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10 Attorneys for Plaintiff CELIA NAVARRETE, and all others similarly situated

11 [Additional Counsel on Following Page]

12 **UNITED STATES DISTRICT COURT**  
13 **CENTRAL DISTRICT OF CALIFORNIA**

14 CELIA NAVARRETE, an  
15 individual, on behalf of herself and  
16 all others similarly situated,

17 Plaintiff,

18 vs.

19 UKG INC., a Delaware corporation;  
20 and, DOES 1 through 20, inclusive,

21 Defendants.

22 Case No. 8:23-cv-00862 HDV-ADS

23 **AMENDED STIPULATION,**  
24 **SETTLEMENT, AND RELEASE OF**  
25 **CLASS ACTION AND PRIVATE**  
26 **ATTORNEYS GENERAL ACT**  
27 **CLAIMS**

28 Judge: Hon. Hernán D. Vera  
Magistrate Judge: Autumn D. Spaeth  
Courtroom: 5B

**AMENDED STIPULATION, SETTLEMENT, AND RELEASE OF CLASS ACTION  
AND PRIVATE ATTORNEYS GENERAL ACT CLAIMS**

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7 Attorneys for Defendant, UKG INC.  
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1 This Amended Stipulation, Settlement, and Release of Class Action and  
2 Private Attorneys General Act Claims is entered into by and between Plaintiff Celia  
3 Navarrete (“Plaintiff”), as an individual, on behalf of all other similarly situated and  
4 allegedly aggrieved employees, and as a representative of the State of California on  
5 the one hand, and Defendant UKG Inc. (“Defendant”) on the other hand. Plaintiff  
6 and Defendant will be individually referred to as “Party,” and collectively as the  
7 “Parties” in this Agreement. This Settlement was reached pursuant to a mediation  
8 conducted by Joel Grossman on October 18, 2023.

9 **I. DEFINITIONS**

10 A. “Agreement” or “Settlement” or “Settlement Agreement” means this  
11 Stipulation, Settlement, and Release of Class Action and Private Attorneys General  
12 Act Claims, and all exhibits attached hereto and incorporated herein, including all  
13 subsequent amendments agreed to in writing by the Parties and any exhibits to such  
14 amendments.

15 B. “Action” means the class and representative action lawsuit, entitled  
16 *Navarrete v. UKG, Inc.*, filed on April 11, 2023, in the Superior Court of Orange  
17 County, and thereafter removed to the United States District Court for the Central  
18 District of California, Case No. 8:23-cv-00862-HDV-ADS.

19 C. “Class Counsel” means Sam Kim and Yoonis Han of Verum Law  
20 Group, APC, 841 Apollo Street, Suite 340, El Segundo, CA 90245.

21 D. “Class Counsel Costs Award” means the expenses and costs incurred  
22 by Class Counsel in connection with litigation of the Action, which are not to exceed  
23 Fifteen Thousand Dollars (\$15,000.00) and are paid from the Gross Settlement  
24 Amount.

25 E. “Class Counsel Fees Award” means attorneys’ fees for Class Counsel’s  
26 litigation and resolution of the Action, which are not to exceed 30% of the Gross  
27 Settlement Amount, or One Hundred Thirty Seven Thousand Three Hundred Sixty  
28

1 Three Dollars and One Cent (\$137,363.01) and are paid from the Gross Settlement  
2 Amount.

3 F. “Class Period” means the period from April 11, 2019 through January  
4 16, 2024.

5 G. “Class Representative” means Plaintiff in her capacity as a  
6 representative of the Settlement Class Members.

7 H. “Compensable Workweeks” means the total number of workweeks  
8 during which Settlement Class Members worked for Defendant during the Class  
9 Period.

10 I. “Compensable PAGA Pay Periods” means the total number of pay  
11 periods during which PAGA Group Members worked for Defendant during the  
12 PAGA Period.

13 J. “Court” means the United States District Court for the Central District  
14 of California.

15 K. “Defendant” means UKG INC.

16 L. “Effective Date” means date upon which both of the following have  
17 occurred: (i) final approval of the settlement is granted by the Court(s), and (ii) the  
18 Court’s judgment approving the settlement becomes Final. The term “Final” shall  
19 mean the latest of: (i) if there is an appeal of the Court’s judgment, the date the  
20 judgment is affirmed on appeal, the date of dismissal of such appeal, or the  
21 expiration of the time to file a petition for review to the California Supreme Court  
22 and/or a petition for writ of certiorari to the United States Supreme Court, or (ii) if a  
23 petition for review or writ of certiorari is filed, the date of denial of the petition for  
24 review or writ of certiorari, or the date the judgment is affirmed pursuant to such  
25 petition; or (iii) if no appeal is filed, the expiration date of the time for filing or  
26 noticing any appeal of the judgment.  
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1 M. "Employee List" means a complete list of all Settlement Class  
2 Members and PAGA Group Members that Defendant will, in good faith, compile  
3 from its records and provide to the Settlement Administrator. It shall be formatted  
4 as a Microsoft Excel spreadsheet and shall include the following information for  
5 each Settlement Class Member and PAGA Group Member: (1) employee  
6 identification number; (2) full name; (3) last known address; (4) last known home  
7 telephone number; (5) Social Security Number; and (6) start and end dates of  
8 employment as California, non-exempt employees.

9 N. "Employer Taxes" shall mean Defendant's share of any employer  
10 payroll taxes and other required employer withholdings due on the Individual  
11 Settlement Payments, which will be separately paid by Defendant and will not be  
12 deducted from the Gross Settlement Amount.

13 O. "Gross Settlement Amount" or "GSA" means a non-reversionary  
14 common fund that shall have a total all-in value of Four Hundred Fifty Seven  
15 Thousand Eight Hundred Seventy Six Dollars and Seventy Cents (\$457,876.70), and  
16 includes all payments Defendant is responsible for under the Settlement, including  
17 the Individual Settlement Payments, Service Award, PAGA Payment, Class Counsel  
18 Costs Award, Class Counsel Fees Award, and Settlement Administration Costs.

19 P. "Individual Settlement Payment" means the amount payable from the  
20 Net Settlement Amount to each Settlement Class Member who has not submitted a  
21 Request for Exclusion.

22 Q. "Net Settlement Amount" or "NSA" means the Gross Settlement  
23 Amount, less the Service Award, PAGA Payment, Class Counsel Costs Award,  
24 Class Counsel Fees Award, and Settlement Administration Costs.

25 R. "Notice Packet" means the Notice of Class Action Settlement in a form  
26 substantially similar to the form attached hereto as Exhibit 1.  
27  
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1 S. "PAGA" means California's Private Attorneys General Act, California  
2 Labor Code § 2699 *et seq.*

3 T. "PAGA Group Members" means all current and former non-exempt  
4 employees who worked for Defendant in the State of California during the PAGA  
5 Period.

6 U. "PAGA Notices" means the PAGA notice sent by Plaintiff to the  
7 LWDA dated April 20, 2023.

8 V. "PAGA Payment" means the amount of Twenty Thousand Dollars  
9 (\$20,000.00) allocated to penalties under the PAGA, of which Fifteen Thousand  
10 Dollars (\$15,000.00) shall be paid by the Settlement Administrator directly to the  
11 LWDA; and the remaining Five Thousand Dollars (\$5,000.00) shall be distributed  
12 to PAGA Group Members based on Compensable PAGA Pay Periods.

13 W. "PAGA Period" means the period from April 20, 2022 through January  
14 16, 2024.

15 X. "Parties" means Plaintiff and Defendant, collectively, and "Party" shall  
16 mean either Plaintiff or Defendant, individually.

17 Y. "Plaintiff" means Plaintiff Celia Navarrete.

18 Z. "Preliminary Approval Date" means the date on which the Court enters  
19 an Order Granting Preliminary Approval of the Class Action Settlement.  
20

21 AA. "Service Award" means the Court approved payment of Ten Thousand  
22 Dollars (\$10,000.00) paid to Plaintiff as Class Representative, in addition to her  
23 Individual Settlement Payment, in recognition of her efforts and risks in assisting  
24 with the prosecution of the Action.

