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10 Attorneys for Defendant
PINTEREST, INC.

11 (Additional parties on next page)
12

13 SUPERIOR COURT OF THE STATE OF CALIFORNIA
14 CITY AND COUNTY OF SAN FRANCISCO
15

16 KIANA MATHEWS, individually, and on
behalf of other members of the general public
17 similarly situated,

18 Plaintiff,

19 v.

20 PINTEREST, INC., a California corporation;
MAGNIT, LLC, f/k/a PRO UNLIMITED,
21 INC.; and DOES 1 through 100, inclusive,

22 Defendants.
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Case No. CGC-21-589584

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

Dept: 304
Judge: Hon. Ethan P. Schulman
Trial Date: None Set
Date Action Filed: February 2, 2021

1 DOUGLAS HAN (SBN 232858)
2 SHUNT TATAVOS-GHARAJEH (SBN 272164)
3 LIZETTE RODRIGUEZ (SBN 335182)
4 **JUSTICE LAW CORPORATION**
5 751 N. Fair Oaks Avenue, Suite 101
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9 Attorneys for Plaintiff
10 KIANA MATHEWS

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19 Attorneys for Defendant
20 MAGNIT, LLC f/k/a PRO UNLIMITED, INC.

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1 **CLASS AND PAGA ACTION SETTLEMENT AGREEMENT**

2 This Amended Joint Stipulation of Class and PAGA Action Settlement and Release
3 (“Settlement Agreement,” “Settlement,” or “Agreement”) is made and entered into between
4 Kiana Mathews (“Plaintiff”), individually and as representative of the Class Members and
5 Aggrieved Employees, and Defendants Pinterest, Inc. (“Pinterest”) and Magnit, LLC f/k/a PRO
6 Unlimited, Inc. (“Magnit”) (Defendants collectively as “Defendants”), and is subject to the terms
7 and conditions herein and the approval of the Court. Plaintiff and Defendants are referenced
8 collectively herein as “the Parties.”

9 **I. CONDITIONAL NATURE OF SETTLEMENT**

10 This Agreement is made for the sole purpose of settling the above-captioned action on a
11 class and representative basis. This Settlement is made in compromise of disputed claims as set
12 forth in the case entitled *Mathews v. Pinterest, Inc., et al.*, Case No. CGC-21-589584, pending in
13 the Superior Court of California, County of San Francisco. This action will be referred to herein
14 as “the Action.” The Settling Parties (as defined in Section 2 of this Agreement) enter into this
15 Agreement on a conditional basis.

16 Furthermore, in the event that the Court does not enter the Final Approval Order, or a
17 Judgment is not entered in the Action, or the conditions precedent are not met for any reason, this
18 Settlement shall be deemed void *ab initio*, it shall be of no force or effect whatsoever, it shall not
19 be referred to or utilized for any purpose whatsoever, and the negotiations, terms, and entry of the
20 Agreement shall remain subject to the provision of California Evidence Code §§ 1119 and 1152
21 and any other analogous rules of evidence that might apply.

22 Defendants deny all claims as to liability, damages, penalties, interest, fees, restitution,
23 injunctive relief, and all other forms of relief as well as the representative allegations asserted in
24 the Action. Defendants have agreed to resolve the Action through this Settlement, but to the
25 extent this Settlement is deemed void, Defendants do not waive, but rather expressly reserve, all
26 rights to challenge all such claims and allegations in the Action upon all procedural and factual
27 grounds, including without limitation the ability to challenge class or representative action
28 treatment on any grounds, as well as asserting any and all other potential defenses or privileges.

1 Plaintiff and Plaintiff’s Counsel agree that Defendants retain and reserve these rights.
2 Specifically, Plaintiff and Plaintiff’s Counsel agree not to argue or present any argument that, in
3 the event this Settlement is not approved in full, Defendants could not file a later motion or
4 opposition that contests the certifiability or manageability of the claims of this Action if it
5 proceeds on a class or representative basis or assert any and all other potential defenses and
6 privileges if this Action were to proceed. Plaintiff and Plaintiff’s Counsel hereby waive such
7 arguments and agree they will not take a position contrary to this provision. The Parties intend
8 this Agreement to fully, finally, and forever resolve, discharge, and settle the Released Claims
9 upon and subject to the terms and conditions hereof.

10 **II. DEFINITIONS**

- 11 1. “Agreement” means this agreement entered into by the Parties to effectuate the terms
12 of the Settlement.
- 13 2. “Aggrieved Employees” means all current and former hourly-paid or non-exempt
14 employees (whether hired directly or through a staffing agency) of Defendant Pinterest
15 within the State of California at any time between March 9, 2022, through the date of
16 preliminary settlement approval or August 7, 2023, whichever occurs first. The
17 Aggrieved Employees shall specifically include all contingent workers of Defendant
18 Magnit who were its employees of record and were assigned to provide services to
19 Defendant Pinterest during the PAGA Period. Aggrieved Employees do not have the
20 option to opt out of the PAGA portion of the Settlement.
- 21 3. “Attorneys’ Fees and Litigation Expenses” means the fees awarded to Class Counsel
22 in connection with this Action, as approved by the Court, and actual litigation
23 expenses for work performed by Class Counsel that are approved for reimbursement
24 by the Court as set forth in Section 7.2 of this Agreement.

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4. “Class Counsel” means:

DOUGLAS HAN (SBN 232858)
SHUNT TATAVOS-GHARAJEH (SBN 272164)
LIZETTE RODRIGUEZ (SBN 335182)
JUSTICE LAW CORPORATION
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Pasadena, California 91103
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Facsimile: +818 230 7259

5. “Class Information” means records for each Class Member including: (1) name, (2) social security number, (3) last known residential address, (4) last known telephone number, (5) last known email address (to the extent reasonably available), and (6) number of Eligible Workweeks worked during the Class Period; and records for each Aggrieved Employee including: (1) name, (2) social security number, (3) last known residential address, (4) last known telephone number, (5) last known email address (to the extent reasonably available) and (6) number of Eligible Workweeks worked during the PAGA Period.
6. “Class Member” means any current or former hourly-paid or non-exempt employee (whether hired directly or through a staffing agency) of Defendant Pinterest within the state of California at any time during the Class Period, and shall specifically include all contingent workers of Defendant Magnit who were its employees of record and were assigned to provide services to Defendant Pinterest during the Class Period.
7. “Class Notice” means the Court-approved Class Notice, included here as Exhibit A, which notifies Class Members of the lawsuit and of their estimated share of the Settlement and the number of Eligible Workweeks he/she worked during the Class Period.
8. “Class Period” means from August 7, 2016, through the date of preliminary settlement approval or August 7, 2023, whichever occurs first.
9. “Class Released Claims” means all claims, demands, rights, liabilities, penalties, fees, and causes of action that were or could have been asserted based on the facts alleged in the Action during the Class Period, including, but not limited to, for alleged

1 violations of Labor Code sections 201–204, 226, 226.7, 510, 512, 1194, 1197, 1198,
2 2800, or 2802, or any claims based on the following allegations: failure to pay all
3 wages owed, including minimum, straight, and overtime wages; failure to properly
4 calculate the regular rate of pay; failure to provide compliant meal periods or rest
5 breaks or to pay meal period or rest break premiums; failure to provide accurate and/or
6 compliant wage statements; failure to reimburse all reasonable and necessary business
7 expenses; failure to timely pay wages during employment or upon separation; or
8 violation of Cal. Bus. & Prof. Code section 17200 et seq. by engaging in the foregoing
9 conduct. Class Released Claims include all claims for unpaid wages, overtime wages,
10 statutory penalties, civil penalties, damages of any kind, interest, attorneys’ fees, costs,
11 injunctive relief, restitution, and any other equitable relief under California statute,
12 ordinance, regulation, common law, or other source of law, including but not limited
13 to the California Labor Code, California Business & Professions Code, California
14 Civil Code, and California Industrial Welfare Commission Wage Orders.

