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This Class Action Settlement Agreement ("Settlement" or "Agreement") is made by and between Plaintiff Ana Garcia ("Garcia" or "Plaintiff") and Defendant STG International, Inc. ("STG" or "Defendant") (Plaintiff and Defendant are collectively referred to herein as the "Parties") with regard to the lawsuit filed against Defendant in the above-captioned action (the "Civil Action").

### THE SETTLEMENT

- 1. Subject to the Court's approval pursuant to Rule 23 of the Federal Rules of Civil
  Procedure, as well as the resolution of any timely stated concerns of any state official who receives a
  notice under the Class Action Fairness Act of 2005 ("CAFA"), 28 U.S.C. § 1715, Plaintiff and
  Defendant have agreed to settle the Civil Action upon the terms and conditions and for the
  consideration set forth in this Agreement. This Agreement and the promises and obligations set
  forth herein are intended to effectuate a final resolution of the Civil Action in its entirety and without
  limitation. Upon final approval by the Court of this Settlement as set forth herein, judgment shall be
  entered and the matter shall be deemed concluded, subject to the Court's ongoing jurisdiction to
  ensure the Parties' compliance with the Agreement and the Court's orders with respect to the
  Agreement.
  - 2. A summary of the terms of the Agreement follows:
    - The Parties have agreed to resolve this case for a gross settlement amount of Two Million Four Hundred Forty-Three Thousand Dollars (\$2,443,000) referred to herein as the "Gross Settlement Amount," which shall include a "Settlement Credit" of \$193,471 for post-lawsuit funds paid by Defendants to certain California Class Members and FLSA Collective Members, and other STG employees. Therefore, the total out-of-pocket amount Defendant shall pay under this Agreement is Two Million Two Hundred Forty-Nine Thousand Five Hundred Twenty-Nine Dollars (\$2,249,529), except for the employer's share of any payroll taxes due on the settlement payments made pursuant to this Agreement, and subject to Section 64 of this Agreement.

- The Gross Settlement Amount shall be inclusive of (1) Settlement Payments to individual California Class Members and FLSA Collective Members, and any individual tax withholding due on any settlement payments,

  (2) attorneys' fees and expenses (including court costs) to be paid to Class Counsel, (3) any Class Representative Service Award, (4) settlement administration costs, and (5) payments made under the California Labor Code Private Attorneys General Act of 2004 ("PAGA"). No amount of the Gross Settlement Amount revert to Defendant's possession.
- The Agreement shall apply to the California Class Members, which is defined as all non-exempt employees who worked in U.S. Immigration and Customs Enforcement ("ICE") Detention Centers for Defendant in California during the California Class Period, which is defined as August 31, 2016 through October 16, 2021. Members of the California Class who do not submit valid and timely Requests for Exclusion from the Settlement shall be bound by this Settlement, and receive Settlement Payments in accordance with this Agreement.
- The Agreement shall also apply to the FLSA Collective Members, which is defined as all non-exempt employees who worked in ICE Detention Centers for Defendant in the United States of America, other than the State of California, during the FLSA Collective Period, which is defined as August 31, 2017 through October 16, 2021. Members of the FLSA Collective who opt in to the Settlement (by endorsing and negotiating their FLSA Settlement Check) shall be bound by this Settlement.
- The Settlement Administrator shall be Phoenix Settlement Administrators. From the Gross Settlement Amount, settlement administration fees in a reasonable amount shall be paid to the Settlement Administrator. Settlement administration fees are not to exceed Thirty-Five Thousand Dollars and No Cents (\$35,000.00). If the actual cost of settlement administration is less or

- more than the amount approved by the Court, those funds shall be added to or subtracted from the Net Settlement Amount.
- From the Gross Settlement Amount, the Class Representative may request from the Court a Service Award not to exceed Ten Thousand Dollars (\$10,000.00), which request Defendant shall not oppose.
- From the Gross Settlement Amount, Seventy-Five Thousand Dollars (\$75,000.00) shall be allocated to penalties under the California Labor Code Private Attorneys General Act of 2004, California Labor Code Sections 2698, et seq. ("PAGA"). Of the PAGA funds, Seventy-Five Percent (75%), i.e., \$56,250.00, shall be paid by the Settlement Administrator directly to the California Labor and Workforce Development Agency ("LWDA"). The remaining Twenty-Five Percent (25%), i.e., \$18,750.00 shall be distributed to the PAGA Members as part of their Settlement Payments. PAGA Members will receive a proportionate share of the \$18,750 based on the number of workweeks worked during the PAGA Period. PAGA Members are defined as California Class Members who worked during the PAGA Period, which is defined as August 10, 2019 through October 16, 2021. There are approximately 95 PAGA Members.
- Class Counsel may request attorneys' fees up to Thirty-Three Percent (33%) of the Gross Settlement Amount, as well as a reasonable recovery of litigation costs in an amount not to exceed Twenty-Five Thousand Dollars (\$25,000.00), both of which shall be deducted from the Gross Settlement Amount, and neither of which Defendant will oppose.
- There are approximately 1,415 persons covered in this Settlement, approximately 142 California Class Members and approximately 1,1273 FLSA Collective Members. The Settlement Payment for each California Class Member and FLSA Collective Member will be based on a ratio of total weeks worked by the California Class and FLSA Collective, respectively.

**DEFINITIONS** Unless otherwise defined herein, capitalized terms used in this Agreement shall have the 2 3 meanings set forth below: 3. "Class Counsel" means 4 5 Lauren N. Vega, Esq. Nicholas J. Ferraro, Esq. 6 FERRARO VEGA EMPLOYMENT LAWYERS, INC. 3160 Camino del Rio South, Suite 308 7 San Diego, CA 92108 Tel.: 619.693.7727 8 Fax: 619.350.6855 E-mail: lauren@ferrarovega.com 9 nick@ferrarovega.com "California Class", "California Class Member", or "California Class Members" shall 4. 10 mean any and all non-exempt employees who worked in the ICE Detention Centers for Defendant in 11 California during the "California Class Period." 12 5. "California Class Period" means August 31, 2016 through October 16, 2021. 13 14 6. "Class Representative" means Plaintiff Ana Garcia. 7. "Complaints" means the complaint filed in the Civil Action on August 31, 2020, the 15 16 First Amended Complaint ("FAC") filed in the Civil Action on October 15, 2020, and the Second Amended Complaint ("SAC") filed in the Civil Action on September 27, 2021. 17 8. "Consideration Period" refers to the forty-five (45) day period following the date the 18 Settlement Administrator mails the Notice of Class Settlement to California Class Members and FLSA Collective Members within which any Class Member who wishes to be excluded from the 20 Class and this Settlement may submit a request to opt out. 21 9. "Court" means the United States District Court for the Southern District of California. 22 "Defendant" or "STG" means STG International, Inc. 10. 23 24 25 26 27 28

11. "Defense Counsel" means 2 Linda Auerbach Allderdice, Esq. John H. Haney, Esq. 3 HOLLAND & KNIGHT LLP 400 South Hope Street, 8th Floor Los Angeles, CA 90071 Tel.: 213.896.2400 5 Fax: 213.896.2450 E-mail: linda.allderdice@hklaw.com john.haney@hklaw.com "Effective Date" means the first date by which all of the following events have 12. 7 occurred: 8 9 (i) this Agreement has been executed by all Parties and by Class Counsel and Defense Counsel; 10 the Court has preliminarily approved the Settlement; 11 (ii) (iii) notice has been properly given to the California Class Members and FLSA 12 Collective Members, providing the California Class Members the opportunity 13 14 to opt out of the California Class Settlement, and providing the FLSA Collective Members to opt in to the FLSA Collective Settlement; 15 16 (iv) notice has been properly given to the requisite state officials pursuant to CAFA; 17 the Court has held a Final Fairness and Approval Hearing and entered the 18 (v) 19 Final Order and Judgment approving the Settlement; and (vi) either: (a) the date thirty (30) days after the entry of the Final Order and 20 Judgment if no motions for reconsideration and no appeals or other efforts to 21 obtain review have been filed; or (b) in the event that a motion for 22 reconsideration, an appeal or other effort to obtain review of the Final Order 23 24 and Judgment has been filed or made, the date thirty (30) days after such 25 reconsideration, appeal or review has been finally concluded. In this regard, it is the intention of the Parties that the Settlement shall not become effective 26 27 until the Court's order approving the Settlement has become completely final, 28

and there is no timely recourse by an appellant who seeks to contest the Settlement.

