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8 individually and on behalf of others similarly
9 situated

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10 **UNITED STATES DISTRICT COURT**
11 **FOR THE CENTRAL DISTRICT OF CALIFORNIA**

13 JEREMEY EDWARDS an individual,
14 and on behalf of others similarly situated,

15 Plaintiff,

16 v.

17 CHARTWELL STAFFING SERVICES,
18 INC. d/b/a CHARTWELL STAFFING
19 SOLUTIONS, a New York corporation;
20 and DOES 1 through 50, inclusive,

21 Defendants.

22 CHARTWELL STAFFING SERVICES,
23 INC. d/b/a CHARTWELL STAFFING
24 SOLUTIONS, a New York corporation,

25 Cross-Complainant,

26 AMERICAN FOOD PROCESSING &
27 PACKING, LLC d/b/a AVALON FOOD
28 PACKING, a California Limited
Liability Company,

Cross-Defendant.

Case No. 2:16-cv-09187-PSG-KS

Hon. Philip S. Gutierrez
Magistrate Karen L. Stevenson

CLASS ACTION

**STIPULATION OF CLASS
ACTION SETTLEMENT**

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16 American Food Processing & Packing, LLC

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1 IT IS HEREBY STIPULATED, by and between Plaintiff JEREMEY
2 EDWARDS, individually and on behalf of all others similarly situated, on the one
3 hand, and Defendant CHARTWELL STAFFING SERVICES, INC. D/B/A
4 CHARTWELL STAFFING SOLUTIONS (“Chartwell”) and Cross-Defendant
5 AMERICAN FOOD PROCESSING & PACKING, LLC d/b/a AVALON FOOD
6 PACKING (“Avalon”), on the other hand, and subject to the approval of the Court,
7 that the Action is hereby compromised and settled pursuant to the terms and
8 conditions set forth in this Stipulation of Class Action Settlement (“Stipulation”)
9 and that the Court shall make and enter judgment, subject to the continuing
10 jurisdiction of the Court as set forth below, and subject to the definitions, recitals,
11 and terms set forth herein which by this reference become an integral part of this
12 Stipulation.

13 DEFINITIONS

14 1. “Action” means the putative class action entitled *Jeremey Edwards v.*
15 *Chartwell Staffing Services, Inc., et al.*, United States District Court, Central
16 District of California, Case No. 2:16-cv-09187-PSG-KS, including the claims
17 asserted in the Cross-Claim filed by Chartwell Staffing Services, Inc. against
18 American Food Processing & Packing, LLC.

19 2. “CAFA Notice” shall mean the notice of this Agreement required to be
20 served by Defendants on the appropriate federal and state agencies as required by
21 28 U.S.C. § 1715(b).

22 3. “Class Counsel” means Matthew J. Matern, Launa Adolph, and Tagore
23 O. Subramaniam of Matern Law Group, PC.

24 4. “Class Counsel Award” means reasonable attorneys’ fees for Class
25 Counsel’s litigation and resolution of this Action (not to exceed 33 1/3% of the
26 Gross Settlement Amount), and Class Counsel’s expenses and costs reasonably
27 incurred in connection with the Action (not to exceed \$22,000).

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2 5. "Class Information" means information regarding Class Members that
3 Defendants shall in good faith compile from the records within their possession,
4 custody, or control, and shall be authorized by the Court to transmit in a secured
5 manner to the Settlement Administrator. To the extent that Class Information is not
6 within Defendants' possession, custody, or control, and that Class Information is
7 believed to be in the possession, custody, or control of third-parties, Defendants
8 shall take all necessary legal action to compel production of such Class
9 Information, including, but not limited to, issuing and enforcing subpoenas, filing
10 motions to compel, and seeking any necessary orders from the Court. Class
11 Information shall be transmitted in electronic form and shall include: each Class
12 Member's full name; last known address; Social Security Number; and total
13 number of Compensable Workweeks.

14 6. "Class Members" means Plaintiff and all other persons who work or
15 have worked as non-exempt employees of any Defendant, including Chartwell
16 Staffing Services, Inc., American Food Processing & Packing, LLC, Avalon Cold
17 Storage, LLC, or American Logistics International Fulfillment, LLC, at the facility
18 located at 2501 Rosecrans Avenue, Los Angeles, California 90059 at any time
19 during the Class Period.

20 7. "Class Notice" means the Notice of Class Action Settlement,
21 substantially in the form attached as **Exhibit 1**, including English and Spanish
22 translations, which shall be subject to Court approval and which the Settlement
23 Administrator shall mail to each Class Member explaining the terms of this
24 Stipulation and the Settlement.

25 8. "Class Period" means the period from December 12, 2012 through the
26 date the Court grants preliminary approval.

27 9. "Class Representative Service Award" means the amount that the
28 Court authorizes to be paid to Plaintiff, not to exceed \$10,000.00, in addition to

1 Plaintiff's Individual Settlement Award, in recognition of Plaintiff's efforts and
2 risks in assisting with the prosecution of the Action and in exchange for executing a
3 general release.

4 10. "Compensable Workweeks" means the total number of weeks during
5 which a Class Member worked for any Defendant, including Chartwell Staffing
6 Services, Inc., American Food Processing & Packing, LLC, Avalon Cold Storage,
7 LLC, and American International Logistics Fulfillment, LLC, as a non-exempt,
8 hourly employee at the facility located at 2501 Rosecrans Avenue, Los Angeles,
9 California 90059 during the Class Period based on Defendants' records and which
10 shall be used to calculate Individual Settlement Awards.

11 11. "Defendants" means Defendant Chartwell Staffing Services, Inc. d/b/a
12 Chartwell Staffing Solutions ("Chartwell"), Cross-Defendant American Food
13 Processing and Packing, LLC d/b/a Avalon Food Packing ("Food Packing"),
14 Avalon Cold Storage, LLC ("Cold Storage"), and American Logistics International
15 Fulfillment, LLC ("Fulfillment") (collectively Food Packing, Cold Storage, and
16 Fulfillment shall be referred to as the "Avalon Entities").

17 12. "Defense Counsel" means Christopher Archibald and Alis Moon of
18 Ogletree, Deakins, Nash, Smoak & Stewart, P.C. for Defendant Chartwell; and
19 Farhad Novian and Heather Davis of Novian & Novian, LLP for the Avalon
20 Entities.