15 10. “Court” means the Superior Court of the State of California, County of San Francisco.

16 11. “Defendant Magnit” means Magnit, LLC, f/k/a PRO Unlimited, Inc.

17 12. “Defendant Pinterest” means Pinterest, Inc.

18 13. “Defendants” means Defendant Magnit and Defendant Pinterest collectively.

19 14. “Defendants’ Counsel” means:

20 JULIE A. TOTTEN (SBN 166470)
21 jatotten@orrick.com
22 ERIN M. CONNELL (SBN 223355)
23 econnell@orrick.com
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- 9 15. "Eligible Workweek" means any workweek in which work was performed by a
10 Settlement Class Member during the Class Period or PAGA Period.
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12 16. "Enhancement Payment" means a payment to Plaintiff out of the Gross Settlement
13 Amount of up to Ten Thousand Dollars (\$10,000), or a lesser amount if ordered by the
14 Court, which will be paid to Plaintiff for serving as the named representative in this
15 case and in exchange for a general release of claims and California Civil Code section
16 1542 waiver. Plaintiff will also be eligible for an Individual Class Settlement Payment
17 and PAGA Settlement Payment.
18
19 17. "Effective Date" means the date that the Court's Judgment in the Action becomes
20 final. For purposes of this Settlement Agreement, the Judgment "becomes final" upon
21 the last to occur of the following: (i) the day immediately after the last day by which a
22 Notice of Appeal of Judgment may be timely filed with the California Court of Appeal
23 (i.e., the sixty-first calendar day following entry of Judgment), and no such appeal
24 being filed; (ii) if an appeal is filed and is finally disposed of by ruling, dismissal,
25 denial, or otherwise, the day after the last date for filing a request for further review of
26 the Court of Appeal's decision passes and no further review is requested; (iii) if an
27 appeal is filed and there is a final disposition by ruling, dismissal, denial, or otherwise
28 by the Court of Appeal, and further review of the Court of Appeal's decision is
requested, the day after the request for review is denied with prejudice and/or no
further review of the order can be requested; or (iv) if review is accepted, the day the
Supreme Court of the State of California affirms the Settlement.
18. "Final Approval" means an Order granting final approval of the Settlement of this
Action.

- 1 19. “Gross Settlement Amount” or “GSA” shall mean the total of Three Million Three
2 Hundred Fifty Thousand Dollars (\$3,350,000). The Gross Settlement Amount will be
3 used to pay Settlement Administration Costs, Class Counsel’s attorneys’ fees and
4 costs, Plaintiff’s Enhancement Payment, the Individual Class Settlement Payments,
5 the PAGA Settlement Payments, and the PAGA Penalties to be paid to the Labor
6 Workforce Development Agency (“LWDA”). Defendants’ corporate payroll tax
7 obligations shall be paid in addition to the GSA. Defendants shall not be required to
8 pay more than the GSA, plus employer-side payroll taxes on the wage payments made
9 to members of the Settlement Class.
- 10 20. “Individual Class Settlement Payments” means the *pro rata* amount payable from the
11 Net Settlement Amount to each of the Settlement Class Members based on each
12 Settlement Class Member’s number of Eligible Workweeks during the Class Period.
13 Individual Class Settlement Payments will be paid to Settlement Class Members in the
14 form of a check and the Settlement Administrator will make all required withholdings.
15 Individual Settlement Payments will be treated as follows: 50% as wages, reportable
16 on IRS Form W-2 and subject to withholdings; 50% as interest and penalties
17 reportable on IRS Form 1099.
- 18 21. “Individual PAGA Payments” means the *pro rata* amount payable from the 25%
19 portion of PAGA Penalties that will be paid to Aggrieved Employees based on each
20 Aggrieved Employee’s number of Eligible Workweeks during the PAGA Period.
21 Individual PAGA Payments will be paid to Aggrieved Employees in the form of a
22 check, and Aggrieved Employees will be issued an IRS Form 1099 for their Individual
23 PAGA Payments. Individual PAGA Payments will be treated 100% as penalties.
- 24 22. “Judgment” means a judgment entered by the Court following entry of the Final
25 Approval order.
- 26 23. “LWDA” means the California Labor Workforce Development Agency.
- 27 24. “LWDA Payment” means the 75% portion of the PAGA Penalties that will be paid to
28 the LWDA pursuant to California Labor Code § 2699(i).

- 1 25. “Net Settlement Amount” or “NSA” means the amount remaining from the GSA after
2 Class Counsel’s court-approved attorneys’ fees and costs, Plaintiff’s Enhancement
3 Payment, the PAGA Penalties, and Settlement Administration Costs have been
4 deducted from the GSA, from which the Individual Class Settlement Payments will be
5 paid.
- 6 26. “PAGA” means the California Labor Code Private Attorneys General Act, California
7 Labor Code §§ 2698, *et seq.*
- 8 27. “PAGA Notice” means the notice that Plaintiff provided to the Department of
9 Industrial Relations, dated May 15, 2023, that informed the PAGA Administrator of
10 the alleged violations of the Labor Code that are at issue in this Action (LWDA-CM-
11 891853-22).
- 12 28. “PAGA Penalties” means the \$335,000 of the GSA that the Parties have allocated to
13 settlement of Plaintiff’s PAGA claim, 75% of which will be paid to the LWDA (the
14 “LWDA Payment”) and 25% of which will be distributed to Aggrieved Employees as
15 Individual PAGA Payments.
- 16 29. “PAGA Period” means the time period of March 9, 2022, through the date of
17 preliminary settlement approval or August 7, 2023, whichever occurs first.
- 18 30. “PAGA Released Claims” means all claims, demands, rights, liabilities, penalties,
19 fees, and causes of action under PAGA on behalf of the Aggrieved Employees during
20 the PAGA Period based on the factual allegations and legal assertions made in the
21 operative complaint or PAGA Notice, including but not limited to claims based on any
22 alleged failure to pay all wages owed, including minimum, straight, and overtime
23 wages; failure to properly calculate the regular rate of pay; failure to provide
24 compliant meal periods or rest breaks or to pay meal period and rest break premiums;
25 failure to provide accurate and/or compliant wage statements; failure to reimburse all
26 reasonable and necessary business expenses; or failure to timely pay wages during
27 employment or upon separation.

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- 1 31. "QSF" means the Qualified Settlement Fund established by the Settlement
2 Administrator for the benefit of the Settlement Class Members and Aggrieved
3 Employees and from which the Individual Class Settlement Payments and Individual
4 PAGA Payments will be paid.
- 5 32. "Reasonable Address Verification Measure" means utilization of the National Change
6 of Address Database maintained by the United States Postal Service prior to the initial
7 mailing of the Settlement Checks and skip-tracing of bad addresses upon the return of
8 undelivered Settlement Checks.
- 9 33. "Released Parties" means Defendants and their past or present officers, directors,
10 shareholders, employees, agents, principals, heirs, representatives, accountants,
11 auditors, attorneys, consultants, insurers, and their respective successors and
12 predecessors in interest, assigns, subsidiaries, affiliates, and parents in their individual
13 and corporate capacities, as well as each and every staffing company, agency, or entity
14 that provided non-exempt or hourly-paid contingent workers to Defendant Pinterest
15 during the Class Period, and each of their past or present officers, directors,
16 shareholders, employees, agents, principals, heirs, representatives, accountants,
17 auditors, attorneys, consultants, insurers, and their respective successors and
18 predecessors in interest, assigns, subsidiaries, affiliates, and parents in their individual
19 and corporate capacities.
- 20 34. "Response Deadline" means sixty (60) calendar days after the mailing of the Class
21 Notice during which time Class Members may opt out of the non-PAGA portion of the
22 Settlement, object to the non-PAGA portion of the Settlement, or dispute the number
23 of Eligible Workweeks that they worked during the Class Period. The Response
24 Deadline for Class Members whose Class Notice was remailed will be sixty (60)
25 calendar days after the date of initial mailing, or fifteen (15) calendar days after the
26 date of remailing, whichever date is later.
- 27 35. "Settlement Administrator" means CPT Group Class Action Administrators, who the
28 Parties have selected to administer this Settlement.