25 BB. "Released Claims" shall include the claims released and shall have the  
26 meanings ascribed to them as set forth in Paragraph C, D and E of Section III of  
27 this Settlement Agreement.  
28

1 CC. “Released Parties” means Defendant and all of its present and former  
2 parent companies, subsidiaries, affiliates and joint ventures (including, but not  
3 limited to, Kronos Incorporated and Kronos SaaS, Inc.) and all of their present and  
4 former officers, directors, employees, agents, servants, registered representatives,  
5 attorneys, insurers, successors and assigns, and any other persons acting by, through,  
6 under, or in concert with any of them.

7 DD. “Response Deadline” means the date forty-five (45) days after the  
8 Settlement Administrator mails Notice Packets to Settlement Class Members and the  
9 last date on which Settlement Class Members may submit Requests for Exclusion or  
10 objections to the Settlement.

11 EE. “Settlement Administration Costs” means the costs payable from the  
12 Gross Settlement Amount to the Settlement Administrator for administering this  
13 Settlement, including, but not limited to the Settlement Administrator’s  
14 responsibilities outlined in this Settlement Agreement.

15 FF. “Settlement Administrator” means, subject to appointment by the  
16 Court, Phoenix Settlement Administrators, who shall be responsible for the  
17 administration of the Settlement, distribution of any amounts owed under this  
18 settlement, and matters necessarily related thereto pursuant to the terms of this  
19 Agreement.

20 GG. “Settlement Class Members” or “Settlement Class” means all current  
21 and former non-exempt employees who worked for Defendant in the State of  
22 California during the Class Period. The “Settlement Class Members” or “Settlement  
23 Class” shall not include any person who submits a timely and valid Request for  
24 Exclusion as provided in this Agreement.

25  
26 **II. RECITALS**

27 A. On April 11, 2023, Plaintiff filed a putative class action against  
28 Defendant in the Orange County Superior Court, Case No. 30-2023-01318758-CU-

1 OE-CXC, alleging claims for: 1) failure to pay all wages; 2) failure to provide meal  
2 periods or compensation in lieu thereof; 3) failure to provide rest breaks or  
3 compensation in lieu thereof; 4) failure to timely pay wages during employment; 5)  
4 failure to provide accurate wage statements; 6) waiting time penalties; 7) violation  
5 of California Business & Professions Code § 17200 *et seq.* (the “Action”). On May  
6 17, 2023, Defendant removed the Action to the United States District Court for the  
7 Central District of California, pursuant to the Class Action Fairness Act of 2005, 28  
8 U.S.C. §§ 1332 (c), (d)(2), 1441(a), 1446, and 1453 (“CAFA”). On November 9,  
9 2023, Plaintiff filed a First Amended Complaint (“FAC”) adding a claim under the  
10 PAGA. On October 18, 2023, the Parties participated in a mediation with Joel  
11 Grossman, Esq., a mediator with experience in mediating complex labor and  
12 employment matters.

13  
14 B. Defendant has denied and continues to deny any liability or wrongdoing  
15 of any kind associated with the claims alleged in the Action, disputes the wages,  
16 damages and penalties claimed by the Plaintiff, and further contends that, for any  
17 purpose other than settlement, Plaintiff’s claims are not appropriate for class or  
18 representative action treatment. Defendant contends, among other things, that, at all  
19 times, it has complied with the California Labor Code, the Industrial Wage  
20 Commission Orders, and the California Business and Professions Code.

21 C. The Plaintiff and Class Representative are represented by Class  
22 Counsel. Class Counsel conducted an investigation into the facts relevant to the  
23 Action, including reviewing documents and information provided by Defendant  
24 informally during discovery. Based on their own independent investigation and  
25 evaluation, Class Counsel is of the opinion that the Settlement with Defendant is  
26 fair, reasonable and adequate, and in the best interest of the Settlement Class in light  
27 of all known facts and circumstances, including the risks of significant delay,  
28 defenses asserted by Defendant, and uncertainties regarding a class and

AMENDED STIPULATION, SETTLEMENT, AND RELEASE OF CLASS ACTION  
AND PRIVATE ATTORNEYS GENERAL ACT CLAIMS



1 representative action trial on the merits. Although Defendant denies any liability,  
2 Defendant has concluded that, because of the substantial expense of defending  
3 against the Action, the length of time necessary to resolve the issues presented  
4 herein, the inconvenience involved in such litigation, and the concomitant disruption  
5 to its business operations, it is in its best interests to accept the terms of this  
6 Agreement to avoid the burden, expense and uncertainty of continuing litigation and  
7 for the purpose of putting to rest the controversies engendered by the Action.  
8 Accordingly, the Parties and their counsel desire to fully, finally, and forever settle,  
9 compromise and discharge all disputes and claims arising from or relating to the  
10 Action on the terms set forth herein.

### 11 **III. TERMS OF SETTLEMENT AGREEMENT**

12  
13 A. Settlement Consideration. Defendant shall pay the Gross Settlement  
14 Amount of Four Hundred Fifty Seven Thousand Eight Hundred Seventy Six Dollars  
15 and Seventy Cents (\$457,876.70) to settle this Action. The Gross Settlement  
16 Amount shall include the sum of the Individual Settlement Payments, Service  
17 Award, PAGA Payment, Class Counsel Costs Award, Class Counsel Fees Award,  
18 and Settlement Administration Costs. In no event shall Defendant be required to  
19 pay more than the Gross Settlement Amount, except as provided in Section B below.  
20 The Settlement is non-reversionary. The Gross Settlement Amount is a material  
21 term of this Agreement. Except as set forth in Section B below, to the extent Plaintiff  
22 or the Court seeks to require Defendant to pay more than the Gross Settlement  
23 Amount as part of this Settlement or Agreement, Defendant shall retain the right, in  
24 the exercise of its sole discretion, to nullify the Settlement or Agreement.

25 As part of this Settlement, Defendant confirms and represents that it has  
26 lawful policies and procedures regarding the factual theories and Labor Code claims  
27 alleged in the operative First Amended Complaint. To the extent that Plaintiff  
28 alleged unlawful policies or procedures occurred or existed during a small portion

AMENDED STIPULATION, SETTLEMENT, AND RELEASE OF CLASS ACTION  
AND PRIVATE ATTORNEYS GENERAL ACT CLAIMS

1 of the Class Period (such as rounding or on-premises rest breaks), Defendant denies  
2 those allegations and maintains any such policies or practices are neither in effect  
3 nor applicable to current employees.

4       B. Pro Rata Increase of Gross Settlement Amount. The Settlement  
5 negotiations were premised on the assumption that Settlement Class Members  
6 worked approximately 65,732 workweeks through October 18, 2023 (the date of  
7 mediation). If the total number of workweeks worked by Settlement Class Members  
8 during the Class Period increased by more than 10% of the 65,732 workweeks (i.e.,  
9 more than 6,573 additional workweeks), then Defendant had the option to pay an  
10 adjusted pro-rata settlement amount to reflect the increased number of workweeks  
11 beyond the 10% workweeks; or (2) Defendant had the right to cap the workweeks  
12 and the scope of the release as of the date that they exceed the above-referenced 10%  
13 threshold. In advance of Preliminary Approval, Defendant gathered employee data  
14 and represented that the total workweeks through January 16, 2024 (the end of the  
15 Class Period) is 101,867 workweeks. Accordingly, based on this section, the Gross  
16 Settlement Amount increased on pro-rata basis to \$457,876.70. In the event there  
17 are no additional workweeks added, there shall be no further increases to the Gross  
18 Settlement Amount based on this section.

