costs. In no event shall Defendant be required to pay more than the GFV, except that the
18 employer’s share of payroll taxes as required by law shall be exclusive of the GFV.

19 **19. “Net Settlement Number” or “NSN”** shall mean the GFV payable by Defendant
20 pursuant to the Stipulation, less the following sums deducted from the GFV as set forth below:

- 21 a. Class Counsel Fees Payment. Class Counsel shall apply to the Court for
22 an award of reasonable attorneys’ fees and costs, not to exceed 33% of the
23 GFV in attorneys’ fees and Twelve Thousand Five Hundred Dollars
24 (\$12,500.00) in costs. Class Counsel, The Sweeney Law Firm and Eashoo
25 Law, have a fee splitting agreement that is compliant with the Rules of
26 Professional Conduct, Rule 1.5.1 and Cal. Rules of Court, Rule 3.769. The
27 Claims Administrator shall pay the amount approved by the Court from
28 the GFV. Withholdings and deductions shall not be taken from the Class

1 Counsel Fees Payment and one or more IRS Form(s) 1099 shall be issued
2 to Class Counsel (The Sweeney Law Firm) with respect to that payment.
3 Any fees not awarded shall remain part of the GFV for inclusion in the
4 NSN.

5 b. Class Representative Payment. Plaintiff shall apply to the Court for an
6 award of not more than Five Thousand Dollars and Zero Cents (\$5,000.00)
7 as his Class Representative Payment, made in his capacity as Class
8 Representative to compensate him for initiating the Action, performing
9 work in support of the Action, and undertaking the risk of liability for
10 attorneys' fees and expenses in the event he was unsuccessful in the
11 prosecution of the Action. Defendant shall not oppose a Class
12 Representative Payment of not more than Five Thousand Dollars and Zero
13 Cents (\$5,000.00). The Claims Administrator shall pay the Class
14 Representative Payment approved by the Court from the GFV. Payroll
15 taxes, withholdings, and deductions shall not be taken from the Class
16 Representative Payment, and instead an IRS Form 1099 shall be issued to
17 Plaintiff with respect to that payment. Plaintiff agrees to assume all
18 responsibility and liability for the payment of taxes due on the Class
19 Representative Payment. Any portion of the Class Representative
20 Payment not awarded shall remain part of the GFV for inclusion in the
21 NSN.

22 c. Payment to Claims Administrator. The Claims Administrator shall be paid
23 from the GFV a maximum amount of no more than Five Thousand Nine
24 Hundred Ninety Dollars and Zero Cents (\$5,990.00) pursuant to approval
25 by the Court. Any expense not approved or incurred shall remain part of
26 the GFV for inclusion in the NSN.

27 **20. Allocation of NSN and Calculation of Settlement Shares.** Subject to the terms
28 and conditions of the Stipulation, the Claims Administrator shall calculate a settlement share

1 from the NSN for each Class Member (the “Settlement Share”). The Settlement Share for each
2 Class Member shall be calculated as follows, understanding that the formula below does not
3 constitute an admission by Defendant, and is intended only to provide a practical means to
4 simplify and administer the claims process:

- 5 a. Settlement Ratio Calculation. The Settlement Share for the Class Members shall
6 be allocated based on the number of workweeks that the Class Member was
7 employed by Defendant from November 17, 2019 to February 1, 2021.

8 **21. Settlement Share Worksheet.** Upon calculation of the Class Members’
9 Settlement Share, the Claims Administrator shall furnish to Class Counsel and Defense Counsel
10 a worksheet containing a list of the names of the Class Members with their corresponding
11 individual workweeks and Settlement Shares.

12 **22. Taxes and Withholdings.** Each Settlement Share is intended, in part, to settle
13 the Class Members’ claims for unpaid wages. Each Class Member shall be individually
14 responsible for the employee’s share of applicable payroll tax withholdings and deductions. 80%
15 of each Settlement Share shall be allocated to penalties and interest, not subject to withholdings
16 and deductions, and the Claims Administrator shall issue an IRS Form 1099 to each Class
17 Member. The remaining 20% of each Settlement Share shall be allocated to wages, shall be
18 reduced by applicable payroll tax withholdings and deductions, and the Claims Administrator
19 shall issue an IRS Form W-2 to each Class Member. The employer’s share of any payroll tax
20 attributable to the Settlement Share payments shall be exclusive of the GFV.