21 13. "Effective Date" refers to the date by which the last of the following
22 has occurred: (1) the Stipulation has been executed by all Parties, Class Counsel
23 and Defense Counsel; (2) the Court has given preliminary approval to the
24 Settlement; (3) the Class Notice has been sent to the Class Members, providing
25 them with an opportunity to object to the terms of the Settlement; (4) the Court has
26 held a Final Approval Hearing and entered a Final Order and Judgment, and
27 approved the Stipulation; (5) five (5) business days after the period for filing any
28 appeal, writ or other appellate proceeding opposing the Court's Final Order and

1 Judgment has elapsed without any appeal, writ or other appellate proceeding having
2 been filed. For purposes of determining the Effective Date, the Parties agree that
3 only California Courts and the Ninth Circuit Court of Appeals have jurisdiction
4 over any such appeals, except for any appellate procedure over which the United
5 States Supreme Court may exercise jurisdiction.

6 14. “Employers’ Share of Payroll Taxes” means Defendant Chartwell and
7 the Avalon Entities’ portion of payroll taxes, including, but not limited to FICA and
8 FUTA, on the portion of the Individual Settlement Awards that constitutes wages,
9 which is to be paid to the Settlement Administrator in addition to the Gross
10 Settlement Amount.

11 15. “Final Approval Hearing” means the hearing to be conducted by the
12 Court after the filing by Plaintiff of an appropriate motion and following
13 appropriate notice to Class Members giving Class Members an opportunity to
14 object to the Settlement, at which time Plaintiff shall request that the Court finally
15 approve the fairness, reasonableness and adequacy of the terms and conditions of
16 the Settlement, enter the Final Order and Judgment, and take other appropriate
17 action.

18 16. “Final Order and Judgment” means the order and judgment to be
19 entered by the Court upon granting final approval of the Settlement and this
20 Stipulation as binding upon the Parties and the Participating Class Members.

21 17. “Gross Settlement Amount” means the maximum amount Defendants
22 shall have to pay in connection with this Settlement, by way of a common fund,
23 which shall be inclusive of all Individual Settlement Awards to Class Members, the
24 Class Counsel Award, Settlement Administration Costs, the Class Representative
25 Service Award, the LWDA’s share of the PAGA payment, and required employee-
26 side withholdings from Individual Settlement Awards (exclusive of the Employer’s
27 Share of Payroll Taxes and withholdings). Subject to Court approval and the terms
28 of this Stipulation, the Gross Settlement Amount that Defendants shall be required

1 to pay is Eight Hundred Thousand Dollars (\$800,000.00). Defendants shall issue
2 payment to the Settlement Administrator for one-half of the Gross Settlement
3 Amount (i.e., \$400,000) within (6) months after the date of entry of the Preliminary
4 Approval Order. Defendants shall issue payment to the Settlement Administrator
5 for the remaining one-half of the Gross Settlement Amount (i.e., \$400,000), within
6 120 days after the due date of the first payment. Chartwell is responsible for paying
7 \$500,000 of the Gross Settlement Amount. The Avalon Entities are responsible for
8 paying \$300,000 of the Gross Settlement Amount. Chartwell and the Avalon
9 Entities shall each pay half of their portions of the Gross Settlement Amount in
10 each installment.

11 18. "Individual Settlement Award" means the amount payable from the
12 Net Settlement Amount to each Class Member.

13 19. "Information Sheet" means the form that shall be prepared by the
14 Settlement Administrator and sent to each Class Member that sets forth the total
15 number of Compensable Workweeks and the estimated Individual Settlement
16 Award for the Class Member, substantially in the form attached as **Exhibit 2**.

17 20. "LWDA" means the California Labor and Workforce Development
18 Agency.

19 21. "Net Settlement Amount" means the Gross Settlement Amount less the
20 Class Counsel Award, Settlement Administration Costs, the Class Representative
21 Service Awards, the LWDA's share of the PAGA payment, and required employee-
22 side withholdings from Individual Settlement Awards (exclusive of the Employer's
23 Share of Payroll Taxes and withholdings).

24 22. "Notice of Objection" means a Class Member's written objection to
25 the Settlement.

26 23. "Notice Packet" means the packet of documents which shall be mailed
27 to all Class Members by the Settlement Administrator, including the Class Notice,
28 Information Sheet, and Exclusion Form.

1 24. “PAGA” means the Labor Code Private Attorneys General Act of
2 2004, California Labor Code sections 2698, et seq.

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4 25. “Participating Class Member” means a Class Member who does not
5 request exclusion from the Settlement.

6 26. “Parties” means Plaintiff and Defendants, and each of them.
7 “Plaintiff” means Plaintiff Jeremy Edwards.

8 27. “Preliminary Approval Order” means the order to be issued by the
9 Court approving and authorizing the mailing of the Notice Packet by the Settlement
10 Administrator, setting the date of the Final Approval Hearing, and granting
11 preliminary approval of the Settlement set forth in this Stipulation, among other
12 things.

13 28. “Released Claims” means all claims alleged or that could have been
14 alleged in the operative complaint based on the facts, allegations, and legal theories
15 raised in the operative complaint including all of the following claims, actions,
16 demands, causes of action, suits, debts, obligations, damages, rights or liabilities, of
17 any nature and description whatsoever (whether or not the factual cause of the
18 alleged underpayment or violation was alleged with particularity in the operative
19 complaint): (a) failure to pay minimum wages, straight time wages, or overtime
20 wages; (b) failure to provide proper meal and rest periods, to properly provide
21 premium pay in lieu thereof, or to properly calculate premium pay in lieu of meal
22 and rest periods; (c) failure to maintain required records; (d) failure to provide
23 complete and/or accurate wage statements; (e) failure to timely pay wages due or
24 final wages due; (f) unfair business practices; (g) civil penalties under the Private
25 Attorneys General Act (“PAGA”); (h) any other claims or penalties under the wage
26 and hour laws pleaded in the Action; (k) any other claims or penalties under the
27 wage and hour laws pleaded in the Action or that could have been pleaded in the
28 operative complaint against the Released Parties, and each of them, based on the

1 facts alleged in the operative complaint pursuant to the Labor Code, Business &
2 Professions Code section 17200 et seq., Code of Civil Procedure section 1021.5, the
3 Fair Labor Standards Act, applicable sections of the California Industrial Wage
4 Orders, and applicable sections of the California Code of Regulations, all claimed
5 or unclaimed compensatory, consequential, incidental, liquidated, punitive and
6 exemplary damages, penalties, restitution, interest, costs and attorneys' fees,
7 injunctive or equitable relief, and any other remedies available at law or equity, and
8 other amounts recoverable under said causes of action under California and federal
9 law, to the extent permissible (collectively, the "Released Claims"). The res
10 judicata effect of the judgment will be the same as that of the release obtained by
11 this Agreement and Settlement. The Released Claims are limited to claims arising
12 out of Class Members' employment at the facility located at 2501 W. Rosecrans
13 Avenue, Los Angeles CA 90059 during the Class Period. Additionally, only
14 Participating Class Members who timely cash their Individual Settlement Award
15 checks will be deemed to have "opted in" to the release of the Released Claims
16 arising under the Fair Labor Standards Act of 1938, 29 U.S.C. § 216(b) ("FLSA").