- 13. "Service Award" means any payment to the Class Representative for her service to the California Class and FLSA Collective, the risks she undertook and her general release in favor of Defendant, which is in addition to whatever payment Plaintiff may otherwise be entitled to as a California Class Member or FLSA Collective Member.
- 14. "<u>Final Fairness and Approval Hearing</u>" means the hearing to be requested by Plaintiff and conducted by the Court after the filing by Plaintiff of an appropriate motion and following appropriate notice to the California Class and FLSA Collective, giving them an opportunity to participate in the Settlement and to object to the Settlement, at which time Plaintiff shall request that the Court finally approve the fairness, reasonableness and adequacy of the terms and conditions of the Settlement, enter the Final Order and Judgment, and take other appropriate action.
  - 15. "<u>Final Order and Judgment</u>" means the order and judgment to be entered by the Court upon granting final approval of the Settlement and this Agreement as binding upon the Parties and the California Class Members who do not properly and timely Opt Out. Notice of the Final Order and Judgment shall be posted on the Settlement Administrator's website.
  - 16. "FLSA Collective", "FLSA Collective Member", or "FLSA Collective Members" shall mean any and all non-exempt employees who worked in the ICE Detention Centers for Defendant in the United States of America other than the State of California during the FLSA Collective Period."
    - 17. "FLSA Collective Period" means August 31, 2017 through October 16, 2021.
  - 18. "Gross Settlement Amount" means Two Million Four Hundred Forty-Three Thousand Dollars (\$2,443,000).
  - 19. The Gross Settlement Amount is expressly defined to include the "Settlement Credit" of \$193,471 for funds paid to certain Class Members and FLSA Collective Members, and other STG employees, after Plaintiff filed the initial PAGA notice in this action.
  - 20. "Net Settlement Amount" means the amount of money remaining after deducting the Class Counsel's attorneys' fees and costs, any Service Award to the Class Representative, settlement

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1 administration costs to the Settlement Administrator, and the PAGA payments to the LWDA and 2 PAGA Members, from the Gross Settlement Amount (less the \$193,471 settlement credit).

- 21. "Notice of Class and Collective Settlement" means the form attached hereto as **Exhibit 1** or whichever form is approved by the Court that shall be mailed to California Class and FLSA Collective to inform them of the terms of this Agreement and their rights and options related thereto.
- 22. "Request for Exclusion" means a written request for exclusion that a Class Member may submit to be excluded from the California Class Settlement.
- 23. "PAGA Letter" means the notice of alleged Labor Code violations that Plaintiff caused to be sent to the LWDA pursuant to Labor Code Section 2699.3(1) on August 10, 2020, and as amended on July 26, 2021.
- 24. "PAGA Members" means any and all non-exempt employees who worked in the ICE Detention Centers in California for Defendant during the PAGA Period.
  - 25. "PAGA Period" means August 10, 2019 through October 16, 2021.
- 26. "Participating California Class Members" means all Class Members who do not submit a timely and valid Request for Exclusion to the Settlement Administrator, and who are thereby deemed to be bound by the California Class Settlement.
- 27. "Participating FLSA Collective Members" means all FLSA Collective Members who endorse and negotiate their FLSA Payment, and who are thereby deemed to have opted-into (and are bound by) the FLSA Collective Settlement.
- 28. "Workweeks" means the total number of calendar weeks that each member of the California Class and FLSA Collective was employed by STG as non-exempt employees at in ICE Detention Centers for Defendant during the California Class Period and FLSA Collective Period, respectively.
  - 29. "Released Claims" are defined in paragraphs 76 through 79 of this Agreement.
- 30. "Released Parties" means Defendant STG International, Inc. and its present and former parents, affiliates, divisions, subsidiaries, acquired companies, predecessors, successors, assigns, related entities, divested businesses and business units, and each of their respective present

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and former board members, directors, officers, shareholders, agents, representatives, employees, partners, attorneys, insurers, predecessors, successors, assigns, affiliated companies and entities, and any individual entity that could be jointly and/or severally liable with any of the foregoing.

- 31. "Settlement Administrator" means Phoenix Settlement Administrators.
- 32. "Settlement" means the settlement as provided for in this Agreement.
- 33. "Settlement Payment" or "Settlement Payments" means the amount payable from the Net Settlement Amount to each Participating Class Member and Participating FLSA Collective Member.

### **BACKGROUND**

34. On August 31, 2020, Plaintiff, on behalf of herself and all others similarly situated, filed the above-referenced Complaint in the above-captioned Court against Defendant. On October 15, 2020, Plaintiff filed the FAC. On September 27, 2021, Plaintiff filed the SAC. Plaintiff is a former non-exempt employee of Defendant who worked in California and Texas. Through the Complaint, the FAC, and the SAC, Plaintiff (on behalf of herself and all others similarly situated) sought damages, restitution, penalties, pre- and post-judgment interest, costs, attorneys' fees, and any other relief deemed appropriate by the Court on the basis of allegations, inter alia, that Defendant: (1) failed to pay all waged owed in violation of the Fair Labor Standards Act, 29 U.S.C. §§ 201, et seq.; (2) failed to pay all wages owed in violation of California Labor Code §§ 1194 and 1194.2; (3) failed to pay overtime wages in violation of California Labor Code §§ 510 and 1194; (4) failed to timely pay wages at separation in violation of California Labor Code §§ 201-203; (5) failed to provide accurate itemized wage statements in violation of California Labor Code §§ 226(a) and (b); (6) failed to permit meal periods or pay all premiums owed in violation of California Labor Code §§ 226.7, 512; (7) failed to permit rest periods or pay all premiums owed in violation of California Labor Code §§ 226.7, 512; (8) violated the Unfair Business Practices Act, California Business and Professions Code §§ 17200-17208; (9) Civil penalties for failure to pay all regular and minimum wages (PAGA); (10) Civil penalties for failure to pay all overtime wages (PAGA); (11) Civil penalties meal period violations (PAGA); (12) Civil penalties for rest period violations (PAGA); (13) Civil penalties for untimely payment of wages; (14) Civil penalties for wage statement

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- 35. Class Counsel and Defense Counsel have extensive experience in litigating wage and hour class actions in California. Class Counsel and Defense Counsel have vigorously litigated the Civil Action since its inception.
- 36. On July 18, 2021, Plaintiff and Defendant engaged in mediation before Mediator Lynn Frank, an experienced mediator in this area of law, and on that date, the Parties reached an agreement on the key terms of a class action settlement.
- 37. This Agreement is made in compromise of and embraces all claims against the Released Parties as defined in this Agreement.
- 38. Because the settled case is a class and collective action, this Agreement must receive preliminary and final approval by the Court. Accordingly, Plaintiff and Defendant enter into this Agreement on a conditional basis. Should the Court, or any other court taking jurisdiction of this matter, decline to approve all material aspects of the Settlement or make any ruling substantially altering the material terms of the Settlement, the Settlement shall be voidable and unenforceable as to Plaintiff and Defendant, at the option of any party. In the event that the Effective Date does not occur, this Agreement shall be deemed null and void *ab initio* and shall be of no force or effect whatsoever, and shall not be referred to or utilized for any purpose. Defendant denies all of Plaintiff's and all class, collective, and representative claims as to liability and damages. Defendant expressly reserves all rights to challenge any and all such claims and allegations upon all procedural and factual grounds, including the assertion of all defenses, if the Effective Date of the Settlement does not occur. Likewise, Plaintiff expressly reserve all rights to pursue, amend, dismiss or

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otherwise dispose of the claims covered under this Settlement in the event the Effective Date of the Settlement does not occur.

- 39. Plaintiff and Class Counsel have concluded, after taking into account the sharply disputed factual and legal issues involved in the Civil Action, the risks attending further prosecution, and the substantial benefits to be received pursuant to settlement as set forth in this Agreement, that settlement on the terms set forth herein is in the best interest of Plaintiff and the Class, and is fair and reasonable. Similarly, Defendant has concluded, after taking into account the sharply disputed factual and legal issues involved in the Civil Action, the risks and expense attending further litigation, and its desire to put the controversy to rest, that settlement on the terms set forth herein is in its best interest and is fair and reasonable.
- 40. The Parties stipulate and agree to the certification of the claims set forth in the Civil Action on behalf of Plaintiff and the Class for purposes of Settlement only.
- 41. This Settlement contemplates: (i) entry of an order preliminarily approving the Settlement; (ii) distribution of the Notice of Class and Collective Settlement to the California Class Members and FLSA Collective Members; (iii) notice of the Settlement to the requisite state official pursuant to CAFA and resolution of any timely stated concerns of any state official who receives a notice pursuant to CAFA; and (iv) entry of a Final Order and Judgment of the Settlement. The Court shall retain jurisdiction over the Civil Action and Parties for purposes of enforcing the Settlement and resolving any disputes relating to the Settlement.

# SETTLEMENT APPROVAL AND IMPLEMENTATION PROCEDURE Preliminary Approval of Settlement

42. As soon as practicable, Class Counsel shall submit this Agreement to the Court for its preliminary approval and move the Court to enter a preliminary approval order. The submission shall also include admissible evidence as may be required for the Court to determine that this Settlement is fair, adequate and reasonable, as required by Rule 23 of the Federal Rules of Civil Procedure. The submission shall also include a proposed Notice of Class and Collective Settlement in the form attached hereto as **Exhibit 1** and a proposed order granting preliminary approval of Settlement, which shall, among other things, set a Final Fairness and Approval Hearing date.

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### **Class Action Fairness Act Notice**

43. Within ten (10) business days following the submission of this Agreement to the Court, Defendant shall serve upon the Attorney General of the United States and the appropriate State official of California a notice of the proposed Settlement in compliance with the requirements of CAFA, 28 U.S.C. § 1715. A sample of the CAFA Notice is attached as **Exhibit 2**.

### Cooperation

44. The Parties agree to cooperate with each other to accomplish the terms of this Settlement, including, but not limited to, the timely execution of such documents and such other acts as may be reasonably necessary to implement the terms of this Settlement. Neither the Parties nor 10 any of their attorneys or agents shall solicit or encourage any California Class Members or FLSA Collective Members to exclude themselves from the Settlement or to object to the Settlement. The Parties to the Settlement shall use their best efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by Court order, or otherwise, to effectuate this Settlement and the terms set forth herein.

