

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiffs Steven Leggins, Fernando Lopez, David Herrera, and Alexander Hernandez (“Plaintiffs”); and defendants Pacific Bell Telephone Company and AT&T Services, Inc., (“Defendants”). The Agreement refers to Plaintiffs and Defendants collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiffs’ lawsuit alleging wage and hour violations against Defendants captioned *Pacific Bell Wage and Hour Cases* pending before the Superior Court of the State of California, County of Los Angeles (the “Court”), Judicial Council Coordination Proceeding No. 5017, coordinated on June 19, 2019 and pending in Superior Court of the State of California, County of Los Angeles.¹
- 1.2. “Administrator” means Atticus Administration, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means Class Members employed by Defendants in California classified as Technicians who worked for Defendants during the PAGA Period.
- 1.5. “Class” means all persons employed by Defendants in California and who worked in a Technician job title for Defendants during the Class Period—excluding persons who worked as Premises Technicians at any point from July 7, 2011, through March 8, 2019, but only during the time in which they were performing such work.

¹ This litigation encompasses three separate proceedings that were coordinated on June 19, 2019: (1) *Steven Leggins and Fernando Lopez, and on behalf of all persons similarly situated v. Pacific Bell Telephone Company*, LASC Case No. BC587252 (filed July 7, 2015); (2) *David Herrera, on behalf of himself, all others similarly situated v. Pacific Bell Telephone Company*, Alameda County Superior Court Case No. RG17856291 (filed November 9, 2018); and (3) *Alexander Hernandez, an individual and on behalf of all others similarly situated v. Pacific Bell Telephone Company, AT&T Services, Inc.*, Riverside County Superior Court Case No. RIC1901671 (filed February 22, 2019).

- 1.6. “Class Counsel” means R. Craig Clark and Alicja Urtnowski of Clark Law Group as Lead Class Counsel; Shaun Setareh and William M. Pao of Setareh Law Group as Co-Lead Class Counsel; and Matthew Righetti and John Glugoski of Righetti Glugoski, P.C. as Co-Lead Class Counsel.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8. “Class Data” means Class Member identifying information in Defendants’ possession including the Class Member’s name, last-known mailing address, Social Security number, and data sufficient to calculate the number of Class Period Workweeks and PAGA Pay Periods.
- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11. “Class Notices” mean the Court-approved notices of class action settlement and hearing date for final court approval, to be mailed to Class Members in English in the form, without material variation, attached as Exhibits A and B and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the period from July 7, 2011 through the date the Court Grants preliminary approval of this Settlement.
- 1.13. “Class Representative” means the named Plaintiffs in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.14. “Class Representatives Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Los Angeles.
- 1.16. “Defendants” means named Defendants Pacific Bell Telephone Company and AT&T Services, Inc.

- 1.17. “Defense Counsel” means Elizabeth A. Brown and Jennifer Svanfeldt of GBG LLP; and Raymond W. Bertrand and James P. de Haan of Paul Hastings LLP.
- 1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21. “Gross Settlement Amount” means \$12,100,000; which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 9 below, and includes the Individual Settlement Amount Defendants already paid to certain Class Members through their Individual Settlement Program. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Litigation Expenses, Class Representative Service Payment and the Administrator’s Expenses.
- 1.22. “Hudson Settlement” means the settlement of Premises Technicians’ Class and PAGA claims in *Jason Hudson v. Pacific Bell Telephone Company* (Sacramento Superior Court, Case No. 34-2016-00202203-CU-OE-GDS), which received Final Approval on July 8, 2019.
- 1.23. “Individual Class Payment” means the Participating Class Member’s *pro rata* share of the Net Settlement Amount calculated in accordance with Paragraph 3.2.4 below.
- 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s *pro rata* share of 25% of the PAGA Penalties calculated in accordance with Paragraph 3.2.5 below.
- 1.25. “Individual Settlement Amount” means the approximately \$2,150,000 Defendants have already paid to certain Class Members through their Individual Settlement Program.