17 29. "Released Claims" with respect to Plaintiff means any and all claims,
18 demands, rights, liabilities, and/or causes, of any form whatsoever, whether known
19 or unknown, unforeseen, unanticipated, unsuspected or latent, that have been or
20 could have been asserted by Plaintiff, or the heirs, successors and/or assigns of
21 Plaintiff, whether directly, indirectly, representatively, derivatively or in any other
22 capacity, against Defendants, and each of them, or any of the other Released Parties,
23 arising at any time prior to entry of the Final Order and Judgment.

24 In addition to the Released Claims, Plaintiff also expressly waive all rights
25 and benefits under the terms of section 1542 of the California Civil Code. Section
26 1542 reads as follows:

27 "A general release does not extend to claims which the creditor does
28 not know or suspect to exist in his or her favor at the time of executing

1 the release, which if known by him or her must have materially affected
2 his or her settlement with the debtor.”

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4 Notwithstanding the provisions of section 1542, and for the purpose of
5 implementing a full and complete release and discharge of all of his Released
6 Claims, Plaintiff expressly acknowledges that this Settlement is intended to include
7 in its effect, without limitation, all Released Claims which Plaintiff does not know
8 or suspect to exist in his favor at the time of execution hereof, and that the
9 Settlement contemplates the extinguishment of all such Released Claims.

10 30. “Released Parties” means Chartwell and the Avalon Entities, and each
11 of them, and their respective present or former parents, subsidiaries, officers,
12 directors, managers, members, principals, employees, partners, shareholders,
13 attorneys, and agents, and any other successors, assigns, or legal representatives.

14 31. “Response Deadline” means the date that is forty-five (45) days after
15 the Settlement Administrator mails the Notice Packets to Class Members, and the
16 last date on which Class Members may submit an Exclusion Form (**Exhibit 3**) or
17 Notice of Objection.

18 32. “Chartwell” means Defendant Chartwell Staffing Services, Inc. d/b/a
19 Chartwell Staffing Solutions.

20 33. “Avalon Entities” collectively means Cross-Defendant American
21 Logistics Food Processing and Packing LLC d/b/a Avalon Food Packing, Avalon
22 Cold Storage, LLC, and American Logistics International Fulfillment, LLC.

23 34. “Settlement” means the final and complete disposition of the Action
24 pursuant to this Stipulation.

25 35. “Settlement Administration Costs” means the reasonable costs and
26 fees of administration of the Settlement to be paid from the Gross Settlement
27 Amount, including but not limited to: (i) printing and mailing and re-mailing (if
28 necessary) of Notice Packets to Class Members; (ii) preparing and providing notice

1 by publication (iii) preparing and submitting to Class Members and government
2 entities all appropriate tax filings and forms; (iv) computing the amount of and
3 distributing Individual Settlement Awards, Class Representative Service Award, the
4 Class Counsel Award, and the LWDA's share of the PAGA payment; (v)
5 processing Notices of Objection; (vi) establishing a Qualified Settlement Fund, as
6 defined by the Internal Revenue Code; and (vii) calculating and remitting to the
7 appropriate government agencies all employer and employee payroll tax obligations
8 arising from the Settlement and preparing and submitting filings required by law in
9 connection with the payments required by the Settlement.

10 36. "Settlement Administrator" means KCC, LLC.

11 **RECITALS**

12 37. Class Certification. The Parties stipulate and agree to the certification
13 of an opt-out class under Federal Rule of Civil Procedure 23(b)(3) for purposes of
14 this Settlement only. This Agreement is subject to the approval of the Court
15 pursuant to Federal Rule of Civil Procedure 23(e) and is made for the sole purpose
16 of consummating settlement of the Action. Should the Settlement not become final
17 and effective as herein provided, class certification shall immediately be set aside
18 and the Settlement Class immediately decertified (subject to further proceedings on
19 motion of any party to certify or deny certification thereafter). The Parties'
20 willingness to stipulate to class certification as part of the Settlement shall have no
21 bearing on, and shall not be admissible in or considered in connection with, the
22 issue of whether a class should be certified in a non-settlement context in this
23 Action and shall have no bearing on, and shall not be admissible or considered in
24 connection with, the issue of whether a class should be certified in any other
25 lawsuit.

26 38. Procedural History. On December 12, 2016, Plaintiff Jeremey
27 Edwards filed a putative class action Complaint in the U.S. District Court for the
28 Central District of California, Eastern Division, on behalf of himself and all others

1 similarly situated, entitled *Jeremey Edwards v. Chartwell Staffing Services, Inc.*
2 *d/b/a Chartwell Staffing Solutions, et al.*, Case No. 2:16-cv-9187-PSG-KS. The
3 Complaint alleges claims for (1) failure to provide required meal periods; (2) failure
4 to provide required rest periods; (3) failure to pay overtime compensation; (4)
5 failure to pay minimum wages; (5) failure to pay all wages due to discharged and
6 quitting employees; (6) failure to maintain required records; (7) failure to furnish
7 accurate itemized wage statements; (8) unfair and unlawful business practices; (9)
8 civil penalties under the Labor Code Private Attorneys General Act of 2004; and
9 (10) failure to pay all wages and overtime compensation in violation of the Fair
10 Labor Standards Act. On June 13, 2017, Defendant Chartwell brought a Cross-
11 Claim against Cross-Defendant American Food Processing & Packing, LLC d/b/a
12 Avalon Food Packing asserting claims for (1) indemnity and defense; and (2)
13 declaratory relief (the “Cross-Claim”). On November 9, 2017, the Court granted
14 the Parties’ stipulation to extend the date for Food Packing to respond to the Cross-
15 Claim. Following a mediation on November 2, 2017, and the Parties’ acceptance of
16 the mediator’s proposal on November 16, 2017, the Court vacated all relevant
17 dates, including Food Packing’s response deadline.

18 39. Settlement Negotiations. On November 2, 2017, the Parties
19 participated in a private mediation session with experienced mediator Hon. Louis
20 Meisinger (retired). The mediation resulted in a mediator’s proposal which
21 outlined the material terms of a proposed class action settlement that would fully
22 resolve Class Members claims in this Action.

23 40. On November 16, 2017, the Parties accepted the mediator’s proposal,
24 subject to the Parties entering into a more comprehensive written settlement
25 agreement, as well as receiving additional confirmatory documents.