21 **23. Release of Claims by Plaintiff and Class Members.**

22 (A) Upon Defendant having deposited the Gross Fund Value (“GFV”) in the
23 Settlement Account, Aggrieved Employees will be deemed to have, and by operation of the
24 Judgment will have fully, finally and forever released, relinquished and discharged Defendant,
25 as well as their current and former agents, officers, employees, directors, owners, subsidiaries,
26 affiliates, parent companies, insurers, attorneys and other related parties, (“Released Parties”)
27 from any and all penalties from the released claims.

28 (B) Upon Defendant having deposited the GFV in the Settlement Account and the

1 Effective Date, as defined in Paragraph 17, each of the Class Members will be deemed to have,
2 and by operation of the Judgment will have fully, finally, and forever released, relinquished and
3 discharged Defendant and the Released Parties from any and all Released Claims. “Released
4 Claims” by the Class Members includes, but are not limited to, all claims alleged in the Action
5 or which could have been alleged based on the facts alleged in the Action, and which arose during
6 the Class Period. Without limiting the foregoing, Released Claims shall include any and all
7 claims or causes of action regarding unpaid wages, including but not limited to failure to pay
8 minimum wages, straight time wages, overtime compensation, double-time compensation, and
9 interest; failure to timely pay regular and final wages; failure to provide compliant meal, rest,
10 and/or recovery periods; failure to pay premiums at all or at the correct rate for any violation of
11 meal, rest, and/or recovery period obligations; invalid meal period waivers or on-duty meal
12 period agreements; payment for all hours worked; wage statements and paystubs, including wage
13 statements and paystubs furnished or available in physical, electronic, or other forms; failure to
14 keep accurate records; unfair business practices related thereto; and any and all related penalties,
15 including recordkeeping penalties, wage statement penalties, minimum wage penalties, waiting
16 time penalties, and other statutory or civil penalties associated with any of the foregoing. Further,
17 such Released Claims shall include but are not limited to those claims arising under California
18 Labor Code sections 201, 202, 203, 204, 204b, 206, 207, 208, 210, 218.5, 218.6, 221, 222, 223,
19 225.5, 226, 226.3, 226.7, 246, subd. (i), 248.5, 256, 510, 512, 558.1, 1174, 1174.5, 1194, 1194.2,
20 1197, 1197.1, 1198, 1199 and/or those arising under the applicable Industrial Welfare
21 Commission Wage Order(s) (including but not limited to subsections 3, 4, 5, 7, 8, 9, 10, 11, 12,
22 18, and 20 of the applicable Wage Order(s), such as IWC Wage Order 5-2001 [including the
23 provisions of the California Code of Regulations codifying the applicable Wage Order(s)]),
24 California Business Professions Code §17200 et seq. (including, without limitation, §§17200
25 through 17208); California Civil Code sections 3287 and 3289; California Code of Civil
26 Procedure section 1021.5; all claimed or unclaimed compensatory, consequential, incidental,
27 liquidated, punitive and exemplary damages, penalties, restitution, interest, costs and attorneys’
28 fees, injunctive or equitable relief, and any other remedies available at law or equity, and other

1 amounts recoverable under California law. Class Members who endorse their settlement checks
2 waive and release any claims under the Fair Labor Standards Act, 29 U.S.C. § 201 et seq.
3 (“FLSA”) arising during the Class Period and reasonably related to any or all of the factual
4 allegations. Released Claims will not be deemed fully enforceable as to absent class members
5 until after the Settlement has been fully funded by Defendant.

6 **24. Waiver of Known and Unknown Claims.** Plaintiff waives all rights and benefits
7 afforded by California Civil Code, section 1542, and does so understanding the significance of
8 that waiver, which states:

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

13 **25. Class Counsel.** As of the date the Judgment becomes final, and except as
14 otherwise provided by the Stipulation and awarded by the Court, Class Counsel and any counsel
15 associated with Class Counsel waive any claim to attorneys’ fees, costs, and expenses against
16 Defendant or the releasees arising from or related to the Action, including but not limited to
17 claims based on the California Labor Code, the California Civil Code, the California Code of
18 Civil Procedure, or any other statute or law (the “Class Counsel Released Claims”).