- 1.26. “Individual Settlement Program” refers to the individual settlement program described in greater detail in Paragraph 2.3.
- 1.27. “Individual Settlement Share” refers to the *pro rata* share of the Individual Settlement Amount certain Class Members received through Defendants’ Individual Settlement Program.
- 1.28. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.29. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.30. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.31. “Net Settlement Amount” means the Gross Settlement Amount, less (a) the Individual Settlement Amount Defendants already paid to certain Class Members, and (b) the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.32. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.33. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period; excluding any Pay Periods already covered by the State of California’s release of PAGA claims in the *Hudson* Settlement.
- 1.34. “PAGA Period” means the period from June 3, 2014 through the end of the Class Period.
- 1.35. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.36. “PAGA Notices” mean (a) Plaintiff Steven Leggins’s June 3, 2015 letter to Defendants and the LWDA; (b) Plaintiff Steven Leggins’s and Plaintiff Fernando Lopez’s May 3, 2017, amended letter to Defendants and the LWDA; (c) Plaintiff Fernando Lopez’s February 5, 2018 letter to Defendants and the LWDA; (d) Plaintiff David Herrera’s November 8, 2018, letter to Defendants and the LWDA; (e) Plaintiff Alexander Hernandez’s February 21, 2019 letter to Defendants and the LWDA; and (f) Plaintiffs’ amended letter to Defendants and

the LWDA, which will be filed and served on or before May 18, 2023—all of which provide notice pursuant to Labor Code section 2699.3, subd.(a).

- 1.37. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$75,000) and the 75% to LWDA (\$225,000) in settlement of PAGA claims.
- 1.38. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.39. “Plaintiffs” means Steven Leggins, Fernando Lopez, David Herrera, and Alexander Hernandez, the named Plaintiffs in the Action.
- 1.40. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.41. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.42. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.43. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.44. “Released Parties” means: Defendants and any of Defendants’ present and former parents, subsidiaries, successors, and affiliated companies or entities, and their respective directors, employees, officers, partners, shareholders, owners, agents, attorneys, insurers, and assigns.
- 1.45. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.46. “Response Deadline” means 30 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.47. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.48. “Technician” means the following job titles:

Antenna Technician; Building Technician; Cable Splicing Technician; Co Telecommunications Tech; Combination Technician; Communications Technician; Customer Services Technician; Customer Systems Technician; Data Center Technician; Data Services Technician; Enoc Technician; Facilities Technician; Facility Technician; Field Operations Technician; Network Center Technician; Network Technician Wayport; Outside Plant Technician; Premises Technician; Resource Technician; Service Technician; Services Technician; Splicing Technician; Systems Technician; Technician I Switch; *and* Testing Technician.

- 1.49. “Workweek” means any week during which a Class Member worked for Defendants as a Technician for at least one day, during the Class Period; excluding any Workweeks already covered by a Class Member’s release of claims in the *Hudson* Settlement.

2. RECITALS.

- 2.1. On July 7, 2015, Plaintiffs Steven Leggins commenced his action against Defendants. On July 28, 2017, Leggins filed an Amended Complaint, which named Fernando Lopez as a second plaintiff. Plaintiffs Leggins and Lopez then filed their Second Amended Complaint on December 7, 2017. On June 12, 2018, Plaintiff David Herrera commenced his action against Defendants. Plaintiff Herrera filed his First Amended Complaint on January 14, 2019. On February 22, 2019, Plaintiff Alexander Hernandez commenced his action against Defendants. All three of these actions were coordinated into this Action on June 19, 2019. Plaintiffs thus filed a Coordinated Complaint on December 4, 2019. Plaintiffs filed their First Amended Coordinated Complaint on August 26, 2020; Second Amended Coordinated Complaint on September 16, 2020; and Third Amended Coordinated Complaint, which will be filed on or before May 18, 2023. The Third Amended Coordinated Complaint will be the operative complaint in the Action (“Operative Complaint.”). Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint, and deny any and all liability for the causes of action alleged.
- 2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave timely written notice to Defendants and the LWDA by sending the PAGA Notices.
- 2.3. On December 22, 2022, Defendants initiated an Individual Settlement Program, mailing putative class members a packet offering to settle their claims against Defendants. Each packet contained (1) an offer letter providing information about (a) this case, (b) other cases in which the recipient could be a putative class member, and (c) the Individual Settlement Program; (2) answers to anticipated questions about the Individual Settlement Program; (3) the applicable release; (4) the operative complaints; and (5) a check to cash if the recipient