1 36. "Settlement Administration Costs" means the reasonable costs and fees incurred by
2 the Settlement Administrator, as approved by the Court, to administer the Settlement
3 in accordance with this Agreement, which will be paid from the GSA and is expected
4 not to exceed thirty thousand dollars (\$30,000). If the actual costs of the settlement
5 administration process are less than the not-to-exceed amount, the balance will
6 become part of the Net Settlement Amount.

7 37. "Settlement Check" means a check mailed by the Settlement Administrator to a
8 Settlement Class Member or Aggrieved Employee with that individual's Individual
9 Class Settlement Payment and/or Individual PAGA Payment.

10 38. "Settlement Class Member" means a Class Member who did not timely opt out of the
11 non-PAGA portion of the Settlement by submitting an opt-out request to the
12 Settlement Administrator by the opt-out deadline.

13 39. "Updated Address" means a mailing address that was updated via a Reasonable
14 Address Verification Measure, or an updated mailing address provided by the United
15 States Postal Service, a Class Member, an Aggrieved Employee, or any other valid
16 source.

17 **III. PROCEDURAL BACKGROUND**

18 On February 2, 2021, Plaintiff Kiana Mathews filed a class action lawsuit in San
19 Francisco County Superior Court, Case No. CGC-21-589584, on behalf of herself and all other
20 Class Members. In the Complaint, Plaintiff alleged various wage and hour violations under
21 California law, including claims for: (1) unpaid overtime wages; (2) unpaid meal period
22 premiums; (3) unpaid rest period premiums; (4) unpaid minimum wages; (5) waiting time
23 penalties; (6) non-compliant wage statements; (7) unreimbursed business expenses; and (8) unfair
24 business practices.

25 On April 16, 2021, Defendant Pinterest demurred and moved to strike portions of the
26 Complaint, arguing that: (1) Plaintiff was not an employee of Defendant Pinterest and thus lacked
27 standing to bring wage and hour claims against it; (2) Plaintiff failed to plead facts sufficient to
28 support any of her causes of action; (3) Plaintiff's claims were not suitable for class treatment;

1 and, by special demurrer (4) that Plaintiff failed to join necessary parties because, although she
2 alleged that she was employed by staffing agency that placed her at Defendant Pinterest, failed to
3 name that staffing agency as a defendant.

4 On May 18, 2021, the Action was designated as complex and assigned to Judge Massullo.
5 On May 27, 2021, Plaintiff filed a peremptory challenge to Judge Massullo, and the matter was
6 reassigned to Judge Cheng on June 4, 2021. Before Judge Cheng issued his decision on
7 Defendant Pinterest's demurrer and motion to strike, Plaintiff and Defendant Pinterest engaged in
8 significant discovery and discovery motion practice.

9 On November 29, 2021, Judge Cheng overruled in part and sustained in part with leave to
10 amend Defendant Pinterest's demurrer and granted with prejudice in part and granted with leave
11 to amend in part Defendant Pinterest's motion to strike, finding that (1) Plaintiff had not pled
12 sufficient facts to support any of her causes of action (2) including her class allegations, (3)
13 Plaintiff had sufficiently pleaded that Defendant Pinterest was her employer; (4) Plaintiff had not
14 failed to join a necessary party; and (5) striking Plaintiff's requests for punitive damages with
15 prejudice and (6) attorneys' fees with leave to amend.

16 On December 27, 2021, Plaintiff filed a First Amended Class Action Complaint,
17 purporting to correct the deficiencies that Judge Cheng identified.

18 On January 5, 2022, the Action was reassigned to Judge Schulman.

19 On January 26, 2022, Defendant Pinterest demurred to Plaintiff's First Amended
20 Complaint, arguing again that: (1) Plaintiff failed to plead facts sufficient to state claims; (2)
21 Plaintiff's proposed class was not suitable for class treatment; and (3) Plaintiff failed to join a
22 necessary party. On February 28, 2022, Judge Schulman overruled Defendant Pinterest's
23 demurrer in its entirety. Defendant Pinterest filed an Answer to Plaintiff's First Amended
24 Complaint on March 14, 2022. After meeting and conferring on Pinterest's Answer with Plaintiff,
25 Pinterest filed an Amended Answer on April 27, 2022.

26 Plaintiff and Defendant Pinterest then continued to meet and confer regarding outstanding
27 discovery issues and, throughout those meet-and-confer efforts, discussed the possibility of
28 potential mediation. They ultimately agreed to attend mediation on March 9, 2023, with Mark

1 Rudy, Esq. Given Plaintiff's employment with Defendant Magnit, Defendant Pinterest invited
2 Defendant Magnit to also attend mediation so that Defendants could both be released from
3 Plaintiff's class claims. For several months leading up to mediation, the Parties engaged in
4 extensive pre-mediation, informal discovery, including the production of documents pertaining to
5 relevant policies and practices, a production of time and earnings data of Defendant Pinterest's
6 direct employees, a sampling of time and earnings data of employees who Defendant Magnit had
7 placed at Defendant Pinterest, and Plaintiff's deposition.

8 The Parties have engaged in arm's length negotiations, including a mediation session on
9 March 9, 2023, facilitated by Mark Rudy, Esq., who has extensive experience in labor and
10 employment litigation. The Parties did not reach a settlement the day of mediation, but Mr. Rudy
11 continued to engage with the Parties and issued a mediator's proposal that was ultimately
12 accepted by the Parties and memorialized in a Memorandum of Understanding that summarizes
13 the key terms of the Settlement detailed in this Agreement. The Parties also agreed to resolve and
14 release a claim for civil penalties brought under California's Private Attorneys General Act
15 ("PAGA"), and agreed that Plaintiff would notify the Labor Workforce Development Agency
16 ("LWDA") and, after the 65-day exhaustion period expired, amend her complaint once more to
17 add the PAGA claim.

18 On May 15, 2023, Plaintiff submitted her PAGA notice with the LWDA. On July 10,
19 2023, Plaintiff filed and served her Second Amended Complaint.

20 The Parties and their counsel are sufficiently familiar with the facts of this Action and the
21 applicable laws to make an informed judgment as to the fairness of the Settlement, the respective
22 strengths and weaknesses of the claims brought by the group that Plaintiff sought to represent,
23 and the risks of proceeding in litigation. The Parties are represented by competent counsel and
24 have had the opportunity to consult with counsel prior to the signing of this Agreement.

25 **IV. DEFENDANTS' DENIAL OF LIABILITY**

26 Defendants specifically and generally deny any and all liability or wrongdoing of any sort
27 with respect to any of the claims alleged in the Action and make no concessions or admissions of
28 liability of any sort. Defendants maintain that for any purpose other than settlement, the Action is

1 not appropriate for class or representative treatment and that, had this matter proceeded through
2 litigation, it would be uncertifiable and unmanageable. Nonetheless, Defendants have concluded
3 that further litigation would be protracted, distracting, and expensive, and that it is desirable that
4 the Action be fully and finally settled in the manner and upon the terms and conditions set forth in
5 this Agreement. Defendants have also taken into account the uncertainty and risks inherent in any
6 litigation. Defendants have therefore determined that it is desirable and beneficial to settle the
7 Action in the manner and upon the terms and conditions set forth in this Agreement.