19 **26. Certification for Settlement Purposes.** Solely for the purposes of effectuating
20 this Settlement, and subject to Court approval, the Parties hereby stipulate to the conditional
21 certification of the Settlement Class, to include: all current and former non-exempt employees of
22 Defendant in the State of California during the Class Period. The Parties agree that if, for any
23 reason, the Settlement is not preliminarily and finally approved, the conditional certification of
24 the Settlement Class shall be of no force or effect, shall not constitute an admission by Defendant
25 that class certification is proper, shall not be deemed admissible in this or any other proceeding,
26 and shall require the Parties to litigate the issue of class certification.

27 **27. Motion for Preliminary Approval of Settlement by the Court.** Class Counsel
28 shall move the Court for an order granting preliminary approval of the settlement (the “Motion

1 for Preliminary Approval”), setting a date for the Final Approval Hearing, and approving the
2 Class Notice (the “Class Notice”). At the hearing on the Motion for Preliminary Approval, Class
3 Counsel shall submit an Order Granting Preliminary Approval of Settlement, Approval of Notice
4 to Class, and Setting Hearing for Final Approval of Settlement. Should the Court decline to
5 approve the Settlement in its entirety, the Settlement shall be null and void, and the Parties shall
6 not have any further obligations under it.

7 **28. Duties of the Claims Administrator.** The Parties have agreed to the appointment
8 of APEX Class Action Administrators (the “Claims Administrator”) or such other independent
9 administrator as the Court might appoint to mail the Notice and Employment Information Sheet,
10 to independently review and verify documentation associated with any submitted opt-out
11 requests, and to compute and pay the appropriate sums from the GFV. The Claims
12 Administrator’s actual fees and costs, which shall be paid out of the GFV, shall not be known
13 until all claims are administered, and could vary materially from the estimate, but in no event
14 exceed Five Thousand Nine Hundred Ninety-Nine Dollars and Zero Cents (\$5,990.00).

15 **29. List of Class Members.** Within twenty-one (21) days after the Court grants
16 Preliminary Approval of the Settlement, Defendant shall provide to the Claims Administrator:

- 17 a. An electronic database of all Class Members, along with their last known mailing
18 address, Social Security Numbers, and Defendant’s employee identification
19 number (“Class Members’ Data”).
- 20 b. Corresponding to each Class Member’s name, Defendant shall provide a figure
21 indicating, to the best of their knowledge and information currently available to
22 them, the total number of workweeks between November 17, 2019 and February
23 1, 2021 in which that Class Member performed any work for Defendant as an
24 hourly or non-exempt employee in California. That number of workweeks shall
25 be referred to as that Class Member’s “Individual Work Weeks.” If any of the
26 Class Members’ Data is unavailable to Defendant, Defendant shall so inform
27 Class Counsel, and the Parties shall make their best efforts to reconstruct or
28 otherwise agree upon the Class Members’ Data prior to when it must be submitted

1 to the Claims Administrator. Class Members' Data shall otherwise remain
2 confidential and shall not be disclosed to anyone, except as necessary to
3 applicable taxing authorities, or pursuant to Defendant' express written
4 authorization or by order of the Court.

5 **30. Notice to Class Members.** Upon receipt of the Class Members' Data, the Claim
6 Administrator shall run the same through the NCOA database to obtain current address
7 information. Within fifteen (15) days of its receipt of the Class Members' Data, the Claims
8 Administrator shall mail to each Class Member by First Class U.S. Mail notification of the
9 Settlement. The notice shall also include the Class Member's first and last name, last known
10 address, employee identification number, Class Member's Individual Work Weeks, and the
11 estimated amount of the Class Member's Settlement Share ("Class Member Settlement
12 Information"). The Claims Administrator shall also establish a settlement website which shall
13 explain the terms of the Stipulation and the Settlement and include the timing and manner in
14 which to request exclusion from the Settlement, to object to the Settlement, and to dispute the
15 information upon which their Settlement Share shall be calculated. It shall also inform the
16 Settlement Class of the date, place, and time of the Final Approval Hearing.