### **Notice of Class Settlement by Mail**

45. The Settlement Administrator shall, within thirty-five (35) days of the date of preliminary approval of this Settlement, send by First-Class United States mail, and electronic mail, the Notice of Class and Collective Settlement to each California Class Member and FLSA Collective Member using the most recent mailing address and electronic mail address available to the Settlement Administrator for delivery. Any returned mail with a forwarding address from the U.S. postal service shall be promptly re-mailed to the new addresses. The Settlement Administrator shall perform a reasonable search for a new address for any returned mail without a forwarding address.

### California Class Request for Exclusion Procedure

- 46. Any Class Member seeking to be excluded from the Class and this Settlement shall submit a written Request for Exclusion (a/k/a, Opt Out Form) in the manner described herein.
- 47. The Notice of Class and Collective Settlement will provide that Class Members who wish to exclude themselves from the Settlement must send to the Settlement Administrator a written Request for Exclusion. The written Request for Exclusion must (a) state the Class Member's name,

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48. If more than Fifteen Percent (15%) of the members of the California Class timely opt out of the Settlement in the manner described herein, then Defendant shall have the right in its sole discretion to rescind and void this Settlement by giving written notice to Class Counsel within fourteen (14) business days after the end of the 45-day Consideration Period. Neither the Parties nor their counsel have previously or shall they solicit opt outs.

### **Declaration of Compliance**

49. As soon as practicable, but no later than ten (10) calendar days following the close of the Consideration Period, the Settlement Administrator shall provide Class Counsel and Defense Counsel with a declaration attesting to completion of the notice process set forth in this Agreement. This declaration shall be filed with the Court by Class Counsel along with a motion requesting final approval of the Settlement.

### **Sufficient Notice**

50. The Parties agree that compliance with the procedures described in this Agreement constitutes due and sufficient notice to Class Members of this Settlement and the Final Fairness and Approval Hearing, and satisfies the requirements of due process, and that nothing else shall be required of Plaintiff, Class Counsel, Defendant, Defense Counsel, or the Settlement Administrator to 28 provide notice to Class Members of the Settlement and the Final Fairness and Approval Hearing.

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**Objections to Settlement** 

- 51. Any California Class Member or FLSA Collective member wishing to object to this Settlement shall file a written objection with the Court by following the procedure set forth in the 4 Notice of Class and Collective Settlement no later than forty-five (45) days after the mailing of the Notice of Class and Collective Settlement.
  - 52. Any California Class Member or FLSA Collective Member who fails to file a timely written objection shall be foreclosed from objecting to this Settlement, unless otherwise ordered by the Court.
  - 53. Class Counsel and Defense Counsel shall file any responses to any written objections submitted to the Court in accordance with this Agreement at least seven (7) days before the Final Fairness and Approval Hearing.

### **Final Fairness and Approval Hearing**

54. On the date set forth by the Court for the Final Fairness and Approval Hearing in the Order granting preliminary approval of the Settlement, a Final Fairness and Approval Hearing shall be held before the Court in order: (a) to consider and determine: (i) whether the Court should give this Settlement final approval; and (ii) whether the Court should approve Class Counsel's application 17 for attorneys' fees and costs and any Service Award to Plaintiff; and (b) to hear any timely written objections to the Settlement from California Class Members or FLSA Collective Members, or any concerns from California Class Members or FLSA Collective Members who attend the hearing, as well as any timely stated concerns of any state official who receives a notice pursuant to CAFA, if any, and any concerns of the Court. At the Final Fairness and Approval Hearing, Plaintiff, Class Counsel, Defendant, and Defense Counsel shall ask the Court to give final approval to this Settlement.

### **Settlement Payment Procedures**

Payments under this Agreement shall be made by the Settlement Administrator as follows:

55. Participating California Class Members and FLSA Collective Members shall be paid exclusively from the Net Settlement Amount.

- 56. Plaintiff and Defendant agree that the formula for allocating Settlement Payments to Participating California Class Members and Participating FLSA Collective Members provided herein is reasonable and that the Settlement Payments are designed to provide a fair settlement, despite the uncertainties of the amounts alleged to be owed to participating members and the calculation of them. Plaintiff and Defendant have agreed that the distribution to each Participating California Class Member and Participating FLSA Collective Member shall be determined as set forth herein in paragraphs <u>55</u> through <u>64</u>.
- Parties agree that 56% of the Net Settlement Amount shall be allocated to settlement payments for the California Class ("California Class Settlement Fund"). The California Class Settlement Fund will be distributed through individual settlement checks to eligible California Class Members ("California Class Settlement Check(s)") based on a ratio of Workweeks each California Class Member worked during the California Class Period. The California Class Settlement Checks will be calculated by dividing the Individual Weeks Worked by a California Class Member by the Total Weeks Worked by the California Class during the California Class Period, and multiplying this result by the California Class Settlement Fund amount. The parties agree that each California Class Settlement Check will be allocated as follows: 10% for alleged wages to be reported on an IRS Form W-2, and 90% for alleged penalties and interest to be reported on an IRS Form 1099.

  Defendant shall provide records showing the total Workweeks of California Class Members during the California Class Period. Defendant's records shall be determinative for purposes of calculating the California Class Settlement Checks.
- 58. **Settlement Checks to the PAGA Members**. Seventy-Five Thousand Dollars (\$75,000.00) from the Gross Settlement Amount shall be allocated to penalties under the California Labor Code Private Attorneys General Act of 2004, California Labor Code Sections 2698, *et seq.* ("PAGA"). Of the PAGA funds, Seventy-Five Percent (75%), i.e., \$56,250.00, shall be paid by the Settlement Administrator directly to the California Labor and Workforce Development Agency ("LWDA"). The remaining Twenty-Five Percent (25%), i.e., \$18,750.00 shall be distributed to the PAGA Members as part of their Settlement Payments. PAGA Members will receive a proportionate

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share of the \$18,750 based on the number of workweeks worked during the PAGA Period. Plaintiff, 2 | via Class Counsel, shall be responsible for, and shall therefore undertake, issuance of all required 3 notices and submissions to the LWDA necessary to effectuate this settlement. The parties agree that 4 each PAGA payment to respective PAGA Members will be allocated as follows: 100% for alleged penalties to be reported on an IRS Form 1099.

59. Settlement Checks to FLSA Collective Members based on Workweeks. The Parties agree that 44% of the Net Settlement Amount shall be allocated to settlement checks for the FLSA Collective ("FLSA Collective Settlement Fund"). The FLSA Collective Settlement Fund will 9 be distributed through settlement checks ("FLSA Settlement Check(s)") to eligible FLSA Collective 10 Member based on a ratio of Workweeks each FLSA Collective Member worked during the FLSA Collective Period. The FLSA Settlement Checks will be calculated by dividing the Individual 12 Weeks Worked by an FLSA Collective Member by the Total Weeks Worked by the FLSA Collective during the FLSA Collective Period, and multiplying this result by the FLSA Collective Settlement Fund amount. The parties agree that each FLSA Settlement Check will be allocated as 15 follows: 50% for alleged wages to be reported on an IRS Form W-2, and 50% for alleged penalties 16 and interest to be reported on an IRS Form 1099. Defendant shall provide records showing the total 17 Workweeks of FLSA Collective Members during the FLSA Collective Class Period. Defendant's 18 records shall be determinative for purposes of calculating the FLSA Settlement Checks. The FLSA 19 Settlement Checks will include language on the back indicating that endorsing and negotiating the check will constitute consent and an opt in to the FLSA Collective Settlement, and that as a result, they will be bound by the FLSA Collective Settlement. The language to be included on each FLSA Settlement Check will be substantially similar to the following:

> By endorsing and negotiating this check, I consent to join the lawsuit entitled Ana Garcia v. STG International, Inc. United States District Court for the Southern District of California, Case No. 3:20-cv-01701-AJB-LL (the "Class/Collective" Action"), pursuant to the provisions of the Fair Labor Standards Act ("FLSA"), 29 U.S.C. § 216(b), for purposes of opting in to the FLSA Collective and participating in the FLSA Collective Settlement. I further understand and agree that my endorsing and negotiating this check constitutes a full and complete release against the Released Parties of any and all claims, rights, demands, liabilities and causes of action, whether known or unknown, that were asserted or reasonably could have

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been asserted based on the facts already alleged in the operative complaints in the Class/Collective Action for alleged violations of the Fair Labor Standards Act, 29 U.S.C. §§ 201, et seq., arising during the period from August 31, 2017 through October 16, 2021, including, but not limited to, failure to pay minimum wage or failure to pay overtime under the FLSA ("Released FLSA Claims") and that a copy of my check may be filed with the Court, with personal information (other than my name) redacted.