8 The Parties agree there is a bona fide dispute as to the claims in the alleged Action, and
9 neither this Agreement, nor the Settlement-related documents, nor the Settlement itself shall be
10 construed as an admission of either fact or law on any issue by any Party.

11 **V. PLAINTIFF'S CLAIMS AND BENEFITS OF SETTLEMENT**

12 Plaintiff and Class Counsel believe that the claims asserted in the Action have merit and
13 that evidence developed to date supports the claims. However, Plaintiff and Class Counsel
14 recognize and acknowledge the significant expense, resources, and time required to prosecute the
15 Action against Defendants through trial and through appeals. Plaintiff and Class Counsel have
16 also taken into account the uncertain outcome and the risks of litigation, the difficulties and
17 delays inherent in this and similar litigation, the challenges of proving certifiability and
18 manageability throughout the Action, and the problems of proving liability and rebutting possible
19 defenses to the claims alleged in the Complaint. Based upon their evaluation, Plaintiff and Class
20 Counsel have determined that the settlement set forth in this Agreement is fair, reasonable,
21 adequate, and in the interests of Plaintiff, Class Members, and Aggrieved Employees. Both Class
22 Counsel and the Plaintiff believe that the settlement set forth in this Agreement confers
23 substantial benefits upon all Class Members and Aggrieved Employees.

24 **VI. CONDITIONS PRECEDENT TO EFFECTIVENESS OF AGREEMENT**

25 6.1 The Parties enter into this Agreement and the Settlement on a conditional basis.
26 This Agreement and Settlement will become final and effective only upon the occurrence of all of
27 the following events:

28 6.1.1 The Court enters a Final Approval Order and Judgment; and

1 6.1.2. The Effective Date occurs, and any challenge to the Settlement, whether by
2 objection or appeal, is resolved in favor of enforcement of the Settlement.

3 6.2 Unless otherwise agreed in writing by the Parties, this Agreement shall be deemed
4 null and void *ab initio* upon the failure of any of these conditions to occur.

5 **VII. SETTLEMENT CONSIDERATION—NO CLAIM FORM REQUIRED;**
6 **DEDUCTIONS FROM THE GROSS SETTLEMENT AMOUNT; CALCULATION**
7 **OF PAYMENTS FROM THE NET SETTLEMENT AMOUNT**

7 This shall be an all-in Settlement without a reversion.

8 7.1 **Payment of the Gross Settlement Amount:** Defendants will pay the Gross
9 Settlement Amount in full and final settlement of the Action. The Gross Settlement Amount will
10 constitute adequate consideration for this Settlement. Since any uncashed settlement check funds
11 will be deposited by the Settlement Administrator to the Unclaimed Property Fund administered
12 by the State of California in the name of the individual to whom the funds belong, this Agreement
13 and the associated Judgment do not and will not create any unpaid residue or unpaid residual, and
14 no distribution of such shall be required.

15 7.2 **Attorneys’ Fees and Litigation Expenses:** Class Counsel will submit an
16 application for: (a) an award of Attorneys’ Fees of no more than 1/3 of the Gross Settlement
17 Amount, or \$1,116,666.67; and (b) an award of Class Counsel’s actual Litigation Expenses (as
18 documented on an itemized cost sheet with appropriate support), estimated to be no more than
19 \$30,000 both of which shall be paid out of the Gross Settlement Amount as approved by the Court.
20 The Attorneys’ Fees and Litigation Expenses set forth in this Section, as approved by the Court,
21 will constitute complete consideration for all work performed and expenses incurred to date and
22 for all worked to be performed and expenses to be incurred through the completion of the Action,
23 its settlement, and the effort to secure a Final Approval Order and Judgment by Class Counsel. The
24 Attorneys’ Fees and Litigation Expenses, as approved by the Court, shall constitute full satisfaction
25 of any claim for fees or costs.

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1 7.2.1 In the event that the Court (or any appellate court) awards less than the
2 amount requested for Attorneys' Fees or Litigation Expenses, only the awarded amounts shall be
3 paid and shall constitute satisfaction of those obligations and full payment thereunder, and any
4 remaining or unawarded portion of the requested Attorneys' Fees or Litigation Expenses shall be
5 made a part of the Net Settlement Amount. To the extent the Court does not approve any or all of
6 the Attorneys' Fees or Litigation Expenses requested, the Settlement shall remain binding except
7 as otherwise provided, and this will not be a justification for Plaintiff or Settlement Class Members
8 to withdraw from the Settlement.

9 7.2.2 Class Counsel agrees to be solely responsible for any claims, liens or other
10 demands from persons or entities who previously represented Plaintiff and may seek to be
11 compensated out of the Gross Settlement Amount for attorneys' fees and/or legal costs arising from
12 prosecution of the Action against Defendants.

13 7.3 **Settlement Administration Costs:** From the Gross Settlement Amount,
14 Settlement Administration Costs shall be paid in an amount expected not to exceed Thirty
15 Thousand Dollars (\$30,000.00), subject to approval from the Court. If the actual costs of the
16 settlement administration process are less than the not-to-exceed amount, the balance will become
17 part of the Net Settlement Amount.

18 7.4 **Enhancement Payment to Plaintiff:** From the Gross Settlement Amount,
19 Defendants agree to pay Plaintiff, subject to Court approval, an Enhancement Payment of up to
20 Ten Thousand Dollars (\$10,000.00). Plaintiff shall be issued an Internal Revenue Service Form
21 1099 for any Enhancement Payment approved by the Court. Plaintiff hereby acknowledges that
22 she has not obtained tax advice from Defendants and that neither Defendants nor their attorneys
23 have made any representation concerning tax consequences, if any, of the Enhancement Payment.
24 Plaintiff agrees that she is solely responsible for the tax consequences of the Enhancement
25 Payment.

26 7.4.1 In the event that the Court (or any appellate court) awards less than the
27 amount requested for the Enhancement Payment, only the awarded amount shall be paid and shall
28 constitute satisfaction of those obligations and full payment thereunder, and any remaining or

1 unawarded portion of the requested Enhancement Payment shall be made a part of the Net
2 Settlement Amount.

3 7.4.2 The Enhancement Payment, if approved by the Court, is in addition to the
4 Plaintiff's Individual Class Settlement Payment and Individual PAGA Payment and shall not be
5 considered wages.

6 7.5 **PAGA Penalties; LWDA Payment; Net Settlement Amount:** The PAGA
7 Penalties are the \$335,000 that the Parties have allocated for settlement of Plaintiff's PAGA
8 Claim.

9 7.5.1 Pursuant to California Labor Code § 2699(i), 75% of the PAGA Penalties
10 will be paid to the LWDA as the "LWDA Payment."

11 7.5.2 The remaining 25% of the PAGA Penalties will be the fund from which
12 Individual PAGA Payments are made.

13 7.5.3 Individual PAGA Payments will be calculated *pro rata* based on the
14 number of Eligible Workweeks each Aggrieved Employee has during the PAGA Period
15 according to Defendants' records. Individual PAGA Payments will be paid to Aggrieved
16 Employees in the form of a Settlement Check.

17 7.6 **Taxes on Individual PAGA Payments:** Individual PAGA Payments will be
18 treated as non-wage penalties and interest, reportable to the Internal Revenue Service on Form
19 1099. Defendants shall not be responsible for tax payments on any portion of the Gross
20 Settlement Amount. The Parties further understand that Plaintiff and any Aggrieved Employee
21 who receives any Individual PAGA Payment pursuant to this Agreement shall be solely
22 responsible for any and all tax obligations associated with such receipt.

23 7.7 **Calculation of Defendants' Corporate Payroll Obligations:** Defendants'
24 corporate payroll tax obligation shall be calculated by the Settlement Administrator and paid
25 separately from the GSA.