17 a. Mailing the Class Notice. Within fifteen (15) days after receiving the Class
18 Members' Data, or as soon thereafter as it can do so, the Claims Administrator
19 shall mail the notices by First Class U.S. Mail to all identified Class Members
20 using the mailing address Defendant provided, unless modified by any updated
21 address information that the Claims Administrator obtains in the course of
22 administration of the Settlement.

23 b. Returned Class Notice. If a notice is returned because of an incorrect address, the
24 Claims Administrator shall promptly, and not later than ten (10) days from receipt
25 of the returned notice, search for a more current address for the Class Member
26 and re-mail the notice. The Claims Administrator shall use the Class Members'
27 Data and otherwise work with Class Counsel and Defense Counsel to find a more
28 current address. The Claims Administrator shall be responsible for taking

reasonable steps, consistent with its agreed-upon job parameters, court orders, and fee, to trace the mailing address of any Class Member for whom a notice is returned as undeliverable. These reasonable steps shall include tracking all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing the information to Class Members for whom new addresses are found. If the notice is re-mailed, the Claims Administrator shall note for its own records and notify Class Counsel and Defense Counsel the date and address of each such re-mailing as part of a weekly status report provided to the Parties.

31. Request for Exclusion from Settlement. A Class Member may request to be excluded from the effect of the Stipulation, and any payment of amounts under the Stipulation, by timely mailing a letter to the Claims Administrator stating that the Class Member wants to be excluded from the Action. That letter must include the Class Member's name, address, telephone number, and signature. To be valid and timely, the request to be excluded must be postmarked by the date specified in the Class Notice, and no less than forty-five (45) days from the initial mailing of the Class Notice by the Claims Administrator. A Class Member who properly submits a valid and timely request to be excluded from the Settlement shall not receive any payment of any kind in connection with the Stipulation or the Action, shall not be bound by or receive any benefit of the Stipulation, and shall not have any standing to object to the Settlement. A request for exclusion must be mailed to the Claims Administrator, who shall transmit the request for exclusion to counsel for the Parties, as follows:

Claims Administrator:

APEX Class Action
18 Technology Drive, Suite 164
Irvine, California 92618
Telephone: 1-800-355-0700
Website: apexclassaction.com

Defense Counsel:

Linda Guthmann Krieger
Justin D. Lee
Ellenoff, Grossman & Schole, LLP
1345 Avenue of the Americas, 11th Floor
New York, New York 10105
Telephone: (562) 901-2500
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By submitting such a request for exclusion, a Class Member shall be deemed to have exercised his/her/their option to opt out of the Action, except that opting out does not alter the binding nature of the Settlement, release, final approval, or final Judgment.

32. Objections to Settlement. The Class Notice shall provide that any Class Member who does not request exclusion from the Action no later than forty-five (45) days after the Settlement Administrator mails the Class Notice, or an additional 14-days if the Class Notice is re-mailed, shall be deemed a Participating Class Member. Only Participating Class Members may object to the class action components of the Settlement, 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. Participating Class Members may send written objections to the Settlement Administrator, by fax, email, or mail. In the alternative, 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 45-days after the Settlement Administrator's mailing of the Class Notice (plus an additional 14-days for Class Members whose Class Notice was re-mailed). The written objection to the Settlement

1 must set forth the grounds for the objection, along with any other information required by the
2 Stipulation. The written objection must be mailed to the Claims Administrator, who shall
3 transmit the objections to counsel for the Parties. The written objection should also state the
4 objecting Class Member's full name, address, and basis for each specific objection. If the Court
5 rejects the Class Member's objection, the Class Member shall still be bound by the terms of the
6 Stipulation.

7 **33. Disputed Class Member Settlement Shares.** If a Class Member disputes
8 his/her/their Settlement Share, the Class Member may produce evidence in support of that dispute
9 to the Claims Administrator for the Class Period. For the dispute to be considered, he/she/they
10 must follow the directions on the Class Notice. To be valid and timely, all disputes and
11 supporting documents must be postmarked by the date specified in the Class Notice (no less than
12 forty-five (45) days from the initial mailing of the Class Notice by the Claims Administrator).
13 The Claims Administrator shall initially decide any disputes concerning administration of the
14 Settlement that the Parties do not resolve. If the Parties do not mutually accept the Claims
15 Administrator's decisions, the dissatisfied party may request that the Court make a final decision.
16 The Court's decision shall be final and binding on the Parties.