19       C. Release of Class Claims. As of the Effective Date, in exchange for the  
20 consideration set forth in this Agreement, the Settlement Class Members, and each  
21 of them, shall be deemed to have released, and by operation of the Final Approval  
22 Order shall have, fully, finally, and forever released, acquitted, relinquished and  
23 completely discharged the Released Parties from any and all claims that were pled  
24 or could have been pled based on the factual allegations in the operative First  
25 Amended Complaint or prior complaints in the Action, arising during the Class  
26 Period, including, but not limited to, any claim for failure to provide meal periods or  
27 authorize and permit rest periods, failure to provide premium pay at the regular rate  
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1 of pay, failure to pay any form of wages, failure to pay any wages (including  
2 overtime) at the regular rate of pay, regular rate violations, failure to pay timely  
3 wages during employment, failure to timely pay accrued wages upon termination of  
4 employment, failure to furnish accurate and itemized wage statements, failure to  
5 maintain accurate records, any known and unknown claims arising under California  
6 Labor Code §§ 201, 202, 203, 204, 210, 218.6, 226, 226.3, 226.7, 510, 512, 516,  
7 1174, 1194, 1194.2, as well as the California Unfair Competition Law, Business and  
8 Professions Code §§ 17200 *et seq.*, and the applicable California Industrial Welfare  
9 Commission Wage Order. (“Released Class Claims”) against the Released Parties.  
10 The Released Class Claims as described above shall include any remedies for any of  
11 the claims described herein, including damages, penalties of any nature, restitution,  
12 declaratory relief, equitable or injunctive relief, interest, and attorneys’ fees and  
13 costs. The Parties stipulate that beyond the Gross Settlement Amount, Defendant  
14 shall not owe any further monies to the Settlement Class Members based upon the  
15 claims made in the Lawsuit. The scope of the Released Class Claims is a material  
16 term of this Agreement. To the extent Plaintiff or the Court seeks to modify the  
17 scope of the Released Class Claims in order to make it more narrow, Defendant shall  
18 retain the right, in the exercise of its sole discretion, to nullify the Settlement or  
19 Agreement.

20       D.    Release of PAGA Claims. As of the Effective Date, in exchange for  
21 the PAGA Payment set forth in this Agreement, the State of California, the LWDA,  
22 and all PAGA Group Members. and each of them, shall be deemed to have released,  
23 and by operation of the Final Approval Order shall have, fully, finally, and forever  
24 released, acquitted, relinquished and completely discharged the Released Parties  
25 from include any and all PAGA claims during the PAGA Period that were pled or  
26 could have been pled based on the factual allegations in the forthcoming operative  
27 First Amended Complaint or prior complaints in the Lawsuit and in all PAGA notice  
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1 letter filed by Plaintiff, and further including claims that are premised upon  
2 California Labor Code §§ 201, 202, 203, 204, 210, 218.6, 226, 226.3, 226.7, 510,  
3 512, 516, 1174, 1194, 1194.2, and claims covered by the Release of the Class Action  
4 Claims, against the Released Parties. The scope of the Released PAGA Claims as  
5 defined herein is a material term of this Agreement. To the extent Plaintiff or the  
6 Court seeks to modify the scope of the Released PAGA Claims in order to make it  
7 more narrow, Defendant shall retain the right, in the exercise of its sole discretion,  
8 to nullify the Settlement or Agreement.

9 E. General Release by Plaintiff. As of the Effective Date, in addition to  
10 releasing the Released Class Claims and Released PAGA Claims, in exchange for  
11 the Service Award, Plaintiff, for herself and her heirs, successors and assigns, does  
12 hereby fully and finally release the Released Parties, from all known and unknown  
13 claims, including a waiver of Cal. Civ. Code § 1542 (“Plaintiff’s General Release”).  
14 Plaintiff’s General Release includes all claims, whether known or unknown. Even if  
15 Plaintiff discovers facts in addition to or different from those that Plaintiff now  
16 knows or believes to be true with respect to the subject matter of Plaintiff’s General  
17 Release, those claims will remain released and forever barred. Thus, Plaintiff  
18 expressly waives and relinquishes the provisions, rights and benefits of section 1542  
19 of the California Civil Code, which reads:  
20

21 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS**  
22 **THAT THE CREDITOR OR RELEASING PARTY DOES NOT**  
23 **KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT**  
24 **THE TIME OF EXECUTING THE RELEASE AND THAT, IF**  
25 **KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY**  
26 **AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR**  
27 **OR RELEASED PARTY.**  
28

1 Plaintiff acknowledges and agrees that this knowing and voluntary waiver is  
2 an essential and material term of this Agreement, and the Agreement would not have  
3 been entered into without such a waiver.

4 Notwithstanding the foregoing, Plaintiff does not waive or release any claim  
5 which cannot be waived or released by private agreement. Further, nothing in this  
6 Agreement shall prevent Plaintiff from filing a charge or complaint with, or from  
7 participating in, an investigation or proceeding conducted by the SEC, OSHA,  
8 EEOC, DFEH, NLRB or any other federal, state or local agency charged with the  
9 enforcement of any employment or other applicable laws. Plaintiff, however,  
10 understands that by signing this Agreement, she waives the right to recover any  
11 damages or to receive other relief in any claim or suit brought by or through the  
12 EEOC, the DFEH or any other state or local deferral agency on their behalf to the  
13 fullest extent permitted by law, but expressly excluding any monetary award or other  
14 relief available from the SEC/OSHA, including an SEC/OSHA whistleblower  
15 award, or other awards or relief that may not lawfully be waived.  
16

17 F. Conditions Precedent: This Settlement will become final and effective  
18 only upon the occurrence of all of the following events:

- 19 1. The Court enters an Order Granting Preliminary Approval of the  
20 Settlement;
- 21 2. The Court enters an Order Granting Final Approval of the Class  
22 Action Settlement (“Final Approval Order”) and a Final Judgment in the Action;
- 23 3. The time for appeal of the Final Approval Order expires; or, if an  
24 appeal is timely filed, there is a final resolution of any appeal from the Final  
25 Approval Order;
- 26 4. Defendant funds the Gross Settlement Amount; and
- 27 5. Defendant does not invoke its right to revoke the Settlement as  
28 provided herein.

1           G.    Certification of the Settlement Class.    The Parties stipulate to  
2 conditional class certification of the Settlement Class for the Class Period for  
3 purposes of settlement only. In the event that this Settlement is not approved by the  
4 Court, fails to become effective, or is reversed, withdrawn or modified by the Court,  
5 or in any way prevents or prohibits Defendant from obtaining a complete resolution  
6 of the claims as described herein, the conditional class certification (obtained for any  
7 purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible  
8 in any judicial, administrative or arbitral proceeding for any purpose or with respect  
9 to any issue, substantive or procedural.

10           H.    Tax Liability.    The Parties make no representations as to the tax  
11 treatment or legal effect of the payments called for hereunder, and the Parties,  
12 Settlement Class Members, and PAGA Group Members are not relying on any  
13 statement, representation, or calculation by the Parties in this regard. Plaintiff,  
14 Settlement Class Members, and PAGA Group Members understand and agree that  
15 except for the employer's portion of any payroll taxes, Plaintiff, Settlement Class  
16 Members, and PAGA Group Members will be solely responsible for the payment of  
17 any taxes and penalties assessed on the payments described herein and will hold the  
18 Parties and their respective counsel free and harmless from and against any claims,  
19 liabilities, costs and expenses, including attorney's fees, resulting in any way from  
20 personal tax treatment of the payments made pursuant to this Agreement, including  
21 the treatment of such payments as not subject to withholding or deduction for payroll  
22 and employment taxes.

24           I.    Circular 230 Disclaimer.    Each Party to this Agreement (for purposes  
25 of this section, the "acknowledging party" and each Party to this Agreement other  
26 than the acknowledging party, an "other party") acknowledges and agrees that: (1)  
27 no provision of this Agreement, and no written communication or disclosure  
28 between or among the Parties or their attorneys and other advisers, is or was intended

AMENDED STIPULATION, SETTLEMENT, AND RELEASE OF CLASS ACTION  
AND PRIVATE ATTORNEYS GENERAL ACT CLAIMS

1 to be, nor shall any such communication or disclosure constitute or be construed or  
2 be relied upon as, tax advice within the meaning of United States Treasury  
3 Department circular 230 (31 CFR part 10, as amended); (2) the acknowledging party  
4 (a) has relied exclusively upon his, her or its own, independent legal and tax counsel  
5 for advice (including tax advice) in connection with this Agreement, (b) has not  
6 entered into this Agreement based upon the recommendation of any other Party or  
7 any attorney or advisor to any other Party, and (c) is not entitled to rely upon any  
8 communication or disclosure by any attorney or advisor to any other party to avoid  
9 any tax penalty that may be imposed on the acknowledging party, and (3) no attorney  
10 or adviser to any other Party has imposed any limitation that protects the  
11 confidentiality of any such attorney's or adviser's tax strategies (regardless of  
12 whether such limitation is legally binding) upon disclosure by the acknowledging  
13 party of the tax treatment or tax structure of any transaction, including any  
14 transaction contemplated by this Agreement.  
15

16 J. Preliminary Approval Motion. At the earliest practicable time, Plaintiff  
17 shall file with the Court a Motion for Order Granting Preliminary Approval and  
18 supporting papers, which shall include this Settlement Agreement.