26 7.8 **Payment of Individual Class Settlement Payments:** Individual Class Settlement
27 Payments will be made from the Net Settlement Amount. Individual Class Settlement Payments
28 will be calculated *pro rata* based on the number of Eligible Workweeks each Settlement Class

1 Member has during the Class Period according to Defendants' records. Individual Class
2 Settlement Payments will be paid to Settlement Class Members in the form of a Settlement
3 Check.

4 7.9 **Taxes on Individual Class Settlement Payments:** Individual Class Settlement
5 Payments will be treated 50% as wages, reportable to the Internal Revenue Service on Form W-2
6 and subject to withholdings, and 50% as interest and penalties, reportable to the Internal Revenue
7 Service on Form 1099. Defendants shall not be responsible for tax payments on any portion of
8 the Gross Settlement Amount. The Parties further understand that the Plaintiff and any Settlement
9 Class Member who receives any Individual Class Settlement Payment pursuant to this Agreement
10 shall be solely responsible for any and all tax obligations associated with such receipt.

11 **VIII. ADMINISTRATION OF THE SETTLEMENT**

12 8.1 **Motion for Preliminary Approval of Settlement Agreement:** Class Counsel has
13 agreed to draft and file the Motion for Preliminary Approval no later than October 5, 2023. At
14 least seven (7) court days before the filing deadline for the Motion for Preliminary Approval,
15 Plaintiff will provide drafts of the Memorandum of Points and Authorities and supporting
16 documents to Defendants so that Defendants have an opportunity to review and provide
17 commentary. Defendants will provide commentary or any feedback within five (5) court days of
18 receiving the draft of the Motion for Preliminary Approval and supporting documents. If either
19 Defendant does not provide commentary by that time, that Defendant will have waived their right
20 to review and comment.

21 8.2 **Motion for Final Approval of Settlement Agreement:** At least seven (7) court
22 days before the filing deadline for the Motion for Final Approval, Plaintiff will provide drafts of
23 the Memorandum of Points and Authorities and supporting documents to Defendants so that
24 Defendants have an opportunity to review and provide commentary. Defendants will provide
25 commentary or any feedback within five (5) court days of receiving the draft of the Motion for
26 Final Approval and supporting documents. If either Defendant does not provide commentary by
27 that time, that Defendant will have waived their right to review and comment.

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1 8.3 **Settlement Administrator:** The Parties agree to jointly utilize a third-party
2 Settlement Administrator to distribute the Gross Settlement Amount as outlined in this
3 Agreement. The Parties have selected CPT Group Class Action Administrators to administer the
4 Settlement, but may jointly select a different settlement administrator subject to the approval of
5 the Court. Settlement Administration Costs are referenced in Section 7.3. If the actual cost of
6 settlement administration is less than the amount approved by the Court (*i.e.*, less than the not-to-
7 exceed amount), the remaining amount shall be added to the Net Settlement Amount and
8 distributed accordingly. Settlement Administration Costs as approved by the Court shall come out
9 of the Gross Settlement Amount. The Settlement Administrator’s duties shall include the
10 following: distribute the Class Notice, notify class members of the final determination regarding
11 workweek disputes, establish a static website for the case, distribute payments for Attorneys’ Fees
12 and Litigation Expenses to Class Counsel; distribute Plaintiff’s Enhancement Payment to
13 Plaintiff; make payment to the LWDA for its 75% share of the PAGA Penalties; update addresses
14 for Class Members via the USPS National Change of Address database and perform a skip tracing
15 process to determine the best, most recent address prior to distribution of any Settlement Checks;
16 calculate Defendants’ corporate payroll tax obligations; determine Individual Class Settlement
17 Payment amounts for each Settlement Class Member; determine Individual PAGA Payment
18 amounts for each Aggrieved Employee; mail Settlement Checks; re-mail undeliverable
19 Settlement Checks; redistribute funds from uncashed settlement checks to participating Class
20 Members who cashed their checks; pay to the Unclaimed Property Fund any funds remaining in
21 the QSF; and perform related tax, accounting, and administration services.

22 8.4 **Establishment and Funding of the QSF:** The Parties agree that the QSF is
23 intended to be a “Qualified Settlement Fund” under Section 468B of the Internal Revenue Code
24 and Treasury Regulation § 1.468B-1 (26 C.F.R. § 1.468B-1 *et seq.*) and will be administered by
25 the Settlement Administrator as such. With respect to the QSF, the Settlement Administrator
26 shall: (1) open and administer a settlement account in such a manner as to qualify and maintain
27 the qualification of the QSF as a “Qualified Settlement Fund” under Section 468B of the Internal
28 Revenue Code and Treasury Regulation § 1.468B-1; (2) satisfy all federal, state and local income

1 and other tax reporting, return, and filing requirements with respect to the QSF; and (3) satisfy
2 out of the QSF all fees, expenses and costs incurred in connection with the opening and
3 administration of the QSF and the performance of its duties and functions as described in this
4 Agreement. The aforementioned taxes, fees, expenses, and costs shall be treated as and included
5 in the costs of administering the QSF and as Settlement Administration Costs. The Parties and the
6 Settlement Administrator shall treat the QSF as coming into existence as a Qualified Settlement
7 Fund on the earliest date permitted as set forth in 26 C.F.R. § 1.468B-1(j)(2)(i), and such election
8 statement shall be attached to the appropriate returns as required by 26 C.F.R. § 1.468B-
9 1(j)(2)(ii). The Parties agree to cooperate with the Settlement Administrator and one another to
10 the extent reasonably necessary to carry out the provisions of this section of the Agreement.

11 8.5 **Class Information:** For each Class Member, Defendants will provide the
12 Settlement Administrator with the following data from their records, to the extent available: (1)
13 name, (2) social security number, (3) last known residential address, (4) last known telephone
14 number, (5) last known email address (to the extent reasonably available), and (6) number of
15 Eligible Workweeks worked during the Class Period. For each Aggrieved Employee, Defendants
16 will provide the Settlement Administrator with the following data from their records, to the extent
17 available: (1) name, (2) social security number, (3) last known residential address, (4) last known
18 telephone number, (5) last known email address (to the extent reasonably available) and (6)
19 number of Eligible Workweeks worked during the PAGA Period. Defendants will provide, in
20 Microsoft Excel or Microsoft Word form, the Class Information to the Settlement Administrator
21 within 30 calendar days (or, if that date falls on a weekend or holiday, the next business day
22 thereafter) after the Court enters an order granting preliminary approval of the Settlement. To the
23 extent that any Class Information is not readily available in light of the inclusion of third-party
24 contractor employees, the parties agree to work cooperatively to collect such information,
25 including through the use of third-party subpoenas, if and as necessary. Defendants shall take the
26 lead in issuing subpoenas and collecting the Class Information. Plaintiff expressly agrees that to
27 the extent certain Class Information is not available within 30 calendar days of a Court order
28 granting preliminary approval, such circumstances will not constitute a breach of this Agreement

1 by Defendants so long as Defendants can identify timely, reasonable, and diligent efforts that
2 have been made to collect said information. The Parties will then continue to work together in
3 good faith to gather the outstanding information and, if necessary, move the Court to continue any
4 final approval hearing dates and deadlines so that adequate notice can be provided to Class
5 Members and Aggrieved Employees. The Settlement Administrator shall utilize Reasonable
6 Address Verification Measures which may include running the mailing addresses provided
7 through the National Change of Address database and using Updated Addresses for each Class
8 Member and Aggrieved Employee when mailing Class Notices.