17 **34. Report.** Not later than fourteen (14) days after the deadline for submission of
18 requests for exclusion, the Claims Administrator shall provide the Parties with a complete and
19 accurate list of all Class Members who sent timely requests to be excluded from the Action and
20 all Class Members who objected to the Settlement.

21 **35. Declaration of Claims Administrator.** Not later than fourteen days (14) days
22 prior to the Final Approval Hearing, the Claims Administrator shall provide to the Parties for
23 filing with the Court a declaration of due diligence setting forth its compliance with its
24 obligations under the Stipulation. Prior to the Final Approval Hearing, the Claims Administrator
25 shall supplement its declaration of due diligence if any material changes occur from the date of
26 the filing of its prior declaration.

27 **36. No Solicitation of Objection; Right to Void.** Neither the Parties, nor their
28 respective counsel, shall directly or indirectly solicit or otherwise encourage any Class Members

1 to seek exclusion from the Settlement, object to the Settlement, or to appeal the Judgment. If ten
2 percent (10%) or more of the Class Members submit a valid request to be excluded from the
3 Settlement, then Defendant shall have the unilateral right to void this Settlement. Defendant may
4 do so by giving notice to Class Counsel and the Court of its election to void the Settlement not
5 later than fourteen (14) days before the Final Approval Hearing. No sums shall be payable by
6 Defendant if this Agreement is voided as provided for herein with the one exception that
7 Defendant agree to pay any fees owing to the Claims Administrator for services rendered in the
8 event Defendant exercises its right to void the Settlement.

9 **37. Additional Briefing and Final Approval.** Plaintiff and Class Counsel shall file
10 with the Court and serve on Defendant a Motion for Final Approval of the Settlement and
11 payment of the Claims Administrator's reasonable fees and expenses, along with a memorandum
12 in support of this motion (the "Motion for Final Approval"). Plaintiff and Class Counsel shall
13 also file with the Court and serve on Defendant a motion for awards of the Class Representative
14 Payment, and the Class Counsel Fees Payment, pursuant to the Settlement, with memoranda in
15 support of these motions.

16 **38. Right to Respond to Objections.** Before the Final Approval Hearing, the Parties
17 shall be entitled to file and serve a response to any Class Member's objection to the Settlement
18 and/or reply in support of the Motion for Final Approval to the extent any opposition is filed.
19 Likewise, Plaintiff and Class Counsel may file replies in support of their motions for the Class
20 Representative Payment, and the Class Counsel Fees Payment.

21 **39. Right to Void Settlement Agreement.** If the Court ultimately does not grant
22 final approval of the Settlement or grants final approval conditioned upon any material change
23 to the Settlement, then either party shall have the unilateral right to void the Settlement in its
24 entirety. If that occurs, the Parties shall not have any further obligations under the Settlement,
25 including any obligation by Defendant to pay the GFV, NSN, or any amounts that otherwise
26 would have been payable under the Stipulation, except that Defendant and Plaintiff shall jointly
27 and equally pay the Claims Administrator's reasonable fees and expenses incurred as of the date
28 that a party exercises the right to void the Settlement under this Section. Additionally, if the

1 number of workweeks increases by more than 10%, Defendant shall have the unilateral right to
2 void the Settlement in its entirety in lieu of paying the increased GFV.

3 **40. Final Judgment.** Upon the Court's final approval of the Settlement at or after
4 the Final Approval Hearing, the Parties shall present for the Court's approval and entry a
5 Proposed Final Order and Judgment. The Judgment shall permanently bar all Class Members
6 (other than those who have submitted timely and valid requests to be excluded from the Action
7 as provided in the Stipulation) from prosecuting any claims against Defendant within the scope
8 of the Releases contained in the Stipulation.

9 **41. Continuing Jurisdiction.** After entry of the Judgment, the Court shall have
10 continuing jurisdiction over the Action and the Settlement solely for the following purposes: (i)
11 enforcing the Stipulation, (ii) addressing claims administration matters, and (iii) addressing such
12 post-Judgment matters as may be appropriate under court rules or applicable law.