opted to accept Defendants' offer. As of the date of this Agreement, approximately 8,600 recipients (roughly 48%) have accepted settlement through the Individual Settlement Program, resulting in Defendants paying approximately \$2,150,000 to that group.

- 2.4 On January 25, 2023, the Parties participated in an all-day mediation presided over by Lou Marlin.
- 2.5 Prior to negotiating the Settlement, Plaintiffs obtained, through both formal and informal discovery, documents and testimony. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").
- 2.6 The Court has not granted class certification.
- 2.7 The Parties, Class Counsel, and Defense Counsel represent that they are aware of the following pending matters asserting claims that may or will be extinguished or affected by the Settlement:
 - 2.7.1 *Dave Meza v. Pacific Bell Telephone Company*, Kern County Superior Court, Case No. BCV-15-101572
 - 2.7.2 *Garcia v. Pacific Bell Telephone Company*, Tulare County Superior Court, Case No. VCU276232
 - 2.7.3 *Joy Macopson v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case No. 22STCV13800
 - 2.7.4 *Jones v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case No. 22STCV29492

3. **MONETARY TERMS.**

- 3.1. **Gross Settlement Amount.** Except as otherwise provided by Paragraph 9 below, Defendants promise to pay **\$12,100,000** and no more as the Gross Settlement Amount. The Gross Settlement Amount includes the Individual Settlement Amount Defendants already paid to certain Class Members through their Individual Settlement Program. Defendants also promise to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

- 3.2. Payments from the Gross Settlement Amount. Defendants have already paid \$2,156,598 to certain Class Members through their Individual Settlement Program. The Administrator will make and deduct the following further payments from the remaining Gross Settlement Amount (*i.e.* \$9,913,402), in the amounts specified by the Court in the Final Approval:
- 3.2.1 To Plaintiffs: Class Representatives Service Payment to each Class Representative of not more than \$15,000 per Plaintiff (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendants will not oppose Plaintiffs' request for a Class Representatives Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the Class Representatives Service Payment using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payment.
- 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one third of the Gross Settlement, which is currently estimated to be \$4,033,333.33 and a Class Counsel Litigation Expenses Payment of not more than \$200,000. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed \$70,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court

approves payment less than \$70,000, the Administrator will allocate the remainder to the Net Settlement Amount.

3.2.4 To Each Participating Class Member: An Individual Class Payment calculated as follows:

First, Participating Class Members who negotiated (i.e., cashed or deposited) the check representing his or her Individual Settlement Share will be allocated a flat sum of \$50 from the Net Settlement Amount. This amount is in addition to the Individual Settlement Share the Participating Class Member who participated in the Individual Settlement Program already received.

Second, Participating Class Members who did not negotiate the check representing his or her Individual Settlement Share will be allocated a *pro rata* share of the Net Settlement Amount remaining after the flat sum allocation specified above based on the number of Workweeks that he or she worked in a Technician role for Defendants during the Class Period—with a guaranteed minimum payment of \$150.