19 K. Notice Obligations Under 28 U.S.C. Section 1715. Defendant shall  
20 provide notice of the Settlement, consistent with the requirements of 28 U.S.C.  
21 Section 1715, to the Attorney General of the United States and the California  
22 Attorney General. If any of the notified federal or state officials takes any action  
23 adversely affecting the validity or enforceability of the Settlement, or seeking to  
24 impose additional liability on Defendant for the matters resolved by the Released  
25 Claims, Defendant may, at its option, suspend the implementation of the Settlement  
26 pending the outcome of the action initiated by the notified federal or state official or  
27 may elect to void the Settlement by written notice to Class Counsel.  
28

1           L.    Settlement Administrator.  The Settlement Administrator shall be  
2 responsible for: (a) calculating Individual Settlement Payments and the portion of  
3 the PAGA Payment paid to each PAGA Group Member; (b) processing and mailing  
4 payments to the Class Representative, Class Counsel, LWDA, Settlement Class  
5 Members and PAGA Group Members; (c) preparing, printing and mailing the Notice  
6 Packets to the Settlement Class Members and PAGA Group Members as directed by  
7 the Court; (d) receiving and reporting the objections and requests for exclusion; (e)  
8 calculating and withholding all required state and federal taxes owed by the  
9 Settlement Class Members, PAGA Group Members, and Defendant; (f) processing  
10 and mailing tax payments to the appropriate state and federal taxing authorities; (g)  
11 providing declaration(s), as necessary, in support of preliminary and/or final  
12 approval of this Settlement; (h) preparing and mailing the required notices pursuant  
13 to 28 U.S.C. § 1715, as provided by Section K herein; and (i) other tasks as the  
14 Parties mutually agree or the Court orders the Settlement Administrator to perform.  
15 The Settlement Administrator shall keep the Parties timely apprised of the  
16 performance of all Settlement Administrator responsibilities.

17  
18           M.    Settlement Administration.

19           1.    Employee List. No later than twenty-one (21) calendar days after  
20 the Preliminary Approval Date, Defendant shall provide the Settlement  
21 Administrator with the Employee List for purposes of preparing, printing and  
22 mailing Notice Packets to Settlement Class Members and PAGA Group Members.  
23 The Employee List shall be used solely for the administration of this Settlement and  
24 for no other purpose, and shall not be shared with any persons or entity not employed  
25 by the Settlement Administrator and working on the administration of this  
26 Settlement, unless required by the Court to be reviewed by Class Counsel. Because  
27 sensitive personal information is included in the Employee List, the Settlement  
28 Administrator shall maintain the Employee List securely and in confidence. Access



1 to such Employee List shall be limited to employees of the Settlement Administrator  
2 with a need to use the Employee List for administration of the Settlement. In the  
3 event that the Settlement Agreement is not finally approved by the Court, or if it is  
4 in any way altered or disapproved on appeal, the Settlement Administrator shall not  
5 thereafter use the Employee List, and shall destroy any and all copies or versions of  
6 it (including any in electronic form).

7           2.     Notice Packets.

8                   a)     The Notice Packet shall contain the Notice of Class Action  
9 Settlement in a form substantially similar to the form attached hereto as Exhibit 1.  
10 The Notice of Class Action Settlement shall set forth the material terms of the  
11 Settlement, including the release to be given by all members of the Settlement Class  
12 who do not request to be excluded from the Settlement Class. The Notice Packet  
13 also shall be individualized by including the Compensable Workweeks and  
14 Compensable PAGA Pay Periods (if applicable), and the estimated amount of the  
15 Individual Settlement Payment for the Settlement Class Member and the payment  
16 for the PAGA Group Member (if applicable).  
17

18                   b)     The Notice Packet’s mailing envelope shall include the  
19 following language: “IMPORTANT LEGAL DOCUMENT- YOU ARE  
20 ENTITLED TO MONEY FROM A CLASS ACTION SETTLEMENT; YOUR  
21 PROMPT REPLY IS REQUIRED AS EXPLAINED IN THE ENCLOSED  
22 NOTICE.”

23           3.     Notice By First Class U.S. Mail. Upon receipt of the Employee  
24 List, the Settlement Administrator will perform a search based on the National  
25 Change of Address Database and/or similar database(s) to update and correct any  
26 known or identifiable address changes. No later than fourteen (14) calendar days  
27 after receiving the Employee List from Defendant as provided herein, the Settlement  
28 Administrator shall mail copies of the Notice Packet to all Settlement Class

1 Members and PAGA Group Members via regular First-Class U.S. Mail. The  
2 Settlement Administrator shall exercise its best judgment to determine the current  
3 mailing address for each Settlement Class Member and PAGA Group Member. The  
4 address identified by the Settlement Administrator as the current mailing address  
5 shall be presumed to be the best mailing address for each Settlement Class Member  
6 and PAGA Group Member. In the event more than one address is identified, then  
7 the Settlement Administrator shall mail to each potentially valid address.

8           4. Undeliverable Notices. Any Notice Packets returned to the  
9 Settlement Administrator as non-delivered on or before the Response Deadline shall  
10 be re-mailed to the forwarding address affixed thereto. If no forwarding address is  
11 provided, the Settlement Administrator shall promptly attempt to determine a correct  
12 address by lawful use of skip-tracing, or other search using the name, address and/or  
13 Social Security number of the Settlement Class Member and PAGA Group Member  
14 involved, and shall then perform a re-mailing, if another mailing address is identified  
15 by the Settlement Administrator.

16           5. Notice Satisfies Due Process. Compliance with the notice  
17 procedures specified in this Settlement Agreement shall constitute due and sufficient  
18 notice to Settlement Class Members and PAGA Group Members of this Settlement  
19 and shall satisfy the requirements of due process. Nothing else shall be required of,  
20 or done by, the Parties, Class Counsel, or Defendant’s counsel to provide notice of  
21 the proposed Settlement. In the event the procedures in this Settlement Agreement  
22 are followed and the intended recipient of a Notice Packet still does not receive the  
23 Notice Packet, the intended recipient shall be a Settlement Class Member and will  
24 be bound by all the terms of the Settlement and the Final Approval Order entered by  
25 the Court if the Settlement becomes effective.

26           6. Disputes Regarding Individual Settlement Payments. Settlement  
27 Class Members and PAGA Group Members will have the opportunity, should they  
28

1 disagree with Defendant’s records regarding the Compensable Workweeks and/or  
2 Compensable PAGA Pay Periods stated in their Notice Packet, to provide  
3 documentation and/or an explanation to show contrary Compensable Workweeks  
4 and/or Compensable PAGA Pay Periods. Settlement Class Members must submit  
5 information to the Settlement Administrator in writing no later than the Response  
6 Deadline. If there is a dispute, the Settlement Administrator will consult with the  
7 Parties to determine whether an adjustment is warranted. The Settlement  
8 Administrator shall determine the eligibility for, and the amounts of, any Individual  
9 Settlement Payments under the terms of this Agreement. The Settlement  
10 Administrator’s determination of the eligibility for and amount of any Individual  
11 Settlement Payment shall be binding upon the Settlement Class Member and the  
12 Parties.  
13

14 7. Disputes Regarding Administration of Settlement. Any disputes  
15 not resolved by the Settlement Administrator concerning the administration of the  
16 Settlement will be resolved by the Court under the laws of the State of California.  
17 Prior to any such involvement of the Court, counsel for the Parties will confer in  
18 good faith to resolve the disputes without the necessity of involving the Court.