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- 60. The Settlement Payments are payments for all Released Claims for the California Class Members and FLSA Collective Members. The Settlement Administrator shall be authorized to establish a Qualified Settlement Fund ("QSF") pursuant to Internal Revenue Service ("IRS") rules and regulations in which the Gross Settlement Amount shall be placed and from which payments required by the Settlement shall be made. The amount of each Settlement Payment to each Participating California Class Member that shall be allocated to their respective alleged unpaid wage claims shall be paid net of all applicable employee portions of employment taxes, including any federal, state, and/or local laws in issue tax withholding requirements and the employee share of FICA taxes.
- 61. The Released Parties shall not be required to provide any additional form of compensation to any Participating California Class Member or FLSA Collective Member as a result of this allocation of Settlement Payments. Each Participating California Class Member, FLSA Collective Member, and the Class Representative shall be responsible for remitting to state and/or federal taxing authorities any applicable taxes which may be owed on the portion of any payment received pursuant to this Agreement, except as provided by this Agreement.
- 62. It is expressly understood and agreed that the receipt of a Settlement Payment shall not entitle any California Class Member or FLSA Collective Member to additional compensation or benefits under any company bonus, contest or other compensation or benefit plan or agreement in place during the California Class Period or FLSA Collective Period, nor shall it entitle any California Class Member or FLSA Collective Member to any increased retirement, 401(k) or matching benefits, or deferred compensation benefits. The Parties agree that any Settlement Payments made to California Class Members or FLSA Collective Members under the terms of this

Agreement shall not represent any modification of previously credited length of service or other eligibility criteria under any bonus plan, employee pension benefit plan or employee welfare plan sponsored by any of the Released Parties, or to which any of the Released Parties are required to make contributions. Further, any Settlement Payments made under this Agreement shall not be considered compensation in any year for purposes of determining eligibility for, or benefit accrual within, any employee pension benefit plan or employee welfare benefit plan sponsored by any of the Released Parties or to which any of the Released Parties are required to make contributions. It is the Parties' intent that the Settlement Payments provided for in this Agreement are the sole payments to be made by Defendant to the California Class Members and FLSA Collective Members, and that they are not entitled to any new or additional compensation or benefits as a result of having received the Settlement Payments, notwithstanding any contrary terms in any agreement, contract, benefit or compensation plan document that might have been in effect during the California Class Period or FLSA Collective Period.

- 63. **Cy Pres**. Funds unpaid after distribution due to returned or void checks (i.e., checks issued to California Class / FLSA Collective / PAGA Members that are not cashed within 180 days) shall be distributed as a cy pres award to Hire Heroes USA, one of the nation's leading veteran employment organizations that offers personalized one-on-one coaching, professionally revised resumes, mentoring, workshops, a job board, career fairs and more, to tens of thousands of jobseeking veterans annually.
- 64. **Pro Rata Adjustment to Gross Settlement Amount**. As of July 18, 2021, the number of workweeks worked by California Class Members was estimated to be 9,385 and the total number of workweeks worked by FLSA Collective Members was estimated to be 91,046. If the actual total number of workweeks through July 18, 2021 in these respective categories ends up exceeding these workweek totals by Ten Percent (10%) or more (i.e., <u>California Class</u>: 9,385 x 1.10 = 10,323.50; <u>FLSA Collective</u>: 91,046 x 1.10 = 100,150.60), the Gross Settlement Amount will

increase proportionately to each additional workweek over 9,385 for the California Class Members or 91,046 for the FLSA Collective Members.<sup>1</sup>

### The Settlement Administrator

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- 65. The Settlement Administrator shall administer the Settlement, including, but not limited to: (i) printing, mailing and re-mailing (if necessary), and e-mailing the Notice of Class and Collective Settlement, (ii) receiving Requests for Exclusion from California Class Members; (iii) preparing and submitting to California Class Members, FLSA Collective Members, and government entities all appropriate tax filings and forms; (iv) computing the amount of and distributing Settlement Payments to California Class Members and FLSA Collective Members, the 10 PAGA Payments; the Service Award, and Class Counsel attorneys' fees and costs; (iv) processing and validating Requests for Exclusion; (v) establishing a QSF, as defined by the Internal Revenue Code; and (vi) calculating and remitting to the appropriate government agencies all employee payroll tax obligations arising from the Settlement and preparing and submitting filings required by law in connection with the payments required by the Settlement.
  - 66. Settlement administration fees in a reasonable amount shall be paid to the Settlement Administrator from the Gross Settlement Amount. Settlement administration fees are not to exceed Thirty-Five Thousand Dollars and No Cents (\$35,000.00). If the actual cost of settlement administration is less than the not to exceed amount as approved by the Court, those funds shall be added to the Net Settlement Amount for allocation to Class Members. All costs associated with settlement administration shall come out of the Gross Settlement Amount.
  - 67. Defendant shall provide the names, last known addresses, e-mail addresses, social security numbers, and Workweeks for the California Class and FLSA Collective ("Class and Collective Data") to the Settlement Administrator only no later than thirty (30) calendar days after the Court grants preliminary approval of the Settlement. The Settlement Administrator shall be instructed that: (1) Class and Collective Data shall only be used by the Settlement Administrator for

<sup>&</sup>lt;sup>1</sup> Based on a further review of Defendant's records as of January 24, 2022, the number of workweeks worked by California Class Members through July 18, 2021 is 10,077, and the total number of workweeks worked by FLSA Collective Members through July 18, 2021 is 96,850.

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1 the purpose of calculating Settlement Payments and notifying the California Class, PAGA Members, 2 and FLSA Collective of the Settlement; and (2) Class and Collective Data shall not be disclosed to Class Counsel, the Class Representative, or any other California Class Member, PAGA Member, or FLSA Collective Member without the written consent of Defendant or by order of the Court. The Settlement Administrator shall be responsible for following all applicable privacy laws and taking appropriate steps to ensure that California Class Members', PAGA Members', and FLSA Collective Members' personal information is safeguarded and protected from improper disclosure or use. The Settlement Administrator shall run the Class and Collective Data list through the National Change of Address database, and shall use the most recent address for each Class Member – either from 10 Defendant's records or the National Change of Address database – before mailing the Notice of Class and Collective Settlement. The Settlement Administrator shall also take reasonable steps to locate any California Class Member, PAGA Member, or FLSA Collective Member whose Notice of Class and Collective Settlement is thereafter returned as undeliverable. Class and Collective Data shall be provided in a secure format to be determined by the Settlement Administrator and Defendant. The Settlement Administrator shall establish a toll-free telephone number to receive calls from California Class Members, PAGA Members, and FLSA Collective Members.

### Resolution of Disputes Over Workweeks or Settlement Payment Calculations

68. In calculating Settlement Payments for each California Class Member and FLSA Collective Member, Defendant's records regarding total Workweeks and individual Workweeks of the California Class and the FLSA Collective shall be presumed to be correct. Any California Class Member or FLSA Collective Member who disagrees with Defendant's determination of their Workweeks as indicated on their Notice of Class and Collective Settlement may dispute that calculation to the Settlement Administrator as explained on the Notice of Class and Collective Settlement. Defendant's determination shall be presumed accurate unless clear and compelling documentary evidence is provided by the California Class Member or FLSA Collective Member to the Settlement Administrator. The Settlement Administrator shall investigate the dispute, and make a final determination within ten business days after the Consideration Period. All such challenges 28 must be received by the Settlement Administrator within the 45-day Consideration Period.

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Service Award

69. From the Gross Settlement Amount, the Class Representative may request approval from the Court of a Service Award not to exceed Ten Thousand Dollars and No Cents (\$10,000.00), which request Defendant shall not oppose.

### Payment of Class Counsel Attorneys' Fees and Costs

70. Class Counsel shall apply to the Court at the Final Fairness and Approval Hearing for an award of attorneys' fees not to exceed Thirty-Three Percent (33%) of the Gross Settlement Amount, and a reasonable award of litigation costs in an amount not to exceed Twenty Thousand 9 Dollars and No Cents (\$25,000.00), both of which shall be paid out of the Gross Settlement Amount 10 and which Defendant will not oppose. Class Counsel and Defendant agree that such awards of attorneys' fees and costs are reasonable under the circumstances. Any order relating to the award of attorneys' fees, costs or a Class Representative Service Award, or any appeal from any order relating thereto or reversal or modification thereof, will not operate to terminate or cancel this Agreement. If the amount of Service Award, attorneys' fees and/or costs awarded by the Court is less than the 15 requested amounts, the difference shall serve to increase the Net Settlement Amount to be distributed to participating California Class Members and FLSA Collective Members as part of their Settlement Payments.

### Taxes and Withholding and Indemnification

- 71. The Settlement Administrator shall be responsible for ensuring that all tax obligations associated with the Settlement are timely paid to the appropriate governmental taxing authorities. The Settlement Administrator's responsibilities include the following:
  - (i) filing all federal, state and local employment tax returns, income tax returns, and any other tax returns associated with the taxes,
  - (ii) timely and proper filing of all required federal, state and local information returns (e.g., 1099s, W-2s, etc.), and
  - (iii) completion of any other steps necessary for compliance with any tax obligations applicable to Settlement Payments under federal, state and/or local law.

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- 72. The Settlement Administrator shall determine the amount of any tax withholding to be deducted from each participating California Class Members' and FLSA Collective Members' Settlement Payments. All such tax withholdings shall be remitted by the Settlement Administrator to the proper governmental taxing authorities.
- 73. The Parties and participating California Class Members and FLSA Collective Members acknowledge and agree that:
  - (i) No provision of this Agreement and no written communication or disclosure between or among the Parties or their attorneys and other advisers is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United State Treasury Department Circular 230 (31 CFR Part 10, as amended);
  - (ii) Each Party and participating California Class Member and FLSA Collective Member (a) has relied exclusively upon their own, independent legal and tax advisers for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on them; and
  - (iii) No attorney or adviser to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by him or her of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.
- 74. The Settlement Payments received by participating California Class Members and FLSA Collective Members shall be reported by the Settlement Administrator, as required, to the state and federal taxing authorities on IRS forms 1099 and W-2 or similar forms. Each participating California Class Member and FLSA Collective Member shall be responsible for paying all

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applicable state, local, and federal income taxes on all amounts they receive pursuant to this 2 Agreement. Each participating California Class Member and FLSA Collective Member is advised to obtain independent tax advice in connection with this Agreement.