3.2.4.1 Tax Allocation of Individual Class Payments. 30% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. 70% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2 Tax Treatment of Individual Settlement Share. Class Members who negotiated the check representing his or her Individual Settlement Share have received an IRS 1099 Form. The entirety of his or her Individual Settlement Share has been reported on that IRS 1099 Form. Class Members who participated in the Individual Settlement Program bear full responsibility and liability for any taxes owed on their Individual Settlement Share.

3.2.4.3 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class

Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

- 3.2.4.4 Effect of *Hudson* Settlement. Any Participating Class Member who performed worked as a Premises Technician during the period covered by the *Hudson* Settlement has already released any claims arising out of such work. Accordingly, the calculation of their *pro rata* share will exclude any Workweeks between October 24, 2012, through March 8, 2019, in which the Participating Class Member worked as a Premises Technician for Defendants in California.
- 3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$300,000 to be paid from the Gross Settlement Amount, with 75% (\$225,000) allocated to the LWDA PAGA Payment and 25% (\$75,000) allocated to the Individual PAGA Payments.
 - 3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$75,000) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
 - 3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.
 - 3.2.5.3 Effect of *Hudson* Settlement. The State of California has already released any PAGA claims for work performed by Premises Technicians as a Premises Technician during the period covered by the *Hudson* Settlement. Accordingly, the calculation of any Individual PAGA Payment will exclude any PAGA Pay Periods between October 24, 2012, through March 8, 2019, in which the Aggrieved Employee receiving the Individual PAGA Payment worked as a Premises Technician for Defendants in California.
 - 3.2.5.4 Single Check. When a Participating Class Member is also an Aggrieved Employee, one check may be issued that aggregates both the Individual Class Payment and Individual PAGA Payment.

4. SETTLEMENT FUNDING AND PAYMENTS

- 4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date—and excluding the Class Members and Workweeks completely covered by the *Hudson* Settlement—Defendants estimate there are approximately 17,800 Class Members who collectively worked a total of nearly 4,500,000 Workweeks from the start of the Class Period to the date the Parties signed this Agreement. However, approximately 8,600 Class Members have participated in Defendants’ Individual Settlement Program, covering approximately 2,000,000 Workweeks-worth of claims.

Accordingly, there are approximately 9,200 Class Members, and 2,500,000 Workweeks, for which Defendants’ Individual Settlement Program has not secured releases.

Based on a review of its records to date, Defendants also estimate that there were approximately 13,800 Aggrieved Employees who worked approximately 1,572,000 Pay Periods from the start of the PAGA Period to the date the Parties signed this Agreement.

- 4.2. Class Data. Not later than 30 days after the Court grants Preliminary Approval of the Settlement, Defendants will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members’ privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform work under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.3. Funding of Gross Settlement Amount. Within 3 days after the Court granting Final Approval, the Settlement Administrator will provide Defendants with wire transfer information and the amount of employers’ share of payroll taxes. Defendants have already paid approximately \$2,186,598 to certain Class Members through their Individual Settlement Program. Defendants shall fully fund the amount of the Gross Settlement Amount remaining (*i.e.* \$9,913,402), and also fund the amounts necessary to fully pay Defendants’ share of payroll taxes by transmitting the funds to the Administrator no later than 20 days after the Administrator provides its wire transfer information and the amount of employers’ share of payroll taxes.
- 4.4. Payments from the Gross Settlement Amount. Within 7 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all

Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments

- 4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.
- 4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).
- 4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants to confer any additional benefits

or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. **RELEASES OF CLAIMS.** Effective on the date when Defendants fully fund the entire Gross Settlement Amount (including by paying any employer payroll taxes as allocated in Paragraph 3.4.1) and Judgment is final, Plaintiffs, Class Members, and Class Counsel will release claims against all Released Parties as follows:

- 5.1. **Plaintiffs' Releases.** In consideration of their respective Service Payments, Class Member Payments, and the other terms and conditions of the Settlement, Plaintiffs Steven Leggins, Fernando Lopez, David Herrera and Alexander Hernandez hereby release any and all of their known and unknown claims against Defendants, and any of Defendants' present and former parents, subsidiaries and affiliated companies or entities, and their respective officers, directors, employees, partners, shareholders and agents, and any other successors, assigns and legal representatives and its related persons and entities ("Plaintiffs' Releases"). Plaintiffs Steven Leggins, Fernando Lopez, David Herrera and Alexander Hernandez understand and agree that this release includes a good-faith compromise of disputed wage claims.