19 8. Request for Exclusion. The Notice of Class Action Settlement  
20 contained in the Notice Packet shall state that Settlement Class Members who wish  
21 to exclude themselves from the Settlement must submit to the Settlement  
22 Administrator a signed, written statement requesting exclusion from the Settlement  
23 (“Request for Exclusion”). The written statement must contain the Settlement Class  
24 Member’s name, address, telephone number, and the last four digits of the  
25 Settlement Class Member’s Social Security number and/or the Employee ID  
26 number. The Request for Exclusion will not be valid if it is not signed by the person  
27 requesting exclusion, timely submitted by the Response Deadline, and received by  
28 the Settlement Administrator. The date of the postmark on the return mailing

1 envelope on the Request for Exclusion shall be the exclusive means used to  
2 determine whether the Request for Exclusion was timely submitted. If the postmark  
3 is illegible, then the Request for Exclusion must arrive within three (3) calendar days  
4 after the Objection/Exclusion Deadline Date to be considered timely. Any  
5 Settlement Class Member who requests to be excluded from the Settlement Class  
6 will not be entitled to any recovery under the Settlement and will not be bound by  
7 the terms of the Settlement or have any right to object, appeal or comment thereon.  
8 Settlement Class Members who fail to submit a valid and timely written Request for  
9 Exclusion on or before the Response Deadline shall be bound by all terms of the  
10 Settlement and any Final Judgment entered in this Action if the Settlement is  
11 approved by the Court. **No later than fourteen (14) calendar days after the Response**  
12 **Deadline, the Settlement Administrator shall provide counsel for the Parties with a**  
13 **final list of the Settlement Class Members who have timely submitted Requests for**  
14 **Exclusion.** At no time shall any of the Parties or their counsel seek to directly or  
15 indirectly solicit or otherwise encourage members of the Settlement Class to submit  
16 Requests for Exclusion from the Settlement. Settlement Class Members who submit  
17 a Request for Exclusion are not entitled to object to the Settlement. PAGA Group  
18 Members will not have the opportunity to opt out of, or object to, their payment from  
19 the portion of the PAGA Payment paid to PAGA Group Members or the Released  
20 PAGA Claims set forth in this Settlement Agreement.

21  
22 9. Objections. The Notice of Class Action Settlement contained in  
23 the Notice Packet shall state that Settlement Class Members who wish to object to  
24 the Settlement should serve on the Settlement Administrator a written statement of  
25 objection (“Notice of Objection”) by the Response Deadline. The Notice of  
26 Objection should be signed by the Settlement Class Member and state: (1) the full  
27 name of the Settlement Class Member; (2) the dates of employment of the Settlement  
28 Class Member; (3) the last four digits of the Settlement Class Member’s Social

1 Security number and/or the Employee ID number; and (4) the basis for the objection.  
2 Settlement Class Members who fail to make objections shall be deemed to have  
3 waived any objections and shall be foreclosed from making any objections (whether  
4 by appeal or otherwise) to the Settlement. The Parties will be permitted to respond  
5 in writing to such objections prior to the Court’s ruling on the same. Settlement  
6 Class Members have a right to appear at the Final Approval/Settlement Fairness  
7 Hearing in order to have their objections heard by the Court. At no time shall any  
8 of the Parties or their counsel seek to directly or indirectly solicit or otherwise  
9 encourage Settlement Class Members to file or serve written objections to the  
10 Settlement or appeal from the Final Approval Order and Final Judgment. Settlement  
11 Class Members who submit a Request for Exclusion are not entitled to object to the  
12 Settlement.

13  
14 N. Funding and Allocation of the Gross Settlement Amount. Defendant  
15 shall fund the GSA no later than 30 calendar days after the Effective Date. All  
16 payments due under this settlement shall be distributed within 15 calendar days after  
17 funding of the GSA by Defendant.

18 1. Individual Settlement Payments. Individual Settlement  
19 Payments shall be paid from the Net Settlement Amount and shall be paid pursuant  
20 to the formula set forth herein.

21 a) Calculation of Individual Settlement Payments. Using the  
22 Employee List, the amount of each Individual Settlement Payment will be calculated  
23 on a pro rata basis, based on the number of Compensable Workweeks each  
24 Settlement Class Member worked during the Class Settlement Period. To establish  
25 the value of each Compensable Workweek (“Compensable Workweek Value”), the  
26 Settlement Administrator will first determine the total number of workweeks worked  
27 by the Settlement Class Members for Defendant and Released Parties as a non-  
28 exempt employee in the State of California during the Class Period. The

1 Compensable Workweek Value will be equal to the Net Settlement Amount divided  
2 by the total number of workweeks worked by all Settlement Class Members during  
3 the Class Period. The Compensable Workweek Value will be rounded to the nearest  
4 cent. The Individual Settlement Payment to each Settlement Class Member will be  
5 determined by multiplying the Compensable Workweek Value by the total number  
6 of Compensable Workweeks each Settlement Class Member worked during the  
7 Class Period. The total of all Individual Settlement Payments for all Settlement  
8 Class Members shall equal the Net Settlement Amount. There is no need for a  
9 Settlement Class Member to submit a claim form in order to be eligible for and to  
10 receive an Individual Settlement Payment. Any partial workweek will be rounded  
11 up to the nearest full workweek. Individual Settlement Payments will be reduced by  
12 any required deductions for each Settlement Class Member, including employee-  
13 side tax withholdings and/or deductions.

14  
15 b) Allocation. For tax purposes, Individual Settlement  
16 Payments shall be allocated and treated as follows: twenty percent (20%) as wages;  
17 eighty percent (80%) as penalties and interest.

18 c) Mailing. Individual Settlement Payments and shall be  
19 mailed by regular First-Class U.S. Mail to Settlement Class Members' last known  
20 mailing address no later than 15 calendar days after funding of the GSA by  
21 Defendant.

22 d) Expiration. Any checks issued to Settlement Class  
23 Members shall remain valid and negotiable for one hundred and eighty (180) days  
24 from the date of their issuance. If a Settlement Class Member does not cash his or  
25 her settlement check within 180 days, the uncashed funds, plus any accrued interest  
26 that has not been distributed pursuant to the Order of this Court, shall be voided by  
27 the Settlement Administrator and the Settlement Administrator will take all steps  
28 necessary to ensure that the proceeds from the Settlement Class Member's un-cashed

1 check(s), including unpaid cash residue(s), or other unclaimed or abandoned fund(s),  
2 shall be distributed by the Settlement Administrator to the California State  
3 Controller's Office Unclaimed Property Fund in the name of the Settlement Class  
4 Member.

5           2.     Service Award Payment. Defendant agrees not to oppose or  
6 object to any application or motion by Plaintiff for a Service Award of up to Ten  
7 Thousand Dollars (\$10,000). The Service Award is for Plaintiff's time, effort and  
8 risk in bringing and prosecuting the Action, and for Plaintiff's General Release. The  
9 Settlement Administrator shall pay the Service Award to Plaintiff from the Gross  
10 Settlement Amount within 15 calendar days after funding of the GSA by Defendant.  
11 Any portion of the requested Service Award that is not awarded to the Class  
12 Representative shall be part of the Net Settlement Amount and shall be distributed  
13 to Settlement Class Members as provided in this Agreement. The Settlement  
14 Administrator shall issue an IRS Form 1099 — MISC to Plaintiff for his Class  
15 Service Award. Plaintiff shall be solely and legally responsible to pay any and all  
16 applicable taxes on his respective Service Award and shall hold harmless Defendant  
17 from any claim or liability for taxes, penalties, or interest arising as a result of the  
18 Service Award. The Class Representative Service Award shall be in addition to the  
19 Plaintiff's Individual Settlement Payment as a Settlement Class Member. The  
20 Court's approval of the Service Award is not a material term of the Settlement or  
21 this Agreement. If the Court does not approve or approves only a lesser amount than  
22 that requested by Class Counsel for the Service Award, the other terms of the  
23 Settlement and this Agreement shall apply. The Court's refusal to approve the  
24 Service Award requested by Class Counsel does not give either the Class  
25 Representative or Class Counsel any basis to abrogate the Settlement or this  
26 Agreement.  
27  
28