#### Transfer of Gross Settlement Fund to Settlement Administrator

75. Within Twenty (20) days after the Effective Date, Defendant shall transmit Two Million Two Hundred Forty-Nine Thousand Five Hundred Twenty-Nine Dollars (\$2,249,529) (i.e., the Gross Settlement Amount less the Settlement Credit) to the Settlement Administrator. Within fifteen (15) days after the Settlement Administrator's receipt of the Gross Settlement Amount, the Settlement Administrator shall transmit (1) to Class Counsel the attorneys' fees and costs approved 10 by the Court, (2) to the Class Representative her Service Award approved by the Court, (3) to the LWDA the payment pursuant to PAGA, (4) to the PAGA Members the PAGA Payment, (5) to the California Class the California Class Settlement Payments, and (6) to the FLSA Collective Members shall mail a Settlement Payment to each Participating FLSA Collective Member.

### **RELEASED CLAIMS**

76. **Release by California Class Members.** Upon final approval by the Court of the Settlement and as of the Effective Date, all members of the California Class who do not timely opt out shall individually and on behalf of all their respective successors, assigns, agents, attorneys, executors, heirs and personal representatives, fully and finally release and discharge the Released Parties, and each of them, from the "California Class Released Claims", defined as any and all liabilities, demands, claims, causes of action, complaints and obligations that were alleged or which could have been alleged in the Complaints, and each and every material allegation alleged therein, during the California Class Period. The Participating California Class Members further release all unknown claims against Defendant and any of the Released Parties, only as to the California Class Released Claims, covered by California Civil Code Section 1542, which states: "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."

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- 77. **Release by PAGA Members**. Upon final approval by the Court of the Settlement and as of the Effective Date, all PAGA Members, on behalf of all their respective successors, assigns, agents, attorneys, executors, heirs and personal representatives, fully and finally release and discharge the Released Parties, and each of them, from the "PAGA Released Claims", defined as any and all liabilities, demands, claims, causes of action, complaints and obligations that were alleged or which could have been alleged in the Complaints, and each and every material allegation alleged therein, and arise under the Labor Code Private Attorneys General Act of 2004 ("PAGA"), during the PAGA Period.
- Release by FLSA Collective Members. Upon final approval by the Court of the Settlement and as of the Effective Date, all members of the FLSA Collective who opt into this Settlement (by endorsing and negotiating their FLSA Settlement Check) shall individually and on behalf of all their respective successors, assigns, agents, attorneys, executors, heirs and personal representatives, fully and finally release and discharge the Released Parties, and each of them, from the "FLSA Collective Released Claims", defined as any and all liabilities, demands, claims, causes of action, complaints and obligations that were alleged or which could have been alleged in the Complaints, and each and every material allegation alleged therein, and arise under the FLSA (29 U.S.C. §§ 201, et seq.), during the FLSA Collective Period.
- 79. **Release by Plaintiff Ana Garcia.** Upon final approval of the Settlement and as of the Effective Date, Plaintiff Ana Garcia, for herself, her successors, assigns, agents, executors, heirs and personal representatives, spouse and attorneys, and any and all of them, voluntarily and with the advice of counsel, waives and releases any and all claims, obligations, demands, actions, rights, causes of action, and liabilities against Defendant and any of the Released Parties of whatever kind and nature, character, and description, whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, constitution, common law, or other source of law or contract, whether known or unknown, and whether anticipated or unanticipated, including all claims arising from or relating to any and all acts, events and omissions from the beginning of the World through October 16, 2021, including, but not limited to, all claims which relate in any way to Plaintiff's employment or termination of employment with/from Defendant or

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any of the other Released Parties, and any and all liabilities, demands, claims, causes of action, complaints and obligations that were alleged or which could have been alleged in the Complaints, and each and every material allegation alleged therein. Garcia further releases all unknown claims 4 against Defendant and any of the Released Parties, covered by California Civil Code Section 1542, which states: "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."

### LIMITATIONS ON USE OF THIS SETTLEMENT AND AGREEMENT

#### No Admission

80. Neither the acceptance nor the performance by Defendant of the terms of this Agreement nor any of the related negotiations or proceedings are or shall be claimed to be, construed as, or deemed a precedent or an admission by Defendant of the truth of any allegations in the Complaints or the PAGA Letter. Defendant expressly denies any wrongdoing or liability to Plaintiff, any members of the California Class or FLSA Collective, or any of its other current and former employees.

### **Non-Evidentiary Use**

81. Defendant denies that it has failed to comply with any law in any respect, or has any liability to anyone based on the claims asserted in the Civil Action. Plaintiff expressly acknowledges that this Agreement is entered into for the purpose of compromising highly disputed claims and that nothing herein is an admission of liability, wrongdoing, or the propriety of class or representative treatment by Defendant. Neither the Agreement nor any document prepared in connection with the Settlement may be admitted in any proceeding as an admission by Defendant. Notwithstanding this paragraph, any and all provisions of this Agreement may be admitted in evidence and used in any proceeding to enforce the terms of this Agreement, or in defense of any Released Claims released or barred by this Agreement.

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**Nullification** 82. 2 If the Court for any reason does not approve this Settlement, this Agreement shall be considered null and void and the Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court. 83. 5 Invalidation of any material portion of this Agreement shall invalidate this Agreement 6 in its entirety unless the Parties agree in writing that the remaining provisions shall remain in full force and effect. 7 8 **MISCELLANEOUS PROVISIONS** 9 No Inducements 84. Plaintiff and Defendant acknowledge that they are entering into this Settlement as a 10 11 free and voluntary act without duress or undue pressure or influence of any kind or nature whatsoever, and that neither Plaintiff nor Defendant have relied on any promises, representations or 12 warranties regarding the subject matter hereof other than as set forth in this Agreement. 13 No Prior Assignment 14 85. 15 The Parties 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 17 and discharged except as set forth herein. 19 Construction 86. The Parties agree that the terms and conditions of this Agreement are the result of 20 lengthy, intensive arm's-length negotiations between the Parties and their counsel, and this 21 22 Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or his or its counsel participated in the drafting of this Agreement. 23 California Law 24 87. All terms of this Agreement and its exhibits shall be governed and interpreted by and 25 according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles. 27

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**Captions and Interpretations** 

88. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or any provision hereof.

### **Incorporation of Exhibits**

89. All exhibits to this Agreement are incorporated by reference and are a material part of this Agreement. Any notice, order, judgment, or other exhibit that requires approval of the Court must be approved without material alteration from its current form in order for this Agreement to be enforceable.

#### Modification

90. This Agreement may not be changed, altered, or modified, except in a writing signed by the Parties or their representatives, and approved by the Court to the extent such approval is necessary. This Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties.

### Reasonableness of Settlement

91. Plaintiff and her counsel have represented that this is a fair, reasonable, and adequate settlement and have arrived at this settlement through arm's-length negotiations, taking into account all relevant factors, present and potential.

### **Integration Clause**

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

### **Binding On Assigns**

93. This Agreement shall be binding upon and inure to the benefit of the Parties and their 27 respective heirs, trustees, executors, administrators, successors and assigns.

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### No Prevailing Party

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94. No Party shall be considered a prevailing party for any purpose. Except as otherwise provided for in this Agreement, each Party shall bear its or his own attorneys' fees and costs.

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### **Non-Signatories to Agreement**

It is agreed that because the members of the California Class are numerous, it is

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impossible or impractical to have each member of the California Class execute this Agreement. The

Notice of Class and Collective Settlement shall advise all California Class Members of the binding

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nature of the Agreement, and the Agreement shall have the same force and effect as if this

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Agreement were executed by each member of the California Class.

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### **Counterparts**

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96. This Agreement, and any amendments hereto, may be executed in any number of

counterparts, each of which when executed and delivered shall be deemed to be an original and all of

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which taken together shall constitute but one and the same instrument. Fax, electronic, and PDF

signatures shall be as valid as original signatures.

Mediator Lynn Frank for resolution.

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### Plaintiff Garcia's Agreement To Be Bound

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### and Attorney Authorization

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97. By signing this Agreement, Plaintiff Ana Garcia agrees to be bound by this

Agreement's terms, and further agrees not to request to be excluded from the Settlement, and agrees

she has no objection to any of the terms of the Agreement. Any request for exclusion from the

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Settlement by Plaintiff shall be void and of no force and effect. The Parties and their counsel agree

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to fully cooperate with each other and use their best efforts to effectuate the implementation of the

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Settlement. In the event the Parties are unable to reach agreement on the form or content of any

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document needed to implement the Agreement, or on any supplemental provisions that may become

necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the

**Administration Costs if Settlement Fails** 

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98. If the Settlement is not finally approved by the Court, voided or rescinded, any costs

28 incurred by the Settlement Administrator shall be paid equally by both Parties.