26 41. Benefits of Settlement to Plaintiff and the Class Members. Plaintiff
27 and Class Counsel recognize the expense and length of continued proceedings
28 necessary to litigate Plaintiff’s dispute in the Action through trial and through any

1 possible appeals. Plaintiff also has taken into account the uncertainty and risks of
2 the outcome of further litigation, and the difficulties and delays inherent in such
3 litigation. Plaintiff and Class Counsel are also aware of the burdens of proof
4 necessary to establish liability for the claims asserted in the Action, both generally
5 and in response to Defendants' defenses thereto, and the difficulties in establishing
6 damages, penalties, restitution and other relief sought in the Action. Plaintiff and
7 Class Counsel also have taken into account Defendants' agreement to enter into a
8 settlement that confers substantial benefits upon the Class Members. Based on the
9 foregoing, Plaintiff and Class Counsel have determined that the Settlement set forth
10 in this Stipulation is fair, adequate, and reasonable and is in the best interests of all
11 Class Members.

12 42. Defendants' Reasons for Settlement. Defendants have concluded that
13 any further defense of this litigation would be protracted and expensive for all
14 Parties. Substantial amounts of Defendants' time and resources have been and,
15 unless this Settlement is made, will continue to be devoted to the defense of the
16 claims asserted by Plaintiff and Class Members. Defendants have also taken into
17 account the risks of further litigation in reaching its decision to enter into this
18 Settlement. Despite continuing to contend that it is not liable for any of the claims
19 set forth by Plaintiff, Defendants have, nonetheless, agreed to settle in the manner
20 and upon the terms set forth in this Agreement to put to rest the claims as set forth
21 in the Action.

22 43. Class Members' Claims. Class Members claim that the Released
23 Claims have merit and give rise to liability on the part of Defendants. This
24 Agreement is a compromise of disputed claims. The monies being paid as part of
25 the settlement are genuinely disputed and the Parties agree that the provisions of
26 Labor Code section 206.5 are not applicable to this Settlement. Nothing contained
27 in this Agreement and no documents referred to herein and no action taken to carry
28 out this Agreement may be construed or used as an admission by or against the

1 Class Members or Class Counsel as to the merits or lack thereof of the claims
2 asserted.

3 44. Defendants' Defenses. Defendants claim that the Released Claims
4 have no merit and do not give rise to liability. This Agreement is a compromise of
5 disputed claims. The monies being paid as part of the settlement are genuinely
6 disputed and the Parties agree that the provisions of Labor Code section 206.5 are
7 not applicable to this Settlement. Nothing contained in this Agreement and no
8 documents referred to herein and no action taken to carry out this Agreement may
9 be construed or used as an admission by or against Defendants as to the merits or
10 lack thereof of the claims asserted.

11 **TERMS OF SETTLEMENT**

12 NOW THEREFORE, in consideration of the mutual covenants, promises,
13 and agreements set forth herein, the Parties agree, subject to the Court's approval,
14 as follows:

15 45. Binding Settlement. This Settlement shall bind the Parties and all
16 Participating Class Members, subject to the terms and conditions hereof and the
17 Court's approval.

18 46. No Future Employment As To Plaintiff. Plaintiff acknowledges that
19 because of circumstances that are unique to Plaintiff, including but not limited to
20 irreconcilable differences with the Released Parties, Chartwell and the Avalon
21 Entities have no obligation, contractual or otherwise, to hire or employ Plaintiff in
22 the future. Further, Plaintiff agrees not to seek employment with Chartwell or the
23 Avalon Entities in the future. In the event that Plaintiff breaches his contractual
24 obligations not to re-apply for employment with Chartwell or the Avalon Entities
25 under this section, Chartwell or the Avalon Entities may deny Plaintiff's application
26 or terminate his employment and Plaintiff agrees that his breach of his contractual
27 obligations is good and sufficient cause for such denial or termination and that such
28 denial or termination is not retaliatory but rather is a matter of contract.

1 47. Tax Liability. The Parties make no representations as to the tax
2 treatment or legal effect of the payments specified herein, and Class Members are
3 not relying on any statement or representation by the Parties, Class Counsel or
4 Defense Counsel in this regard. Participating Class Members understand and agree
5 that they shall be responsible for the payment of all taxes and penalties assessed on
6 the payments specified herein, and shall hold the Parties, Class Counsel and
7 Defense Counsel free and harmless from and against any claims resulting from
8 treatment of such payments as non-taxable, including the treatment of such
9 payments as not subject to withholding or deduction for payroll and employment
10 taxes.

11 48. Circular 230 Disclaimer. The Parties acknowledge and agree that
12 (1) no provision of this Stipulation, and no written communication or disclosure
13 between or among the Parties, Class Counsel or Defense Counsel and other
14 advisers, is or was intended to be, nor shall any such communication or disclosure
15 constitute or be construed or be relied upon as, tax advice within the meaning of
16 United States Treasury Department Circular 230 (31 CFR Part 10, as amended);
17 (2) the acknowledging party (a) has relied exclusively upon his, her, or its own,
18 independent legal and tax counsel for advice (including tax advice) in connection
19 with this Stipulation, (b) has not entered into this Stipulation based upon the
20 recommendation of any other party or any attorney or advisor to any other party,
21 and (c) is not entitled to rely upon any communication or disclosure by any attorney
22 or adviser to any other party to avoid any tax penalty that may be imposed on the
23 acknowledging party; and (3) no attorney or adviser to any other party has imposed
24 any limitation that protects the confidentiality of any such attorney's or adviser's
25 tax strategies (regardless of whether such limitation is legally binding) upon
26 disclosure by the acknowledging party of the tax treatment or tax structure of any
27 transaction, including any transaction contemplated by this Stipulation.

28

1 49. Preliminary Approval of Settlement. The Parties agree to work
2 diligently and cooperatively to have this Settlement presented to the Court for
3 preliminary approval. The Preliminary Approval Order shall provide for, among
4 other things, the Notice Packet to be sent to Class Members as specified herein.

5 50. Release by Plaintiff and Other Participating Class Members: Upon the
6 Effective Date, Plaintiff and the Participating Class Members shall be deemed to
7 have released their respective Released Claims against the Released Parties
8 (provided, however, that only Participating Class Members who cash their
9 Individual Settlement Award checks will be deemed to have released the Released
10 Claims arising under the FLSA).

11 51. CAFA Notice. Within ten (10) days of receiving notice of filing of a
12 Motion for Preliminary Approval of this Agreement, Defendants shall serve the
13 CAFA Notice of this Agreement on the appropriate federal and state officials, as
14 required by 28 U.S.C. § 1715(b).