1           3.     Class Counsel’s Attorneys’ Fees and Costs. Defendant agrees  
2 not to oppose or object to any application or motion by Class Counsel for the Class  
3 Counsel Fees Award for attorneys’ fees not to exceed 30% of the Gross Settlement  
4 Amount (\$137,363.01), plus a request for the Class Counsel Costs Award for costs  
5 and expenses not to exceed Fifteen Thousand Dollars (\$15,000.00), supported by a  
6 declaration from Class Counsel, from the Gross Settlement Amount. The Parties  
7 agree that any and all claims for reasonable attorneys’ fees and costs have been  
8 settled by this Agreement and that neither Plaintiff, Settlement Class Members, nor  
9 Class Counsel shall seek payment of attorneys’ fees or reimbursement of  
10 costs/expenses from Defendant except as set forth in this Agreement. Any portion  
11 of the requested Class Counsel Fees Award or Class Counsel Costs Award that is  
12 not awarded to Class Counsel shall be part of the Net Settlement Amount and shall  
13 be distributed to Settlement Class Members as provided in this Agreement.  
14 Notwithstanding anything else in this Agreement, Settlement is not contingent upon  
15 the Court awarding Class Counsel any particular amount in attorneys’ fees and costs  
16 and, in the event that the Court does not approve the requested amount of, or reduces  
17 the Class Counsel Fees Award and/or Class Counsel Costs Award amounts, Plaintiff  
18 and Class Counsel shall not have the right to modify or revoke the Settlement, or to  
19 appeal such order, nor will Plaintiff or Class Counsel seek, request, or demand an  
20 increase to the Gross Settlement Amount on that basis. The Settlement  
21 Administrator shall pay the Class Counsel Fees Award and the Class Counsel Costs  
22 Award to Class Counsel from the Gross Settlement Amount within 15 calendar days  
23 after funding of the GSA by Defendant. Class Counsel shall be solely and legally  
24 responsible to pay all applicable taxes on the payment made pursuant to this  
25 paragraph. Class Counsel agrees to provide the Settlement Administrator (and not  
26 Defendant or Defendant’s counsel) with executed IRS Forms W-9 within five (5)  
27 days after the funding date and before payments for the Class Counsel Fees Award  
28

AMENDED STIPULATION, SETTLEMENT, AND RELEASE OF CLASS ACTION  
AND PRIVATE ATTORNEYS GENERAL ACT CLAIMS



1 and Class Counsel Costs Award are issued. The Settlement Administrator shall  
2 issue an IRS Form 1099 — MISC to Class Counsel for the payments made pursuant  
3 to this paragraph. Neither Class Counsel nor any other current or past counsel for  
4 Plaintiff shall be permitted to petition the Court for, or accept, any additional  
5 payments for fees, costs, or interest, and the Class Counsel Fees Award and Class  
6 Counsel Costs Award shall be for all claims for attorneys' fees and costs whenever  
7 incurred, including past and present fees and costs incurred in the Action to date and  
8 through and including the Effective Date, as well as final distribution of all payments  
9 under this Settlement Agreement and through and after Final Judgment. Upon the  
10 Gross Settlement Amount funding date, payment of the Class Counsel Fees Award  
11 and Class Counsel Costs Award to Class Counsel as set forth herein shall constitute  
12 full satisfaction of the obligation to pay any amounts to any person, attorney or law  
13 firm for attorneys' fees, expenses or costs in the Action incurred by any attorney on  
14 behalf of Plaintiff, the Settlement Class, and/or any of the PAGA Group Members,  
15 and shall relieve the Settlement Class, PAGA Group Members, Defendant and  
16 Released Parties, the Settlement Administrator, and Defendant's Counsel of any  
17 other claims or liability to any other attorney or law firm for any attorneys' fees,  
18 expenses and/or costs to which any of them may claim to be entitled on behalf of  
19 Plaintiff, the Settlement Class, and/or the PAGA Group Members in connection with  
20 the claims released in this Settlement.  
21

22 4. PAGA Payment. Twenty Thousand Dollars (\$20,000) shall be  
23 allocated from the Gross Settlement Amount for settlement of claims for civil  
24 penalties under the PAGA. The Settlement Administrator shall pay seventy-five  
25 percent (75%) of the PAGA Payment, or \$15,000.00, to the California Labor and  
26 Workforce Development Agency within 15 calendar days after funding of the GSA  
27 by Defendant; and the remaining Five Thousand Dollars (\$5,000.00) shall be  
28 distributed to PAGA Group Members as follows:

AMENDED STIPULATION, SETTLEMENT, AND RELEASE OF CLASS ACTION  
AND PRIVATE ATTORNEYS GENERAL ACT CLAIMS

1                   a)     Calculation. Using the Employee List, the remaining Five  
2 Thousand Dollars (\$5,000.00) shall be distributed to all PAGA Group Members,  
3 with each receiving a pro rata share based on the number of Compensable PAGA  
4 Periods each PAGA Group Member worked during the PAGA Period. To establish  
5 the value of each Compensable PAGA Period (“Compensable PAGA Period  
6 Value”), the Settlement Administrator will first determine the total number of pay  
7 periods worked by the PAGA Group Members for Defendant and Released Parties  
8 as a non-exempt employee in the State of California during the PAGA Period. The  
9 Compensable PAGA Period Value will be equal to Five Thousand Dollars  
10 (\$5,000.00) divided by the total number of pay periods worked by all PAGA Group  
11 Members during the PAGA Period. The Compensable PAGA Period Value will be  
12 rounded to the nearest cent. The payment to each PAGA Group Member will be  
13 determined by multiplying the Compensable PAGA Period Value by the total  
14 number of Compensable PAGA Periods each PAGA Group Member worked during  
15 the PAGA Period. The total of all payments for all PAGA Group Members shall  
16 equal Five Thousand Dollars (\$5,000.00). Any partial pay period will be rounded  
17 up to the nearest full pay period. The portion of the PAGA Payment paid to the  
18 PAGA Group Members shall be treated entirely as penalties. In the event that the  
19 Court awards less than the full amount requested for the PAGA Payment, the un-  
20 awarded amount shall remain in the Net Settlement Amount and be distributed to  
21 Settlement Class Members. The Court’s reduction or increase of the PAGA  
22 Payment is not a material term of the Settlement or this Agreement. If the Court  
23 approves only a lesser amount or a higher amount than that requested by Class  
24 Counsel for the PAGA Payment, the other terms of the Settlement and this  
25 Agreement shall apply. The Court’s reduction or increase of the PAGA Payment  
26 requested by Class Counsel does not give the Class Representative or Class Counsel  
27 any basis to abrogate the Settlement or this Agreement.  
28

AMENDED STIPULATION, SETTLEMENT, AND RELEASE OF CLASS ACTION  
AND PRIVATE ATTORNEYS GENERAL ACT CLAIMS

1                   b) Mailing. Payments to PAGA Group Members shall be  
2 mailed along with Individual Settlement Payments by regular First-Class U.S. Mail  
3 to the PAGA Group Member’s last known mailing address within 15 calendar days  
4 after funding of the GSA by Defendant

5                   c) Expiration. Any checks issued to PAGA Group Members  
6 shall remain valid and negotiable for one hundred and eighty (180) days from the  
7 date of their issuance. If a PAGA Group Member does not cash his or her settlement  
8 check within 180 days, the uncashed funds, plus any accrued interest that has not  
9 been distributed pursuant to the Order of this Court, shall be voided by the Settlement  
10 Administrator and the Settlement Administrator will take all steps necessary to  
11 ensure that the proceeds from the PAGA Group Member’s un-cashed check(s),  
12 including unpaid cash residue(s), or other unclaimed or abandoned fund(s), shall be  
13 distributed by the Settlement Administrator to the California State Controller’s  
14 Office Unclaimed Property Fund in the name of the PAGA Group Member.  
15

16                   5. Settlement Administration Costs. The Settlement Administrator  
17 shall be paid for the costs of administration of the Settlement from the Gross  
18 Settlement Amount. The Settlement Administration Costs are not to exceed  
19 Fourteen Thousand Two Hundred Fifty Dollars (\$14,250.00). The Settlement  
20 Administrator shall be paid the Settlement Administration Costs within 15 calendar  
21 days after funding of the GSA by Defendant.