- 5.1.1 **Plaintiffs' Waiver of Rights Under California Civil Code Section 1542.** For purposes of Plaintiffs' Releases, each Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

- 5.2. **Release by Participating Class Members.** All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties of any and all claims that (1) were alleged, or that reasonably could have been alleged based on the facts asserted, in the Operative Complaint and/or PAGA Notices, and/or (2) ascertained in the course of the Action, for the duration of the Class Period. This includes, but is not limited to, claims for statutory, constitutional, contractual or common law claims for wages, damages, unpaid costs or expenses, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief for violations of the California Labor Code, California Industrial Welfare Commission Wage Orders, and California Business and Professions Code § 17200, *et seq.* for the following categories of allegations, to the fullest extent such claims are releasable by law: (a) all claims for failure to pay wages, including overtime premium pay and the minimum wage; (b) all claims for the failure to provide meal and/or rest periods in accordance with applicable law,

including payments equivalent to one hour of the employee's regular rate of pay for missed meal and/or rest periods and alleged non-payment of wages for meal periods worked and not taken; (c) all claims for the alleged omission of any kind of remuneration when calculating an employee's regular rate of pay; (d) all claims for the alleged failure to indemnify and/or reimburse employees for any business expenses; and (f) any and all claims for recordkeeping or pay stub violations, claims for timely payment of wages and associated penalties, and all other civil and statutory penalties. The Class Members understand and agree that this release includes a good-faith compromise of disputed wage claims.

Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

- 5.3 Release of PAGA Claims. In consideration of the PAGA Settlement Amount, Plaintiffs Leggins, Lopez, Herrera, and Hernandez—on behalf of the State of California, the LWDA, and the Aggrieved Employees—release and discharge the Released Parties of any and all claims for civil penalties that (1) were alleged, or that reasonably could have been alleged based on the facts asserted, in the Operative Complaint and/or PAGA Notices, and/or (2) ascertained in the course of the Action, for the duration of the PAGA Period.

All Participating and Non-Participating Class Members are therefore deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for civil penalties that (1) were alleged, or that reasonably could have been alleged based on the facts asserted, in the Operative Complaint and/or PAGA Notices, and/or (2) ascertained in the course of the Action, for the duration of the PAGA Period.

6. **MOTION FOR PRELIMINARY APPROVAL.** The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklists for Preliminary Approvals.

- 6.1. Defendants' Declaration in Support of Preliminary Approval. Within 7 days of the full execution of this Agreement, Defendants will prepare and deliver to Class Counsel a signed Declaration from Defendants and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and Defendants shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement, other than those noted in Paragraph 2.7 above.

- 6.2. Plaintiffs' Responsibilities.

6.2.1 Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of Class Action and PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve, competency, operative procedures for protecting the security of Class Data, amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance, all facts relevant to any actual or potential conflicts of interest with Class Members, and the nature and extent of any financial relationship with Plaintiffs, Class Counsel, or Defense Counsel; (v) a signed declaration from each of the Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members, as well as its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vii) a redlined version of the parties’ Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members and/or the Administrator. In their Declarations, Plaintiffs and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement, other than those noted in Paragraph 2.7 above.

6.2.2 Pursuant to the PAGA, Plaintiffs will also submit a copy of this Agreement, to the LWDA on the same day they file the Motion for Preliminary Approval. The Parties intend and believe that providing notice of this Settlement to the LWDA pursuant to the procedures described in this section complies with the requirements of PAGA, and will request the Court to adjudicate the validity of the PAGA Notice in the Motion for Final Approval of the Settlement and bar any claim to void or avoid the Settlement under PAGA.