9 8.6 **Distribution of Class Notice**: Within ten (10) calendar days of receiving the Class
10 Information, the Settlement Administrator will send Class Members, by first-class mail, at their
11 last known address, the Court-approved Class Notice, notifying them of the lawsuit and of their
12 estimated share of the Settlement and the number of Eligible Workweeks they worked during the
13 Class Period. The Settlement Administrator will also email the Court-approved Class Notice to
14 Class Members' last known address. The Settlement Administrator will take reasonable steps to
15 ensure that the Class Notice packet is received by as many Class Members as possible, including
16 by use of the National Change of Address Database and skip tracing to review the accuracy of
17 and (if possible and as needed) updating mailing addresses.

18 If a Class Notice is returned because of an incorrect address, the Settlement Administrator
19 will conduct a search for a more current address for the Class Member and re-mail the Class
20 Notice to the Class Member within ten (10) calendar days of receipt of the returned Class Notice.
21 The Settlement Administrator will use the National Change of Address Database and skip traces
22 to attempt to find the current address. The Settlement Administrator will be responsible for taking
23 reasonable steps to trace the mailing address of any Class Member for whom a Class Notice is
24 returned by U.S. Postal Service as undeliverable. These reasonable steps shall include, at a
25 minimum: (i) tracking of all undelivered mail; (ii) performing address searches for all mail
26 returned without a forwarding address; and (iii) promptly re-mailing to Class Members for whom
27 new addresses are found within ten (10) calendar days of receipt of the returned Class Notice. If
28 the Settlement Administrator is unable to locate a better address, the Class Notice shall be

1 remailed to the original address, also within ten (10) calendar days from the receipt of the
2 returned Class Notice. If the Class Notice is remailed, the Settlement Administrator will note for
3 its own records the date and address of each remailing.

4 8.7 **Opting Out, Objecting, Disputing Workweeks:** Class Members will have sixty
5 (60) calendar days from the mailing of the Class Notice to opt out of or object to the non-PAGA
6 portion of the Settlement, or to dispute their Eligible Workweeks, unless extended by the Court
7 (the “Response Deadline”). The Response Deadline for Class Members whose Class Notice was
8 remailed will be sixty (60) calendar days after the date of initial mailing, or fifteen (15) calendar
9 days after the date of remailing, whichever date is later. The Settlement Administrator will inform
10 the Class Member of the extended deadline with the remailed Class Notice. Class Members may
11 dispute their workweeks by timely submitting information to the Settlement Administrator and
12 may notify the Settlement Administrator of any objections to the Settlement. Class Members may
13 submit workweek disputes, requests for exclusion, and objections to the Settlement Administrator
14 by email, mail (by First Class U.S. Mail or equivalent), or fax. The Settlement Administrator will
15 certify jointly to Class Counsel and Defense Counsel any opt-outs or objections received. In the
16 event of a dispute over a Class Member’s Eligible Workweeks, Defendants shall make the final
17 decision as to which dates should be applied based on its records and any evidence submitted by
18 the Class Member. The Settlement Administrator will notify Class Members of Defendants’ final
19 determination regarding their workweek disputes by mail. Aggrieved Employees may not opt out
20 of the PAGA portion of this Settlement. **Under no circumstances should a Class Member file**
21 **anything with the Court directly.**

22 8.8 **Distribution of Gross Settlement Amount:**

23 8.8.1 No later than five (5) business days after the Effective Date has passed, the
24 Settlement Administrator shall prepare a final list of all Settlement Class Members and Aggrieved
25 Employees. For each person on this list, the Settlement Administrator will calculate the amounts
26 due to each Settlement Class Member and Aggrieved Employee using the methodology set forth in
27 this Agreement.

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1 8.8.2 No later than fourteen (14) calendar days after the Effective Date has passed
2 (or, if that date falls on a weekend or holiday, the next business day thereafter), Defendants shall
3 transfer to the Settlement Administrator the Gross Settlement Amount of \$3,350,000.00.
4 Defendants will wire the funds requested by the Settlement Administrator into the QSF set up and
5 controlled by the Settlement Administrator.

6 8.8.3 No later than ten (10) calendar days after receipt of the Gross Settlement
7 Amount from Defendants, the Settlement Administrator will (1) pay from the Gross Settlement
8 Amount the Settlement Administration Costs, as approved by the Court; (2) pay from the Gross
9 Settlement Amount to Class Counsel the Attorneys' Fees and Litigation Expenses, as approved by
10 the Court; (3) pay from the Gross Settlement Amount to Plaintiff the Enhancement Payment, as
11 approved by the Court; (4) pay from the Gross Settlement Amount the LWDA Payment; (5) pay
12 from the Gross Settlement Amount the Individual PAGA Payments; and (6) pay from the Gross
13 Settlement Amount the Individual Class Settlement Payments, less applicable deductions and
14 withholdings.

15 8.8.4 Settlement Checks will remain negotiable for one hundred eighty (180)
16 calendar days from the original date of mailing. Any checks returned as non-deliverable on or
17 before the check cashing deadline will be sent via regular First-Class U.S. Mail to the forwarding
18 address affixed thereto within ten (10) calendar days of receipt of the returned check. If no
19 forwarding address is provided, the Settlement Administrator will utilize Reasonable Address
20 Verification Measures to attempt to determine the correct address using a skip-trace, or other search
21 using the name, address, or Social Security number of the Settlement Class Member or Aggrieved
22 Employee involved and will then perform a single re-mailing using an Updated Address, if
23 available, within ten (10) calendar days of receipt of the returned check. The Settlement
24 Administrator shall mail a check-cashing reminder postcard to those recipients who have not
25 negotiated their Settlement Checks within ninety (90) days of mailing. Funds represented by
26 Settlement Checks returned as undeliverable and those settlement checks remaining uncashed for
27 more than 180 days after the original date of mailing shall be redistributed to participating Class
28 Members who cashed their checks. Funds represented by these redistributed Settlement Checks that

1 remain uncashed for more than 180 days after the redistribution date shall be deposited to the
2 Unclaimed Property Fund in the name of the individual who the Settlement Check was made out
3 to.

4 8.9 After the Settlement Checks have been mailed and any deposit to the Unclaimed
5 Property Fund has been made, the Settlement Administrator will provide an accounting in a
6 signed declaration to the Parties of all amounts paid out in connection with this Settlement.

7 **IX. RELEASED CLAIMS**

8 9.1 **Release by Settlement Class Members:** When the Court's final approval order
9 and judgment becomes final and upon funding of the Gross Settlement Amount, the Settlement
10 Class Members shall release the Released Parties from the Class Released Claims.

11 9.2 **Release by Aggrieved Employees:** When the Court's final approval order and
12 judgment becomes final and upon funding of the Gross Settlement Amount, the LWDA and
13 Plaintiff, acting as a proxy of the State of California, shall release, and they and all Aggrieved
14 Employees shall be barred from alleging any of the PAGA Released Claims against the Released
15 Parties.

16 9.3 **Agreement As Evidence of Res Judicata:** Any Party to this Settlement
17 Agreement may use the Settlement Agreement to assert that this Settlement Agreement and the
18 Judgment to be entered by the Court following Final Approval of this Settlement Agreement bar
19 any later-filed action asserting any Class Released Claims or PAGA Released Claims against any
20 of the Released Parties. The provisions of this paragraph apply regardless of whether Plaintiff,
21 Settlement Class Members, and/or Aggrieved Employees cash their Settlement Checks.