22                   O. Government Actions Affecting Settlement. If any administrative  
23 proceeding or action is commenced on or before a date that is one (1) year from the  
24 Preliminary Approval Date by any federal, state or local government authority,  
25 including, without limitation, the U.S. Department of Labor or the California  
26 Division of Labor Standards Enforcement, in a *parens patriae* or other function  
27 asserting the Released Claims, Plaintiff and Class Counsel will sign an appropriate  
28 declaration at the request of Defendant supporting the Settlement and asserting that

1 the governmental action is within the scope of this Stipulation, the Action and the  
2 Final Judgment. Additionally, in the event any action is commenced by a  
3 governmental authority as stated herein, Defendant shall have the option to seek an  
4 Order from the Court, requesting that payments to the Settlement Class Members be  
5 immediately suspended pending the outcome of the suit or administrative proceeding  
6 brought by the governmental authority.

7 P. Final Approval Motion. At the earliest practicable time following the  
8 expiration of the Response Deadline, Plaintiff shall file with the Court a Motion for  
9 Order Granting Final Approval of the Class Action Settlement and a Final Judgment  
10 in the Action, which motion shall request final approval of the Settlement and the  
11 amounts payable for the Service Award, Class Counsel Costs Award, Class Counsel  
12 Fees Award, PAGA Payment, and Settlement Administration Costs. Upon Final  
13 Approval Order of the Class Settlement by the Court at or after the Final Approval  
14 hearing, the Parties shall present a Proposed Final Judgment to the Court for its  
15 approval. Class Counsel will be responsible for drafting all documents necessary to  
16 obtain Final Approval Order, including the Final Judgment.

17 1. Declaration by Settlement Administrator. Upon completion of  
18 administration of the Settlement, the Settlement Administrator shall submit a  
19 declaration, under penalty of perjury, in support of Plaintiff's Motion for Order  
20 Granting Final Approval of the Class Action Settlement detailing (a) the number of  
21 Notice Packets mailed and re-mailed to Settlement Class Members, (b) the number  
22 of undeliverable Notice Packets, (c) the number of timely Requests for Exclusion,  
23 (d) the number of timely objections received, (e) the amount of the average  
24 Individual Settlement Payment, (f) the Settlement Administration Costs, (g) the  
25 confirmed mailing of notices to the federal and state governmental agencies pursuant  
26 to 28 U.S.C. § 1715, and (h) any other information as the Parties mutually agree or  
27 the Court orders the Settlement Administrator to provide.  
28

1           2.     Final Approval Order and Final Judgment. The Parties shall  
2 present an Order Granting Final Approval of Class Action Settlement and Final  
3 Judgment to the Court for its approval. The Final Judgment shall, among other  
4 things:

5           (a)     Find that the Court has personal jurisdiction over all Settlement  
6 Class Members and PAGA Group Members, and that the Court has subject matter  
7 jurisdiction to approve this Stipulation and all exhibits thereto;

8           (b)     Approve this Agreement and the proposed Settlement as fair,  
9 reasonable and adequate, consistent and in compliance with all applicable  
10 requirements of the Federal Rules of Civil Procedure, the California and United  
11 States Constitutions (including the due process clauses), the Central District of  
12 California Local Rules and any other applicable law, and in the best interests of each  
13 of the Parties and the Settlement Class Members and PAGA Group Members; direct  
14 the Parties and their counsel to implement this Agreement according to its terms and  
15 provisions; and declare this Agreement as to the Released Class Claims to be binding  
16 on Plaintiff and all other Settlement Class Members, except those who timely and  
17 properly filed Request for Exclusions, as well as their heirs, executors and  
18 administrators, successors and assigns, and also declare that the judgment entered  
19 by the Court as to the Released PAGA Claims is binding on all PAGA Group  
20 Members;

21           (c)     Find that the Notice and notice methodology implemented  
22 pursuant to this Agreement (i) constituted the best practicable notice; (ii) constituted  
23 notice that was reasonably calculated, under the circumstances, to apprise Settlement  
24 Class Members of the pendency of the Action, their right to object to or exclude  
25 themselves from the proposed Settlement and their right to appear at the Final  
26 Approval Hearing; (iii) were reasonable and constituted due, adequate and sufficient  
27 notice to all persons entitled to receive notice; and (iv) met all applicable  
28 requirements of the Federal Rules of Civil Procedure, the California and United

1 States Constitutions (including the Due Process Clause), the Central District Local  
2 Rules and any other applicable law;

3 (d) Find that Plaintiff and Class Counsel adequately represented the  
4 Settlement Class for purposes of entering into and implementing the Settlement;

5 (e) Dismiss the Action (including all individual claims, Released  
6 Class Claims and Released PAGA Claims) with prejudice, without fees or costs to  
7 any party except as provided in this Stipulation; and

8 (f) Without affecting the finality of the Final Judgment, the Court  
9 shall retain continuing jurisdiction over the Action, the Parties, and the Settlement  
10 Class, as well as the administration and enforcement of the Settlement. Any disputes  
11 or controversies arising with respect to the interpretation, consummation,  
12 enforcement, or implementation of the Settlement shall be presented by motion to  
13 the Court.

14 Q. Option to Terminate Settlement. If, after the Response Deadline, the  
15 total number of Settlement Class Members who submitted timely and valid Requests  
16 for Exclusion from the Settlement is at least five percent (5%) of all Settlement Class  
17 Members, Defendant shall have, in its sole discretion, the option to terminate this  
18 Settlement within 15 calendar days after expiration of the Response Deadline. If  
19 Defendant exercises the option to terminate this Settlement, Defendant shall: (a)  
20 provide written notice to Class Counsel within 15 calendar days after the Response  
21 Deadline and (b) pay all Settlement Administration Costs incurred up to the date or  
22 as a result of the termination; and the Parties shall proceed in all respects as if this  
23 Agreement had not been executed.

24 R. Motions for Preliminary and Final Approval. Class Counsel will  
25 provide an opportunity for Counsel for Defendant to review the Motions for Orders  
26 Granting Preliminary and Final Approval of the Class Action Settlement and the  
27 Final Judgment in the Action, prior to filing with the Court. The Parties and their  
28

1 counsel will cooperate with each other and use their best efforts to seek Court  
2 approval of the Motions for Orders Granting Preliminary and Final Approval of the  
3 Class Action Settlement and Final Judgment in the Action.

4 S. No Impact on Benefit Plans. Neither this Settlement nor any amounts  
5 paid under the Settlement will modify any previously credited hours or service under  
6 any employee benefit plan, policy, or bonus program sponsored by Defendant. Such  
7 amounts will not form the basis for additional contributions to, benefits under, or  
8 any other monetary entitlement under Defendant-sponsored benefit plans, policies,  
9 or bonus programs. The payments made under the terms of this Stipulation shall not  
10 be applied retroactively, currently, or on a going forward basis, as salary, earnings,  
11 wages, or any other form of compensation for the purposes of Defendant's benefit  
12 plan, policy, or bonus program. Defendant retains the right to modify the language  
13 of its benefit plans, policies and bonus programs to effect this intent, and to make  
14 clear that any amounts paid pursuant to this Settlement are not for "hours worked,"  
15 "hours paid," "hours of service," or any similar measuring term as defined by  
16 applicable plans, policies and bonus programs for purposes of eligibility, vesting,  
17 benefit accrual, or any other purpose, and that additional contributions or benefits  
18 are not required by this Settlement.