6.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and

for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

- 6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material change to the Agreement within the meaning of this paragraph.

7. SETTLEMENT ADMINISTRATION.

- 7.1. Selection of Administrator. The Parties have jointly selected Atticus Administration to serve as the Administrator and verified that, as a condition of appointment, Atticus Administration agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4. Notices to Class Members.
- 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.
- 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United

States Postal Service (“USPS”) mail, the Class Notices substantially in the form attached to this Agreement as Exhibits A and B. The first page of the Class Notices shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

- 7.4.3 Not later than 3 business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.4.4 The deadlines for Class Members’ written objections; challenges to Individual Settlement Program Participation, Workweeks, and/or Pay Periods; and Requests for Exclusion will be extended an additional 14 days beyond the 30 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5 If the Administrator, Defendants, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

- 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 30 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a

letter from a Class Member that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

- 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.
- 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims belong to the State of California and are thus subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

However, any Non-Participating Class Member who negotiated the check representing his or her Individual Settlement Share will remain bound by his or her release of claims through Defendants' Individual Settlement Program.

- 7.6 Challenges to Calculations. Each Class Member shall have 30 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge whether he or she participated in the Individual Settlement Program by cashing or otherwise depositing the check representing their Individual Settlement Share, and/or the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the

Class Member in the Class Notice. For the avoidance of doubt, the Parties agree that Class Members who challenge whether they participated in the Individual Settlement Program by cashing or depositing the individual payment they received cannot use such a challenge to nullify their release of claims through the Individual Settlement Program. The Class Member may mount these challenges by communicating with the Administrator via fax, email, or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that (1) the Class Member did participate in the Individual Settlement Program; and/or (2) the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's participation in the Individual Settlement Program, as well as allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to Individual Settlement Program participation, as well as the calculation of Workweeks and/or Pay Periods, to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.7 Objections to Settlement

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 30 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members have no right to object to the Settlement.

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

7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the

Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

- 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).
- 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed; Class Notices returned undelivered; Requests for Exclusion (whether valid or invalid) received; objections received; challenges to Individual Settlement Program Participation, Workweeks, and/or Pay Periods received and/or resolved; and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must provide the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 7.8.4 Workweek, Pay Period, and Individual Settlement Program Participation Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over their participation in the Individual Settlement Program, as well as the calculation of Workweeks and/or Pay Periods. In the event of such a dispute, Defendants will have the right to review Defendants’ payroll and personnel records to verify the correct information. After consultation with Class Counsel, the Class Member, and Defendants, the Settlement Administrator will make a determination of the correct information, and that determination will be final, binding on the Parties and the Class Member, and non-appealable.
- 7.8.5 Administrator’s Declaration. Not later than 14 days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its

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

7.8.6 Final Calculations Prior to Disbursing Funds. Within 7 days after the Effective Date, the Settlement Administrator will provide Class Counsel and Defense Counsel with the following information for each Class Member: (a) whether the Class Member opted-out or objected to the Settlement; (b) the number of Workweeks used to calculate the Individual Class Payment or, alternatively, whether the Class Member participated in Defendants' Individual Settlement Program; (c) the number of Pay Periods use to calculate the Individual PAGA Payment, if any; (d) the amount of the Individual Class Payment; and (e) the amount of the Individual PAGA Payment.

7.8.7 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

7.8.8 Tax Obligations. The Settlement Administrator (and not Defendants) will remit all federal and state taxes owed by Defendants and will issue W2s and 1099s on all funds distributed.