15 52. Release of Claims Arising Under the FLSA. Only Participating Class
16 Members who timely cash their Individual Settlement Award checks will be
17 deemed to have “opted in” to the Settlement for purposes of the FLSA, and will be
18 be deemed, upon the Effective Date, to have released and discharged the Released
19 Parties from any and all Released Claims arising under the FLSA.

20 53. Release Language on Individual Settlement Award Checks. Each
21 check issued to a Participating Class Member for his or her share of the Settlement
22 shall contain a release on the back that states: “My signature hereon constitutes my
23 declaration, under penalty of perjury, that I am the individual to whom this check
24 was made payable and serves as my full and complete release of all ‘Released
25 Claims’ as described more fully in the Stipulation and the Class Notice. I further
26 understand that by cashing this check I am electing to opt into an FLSA action and
27 to release any and all claims I may have under the FLSA related to the claims that
28 were made or arise out of the facts asserted in this Action.”

1 54. Settlement Administration.

2 a. Within fourteen (14) days of entry of the Preliminary Approval
3 Order, Defendants shall provide the Settlement Administrator with the Class
4 Information for purposes of mailing the Notice Packets to Class Members. To the
5 extent that any Class Member's full name, last known address, or social security
6 number are not within Defendants' possession, custody, or control, and are believed
7 to be in the possession, custody, or control of third parties, and such third parties
8 refuse to provide Defendants with such information upon Defendants' request,
9 Defendants shall request a Court Order compelling the production of such
10 information to Defendants.

11 i. Notice by First Class U.S. Mail. Upon receipt of the Class
12 Information, the Settlement Administrator shall perform a search based on the
13 National Change of Address Database maintained by the United States Postal
14 Service to update and correct any known or identifiable address changes. Within
15 ten (10) days after receiving the Class Information from Defendants as provided
16 herein, the Settlement Administrator shall mail copies of the Notice Packet to all
17 Class Members via regular First Class U.S. Mail. The Settlement Administrator
18 shall exercise its best judgment to determine the current mailing address for each
19 Class Member. The address identified by the Settlement Administrator as the
20 current mailing address shall be presumed to be the most current mailing address
21 for each Class Member. The Parties agree that this procedure for notice provides
22 the best notice practicable to Class Members and fully complies with due process.

23 ii. Undeliverable Notice Packets. Any Notice Packet
24 returned to the Settlement Administrator as non-delivered on or before the
25 Response Deadline shall be re-mailed to the forwarding address affixed thereto. If
26 no forwarding address is provided, the Settlement Administrator shall promptly
27 attempt to determine a correct address by the use of skip-tracing, or other type of
28 automated search, using the name, address and/or Social Security number of the

1 Class Member involved, and shall then perform a re-mailing to the Class Member
2 whose Notice Packet was returned as non-delivered, assuming another mailing
3 address is identified by the Settlement Administrator. Class Members who are sent
4 a re-mailed Notice Packet shall have their Response Deadline extended by ten (10)
5 days from the date the Settlement Administrator re-mails the Notice Packet. If
6 these procedures are followed, notice to Class Members shall be deemed to have
7 been fully satisfied, and if the intended recipient of the Notice Packet does not
8 receive the Notice Packet, the intended recipient shall nevertheless remain a Class
9 Member and shall be bound by all terms of the Settlement and the Final Order and
10 Judgment.

11 iii. Notice by Publication. The Avalon Entities represent that
12 they were unable to satisfactorily identify potential class members from before
13 August 2014, because the staffing agency the Avalon Entities utilized at that time is
14 no longer operational, resulting in the Avalon Entities' inability to access many
15 pertinent documents from that time period. Therefore, in order to identify Class
16 Members prior to August 2014 and provide sufficient notice of this settlement to
17 such Class Members, in addition to the mailing of the Notice Packets, notice will
18 also be provided by publication in both an English and a Spanish news source, on
19 the same date that the Notice Packet is mailed to Class Members, or as soon
20 thereafter as possible. The published notice will instruct Class Members who did
21 not receive a Notice Packet to contact the Settlement Administrator and provide
22 their contact information and estimated number of Compensable Workweeks to the
23 Settlement Administrator, if possible. The Settlement Administrator will mail any
24 such individual(s) a Notice Packet via First Class U.S. Mail. Class Members shall
25 have until the Response Deadline to submit an Exclusion Form. Subject to approval
26 by the Court, the published notice shall be substantially in the form attached hereto
27 as **Exhibit 4**, except that a Spanish translation of the published notice used in the
28 Spanish publication. The costs associated with the notice by publication will be a

1 part of the Settlement Administration Costs which will be deducted from the Gross
2 Settlement Amount.

3 iv. Determination of Individual Settlement Awards.

4 Defendants shall make available to the Settlement Administrator for payment to
5 Class Members, the Net Settlement Amount as defined in Paragraphs 17 and 21.
6 The Net Settlement Amount shall be divided *pro rata* among Participating Class
7 Members based on each Participating Class Member's number of Compensable
8 Workweeks. The Individual Settlement Awards will be determined by dividing the
9 Net Settlement Amount by the total number of Compensable Workweeks for all
10 Participating Class Members, resulting in the Workweek Value. The Workweek
11 Value will then be multiplied by the number of Compensable Workweeks worked
12 by each Participating Class Member. Defendants' workweek data will be presumed
13 to be correct, unless a Participating Class Member proves otherwise by credible
14 documentary evidence. All workweek disputes will be resolved and decided by the
15 Settlement Administrator. The Settlement Administrator shall determine the
16 eligibility for, and the amounts of, each Individual Settlement Award under the
17 terms of this Stipulation. The Settlement Administrator's determination of the
18 eligibility for and amount of each Individual Settlement Award shall be binding
19 upon the Class Member and the Parties, yet subject to review by Class Counsel,
20 Defense Counsel and the Court.

21 v. Disputes Regarding Administration of Settlement. Any

22 dispute not resolved by the Settlement Administrator concerning the administration
23 of the Settlement shall be resolved by the Court. Prior to any such involvement of
24 the Court, counsel for the Parties shall confer in good faith and make use of the
25 services of mediator Hon. Louis Meisinger (retired), if necessary, to resolve the
26 dispute without the necessity of involving the Court.