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### **Final Order and Judgment**

- 99. Upon final approval of the Settlement, a Final Order and Judgment shall be entered by the Court which shall, among other things:
  - (i) Grant final approval to the Settlement as fair, reasonable, adequate, in good faith and in the best interests of the California Class and FLSA Collective as a whole, and order the Parties to carry out the provisions of this Agreement.
  - Adjudge that the participating California Class Members who did not timely (ii) opt out of the settlement are conclusively deemed to have released Defendant and the Released Parties from the California Class Released Claims, as more specifically set forth above.
  - Adjudge that the participating FLSA Collective Members are conclusively (iii) deemed to have released Defendant and the Released Parties from the FLSA Collective Released Claims, as more specifically set forth above.
  - (vi) Reserve continuing jurisdiction as provided herein.

### **Limitations on Disclosure**

100. Other than the necessary disclosure made to a court, Plaintiff and her counsel and other agents (including but not limited to the Settlement Administrator) agree to keep the facts, the amount and terms of settlement, and their settlement negotiations confidential and will not disclose that information to any third party, including the press or inclusion on any websites. The Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about this case and/or the fact, amount or terms of the Settlement. As an absolute condition of this Agreement, Plaintiff and Class Counsel will not post (or cause to be posted) anything on the internet, firm websites, biographies, marketing materials or any other electronic forum or print publication disclosing the facts of settlement, the amount and terms of settlement, or this Agreement, other than Court-filed documents and what is otherwise necessary and consistent with the need for Court approval of the Settlement and notice to the California Class and FLSA Collective. Plaintiff and Class Counsel will also not publicize or post anything regarding the facts, the amount and terms of

the settlement, this Agreement, except in relevant submissions to a court or other judicial panel, but				
under no circumstances shall any such posting other than Court-filed documents reference any of the				
foregoing items. Nothing in this Agreement is intended to prohibit STG or its affiliates and				
subsidiaries from reporting the terms of this Agreement as it might deem proper as part of the				
operation of its business. Nothing in this Agreement is intended to prohibit Class Counsel from				
communicating with Class Members in response to inquiries about the case, the class notice, the				
settlement, or related matters as Class Counsel ma	ay deem necessary to effectuate the terms of the			
settlement.				
SIGNA	<u>ATURES</u>			
The Parties have read and understand this	Agreement and agree to be bound by its terms:			
Plaintiff Ana Garcia				
Dated: Feb 1, 2022	Ana Garcia			
Dated. <u>1901, 1911</u>	ANA GARCIA			
Defendant STG International, Inc.				
1/31/2022   6:47:34 AM EST				
Dated:	STG INTERNATIONAL, INC.			
	By:			
	Chief Operating Officer			
	Its:			

# EXHIBIT 1

# NOTICE OF SETTLEMENT OF A CLASS ACTION AND FLSA COLLECTIVE ACTION

This is a Court-authorized notice. This is not a solicitation by a lawyer.

Ana Garca v. STG International, Inc. (STGi) U.S. District Court, Southern District of California Case No. 3:20-cv-01701-AJB-LL

If you are or were an hourly, non-exempt employee of STG International, Inc. (STGi) working at a United States Immigration and Customs Enforcement ("ICE") Detention Center between August 31, 2016 and October 16, 2021, you may be eligible for a payment from a proposed class and collective action settlement.

- This Notice is to inform you of a proposed settlement ("Settlement") of a class and collective action lawsuit ("Lawsuit"), in which you may be entitled to receive money. The Settlement involves a settlement and resolution of the Released California Class Claims ("California Class Settlement") and a settlement and resolution of the Released Fair Labor Standards Act ("FSLA") Claims ("FLSA Settlement"). The Released California Class Claims and the Released FLSA Claims are referred to collectively herein as the "Claims".
- Defendant STG International, Inc. ("STG") has denies all Claims and asserts that it complied with federal and California law in all respects. This is a settlement and is not a decision by the Court. The Court has not found that STG did anything wrong.
- The Court in charge of this Lawsuit still has to decide whether to approve the Settlement. Payments will be made *only if* the Court approves the Settlement and after appeals, if any, are resolved.
- The approximate amount of your share under the Settlement is stated in this Notice. Your rights may be affected by the legal proceedings in this matter. Please review this Notice carefully as important deadlines apply.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS		
Option #1	If you were or are a current <u>California employee</u> of STG at an ICE	
DO NOTHING	Detention Center worksite between August 31, 2016 and October 16, 2021 ("California Class Period"), and you do not object to, or exclude yourself from the Settlement, and the Settlement is finally approved by the Court, <i>you will automatically receive a California Class Settlement check</i> and, thereby, you will be bound by the California Class Settlement, and will give up your right to participate in continuing or other litigation against STG regarding the Claims which were, or could have been, in this Lawsuit.	
	If you were or are a current <u>non-California employee</u> of STG at an ICE Detention Center worksite between August 31, 2017 and October 16, 2021 ("FLSA Collective Period"), and you do not object	

	to the Settlement, and the Settlement is finally approved by the Court, you will receive an FLSA Settlement check. If you endorse and negotiate the Settlement check (that is, cash the check), you will be deemed to have opted into, and agreed to be bound by, the FLSA Settlement.	
Option #2 EXCLUDE YOURSELF	If you exclude yourself from the Settlement, you get no payment. This is the only option that allows you to participate in any other lawsuit against STG regarding the Claims which were, or could have been, brought in this Lawsuit.	
Option #3 OBJECT	You may file a legal objection to the proposed Settlement. If you would like to object, you may not exclude yourself from the lawsuit.	

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### **BASIC INFORMATION**

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

The Court overseeing this Lawsuit has authorized this Notice because you have the right to know about its proposed Settlement before the Court makes a final decision whether to approve the Settlement.

You received this Notice because STG's records indicate that you are a current or former hourly, non-exempt employee of STG, who worked one or more eligible weeks for STG at a United States Immigration and Customs Enforcement ("ICE") Detention Center between August 31, 2016 and October 16, 2021, the time period covered by this Lawsuit.

#### 2. What is the Lawsuit about?

In the operative Second Amended Complaint in the Lawsuit, Plaintiff alleges that STG: (1) failed to pay all waged owed in violation of the Fair Labor Standards Act, 29 U.S.C. §§ 201, et seq.; (2) failed to pay all wages owed in violation of California Labor Code §§ 1914 and 1194.2; (3) failed to pay overtime wages in violation of California Labor Code §§ 510 and 1194; (4) failed to timely pay wages at separation in violation of California Labor Code §§ 201-203; (5) failed to provide accurate itemized wage statements in violation of California Labor Code §§ 226(a) and (b); (6) failed to permit meal periods or pay all premiums owed in violation of California Labor Code §§ 226.7, 512; (7) failed to permit rest periods or pay all premiums owed in violation of California Labor Code §§ 226.7, 512; (8) violated the Unfair Business Practices Act, California Business and Professions Code §§ 17200-17208; (9) owes civil penalties for failure to pay all regular and minimum wages (PAGA); (10) owes civil penalties for failure to pay all overtime wages (PAGA); (11) owes civil penalties meal period violations (PAGA); (12) owes civil penalties for rest period violations (PAGA); (13) owes civil penalties for untimely payment of wages; (14) owes civil penalties for wage statement violations (PAGA); (15) owes civil penalties for failure to timely pay all wages upon separation of employment (PAGA); and (16) owes civil penalties for recordkeeping violations (PAGA).

The Second Amended Complaint in the Lawsuit is posted on the website www.[domain].com and contains all of the allegations and claims asserted against STG.

STG has denied each and every one of Plaintiff's claims, and it contends that it complied fully with federal and California law and properly paid all amounts owed.

The Court has not decided which side, Plaintiff or STG, is right.

### 3. Why is this a class and collective action?

In a class and collective action, one or more persons sue on behalf of other persons. In this Lawsuit, the Plaintiff Ana Garcia is the representative of a proposed California Class and FLSA Collective.

### 4. Why is there a settlement?

The Court did not decide in favor of Plaintiff or STG. Instead, both sides agreed to a settlement. That way, they avoid the cost and inherent uncertainty of a trial, and the Settlement Members will receive compensation without the risks of further litigation. The Class Representative and the respective attorneys for Plaintiff and STG believe that this Settlement is a fair compromise.

### WHO IS IN THE SETTLEMENT

If you received this Notice of the Settlement and it is addressed to you, then you are likely a Settlement Member. It is possible, even if you did not receive this Notice of Settlement, that you may be a Settlement Member, as described below.

### 5. How do I know if I am part of the settlement?

Everyone who fits into one or more of the following categories described below can participate in the Settlement:

California Class Members – The California Class consists of hourly, non-exempt employees of STG who worked in ICE Detention Centers in the State of California during the California Class Period (between August 31, 2016 through October 16, 2021). Members of the California Class who do not submit valid and timely Requests for Exclusion from the Settlement shall be bound by the Settlement, and will receive Settlement Payments in accordance with the Settlement.

**PAGA Members** – PAGA Members are defined as California Class Members who worked during the PAGA Period (between August 10, 2019 through October 16, 2021).

FLSA Collective Members – The FLSA Collective consists of all hourly, non-exempt employees of STG who worked in ICE Detention Centers for STG in the United States of America, *other than the State of California*, during the FLSA Collective Period (<u>between August 31, 2017 through October 16, 2021</u>). Members of the FLSA Collective who opt in to the Settlement (by endorsing and negotiating their FLSA Settlement Check) shall be bound by this Settlement.