8. **CLASS SIZE ESTIMATES.** Based on its records—and excluding the Class Members and Workweeks completely covered the *Hudson* Settlement—Defendants estimate that, as of the date of this Settlement Agreement, there are 17,800 Class Members and 4,500,000 Total Workweeks during the Class period. However, approximately 8,600 Class Members have participated in Defendants' Individual Settlement Program; covering approximately 2,000,000 Workweeks-worth of claims. Accordingly, there are 9,200 Class Members, and 2,500,000 Workweeks, for which Defendants' Individual Settlement Program has not secured releases.

Based on its records, Defendants also estimate that there were approximately 13,800 Aggrieved Employees who worked approximately 1,572,000 Pay Periods during the PAGA Period.

9. **DEFENDANTS' RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 3% of the total of all Class Members, Defendants may, but are not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendants withdraw, the Settlement shall be *void ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendants will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendants must notify Class Counsel and the Court of its election to withdraw not later than 7 days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
10. **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will—subject to Defendants' review and approval—file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than 7 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
 - 10.1. **Response to Objections.** Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
 - 10.2. **Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material change to the Agreement within the meaning of this paragraph.
 - 10.3. **Continuing Jurisdiction of the Court.** The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

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

10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged. Further, any release secured through the Individual Settlement Program will remain valid and binding notwithstanding an appellate decision to vacate, reverse, or modify the Judgment.

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

12. **ADDITIONAL PROVISIONS.**

12.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendants' defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendants reserve the right to contest certification of any class for any reasons, and Defendants reserve all available defenses to the claims in the Action, and Plaintiffs reserves the right to

move for class certification on any grounds available and to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 12.2. Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendants, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendants, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

- 12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 12.8 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendants, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a

Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy, all paper and electronic versions of Class Data received from Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants make a written request to Class Counsel for the return, rather than the destructions, of Class Data.

- 12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To
Plaintiffs: **CLARK LAW GROUP**

c/o R. Craig Clark
Alicja Urtnowski
3258 Fourth Avenue
San Diego, CA 92103

E-Mail:
cclark@clarklawyers.com
aurtnowski@clarklawyers.com

RIGHETTI GLUGOSKI, P.C.

c/o Matthew Righetti
John Glugoski
456 Montgomery St., Ste 1400
San Francisco, CA 94104

E-Mail:
matt@righettilaw.com
jglugoski@righettilaw.com

SETAREH LAW GROUP

c/o Shaun Setareh
William M. Pao
315 South Beverly Drive, Ste 315
Beverly Hills, CA 90212

E-Mail:
william@setarehlaw.com
shaun@setarehlaw.com

To
Defendants: **GBG LLP**
c/o Elizabeth A. Brown
Jennifer Svanfeldt
633 W. 5th Street, Ste 3330
Los Angeles, CA 90071

PAUL HASTINGS LLP
c/o Raymond W. Bertrand
James P. de Haan
4747 Executive Drive, 12 Flr.
San Diego, CA 92121

E-Mail:
lisabrown@gbgllp.com
jensvanfeldt@gbgllp.com

E-Mail:
raymondbertrand@paulhastings.com
jamesdehaan@paulhastings.com

- 12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement. Moreover, DocuSign, facsimile and scanned copies of signatures shall be accepted as valid and binding. Any electronic signatures shall be applied through DocuSign, and any signatory who opts to sign this Agreement electronically shall provide the DocuSign certificate for their electronic signature(s) to the other Parties.
- 12.19 Severability. If any provision of this Agreement is unenforceable, for any reason, the remaining provisions will nevertheless be of full force and effect, subject to the limitations set out in Paragraphs 6.4, 9, and 10.2 regarding the effect of disapproval, termination, modification or cancellation by the Court of any material term or condition of this Agreement.
- 12.20 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

PLAINTIFF STEVEN LEGGINS

Signature: 
Steven Leggins (Apr 6, 2023 14:35 PDT)

Date: Apr 6, 2023

PLAINTIFF FERNANDO LOPEZ

Signature: _____

Date: _____

CLARK LAW GROUP

R. Craig Clark (SBN 129219)

Alicja Urtnowski (SBN 321215)