27 b. Objections and Exclusions. The Class Notice shall state that

28 Participating Class Members who wish to object to the Settlement shall submit to

1 the Settlement Administrator a Notice of Objection by the Response Deadline. The
2 Notice of Objection must: (1) state the full name of the Class Member; (2) be
3 signed by the Class Member; (3) state the grounds for the objection; and (4) must
4 be postmarked by the Response Deadline and returned to the Settlement
5 Administrator at the specified address. The Class Notice shall also state that Class
6 Members who wish to exclude themselves from the settlement shall submit an
7 Exclusion Form by the Response Deadline. Subject to review by Class Counsel,
8 Defense Counsel and the Court, the date of the postmark on the return mailing
9 envelope on the Notice of Objection shall be the exclusive means used by the
10 Settlement Administrator to determine whether a Class Member has timely objected
11 to or excluded from the Settlement. Class Members who fail to timely object in the
12 manner specified herein shall be deemed to have waived any objections and shall be
13 foreclosed from making any objections (whether by appeal or otherwise) to the
14 Settlement. At no time shall any of the Parties, Class Counsel or Defense Counsel
15 seek to solicit or otherwise encourage or discourage Class Members from
16 requesting exclusion from the Settlement, submitting a Notice of Objection or filing
17 an appeal from the Final Order and Judgment.

18 c. Monitoring and Reviewing Settlement Administration. The
19 Parties have the right to monitor and review the administration of the Settlement to
20 verify that the monies allocated under the Settlement are distributed in a correct
21 amount, as provided for in this Stipulation.

22 d. Best Efforts. The Parties agree to use their best efforts to carry
23 out the terms of this Settlement.

24 55. Funding and Allocation of Gross Settlement Amount. Class Members
25 shall not be required to submit a claim in order to receive a share of the Net
26 Settlement Amount, and no portion of the Gross Settlement Amount shall revert to
27 Defendants or result in an unpaid residue. As set forth in Paragraph 17, Defendants
28 shall issue payment for one-half of the Gross Settlement Amount (i.e., \$400,000 -

1 \$250,000 to be paid by Chartwell and \$150,000 to be paid by the Avalon Entities)
2 to the Settlement Administrator within six (6) months after the entry of the
3 Preliminary Approval Order. Defendants shall issue payment to the Settlement
4 Administrator for the remaining one-half of the Gross Settlement Amount (i.e.,
5 \$400,000 - \$250,000 to be paid by Chartwell and \$150,000 to be paid by the
6 Avalon Entities) within one hundred and twenty (120) calendar days after the date
7 on which the first payment is due. If this Settlement is not finally approved by the
8 Court in full, or is terminated, rescinded, canceled or fails to become effective for
9 any reason, or if the Effective Date does not occur, then no portion of the Gross
10 Settlement Amount shall be paid.

11 a. Individual Settlement Awards. Individual Settlement Awards
12 shall be paid by the Settlement Administrator from the Net Settlement Amount
13 pursuant to the formula set forth herein. The Individual Settlement Awards shall be
14 mailed by the Settlement Administrator by regular First Class U.S. Mail to each
15 Participating Class Member's last known mailing address within ten (10) days after
16 Defendants provide the Settlement Administrator with final installment of the Gross
17 Settlement Amount, or ten (10) days after the Effective Date, whichever is later.
18 Prior to mailing the Individual Settlement Awards, the Settlement Administrator
19 shall perform a search based on the National Change of Address Database
20 maintained by the United States Postal Service to update and correct any known or
21 identifiable address changes.

22 i. Individual Settlement Award payments shall be made by
23 check and shall be made payable to each Participating Class Member as set forth in
24 this Stipulation.

25 ii. Individual Settlement Awards shall be allocated as
26 follows: 1/3 as wages subject to all applicable tax withholdings, 1/3 as non-wage
27 penalties not subject to payroll tax withholdings, and 1/3 as non-wage interest not
28 subject to payroll tax withholdings. The Settlement Administrator shall issue an

1 IRS Form W-2 to each Participating Class Member for the portion of each
2 Individual Settlement Award payment allocated as wages and subject to all
3 applicable tax withholdings. The Settlement Administrator shall issue an IRS Form
4 1099 to each Participating Class Member for the portion of each Individual
5 Settlement Award payment allocated as non-wage penalties and interest and not
6 subject to payroll tax withholdings.

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9 iii. The Employers' Share of Payroll Taxes shall be paid to
10 the Settlement Administrator in addition to the Gross Settlement Amount. The
11 Settlement Administrator shall calculate the amount of the Employer's Share of
12 Payroll Taxes and shall remit and report the applicable portions of the payroll tax
13 payment to the appropriate taxing authorities in a timely manner.

14 iv. Individual Settlement Award checks issued by the
15 Settlement Administrator to Participating Class Members must be cashed within
16 one hundred and twenty (120) days of issuance. If an Individual Settlement Award
17 check is returned to the Settlement Administrator as undeliverable, or remains
18 uncashed after one hundred and twenty (120) days from issuance, the Settlement
19 Administrator shall void any such checks. Thereafter, the funds represented by any
20 uncashed or undeliverable checks shall be distributed as follows – 25% to the State
21 Treasury for deposit in the Trial Court Improvement and Modernization Fund, 25%
22 to the State Treasury for deposit into the Equal Access Fund, and 50% to a *Cy Pres*
23 fund donated by Defendants to Safe Place for Youth, a 501c3 non-profit
24 organization, providing services to homeless youth in the Los Angeles area, in
25 accordance with California Code of Civil Procedure section 384, subject to
26 approval by the Court.

27 v. All monies received by Class Members under the
28 Settlement which are attributable to wages shall constitute income to such Class

1 Members solely in the year in which such monies actually are received by the Class
2 Members. It is expressly understood and agreed that the receipt of Individual
3 Settlement Awards shall not entitle any Class Member to additional compensation
4 or benefits under any collective bargaining agreement or under any bonus, contest
5 or other compensation or benefit plan or agreement in place during the period
6 covered by the Settlement, nor shall it entitle any Class Member to any increased
7 pension and/or retirement, or other deferred compensation benefits. It is the intent
8 of the Parties that Individual Settlement Awards provided for in this Stipulation are
9 the sole payments to be made by Defendants to Class Members in connection with
10 this Settlement, with the exception of Plaintiff, and that Class Members are not
11 entitled to any new or additional compensation or benefits as a result of having
12 received the Individual Settlement Awards. Furthermore, the receipt of Individual
13 Settlement Awards by Participating Class Members shall not, and does not, by itself
14 establish any general, special, or joint employment relationship between and among
15 the Class Member(s) and Defendants.