13 **42. Waiver of Right to Appeal.** Provided that the Judgment is consistent with the
14 terms and conditions of the Stipulation, Plaintiff, Class Members who did not submit a valid and
15 timely objection to the Settlement, Defendant, and their respective counsel hereby waive, except
16 as provided for in the Stipulation or prohibited by law, any and all rights to appeal from the
17 Judgment, including all rights to any post-judgment proceeding and appellate proceeding, such
18 as a motion to vacate judgment, a motion for new trial, any extraordinary writ, and any appeal,
19 and therefore, the Judgment shall become non-appealable at the time it is entered. The waiver of
20 appeal does not include any waiver of the right to oppose any appeal, appellate proceedings, or
21 post-judgment proceedings. If an appeal is taken from the Judgment, the time for consummation
22 of the Settlement (including making any payments under the Settlement) shall be suspended until
23 the appeal is fully and finally resolved and the Judgment, consistent with the terms of the
24 Stipulation, becomes final.

25 **43. Vacating, Reversal, or Material Modification of Judgment on Appeal or**
26 **Review.** If, after a notice of appeal, a petition for review, a petition for certiorari, or any other
27 motion, petition, writ, application, or appeal, the reviewing Court vacates, reverses, or modifies
28 the Judgment such that there is a material modification to the Settlement, and that Court's

1 decision is not completely reversed and the Judgment is not fully affirmed on review by a higher
2 Court, then either Plaintiff or Defendant shall have the unilateral right to void the Settlement,
3 which the party must do by giving written notice to the other Parties, the reviewing Court, and
4 the Court, not later than fourteen (14) days after the reviewing Court's decision vacating,
5 reversing, or materially modifying the Judgment becomes final. The party exercising its right to
6 unilaterally void the Settlement pursuant to this provision agrees to pay any fees owing to the
7 Claims Administrator for services rendered. An order vacating, reversing, or modifying the
8 Court's award of the Class Representative Payment, and/or Class Counsel Fees Payment shall
9 not constitute a vacation, reversal, or material modification of the Judgment within the meaning
10 of this Section, and shall not render the Settlement voidable.

11 **44. Deposit of the Maximum Settlement Number by Defendant.** No later than
12 Thirty (30) Days after the Order granting Preliminary Approval has been signed, Defendant shall
13 deposit with the Claims Administrator the amount of Two Hundred Thousand Dollars and Zero
14 Cents (\$200,000.00) as the Gross Fund Value to resolve the Action on a class-wide basis. The
15 Claims Administrator shall establish a Settlement Account for the purpose of administering the
16 funds described in the Stipulation (the "Settlement Account"). No releases contained in
17 Paragraph 23 shall take effect until after the settlement is fully funded.

18 **45. Distribution of Funds to the Settlement Class.** No later than five (5) business
19 days after receipt of the GFV, the Settlement Administrator shall pay Class Member payment,
20 less applicable taxes and withholds, by mailing payments via first-class mail to those Settlement
21 Class Members who did not opt-out of the Class.

22 **46. Uncashed Settlement Share Checks.** Any checks the Claims Administrator
23 issues to Class Members who do not timely and validly opt out shall be negotiable for One
24 Hundred and Eighty (180) calendar days. Thereafter, checks for such payments shall be canceled
25 and funds associated with such checks shall be considered unpaid, unclaimed, or abandoned cash
26 residue pursuant to Code of Civil Procedure section 384 ("Unpaid Residue"). The Unpaid
27 Residue, if any, plus any interest that has accrued thereon, as provided in California Code of
28 Civil Procedure section 384, shall be transmitted to: HoldYou Foundation, Inc., 13440 Ventura

1 Blvd., Suite 108, Sherman Oaks, California 91423 for use in any county in need, or to another *cy*
2 *pres* recipient agreed to by the Parties at the time the long form settlement agreement is executed.
3 The Settlement Administrator shall prepare a report regarding the distribution plan pursuant to
4 Code of Civil Procedure section 384 and the report shall be presented to the Court by Class
5 Counsel along with a proposed amended judgment that is consistent with the provisions of Code
6 of Civil Procedure section 384. The Parties, Class Counsel and Defense Counsel represent that
7 they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.