### 6. I'm still not sure if I am included.

If you are not sure whether you are a Settlement Member, or if have any other questions about the Settlement, visit the Settlement website at www.[domain].com or call the Settlement Administrator toll free at [phone number].

### THE SETTLEMENT BENEFITS - WHAT YOU GET

### 7. What does the settlement provide?

Subject to final Court approval, STG has agreed to pay \$2,443,000 (the "Gross Settlement Amount"), summarized as follows:

- Settlement Administration Costs: Class Counsel will apply to the Court for \$35,000.00 as costs to be paid to the Court-appointed Settlement Administrator, who is charged with providing this Notice to the members of the California Class and FLSA Collective, and for administrating the Settlement.
- **Service Award:** Plaintiff will apply to the Court for up to \$10,000 as an award for her service in this Lawsuit as the Class Representative.
- **Settlement Credit:** The Gross Settlement Amount will be reduced by \$193,471, which reflects a "Settlement Credit" for post-lawsuit funds paid by STG to certain California Class Members, FLSA Collective Members, and other STG employees. This means that the total out-of-pocket amount STG will pay under this settlement is \$2,249,529 (i.e., the Gross Settlement Amount minus \$193,471), except for the employer's share of any payroll taxes due on the settlement payments made under the settlement, or as otherwise provided in the Class and Collective Action Settlement Agreement ("Settlement Agreement").
- Attorneys' Fees and Costs: Class Counsel will apply to the Court for up thirty-three percent (33%) of the Gross Settlement Amount as attorneys' fees, as well as \$25,000 in reimbursement of litigation costs that the Court may award to the attorneys who handled this Litigation on behalf of the Settlement Members.
- **PAGA Penalties:** STG will pay PAGA penalties in the total amount of \$75,000.00, with 75% (\$56,250.00) paid to the State of California and 25% (\$18,750.00) to be distributed among the PAGA Members, as required by law.
- **Net Settlement Amount:** The amount remaining after deducting the above amounts from the Gross Settlement Amount is for distribution to the California Class Members and FLSA Members, and is called the Net Settlement Amount ("NSA"). Fifty-six percent (56%) of the NSA will be allocated to the California Class Fund, and forty-four percent (44%) of the NSA will be allocated to the FLSA Fund.

Subject to the Court's final approval of the Settlement, each California Class Member who does not make a timely request to opt out of the Settlement will receive an individual Settlement check ("California Class Payment") reflecting their pro rata share of the California Class Fund. The California Class Payment for each California Class Member will be based on a ratio of total weeks worked by each of the California Class Members during the California Class Period. Each California Settlement Check will be allocated as follows: 10% for alleged wages to be reported on an IRS Form W-2, and 90% for alleged penalties and interest to be reported on an IRS Form 1099.

Subject to the Court's final approval of the Settlement, each PAGA Member will receive a Settlement check ("PAGA Payment") reflecting their pro rata share of the PAGA penalties allocated to the PAGA Members (i.e., 25% of the PAGA Penalty total). The PAGA Payment for each PAGA Member will be based on a ratio of total weeks worked by each of the PAGA Members during the PAGA Period. Each PAGA Settlement Check will be allocated as follows: 100% for alleged penalties to be reported on an IRS Form 1099.

Subject to the Court's final approval of the Settlement, each FLSA Member will receive a Settlement check ("FLSA Payment") reflecting their pro rata share of the FLSA Fund, and shall opt in to the FLSA Settlement by endorsing and negotiating their FLSA Payment. The FLSA Payment for each FLSA Member will be based on a ratio of total weeks worked by the FLSA Collective Member during the FLSA Collective Period. Each FLSA Settlement Check will be allocated as follows: 50% for alleged wages to be reported on an IRS Form W-2, and 50% for alleged penalties and interest to be reported on an IRS Form 1099.

The wages portion of each payment will be subject to reduction for the employee's share of required tax withholdings and payroll deductions, and the employer's share of taxes will be paid by STG separately and is in addition to the Gross Settlement Amount.

If the Court grants final approval of the Settlement, California Class Payments, PAGA Payments, and FLSA Payments will be made by way of separate checks and mailed to the address that is on file with the Settlement Administrator. If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.

### 8. How much will my payment be?

While the precise amount of your share of the Settlement Payment is not known at this time, based upon the number of Workweeks you worked for STG during the relevant time period, your share of Settlement funds are estimated as follows:

You have been identified as an eligible California Class Member, and your estimated California Class Payment is \$ based on workweeks that you were employed by STG during
the California Class Period.
You have been identified as an eligible PAGA Member, and your estimated PAGA Payment is \$ based on workweeks that you were employed by STG during the PAGA Period.
You have been identified as an eligible FLSA Member, and your estimated FLSA Payment is \$

If you wish to dispute the workweeks credited to you, you must submit your dispute by way of written letter that is sent to the Settlement Administrator. **The written letter must**: (a) contain the case name and number of the Lawsuit (*Ana Garcia v. STG International, Inc.*, U.S. District Court, Southern District of California, Case No. 3:20-cv-01701-AJB-LL); (b) be signed by you; (c) contain your full name, address, telephone number, and the last four digits of your Social Security Number; (d) clearly state that you dispute the number of workweeks credited to you and what you contend is the correct number to be credited to you; (e) include information and/or attach documentation demonstrating that the number of workweeks that you contend should be credited to you is correct; and (f) be returned to the Settlement Administrator at the address specified in Section 12 below, postmarked no later than [the Response Deadline].

### 9. When will I receive my payment?

Settlement Members who do not opt-out of the Settlement and are entitled to a payment based on the distribution formula explained in response to Question 7, will receive their payments by check, only after the Court grants final approval to the Settlement and after any appeals are resolved (see "The Final Approval Hearing" discussed below).

### 10. What I am giving up by participating in the Settlement?

You cannot sue STG, or any of the other Released Parties described in the Settlement Agreement, or be part of any other lawsuit against STG, or any of the Released Parties described in the Settlement

Agreement, based on the Claims which were, or could have been, brought in this Lawsuit. All of the decisions by the Court will bind you.

The Class Action Settlement Agreement is available at <a href="www.[domain].com">www.[domain].com</a> and fully describes the Claims that you give up if you remain in the Settlement.

Upon the Court's final approval of the Settlement, judgment will be entered fully and finally settling the Lawsuit as to all Participating California Class Members and FLSA Members.

As a result of the Settlement and judgment to be entered, all members of the <u>California Class</u> who do not timely opt out shall individually and on behalf of all their respective successors, assigns, agents, attorneys, executors, heirs and personal representatives, fully and finally release and discharge the Released Parties, and each of them, from the "California Class Released Claims", defined as any and all liabilities, demands, claims, causes of action, complaints and obligations that were alleged or which could have been alleged in the Complaints, and each and every material allegation alleged therein, during the "California Class Period," defined as August 31, 2016 through October 16, 2021.

As a result of the Settlement and judgment to be entered, all <u>PAGA Members</u>, on behalf of all their respective successors, assigns, agents, attorneys, executors, heirs and personal representatives, fully and finally release and discharge the Released Parties, and each of them, from the "PAGA Released Claims", defined as any and all liabilities, demands, claims, causes of action, complaints and obligations that were alleged or which could have been alleged in the Complaints, and each and every material allegation alleged therein, and arise under the Labor Code Private Attorneys General Act of 2004 ("PAGA"), during the PAGA Period, defined as August 10, 2019 through October 16, 2021.

As a result of the Settlement and judgment to be entered, all members of the <u>FLSA Collective</u> who opt into this Settlement (by endorsing and negotiating their FLSA Settlement Check) shall individually and on behalf of all their respective successors, assigns, agents, attorneys, executors, heirs and personal representatives, fully and finally release and discharge the Released Parties, and each of them, from the "FLSA Collective Released Claims", defined as any and all liabilities, demands, claims, causes of action, complaints and obligations that were alleged or which could have been alleged in the Complaints, and each and every material allegation alleged therein, and arise under the FLSA (29 U.S.C. §§ 201, et seq.), during the FLSA Collective Period, defined as August 31, 2017 through October 16, 2021.

### HOW TO RECEIVE PAYMENT

### 11. How can I receive a payment?

All Settlement Members who do not opt-out of the Settlement will receive payments from the Settlement automatically. *You do not have to do anything in order to receive that payment*. As long as you do <u>not</u> exclude yourself from the Settlement (*see* Question 12), the payment will be made automatically by check, or checks, mailed to you at the address STG has on file or at such updated address as the Settlement Administrator can identify. *Please contact the Settlement Administrator if you change your address*.

You can also contact the Settlement Administrator by email at [email address] or by phone at [phone number].

### EXCLUDING YOURSELF FROM THE SETTLEMENT

### 12. How do I exclude myself from the Settlement?

If you are a California Class Member and DO NOT wish to receive the benefits of the Settlement, you may elect to exclude yourself ("opt-out"), provided that such request, referred to as the "Request for Exclusion" is made in writing and faxed or postmarked on or before [Month and Day and Year] (the "Opt-Out Deadline"). Do not submit a Request for Exclusion if you want to obtain compensation under the Settlement. Persons who submit a Request for Exclusion will not be entitled to share in the benefits of the Settlement and they will not be bound by any orders or judgment rendered by the Court in this Lawsuit. If you do not submit a Request for Exclusion by the deadline, you will be bound by the Settlement Agreement, including the release and dismissal, and any consequences the Settlement might have on your right to any legal relief not sought in this Lawsuit. In making a decision whether to remain a California Class Member or to exclude yourself from the California Class, please carefully review this Notice.