Attorneys for Plaintiffs Steven Leggins & Fernando Lopez

Signature: _____

Date: _____

E-Mail:
lisabrown@gbgllp.com
jensvanfeldt@gbgllp.com

E-Mail:
raymondbertrand@paulhastings.com
jamesdehaan@paulhastings.com

- 12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement. Moreover, DocuSign, facsimile and scanned copies of signatures shall be accepted as valid and binding. Any electronic signatures shall be applied through DocuSign, and any signatory who opts to sign this Agreement electronically shall provide the DocuSign certificate for their electronic signature(s) to the other Parties.
- 12.19 Severability. If any provision of this Agreement is unenforceable, for any reason, the remaining provisions will nevertheless be of full force and effect, subject to the limitations set out in Paragraphs 6.4, 9, and 10.2 regarding the effect of disapproval, termination, modification or cancellation by the Court of any material term or condition of this Agreement.
- 12.20 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

PLAINTIFF STEVEN LEGGINS

Signature: _____

Date: _____

PLAINTIFF FERNANDO LOPEZ

Signature:  _____
Fernando Lopez (Apr 6, 2023 19:20 EDT)

Date: Apr 6, 2023

CLARK LAW GROUP

R. Craig Clark (SBN 129219)

Alicja Urtnowski (SBN 321215)

Attorneys for Plaintiffs Steven Leggins & Fernando Lopez

Signature:  _____

Date: April 7, 2023

PLAINTIFF DAVID HERRERA

Signature: 
ID G8WegpL3Ua2bo1Nn9soA44Mb

Date: 4/5/2023

SETAREH LAW GROUP

Shaun Setareh (SBN 204514)

William M. Pao (SBN 219846)

Attorneys for Plaintiff David Herrera

Signature: 

Date: April 7, 2023

PLAINTIFF ALEXANDER HERNANDEZ

Signature: _____

Date: _____

RIGHETTI GLUGOSKI, P.C.

Matthew Righetti (SBN 121012)

John Glugoski (SBN 191551)

Attorneys for Plaintiff Alexander Hernandez

Signature: _____

Date: _____

DEFENDANT PACIFIC BELL TELEPHONE COMPANY

Print Name: _____

Date: _____

Title: _____

Signature: _____

DEFENDANT AT&T SERVICES INC.

Print Name: _____

Date: _____

Title: _____

Signature: _____

PLAINTIFF DAVID HERRERA

Signature: _____

Date: _____

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Shaun Setareh (SBN 204514)

William M. Pao (SBN 219846)

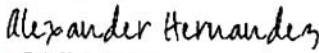
Attorneys for Plaintiff David Herrera

Signature: _____

Date: _____

PLAINTIFF ALEXANDER HERNANDEZ

Signature: _____

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Date: 4/7/2023

RIGHETTI GLUGOSKI, P.C.

Matthew Righetti (SBN 121012)

John Glugoski (SBN 191551)

Attorneys for Plaintiff Alexander Hernandez

Signature: 

Date: 4/10/2023

DEFENDANT PACIFIC BELL TELEPHONE COMPANY

Print Name: Keith Korte

Date: 4/12/2023

Title: SVP - Field Operations

Signature: 

DEFENDANT AT&T SERVICES INC.

Print Name: Keith Korte

Date: 4/12/2023

Title: SVP - Field Operations

Signature: 

GBG LLP

Elizabeth A. Brown (SBN 235429)

Jennifer Svanfeldt (SBN 233248)

Attorneys for Defendants Pacific Bell Telephone Company and AT&T Services, Inc.


Signature: 
Jennifer Svanfeldt

Date: April 12, 2023

PAUL HASTINGS LLP

Raymond W. Bertrand (SBN 220771)

Attorneys for Defendants Pacific Bell Telephone Company and AT&T Services, Inc.

Signature: 
Raymond W. Bertrand

Date: April 11, 2023