8 **47. Final Report by Claims Administrator to Court.** Within ten (10) days after
9 final disbursement of all funds from the Settlement Account, the Claims Administrator shall
10 serve on the Parties for filing with the Court a declaration providing a final summary report on
11 the disbursements of all funds from the Settlement Account.

12 **48. Non-Publicity Provision.** The Parties and their counsel agree that they shall not
13 issue any press releases, initiate any contact with the press, respond to any press inquiry, or have
14 any communication with the press about the fact, amount, or terms of the Settlement. In addition,
15 the Parties and their counsel agree that they shall not engage in any advertising or distribute any
16 marketing materials relating to the Settlement in any manner that identifies the Defendant,
17 including but not limited to any postings on any websites maintained by Class Counsel. Neither
18 Plaintiff nor Class Counsel shall discuss the terms or the fact of the Settlement with third parties
19 other than: (i) their spouses, (ii) their respective accountants or lawyers as necessary for tax
20 purposes, or (iii) other Class Members. Plaintiff and Class Counsel agree not to publish any of
21 the terms or conditions of the Settlement in any manner that identifies Defendant. However,
22 Class Counsel may identify the Settlement in other matters to demonstrate their adequacy as
23 counsel in such other matters.

24 **49. No Effect on Other Benefits.** The Settlement Shares shall not result in any
25 additional employee benefit payments (such as pension, ERISA, 401(k), vacation, or bonus) and
26 shall not have any effect on the eligibility for, or calculation of, any employee benefit. Plaintiff
27 and Class Members are deemed to have waived all such claims, whether known or unknown by
28 them, as part of their release of claims under the Stipulation.

1 **50. No Admission of Liability.** Defendant denies that it engaged in any unlawful
2 activity, failed to comply with the law in any respect, or has any liability to anyone under the
3 claims asserted in the Action. The Stipulation is entered into solely for the purpose of
4 compromising highly disputed claims. Nothing in the Stipulation is intended or shall be
5 construed as an admission of liability or wrongdoing by Defendant, or an admission by Plaintiff
6 that any of his claims were unmeritorious or any defense asserted by Defendant was meritorious.
7 The Settlement and the fact that Plaintiff and Defendant were willing to settle the Action shall
8 have no bearing on, and shall not be admissible in connection with, any litigation, other than
9 solely in connection with the Settlement.

10 **51. Improper Use of Settlement.** Whether or not the Settlement becomes final, the
11 Stipulation is a settlement document and shall be inadmissible in evidence, pursuant to California
12 Evidence Code, section 1152, and Federal Rule of Evidence 408(a). The preceding sentence
13 shall not apply to an action or proceeding to approve, interpret, or enforce the Stipulation.

14 **52. Integrated Agreement.** After the Parties and their counsel sign and deliver the
15 Stipulation, the Stipulation and its exhibits shall constitute the entire agreement between the
16 Parties relating to the Settlement, and it shall then be deemed that no oral representations,
17 warranties, covenants, or inducements have been made to any party concerning the Stipulation
18 or its exhibits other than the representations, warranties, covenants, and inducements expressly
19 stated in the Stipulation and its exhibits.

20 **53. Modification.** The Stipulation may not be changed, altered, or modified, except
21 in a writing signed by the Parties hereto and approved by the Court. The Stipulation may not be
22 discharged except by performance in accordance with its terms or by a writing signed by all of
23 the Parties hereto.

24 **54. Attorney Authorization.** Class Counsel and Defense Counsel warrant and
25 represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate
26 action required or permitted to be taken by such Parties pursuant to the Stipulation to effectuate
27 its terms, and to execute any other documents required to effectuate the terms of the Stipulation.
28 The Parties and their counsel shall cooperate with each other and use their best efforts towards

1 implementation of the Settlement. In the event the Parties are unable to reach an agreement on
2 the form or content of any document needed to implement the Stipulation, or on any supplemental
3 provisions that may become necessary to effectuate the terms of the Stipulation, the Parties shall
4 seek the assistance of the Court, and in all cases, all such documents, supplemental provisions,
5 and assistance of the Court shall be consistent with the Stipulation.