16 b. Class Representative Service Award. Subject to Court approval,
17 Plaintiff shall be paid a Class Representative Service Award not to exceed ten
18 thousand dollars (\$10,000.00), or any lesser amount as awarded by the Court, for
19 his time and effort in bringing and presenting the Action and for releasing his
20 Released Claims. Defendants shall not oppose or object to and shall file a
21 statement of non-opposition to Plaintiff's request for Class Representative Service
22 Award in an amount not to exceed thousand dollars (\$10,000.00) to Plaintiff. The
23 Class Representative Service Award shall be paid to Plaintiff from the Gross
24 Settlement Amount no later than fourteen (14) days after Defendants provide the
25 Settlement Administrator with the final installment of the Gross Settlement Amount
26 or ten (10) days after the Effective Date, whichever is later. The Settlement
27 Administrator shall issue an IRS Form 1099 to Plaintiff for his Class Representative
28 Service Award. Plaintiff shall be solely and legally responsible to pay any and all

1 applicable taxes on his respective Class Representative Service Award and shall
2 hold harmless Defendants, Class Counsel and Defense Counsel from any claim or
3 liability for taxes, penalties, or interest arising as a result of payment of the Class
4 Representative Service Award. The Class Representative Service Award shall be
5 made in addition to Plaintiff's Individual Settlement Award. Any amount requested
6 by Plaintiff for the Class Representative Service Award and not awarded by the
7 Court shall become part of the Net Settlement Amount and shall be distributed to
8 Class Members as part of their Individual Settlement Awards. In the event that the
9 Court reduces or does not approve the requested Class Representative Service
10 Award, Plaintiff shall not have the right to revoke the Settlement, and it will remain
11 binding; however, Plaintiff does not waive any appellate rights, including but not
12 limited to with respect to the Court's determination as to the Class Representative
13 Service Award and the Class Counsel Award.

14 c. Class Counsel Award. Subject to Court approval, Class Counsel
15 shall be entitled to receive reasonable attorneys' fees in an amount not to exceed
16 one-third (1/3) of the Gross Settlement Amount, which amounts to Two Hundred
17 Sixty Six Thousand Six Hundred Sixty Six Dollars and Sixty Seven Cents
18 (\$266,666.67). In addition, subject to Court approval, Class Counsel shall be
19 entitled to an award of reasonable costs associated with Class Counsel's
20 prosecution of the Action in an amount not to exceed Twenty Two Thousand
21 Dollars (\$22,000.00). Class Counsel shall provide the Settlement Administrator
22 with a properly completed and signed IRS Form W-9 in order for the Settlement
23 Administrator to process the Class Counsel Award approved by the Court.
24 Defendants shall not oppose or object to and shall file a statement of non-
25 opposition to Plaintiff's request for an award of attorneys' fees in an amount not to
26 exceed Two Hundred Sixty Six Thousand Six Hundred Sixty Six Dollars and Sixty
27 Seven Cents (\$266,666.67) and request for an award of reasonable costs not to
28 exceed Twenty Two Thousand Dollars (\$22,000.00). In the event the Court awards

1 Class Counsel less than Two Hundred Sixty Six Thousand Six Hundred Sixty Six
2 Dollars and Sixty Seven Cents (\$266,666.67) in attorneys' fees and/or less than
3 Twenty Two Thousand Dollars (\$22,000.00) in costs, the difference shall become
4 part of the Net Settlement Amount and shall be distributed to Class Members as
5 part of their Individual Settlement Awards. Class Counsel shall be paid any Court-
6 awarded attorneys' fees and costs no later than fourteen (14) days after Defendants
7 provide the Settlement Administrator with the final installment of the Gross
8 Settlement Amount, or ten (10) days after the Effective Date, whichever is later.
9 Class Counsel shall be solely and legally responsible to pay all applicable taxes on
10 the Class Counsel Award. The Settlement Administrator shall issue an IRS
11 Form 1099 to Class Counsel for the Class Counsel Award. This Settlement is not
12 conditioned upon the Court awarding Class Counsel any particular amount of
13 attorneys' fees or costs. In the event that the Court reduces or does not approve the
14 requested Class Counsel Award, Plaintiff and Class Counsel shall not have the right
15 to revoke the Settlement, and the Settlement will remain binding; however, Plaintiff
16 and Class Counsel do not waive any appellate rights, including but not limited to
17 with respect to the Court's determination as to the Class Representative Service
18 Award and the Class Counsel Award.

19 d. Settlement Administration Costs. The Settlement
20 Administration Costs, which are estimated not to exceed Thirty Five Thousand
21 Dollars (\$35,000.00), shall be paid from the Gross Settlement Amount. Prior to
22 Plaintiff filing a motion for final approval of this Settlement, the Settlement
23 Administrator shall provide the Parties with a statement detailing the Settlement
24 Administration Costs to date. The Parties agree to cooperate in the Settlement
25 Administration process and to make all reasonable efforts to control and minimize
26 Settlement Administration Costs.

27 i. The Settlement Administrator shall keep the Parties
28 timely apprised of the performance of all settlement administrator responsibilities

1 required by the Settlement. The Settlement Administrator shall be authorized to
2 establish a Qualified Settlement Fund (“QSF”) pursuant to IRS rules and
3 regulations in which the Gross Settlement Amount shall be placed and from which
4 payments required by the Settlement shall be made.

5 e. Payment to the LWDA. Thirty Five Thousand Dollars
6 (\$35,000.00), representing seventy-five percent (75%) of the total PAGA penalties
7 (i.e., \$46,666.67), shall be paid by the Settlement Administrator directly to the
8 LWDA. The payment to the LWDA for its share of the PAGA penalties shall be
9 made no later than fourteen (14) days after Defendants provide the Settlement
10 Administrator with the final installment of the Gross Settlement Amount, or ten
11 (10) days after the Effective Date, whichever is later. The remaining twenty-five
12 percent (25%) of the PAGA penalties (i.e., \$11,666.67 out of \$45,666.67), shall be
13 part of the Net Settlement Amount and shall be distributed to Participating Class
14 Members as part of their Individual Settlement Awards. Class Counsel will take all
15 action required by California Labor Code section 2699(1).

16 f. Option to Terminate Settlement. If, after the Response Deadline
17 and before the Final Approval Hearing, the number of Class Members who
18 submitted timely and valid Exclusion Forms is at least five percent (5%) of all
19 Class Members, Defendants shall have, in their sole discretion, the option to
20 terminate this Settlement. If Defendants exercise their option to terminate this
21 Settlement, Defendants shall provide written notice to Class Counsel no more than
22 seven (7) calendar days after the Response Deadline and the Parties shall proceed in
23 all respects as if this Agreement had not been executed.