22 9.4 **General Release by Plaintiff:** As consideration for the Enhancement Payment,
23 upon the Effective Date, Plaintiff, on behalf of herself and each of her respective heirs,
24 representatives, successors, assigns, and attorneys, shall be deemed to have, and by operation of
25 the Judgment shall have, fully, finally, and forever released, relinquished, and discharged the
26 Released Parties from all claims or causes of action of any type whatsoever, whether known or
27 unknown, arising out of or related to the Action or Plaintiff's employment with or separation of
28 employment from either Defendant, including but not limited to any and all claims for wrongful

1 discharge; termination in violation of public policy; discrimination; harassment; retaliation; failure
2 to provide reasonable accommodation; failure to engage in a good faith interactive process; breach
3 of contract, both express and implied; breach of covenant of good faith and fair dealing, both
4 express and implied; promissory estoppel; negligent or intentional infliction of emotional distress;
5 fraud; negligent or intentional misrepresentation; negligent or intentional interference with contract
6 or prospective economic advantage; unfair business practices; defamation; libel; slander;
7 negligence; personal injury; assault; battery; invasion of privacy; false imprisonment; conversion;
8 and disability benefits; any and all claims for violation of any federal, state, or municipal statute,
9 including, but not limited to, Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991;
10 Section 1981 of U.S.C. Title 42; the Rehabilitation Act of 1973; the Americans with Disabilities
11 Act of 1990; the Equal Pay Act; the Fair Credit Reporting Act; the Employee Retirement Income
12 Security Act of 1974 (regarding unvested benefits); the Worker Adjustment and Retraining
13 Notification Act; the Family and Medical Leave Act, except as prohibited by law; the Sarbanes-
14 Oxley Act of 2002; the National Labor Relations Act; the Uniform Services Employment and
15 Reemployment Rights Act; the Genetic Information Nondiscrimination Act; the Immigration
16 Reform and Control Act; the California Family Rights Act; the California Labor Code; the
17 California Industrial Welfare Commission Wage Orders; the California Business & Professions
18 Code; and the California Fair Employment and Housing Act; any and all claims for violation of the
19 federal, or any state, constitution; any and all claims arising out of any other laws and regulations
20 relating to employment or employment discrimination, harassment or retaliation; any and all claims
21 for monetary recovery and personal or individual relief, except as prohibited by law; and any
22 premiums, penalties, interest, punitive damages, costs, attorneys' fees, injunctive relief, declaratory
23 relief, or accounting based on the claims (the "Plaintiff's Released Claims"). Nothing in this
24 Agreement shall be construed to prohibit Plaintiff from (i) filing a charge or complaint with the
25 Equal Employment Opportunity Commission or any other federal, state or local administrative or
26 regulatory agency, or (ii) participating in any investigation or proceedings conducted by the Equal
27 Employment Opportunity Commission or any other federal, state or local administrative or
28 regulatory agency. However, Plaintiff expressly waives the right to any relief of any kind in the

1 event that the Equal Employment Opportunity Commission or any other federal, state or local
2 administrative or regulatory agency pursues any claim on Plaintiff's behalf that Plaintiff has
3 released in this Agreement. Furthermore, this general release of claims excludes, and Plaintiff does
4 not waive, release, or discharge any unwaivable rights Plaintiff may have under the California
5 Labor Code, claims under state workers' compensation or unemployment laws or indemnification
6 rights Plaintiff has against Released Parties, and/or any claims by Plaintiff that cannot be released
7 by a private settlement agreement.

8 9.5 With regard to the Plaintiff's Released Claims, Plaintiff expressly waives all rights
9 under California Civil Code section 1542, which states:

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

14 Plaintiff may hereafter discover facts in addition to or different from those which she now
15 knows or believes to be true with respect to the subject matter of the Plaintiff's Released Claims,
16 but she shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and
17 forever settled and released any and all Plaintiff's Released Claims, known or unknown,
18 suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden,
19 which then exist, or heretofore have existed upon any theory of law or equity now existing,
20 including, but not limited to, conduct which is negligent, intentional, with or without malice, or a
21 breach of any duty, law or rule, without regard to the subsequent discovery or existence of such
22 different or additional facts.

23 **X. RIGHT TO REVOKE**

24 10.1 **Right to Revoke**: Notwithstanding any other provision of this Agreement, both of
25 the Defendants have the right, but not the obligation, in the exercise of each of their sole and
26 exclusive discretion to act independently of one another so as to terminate this Agreement and
27 withdraw from the Settlement at any time prior to date the Court enters the Final Approval Order
28 on this Settlement if: (a) the Settlement is construed in such a fashion that Defendants are
required to pay more than the Gross Settlement Amount; (b) any court, following the signing of

1 this Agreement but before the Court enters the Final Approval Order, certifies, whether on a
2 conditional basis or not, a class, collective, or representative action involving a claim described in
3 the Action by potential Class Members or Aggrieved Employees covered by this Settlement; or
4 (c) 7.5% or more of the Class Members opt out of the Settlement. If either Defendant elects to
5 terminate this Agreement and withdraw from the Settlement, it shall be responsible for payment
6 of the cost of administration incurred with the Settlement Administrator. If for any reason the
7 Settlement does not become final, or if either Defendant withdraws from the Settlement for any of
8 the reasons set forth in this section, this Agreement and any related settlement documents shall be
9 null and void. In such an event, neither the Agreement, nor the settlement documents, nor the
10 negotiations leading to the Settlement may be used as evidence for any purpose, and Defendants
11 shall retain the right to challenge all claims and allegations in the Action, to assert all applicable
12 defenses, and to dispute the propriety of class or representative treatment on all applicable
13 grounds.

14 10.2 **Non-Approval of Settlement Agreement:** Because settlement of the Action
15 requires Court approval, the Settlement Agreement is conditional and contingent upon approval
16 and entry of the Final Approval Order and Judgment. If the conditions of the Settlement set forth
17 in this Agreement are not satisfied, or if either Defendant terminates and withdraws from the
18 Agreement, or if the Court does not enter the Final Approval Order and Judgment, or if appellate
19 review is sought and on such review the Court's Final Approval Order is materially modified or
20 reversed, then this Settlement shall be canceled, terminated, and shall have no force or effect. If
21 the Effective Date does not occur (due to the failure of the Court to grant approval or otherwise),
22 or if this Settlement is terminated, revoked, or canceled pursuant to its terms, the Parties to this
23 Settlement shall be deemed to have reverted to their respective status as of the date and time
24 immediately prior to the execution of this Settlement. A reduction by the Court or on appeal as to
25 the amount of Attorneys' Fees and Litigation Expenses, and/or to the amount of Plaintiff's
26 Enhancement Payment does not provide a basis for terminating this Settlement.

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1 **XI. COOPERATION**

2 11.1 The Parties shall cooperate fully with one another in seeking the Court’s approval
3 of this Agreement and to use their respective best efforts to consummate the Settlement and cause
4 the Final Approval Order and Judgment to be entered and to become final. The Parties therefore
5 agree to cooperate in good faith to promptly prepare, execute and finalize all Settlement-related
6 documents, seek all necessary Court approvals, and do all other things necessary to consummate
7 the Settlement.

8 11.2 No Party to this Agreement shall seek to evade his, her, or its good faith
9 obligations to seek approval and implementation of this Settlement by virtue of any ruling, order,
10 governmental report, or other development, whether in the Action, in any other litigation, or
11 otherwise, that hereafter might occur and might be deemed to alter the relative strengths of the
12 Parties with respect to any claims or defenses or their relative bargaining power with respect to
13 negotiating.

14 11.3 Plaintiff, Class Counsel, Settlement Class Members, the LWDA, and Aggrieved
15 Employees hereby waive appeals of an order granting approval of this Settlement or entering
16 Judgment in the Action as to Defendants so long as such order is consistent with the material
17 terms of this Agreement.

18 11.4 Plaintiff and Class Counsel agree not to issue a press release or otherwise notify
19 the media about the terms of the Settlement or advertise or market any of the terms of the
20 Settlement, including, but not limited to, through written, recorded, or electronic communications.
21 Plaintiff and Class Counsel further agree that if contacted regarding this case, they will state only
22 that the Action exists and has been resolved. This provision is not intended to, and does not, limit
23 Class Counsel from responding to questions from and providing advice to Class Members and/or
24 Aggrieved Employees regarding the Settlement after preliminary approval is granted.