The Request for Exclusion must include the following information:

- It must be in writing;
- It must be signed by you;
- It must contain your name, address, telephone number and the last four digits of the Social Security;
- It must clearly state that you do not wish to be included in the proposed Settlement;
- It must be returned by fax or mail to the Class Administrator at the specified address; and
- Any Request for Exclusion may be faxed or mailed by First Class U.S. Mail, or the equivalent, to:

Garcia v. STG Settlement Administrator c/o Phoenix Class Action Settlement Administrators [INSERT ADDRESS OF ADMINISTRATOR]

If you submit a Request for Exclusion which is not postmarked by [Month and Day and Year], your Request for Exclusion will be rejected and you will be bound by the release and the Settlement.

If the Request for Exclusion is sent from within the United States, it must be sent through the United States Postal Service by First Class U.S. Mail, or the equivalent. Do not use a postage meter as that may not result in a postmark appearing on the envelope containing your Request for Exclusion.

Any person who submits a complete and timely Request for Exclusion shall, upon receipt, no longer be a member of the California Class, shall be barred from participating in any portion of the Settlement, and shall receive no benefits from the Settlement. Any such person, at his or her own expense, may pursue any claims he or she may have against STG.

### THE LAWYERS REPRESENTING YOU

### 13. Do I have a lawyer in this case?

The Court has appointed the law firm of Ferraro Vega Employment Lawyers, Inc. to represent you and all Settlement Members. Together, the lawyers are called Class Counsel and can be reached at:

#### CLASS COUNSEL

Lauren N. Vega, Esq.
Nicholas J. Ferraro, Esq.
FERRARO VEGA EMPLOYMENT LAWYERS, INC.
3160 Camino del Rio South, Suite 308
San Diego, California 92108

Tel.: 619.693.7727 / Fax: 619.350.6855 Email: nick@ferrarovega.com www.ferrarovega.com

You will not be charged for contacting these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

### 14. How will the lawyers be paid?

Class Counsel intend to request up to 33 percent of the Gross Settlement Amount for attorneys' fees, plus reimbursement of the costs and expenses of up to \$25,000 for prosecuting the class and collective action. The fees and expenses awarded by the Court will be paid out of the Gross Settlement Fund. The Court will decide the amount of fees to award. Class Counsel will also request that a special Service Award of \$10,000 be paid from the Gross Settlement Amount to the Class Representative for her service as the representative on behalf of the California Class and FLSA Collective.

### **OBJECTING TO THE SETTLEMENT**

You can tell the Court that you do not agree with the Settlement or some part of it.

### 15. How do I tell the Court that I don't like the Settlement?

If you are a member of the California Class or FLSA Collective, you can object to any part of the Settlement, the Settlement as a whole, Class Counsel's requests for fees and expenses, and/or the special Service Award to the Class Representative. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement if you participate in the settlement. You will not be allowed to object if you have submitted a valid and timely Request for Exclusion.

To object to the Settlement proposed by this Agreement, you must file with the Court and serve Plaintiff's counsel and Defendant's counsel on or before [Month Day Year], an objection to the Settlement. An objection is a written document that contains the following:

- Your full name, current address, and telephone number;
- A statement saying that that you object to the Settlement in *Ana Garca v. STG International, Inc.*, U.S. District Court, Southern District of California, Case No. 3:20-ev-01701-AJB-LL
- The reasons you object to the Settlement, along with any supporting materials;
- A list of all persons whom you will call to testify in support of your objection;
- A statement whether you intend to appear at the final fairness hearing with or without separate counsel:

- If you intend to appear at the fairness hearing with separate counsel, the names of all attorneys who will separately represent you;
- A list of all cases in which you or your counsel have filed objections to a class action settlement within the last five years; and
- Your signature.

You must mail your objection to <u>each</u> of the following addresses, and your objection must be postmarked by [Month Day Year]:

THE SETTLEMENT ADMINISTRATOR	CLASS COUNSEL	COUNSEL FOR DEFENDANT
Garcia v. STG Settlement Administrator c/o Phoenix Class Action Settlement Administrators [INSERT ADDRESS OF ADMINISTRATOR]	Lauren N. Vega, Esq. Nicholas J. Ferraro, Esq. FERRARO VEGA EMPLOYMENT LAWYERS 3160 Camino del Rio S, Ste 308 San Diego, CA 92108	Linda Auerbach Allderdice, Esq. John H. Haney, Esq. HOLLAND & KNIGHT LLP 400 South Hope Street, 8th Floor Los Angeles, CA 90071

Any member of the California Class who does not make and serve their written objections in the manner provided above shall be deemed to have forever waived such objections and shall be foreclosed from making any objections to the Settlement, by appearance or otherwise.

If you file your objections but the Court approves the Settlement as proposed, you will still be eligible for your allocated Settlement payment.

### 16. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you do <u>not</u> exclude yourself. Excluding yourself by filing a Request for Exclusion is telling the Court that you do not want to be part of the California Class. If you exclude yourself, you have no basis to object because the Lawsuit no longer affects you.

#### THE FINAL APPROVAL HEARING

The Court will hold a hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you do not have to.

### 17. When and where will the Court decide whether to approve the Settlement?

The Court has scheduled a Final Approval Hearing on [Month Day Year] at [Time] at the United States District Court for the Southern District of California, located at Courtroom 4A, Edward J. Schwartz, United States Courthouse, 221 West Broadway, San Diego, CA 92101. The hearing may be moved to a different date or time without additional Notice, so it is a good idea to check www.[domain].com for updates.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The Court will also consider any request by Class Counsel for attorneys' fees and expenses as well as the request for

the award of payments to the Class Representative. If there are objections, the Court will consider them at that time. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long the decision will take.

### 18. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. However, you are welcome to come at your own expense.

### **GETTING MORE INFORMATION**

### 19. How do I get more information?

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement. For a complete, definitive statement of the Settlement terms, you may contact Class Counsel or the Settlement Administrator. You also may write with questions to the Settlement Administrator at:

Garcia v. STG Settlement Administrator c/o Phoenix Class Action Settlement Administrators [INSERT ADDRESS OF ADMINISTRATOR]

You can also contact the Settlement Administrator by email at [email address] or by phone at [phone number].

DO NOT CONTACT THE COURT FOR INFORMATION

# EXHIBIT 2

# Holland & Knight

400 South Hope Street, 8th Floor | Los Angeles, CA 90071 | T 213.896.2400 | F 213.896.2450 Holland & Knight LLP | www.hklaw.com

John H. Haney +1 213-896-2542 John.Haney@hklaw.com

[DATE]

Via [SERVICE METHOD]

[California or U.S.] Attorney General [NAME] Office of the [California or United States] Attorney General [ADDRESS]

Re: Ana Garcia v. STG International, Inc.,

United States District Court, Southern District of California,

Case No. 3:20-cv-01701-AJB-LL

CAFA NOTICE PURSUANT TO 28 U.S.C. § 1715

Attorney General [NAME],

Defendant STG International, Inc. ("Defendant") provides this notice pursuant to the Class Action Fairness Act of 2005 ("CAFA"), 28 U.S.C. § 1715. The above-referenced matter is pending in the United States District Court for the Southern District of California. The district court's jurisdiction in this matter is pursuant to CAFA. The parties have agreed to a voluntary resolution of this matter and have entered into a written Class and Collective Action Settlement Agreement. Under CAFA, you are not required to comment on the parties' settlement. However, if you wish to comment, you must do so within ninety (90) days of being served with this notice. *See* 28 U.S.C. § 1715(d).

The parties filed a Class and Collective Action Settlement Agreement with the Court and moved for preliminary approval of the settlement on [DATE]. The Court has not yet scheduled a hearing for preliminary or final approval of the settlement. In accordance with CAFA, Defendant encloses the following documents in Appendix A:

- (1) copies of the Complaint and the Second Amended Class and Collective Action Complaint (the Second Amended Complaint being the operative complaint in the above-referenced matter);
- (2) the proposed form of notification to class members of the proposed class and collective action settlement and hearing on the settlement, i.e., the Notice to Class Members Regarding Class Settlement;
- (3) the Class and Collective Action Settlement Agreement in this action; and

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(4) a list of class members identified from Defendant's available records as residing in the State of California.

Under the terms of the proposed Class and Collective Action Settlement Agreement, the class members include all non-exempt employees who worked in U.S. Immigration and Customs Enforcement ("ICE") Detention Centers for Defendant in California during the California Class Period, as defined. Each class member's estimated share of the settlement will be based on a ratio of total weeks worked by the California Class. The state residences of all class members will be in California.

Other than the Class and Collective Action Settlement Agreement included as Exhibit 3, there are no contemporaneous agreements between class counsel and counsel for Defendant. There are no written judicial opinions related to the materials described above. No final judgment or notice of dismissal has been entered with respect to Defendant.

If you have any questions about this notice, the lawsuit or the enclosed materials, please contact counsel for Defendant and Plaintiffs' counsel listed in the enclosed documents.

Very truly yours,

**HOLLAND & KNIGHT LLP** 

John H. Haney