19  
20 T. Notices. Unless otherwise specifically provided herein, all notices,  
21 demands, or other communications given hereunder shall be in writing and shall be  
22 deemed to have been duly given as of the third (3rd) business day after mailing by  
23 United States certified mail, return receipt requested, addressed as follows:

24 **To Plaintiff and the Settlement Class:**

25 Sam Kim

26 VERUM LAW GROUP, APC

27 360 North Pacific Coast Highway, Suite 1025

28 El Segundo, CA 90245

Telephone: (424) 320-2000

1 Facsimile: (424) 221-5010

2 **To Defendant:**

3 Jon D. Meer  
4 SEYFARTH SHAW LLP  
5 2029 Century Park East, Suite 3500  
6 Los Angeles, California 90067-3021  
7 Telephone: (310) 277-7200  
8 Facsimile: (310) 201-5219

9 U. Cooperation. The Parties and their counsel will cooperate with each  
10 other and use their best efforts to implement the Settlement. The Parties have  
11 cooperated in the drafting and preparation of this Settlement Agreement. Hence, in  
12 any construction made to this Settlement Agreement, the same shall not be construed  
13 against any of the Parties

14 V. Admissibility of Agreement. This Agreement shall not be admissible  
15 in any proceeding for any purpose, except to enforce it according to its terms.

16 W. Amendment or Modification. This Agreement may be amended or  
17 modified only by a written instrument signed by counsel for all Parties or their  
18 successors-in-interest, and approved by the Court.

19 X. Entire Agreement. This Agreement and any attached Exhibits  
20 constitute the entire Agreement among these Parties, and no oral or written  
21 representations, warranties or inducements have been made to any Party concerning  
22 this Agreement or its Exhibits other than the representations, warranties and  
23 covenants contained and memorialized in the Agreement and its Exhibits.

24 Y. Authorization to Enter Into Settlement Agreement. Counsel for all  
25 Parties warrant and represent they are expressly authorized by the Parties whom they  
26 represent to negotiate this Agreement and to take all appropriate actions required or  
27 permitted to be taken by such Parties pursuant to this Agreement to effectuate its  
28 terms, and to execute any other documents required to effectuate the terms of this



1 Agreement. The persons signing this Agreement on behalf of Defendant represent  
2 and warrant that they are authorized to sign this Agreement on behalf of Defendant.  
3 Plaintiff represents and warrant that she is authorized to sign this Agreement and  
4 that she has not assigned any claim, or part of a claim, covered by this Settlement to  
5 a third-party.

6 Z. Binding on Successors and Assigns. This Agreement shall be binding  
7 upon, and inure to the benefit of, the successors or assigns of the Parties hereto and  
8 Settlement Class Members and PAGA Group Members, as previously defined.

9 AA. California Law Governs. All terms of this Agreement and the Exhibits  
10 hereto and any disputes arising hereunder shall be governed by and interpreted  
11 according to the laws of the State of California.

12 BB. Counterparts. This Agreement may be executed in one or more  
13 counterparts. All executed counterparts and each of them shall be deemed to be one  
14 and the same instrument provided that counsel for the Parties to this Agreement shall  
15 exchange among themselves copies or originals of the signed counterparts.

16 CC. This Settlement Is Fair, Adequate and Reasonable. The Parties believe  
17 this Settlement is a fair, adequate and reasonable settlement of this Action and have  
18 arrived at this Settlement after extensive arms-length negotiations, taking into  
19 account all relevant factors, present and potential. This Settlement was reached after  
20 extensive negotiations and mediation with a well-renowned class action mediator.

21 DD. Jurisdiction of the Court. The Parties agree that the Court shall retain  
22 jurisdiction with respect to the interpretation, implementation and enforcement of  
23 the terms of this Agreement and all orders and judgments entered in connection  
24 therewith, and the Parties and their counsel hereto submit to the jurisdiction of the  
25 Court for purposes of interpreting, implementing and enforcing the settlement  
26 embodied in this Agreement and all orders and judgments entered in connection  
27 therewith.  
28

1           EE. Invalidity of Any Provision. Before declaring any provision of this  
2 Agreement invalid, the Court shall first attempt to construe the provisions valid to  
3 the fullest extent possible consistent with applicable precedents so as to define all  
4 provisions of this Agreement valid and enforceable. Should the Court deem any  
5 clause or provision of this Agreement be invalid, illegal, or unenforceable, it shall  
6 first attempt to modify or reform it as minimally necessary to be valid, lawful, and  
7 enforceable.

8           FF. Publicity. Neither Plaintiff nor Plaintiff's counsel shall issue any press  
9 release or announcement of any kind related in any way to the settlement. Plaintiff  
10 and Plaintiff's counsel agree that, prior to preliminary approval of the settlement,  
11 they will keep the terms of the settlement confidential except for purposes of  
12 communicating with Plaintiff only. Plaintiff understands that the settlement is  
13 confidential and shall keep the settlement confidential. From and after Preliminary  
14 Approval of the settlement, Plaintiff and Plaintiff's counsel may: (1) as required by  
15 law; (2) as required under the terms of the settlement; or (3) as required under  
16 counsel's duties and responsibilities as class counsel, comment regarding the  
17 specific terms of the settlement. In all other cases, Plaintiff and Class Counsel agree  
18 to limit their statements regarding the terms of the settlement, whether oral, written  
19 or electronic (including the world wide web), to say the Action has been resolved  
20 and that Plaintiff and Class Counsel are satisfied with the settlement terms. Nothing  
21 in this Paragraph is intended to interfere with Class Counsel's duties and obligations  
22 to faithfully discharge their duties as Class Counsel, including but not limited to,  
23 communicating with Settlement Class Members regarding the settlement, and  
24 nothing shall prohibit Class Counsel from referring to the settlement in adequacy of  
25 counsel declarations or related court filings.  
26

27           GG. Waiver of Certain Appeals. Except as provided herein, the Parties  
28 agree to waive any and all rights to appeal, this waiver being contingent upon the

1 Court entering the Final Judgment. This waiver includes waiver of all rights to any  
2 post-judgment proceeding and appellate proceeding, including, but not limited to,  
3 motions for relief from judgment and motions to amend or alter the judgment.

4 HH. No Admissions. Plaintiff has claimed and continues to claim that the  
5 Released Class Claims and Released PAGA Claims have merit and give rise to  
6 liability on the part of Defendant. Defendant has claimed and continues to claim  
7 that the Released Class Claims and Released PAGA Claims have no merit and do  
8 not give rise to liability. This Agreement is a compromise of disputed claims.  
9 Nothing contained in this Agreement and no documents referred to herein and no  
10 action taken to carry out this Agreement may be construed or used as an admission  
11 by or against the Defendant or Plaintiff or Class Counsel as to the merits or lack  
12 thereof of the claims asserted. Whether or not the Settlement is finally approved,  
13 neither the Settlement, nor any document, statement, proceeding or conduct related  
14 to this Settlement Agreement, nor any reports or accounts thereof, shall in any event  
15 be: (1) construed as, offered or admitted in evidence as, received as, or deemed to  
16 be evidence for any purpose adverse to the Released Parties, including, but not  
17 limited to, evidence of a presumption, concession, indication or admission by any of  
18 the Released Parties of any liability, fault, wrongdoing, omission, concession or  
19 damage; or (2) disclosed, referred to or offered or received in evidence against any  
20 of the Released Parties, in any further proceeding in the Lawsuits, or any other civil,  
21 criminal or administrative action or proceeding, except for purposes of settling the  
22 Lawsuits pursuant to this Settlement Agreement.  
23  
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25  
26 Dated: May <sup>5</sup>\_\_\_\_, 2024

DocuSigned by:  
*Celia Navarrete*  
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Plaintiff Celia Navarrete

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Dated: May \_\_\_\_, 2024  
5/6/2024

DocuSigned by:  
*Peter Acton*  
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Defendant UKG INC.  
Peter Acton  
Vice President, Deputy General Counsel

**AGREED AS TO FORM:**

Dated: May 6, 2024



Sam Kim  
Verum Law Group, APC  
Attorney for Plaintiff Celia Navarrete

DocuSigned by:  
*Michael Afar*  
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Dated: May \_\_\_\_, 2024  
5/6/2024

Michael Afar  
Seyfarth Shaw LLP  
Attorney for Defendant UKG INC.