6 **55. Modification of Agreement.** The Stipulation, and all its parts, may be amended,
7 modified, changed, or waived only by an express written instrument signed by all Parties or their
8 successors-in-interest.

9 **56. Agreement Binding on Successors.** The Stipulation shall be binding upon, and
10 inure to the benefit of, the successors of each of the Parties.

11 **57. Applicable Law.** All terms and conditions of the Stipulation and its exhibits shall
12 be governed by and interpreted according to the laws of the State of California, without giving
13 effect to any conflict of law principles or choice of law principles.

14 **58. Cooperation in Drafting.** The Parties have cooperated in the drafting and
15 preparation of the Stipulation. The Stipulation shall not be construed against any party on the
16 basis that the party was the drafter or participated in the drafting.

17 **59. Fair Settlement.** The Parties and their respective counsel believe and warrant
18 that the Stipulation reflects a fair, reasonable, and adequate settlement of the Action and have
19 arrived at the Stipulation through arms-length negotiations, considering all relevant factors,
20 current and potential.

21 **60. Headings.** The descriptive heading of any Section of the Stipulation is inserted
22 for convenience of reference only and does not constitute a part of the Stipulation.

23 **61. Notice.** All notices, demands, or other communications given under the
24 Stipulation shall be in writing and deemed to have been duly given as of the third business day
25 after mailing by First Class U.S. Mail, addressed as follows:

26
27 **To Class Counsel:**

28 Brandon J. Sweeney

To Defense Counsel:

Linda Guthmann Krieger

THE SWEENEY LAW FIRM
22647 Ventura Blvd., Suite 603
Woodland Hills, California 91364
Telephone: (818) 415-4965
Facsimile: (213) 814-2550
E-Mail: bsweeney@thesweeneylawfirm.com

Justin D. Lee
Ellenoff, Grossman & Schole, LLP
249 E. Ocean Blvd., Suite 750
Long Beach, CA 90802
Telephone: (562) 901-2500
Facsimile: (562) 901-2522
E-Mail: LKrieger@egsllp.com;
jlee@egsllp.com

Rochelle E. Rodriguez
EASHOO LAW, P.C.
9454 Wilshire Blvd., Suite 600
Beverly Hills, California 90212
Telephone: (310) 300-3826
Facsimile: (310) 300-3829
E-Mail: Rochelle@eashoolaw.com

62. Execution in Counterparts. The Stipulation may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile signatures shall be presumptive evidence of execution of the original, which shall be produced on reasonable request. Any executed counterpart shall be admissible to prove the existence and contents of the Stipulation.

63. No Assignments. The Parties hereto represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights herein released and discharged.

64. Class Counsel Signatories. It is agreed that, because the members of the Settlement Class are so numerous, it is impossible or impractical to have each such Class Member execute the Stipulation. The Class Notice shall advise all Class Members of the binding nature of the release, and as such shall have the same force and effect as if the Stipulation were executed by each member of the Settlement Class.


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1 4/27/2025
2 Dated: April ____, 2025

DocuSigned by:

D3927DB74AFC417...

DONALD DUFFIE

3
4
5 Dated: April 29, 2025

RELIABLE ENERGY MANAGEMENT, INC.



By: _____
President

6
7
8
9
10 **APPROVED AS TO FORM AND CONTENT:**

11 Dated: April 29, 2025

ELLENOFF, GROSSMAN & SCHOLE LLP



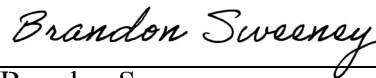
12
13
14 By: _____

Linda Guthmann Krieger
Attorneys for Defendant, RELIABLE ENERGY
MANAGEMENT, Inc.

15
16
17 Dated: April 26, 2025

THE SWEENEY LAW FIRM


18
19 By: _____


Brandon Sweeney
Attorney for Plaintiff, DONALD DUFFIE,
individually, and on behalf of all others similarly
situated non-exempt former and current employees

20
21
22 4/26/2025
23 Dated: April ____, 2025

EASHOO LAW, P.C.

24
25 By: _____

Signed by:

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Rochelle E. Rodriguez
Attorney for Plaintiff, DONALD DUFFIE,
individually, and on behalf of all others similarly
situated non-exempt former and current employees