25 **XII. MISCELLANEOUS PROVISIONS**

26 12.1 All of the Parties have been represented by counsel throughout all negotiations that
27 preceded the execution of this Agreement, and this Agreement is made with the consent and
28 advice of counsel.

1 12.2 This Agreement may not be modified or amended, except in a writing that is
2 signed by the respective counsel of record for the Parties and approved by the Court.

3 12.3 This Agreement and Exhibit A (Class Notice) attached hereto constitute the entire
4 agreement between the Parties concerning the subject matter hereof, and supersede and replace all
5 prior negotiations, understandings, memoranda of understanding and proposed agreements,
6 written and oral, relating thereto. No extrinsic oral or written representations or terms shall
7 modify, vary, or contradict the terms of the Agreement unless made in writing, signed by duly
8 authorized representatives of all Parties, and approved in writing by a final order of the Court. No
9 waiver of any term, provision or condition of this Agreement, whether by conduct or otherwise,
10 in any one or more instances shall be deemed to be or construed as a further or continuing waiver
11 of any such term, provision or condition.

12 12.4 This Agreement shall be subject to, governed by, construed, enforced, and
13 administered in accordance with the laws of the State of California, without giving effect to the
14 principles of conflict of laws, both in its procedural and substantive aspects, and shall be subject
15 to the continuing jurisdiction of the Court. This Agreement shall be construed as a whole
16 according to its fair meaning and intent, and not strictly for or against any party, regardless of
17 who drafted (or was principally responsible for drafting) this Agreement or any specific term or
18 condition thereof. In any construction to be made of the Agreement, the Agreement shall not be
19 construed against any party and the canon of contract interpretation set forth in California Civil
20 Code section 1654 shall not be applied.

21 12.5 The Settlement shall be binding upon and inure to the benefit of the settling
22 Parties' respective successors, assigns, heirs, spouses, marital communities, executors,
23 administrators and legal representatives.

24 12.6 Consistent with Section 664.6 of the California Code of Civil Procedure and Rule
25 3.769(h) of the California Rules of Court, the Parties agree the Court shall retain jurisdiction with
26 respect to the interpretation, implementation and enforcement of the terms of the Agreement, and
27 all Parties hereto submit to the jurisdiction of the Court for purposes of implementing and
28 enforcing the terms of the Agreement. Before raising an issue before the Court with respect to

1 interpretation of the Agreement, the Parties agree to attempt to resolve the issue first by
2 consulting with mediator Mark Rudy.

3 12.7 This Agreement may be executed in one or more counterparts, each of which shall
4 be deemed an original and together shall constitute one and the same instrument. When each of
5 the Parties has signed at least one such counterpart, this Agreement shall become binding as to all
6 of the Parties as of the day and year last executed. Fax and/or electronically scanned signatures
7 shall be deemed as effective as originals.

8 12.8 The Parties hereto represent, covenant, and warrant that they have not directly or
9 indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any
10 person or entity any portion of any liability, claim, demand, action, cause of action or rights
11 herein released and discharged except as set forth herein.

12 12.9 Each individual signing this Agreement warrants that he or she has the authority
13 and is expressly authorized to enter into this Agreement on behalf of the party(ies) for which that
14 individual signs.

15 12.10 Any notices or other documents that must or may be transmitted to Class Counsel
16 and/or Defendants' Counsel, pursuant to any section of this Agreement, shall be transmitted to the
17 addresses set forth in the definitions of Class Counsel and Defendants' Counsel, respectively, set
18 forth above, as well as the email addresses for Class Counsel and Defendants' Counsel known to
19 the Parties.

20 12.11 The Parties and all counsel acknowledge and agree that for the purposes of any
21 claims, actions, and/or proceedings arising out of this Agreement, notice provided to Class
22 Counsel shall be deemed to be notice to the Plaintiff.

23 12.12 The Parties believe this Settlement Agreement is a fair, adequate, and reasonable
24 settlement of the Actions, acknowledging that the Court "may award a lesser amount than the
25 maximum civil penalty amount specified by "PAGA" if, based on the facts and circumstances of
26 the particular case, to do otherwise would result in an award that is unjust, arbitrary and
27 oppressive, or confiscatory." Lab. Code § 2699(e)(2). The Parties have arrived at this Settlement
28 Agreement after arm's-length negotiations by experienced counsel. The Parties further

1 acknowledge that they are each represented by competent counsel and that they have had an
2 opportunity to consult with their counsel regarding the fairness and reasonableness of this
3 Settlement Agreement.

4 12.13 The Parties agree that, pending final approval of this settlement by the Court, this
5 Action shall be stayed in its entirety.

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1 IN WITNESS THEREOF, the Parties each acknowledge that they have read the
2 foregoing Settlement Agreement, accept and agree to the provisions contained in this Settlement
3 Agreement, and hereby execute it voluntarily and with full understanding of its consequences.

4 11/15/2023
5 Dated: November __, 2023

By: Kiana J Mathews

6 Kiana Mathews, Plaintiff

7
8 Dated: November __, 2023

Pinterest, Inc.

9
10 By: _____

11 Michele Lee
12 Deputy General Counsel
13 Pinterest, Inc.

14 Dated: November 15, 2023

Magnit, LLC

15
16 By: _____

17 James Cahalan
18 General Counsel & Director of
19 Global Compliance
20 Magnit, LLC

21 **APPROVED AS TO FORM AND CONTENT:**

22 Dated: November 15, 2023

23
24 By: _____

25 DOUGLAS HAN
26 SHUNT TATAVOS-GHARAJEH
27 LIZETTE RODRIGUEZ
28 JUSTICE LAW CORPORATION
Attorneys for Plaintiff
Kiana Mathews

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IN WITNESS THEREOF, the Parties each acknowledge that they have read the foregoing Settlement Agreement, accept and agree to the provisions contained in this Settlement Agreement, and hereby execute it voluntarily and with full understanding of its consequences.

Dated: November ____, 2023

By: _____

Kiana Mathews, Plaintiff

Dated: November ¹⁶ ____, 2023

Pinterest, Inc.

By: Michele Lee

Michele Lee
Deputy General Counsel
Pinterest, Inc.

Dated: November ____, 2023

Magnit, LLC

By: _____

James Cahalan
General Counsel & Director of
Global Compliance
Magnit, LLC

APPROVED AS TO FORM AND CONTENT:

Dated: November ____, 2023

By: _____

DOUGLAS HAN
SHUNT TATAVOS-GHARAJEH
LIZETTE RODRIGUEZ
JUSTICE LAW CORPORATION
Attorneys for Plaintiff
Kiana Mathews

1 Dated: November 15, 2023

2

3

By: _____


ALISON TSAO
M. LEAH CAMERON
CDF LABOR LAW LLP
Attorneys for Defendant
MAGNIT, LLC

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8 Dated: November ____, 2023

ORRICK, HERRINGTON & SUTCLIFFE LLP

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By: _____

JULIE A. TOTTEN
ERIN CONNELL
KAYLA GRUNDY
SCOTT MORRISON
Attorneys for Defendant
PINTEREST, INC.

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Dated: November ___, 2023

By: _____

ALISON TSAO
M. LEAH CAMERON
CDF LABOR LAW LLP
Attorneys for Defendant
MAGNIT, LLC

Dated: November 16, 2023

ORRICK, HERRINGTON & SUTCLIFFE LLP

By: _____


JULIE A. TOTTE
ERIN CONNELL
KAYLA GRUNDY
SCOTT MORRISON
Attorneys for Defendant
PINTEREST, INC.