24 56. Final Settlement Approval Hearing and Entry of Final Order and
25 Judgment. Upon expiration of the Response Deadline, a Final Approval Hearing
26 shall be conducted to determine whether to grant final approval of the Settlement,
27 including determining the amounts properly payable for: (i) the Class Counsel
28 Award; (ii) the Class Representative Service Award; (iii) Settlement Administration

1 Costs; and (iv) the PAGA payment to the LWDA. Prior to the Final Approval
2 Hearing, the Settlement Administrator shall provide a written report or declaration
3 to the Parties describing the process and results of the administration of the
4 Settlement to date, which report or declaration shall be filed by Plaintiff with the
5 Court prior to the Final Approval Hearing. If the Court grants final approval of the
6 Settlement, the Settlement Administrator shall post notice of final judgment on its
7 website within seven (7) calendar days of entry of the Final Order and Judgment.

8 57. Review of Motions for Preliminary And Final Approval. Class
9 Counsel will provide an opportunity for Counsel for Defendants to review the
10 Motions for Preliminary and Final Approval within a reasonable time before filing
11 them with the Court. The Parties and their counsel will cooperate with each other
12 and use their best efforts to effect the Court's approval of the Motions for
13 Preliminary and Final Approval.

14 58. Nullification of Settlement. In the event: (i) the Court does not enter
15 the Preliminary Approval Order; (ii) the Court does not grant final approval the
16 Settlement; (iii) the Court does not enter the Final Order and Judgment; or (iv) the
17 Settlement does not become final for any other reason, this Stipulation shall be
18 rendered null and void, any order or judgment entered by the Court in furtherance
19 of this Settlement shall be treated as void from the beginning and this Stipulation
20 and any documents related to it shall not be used by any Class Member or Class
21 Counsel to support any claim or request for class certification in the Action, and
22 shall not be used in any other civil, criminal or administrative action against
23 Defendants or any of the other Released Parties. In the event an appeal is filed
24 from the Court's Final Order and Judgment, or any other appellate review is sought,
25 administration of the Settlement shall be stayed pending final resolution of the
26 appeal or other appellate review.

27 59. Escalation Clause. In the event that the total Compensable
28 Workweeks exceeds 45,000 for the class by more than five percent (5%), Plaintiff

1 shall have, in his sole discretion, the option to terminate the Settlement. If Plaintiff
2 chooses to exercise his option to terminate the Settlement, Plaintiff will provide
3 written notice to Defendants no more than seven (7) calendar days after the
4 Response Deadline and the Parties shall proceed in all respects as if this Agreement
5 had not been executed.

6 60. No Admission by Defendants. Defendants denied all claims alleged in
7 this Action and deny all wrongdoing whatsoever by Defendants. Neither this
8 Stipulation, nor any of its terms and conditions, nor any of the negotiations
9 connected with it, is a concession or admission, and none shall be used against
10 Defendants as an admission or indication with respect to any claim of any fault,
11 concession, or omission by Defendants. The Parties further agree that this
12 Stipulation will not be admissible in this or any other proceeding as evidence that
13 Defendants are liable to Plaintiff or any Class Member, other than according to the
14 terms of this Stipulation.

15 61. Exhibits and Headings. The terms of this Stipulation include the terms
16 set forth in any attached Exhibits, which are incorporated by this reference as
17 though fully set forth herein. The Exhibits to this Stipulation are an integral part of
18 the Settlement. The descriptive headings of any paragraphs or sections of this
19 Stipulation are inserted for convenience of reference only.

20 62. Interim Stay of Action. The Parties agree to stay and to request that
21 the Court stay all proceedings in the Action, except such proceedings necessary to
22 implement and complete the Settlement and enter the Final Order and Judgment.

23 63. Amendment or Modification. This Stipulation may be amended or
24 modified only by a written instrument signed by counsel for all Parties or their
25 successors-in-interest.

26 64. Entire Agreement. This Stipulation and any attached Exhibits
27 constitute the entire agreement between the Parties, and no oral or written
28 representations, warranties, or inducements have been made to Plaintiff or

1 Defendants concerning this Stipulation or its Exhibits other than the
2 representations, warranties, and covenants contained and memorialized in this
3 Stipulation and its Exhibits. No other prior or contemporaneous written or oral
4 agreements may be deemed binding on the Parties.

5 65. Authorization to Enter Into Settlement Agreement. Class Counsel and
6 Defense Counsel warrant and represent they are expressly authorized by the Parties
7 whom they represent to negotiate this Stipulation and to take all appropriate actions
8 required or permitted to be taken by such Parties pursuant to this Stipulation to
9 effectuate its terms, and to execute any other documents required to effectuate the
10 terms of this Stipulation. The Parties, Class Counsel and Defense Counsel shall
11 cooperate with each other and use their best efforts to effect the implementation of
12 the Settlement. In the event the Parties are unable to reach agreement on the form
13 or content of any document needed to implement the Settlement, or on any
14 supplemental provisions that may become necessary to effectuate the terms of this
15 Settlement, the Parties may seek the assistance of the Court and/or mediator Hon.
16 Louis Meisinger (Ret.) to resolve such disagreement. The person signing this
17 Stipulation on behalf of each Defendant represents and warrants that he/she is
18 authorized to sign this Stipulation on behalf of that Defendant. Plaintiff represents
19 and warrants that he is authorized to sign this Stipulation and that he has not
20 assigned any claim, or part of a claim, covered by this Settlement to a third-party.
21 The Parties have cooperated in the drafting and preparation of this Stipulation.
22 Hence, in any construction made of this Stipulation, the same shall not be construed
23 against any of the Parties.

24 66. Binding on Successors and Assigns. This Stipulation shall be binding
25 upon, and inure to the benefit of, the successors and assigns of the Parties.

26 67. California Law Governs. All terms of this Stipulation and the Exhibits
27 hereto shall be governed by and interpreted according to the laws of the State of
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1 California, without giving effect to any law that would cause the laws of any
2 jurisdiction other than the State of California to be applied.

3 68. Counterparts. This Stipulation may be executed in one or more
4 counterparts. All executed counterparts and each of them shall be deemed to be one
5 and the same instrument.

6 69. This Settlement is Fair, Adequate and Reasonable. Parties represent
7 that this Settlement is a fair, adequate, and reasonable settlement of the Action and
8 they have arrived at this Settlement after extensive arm's-length negotiations,
9 taking into account all relevant factors, present and potential.

10 70. Jurisdiction of the Court. Following entry of the Final Order and
11 Judgment, the Court shall retain jurisdiction with respect to the interpretation,
12 implementation, and enforcement of the terms of this Stipulation and all orders and
13 judgments entered in connection therewith, and the Parties, Class Counsel and
14 Defense Counsel submit to the jurisdiction of the Court for purposes of interpreting,
15 implementing, and enforcing the Settlement embodied in this Stipulation and all
16 orders and judgments entered in connection therewith.

17 71. Invalidity of Any Provision. Before declaring any term or provision of
18 this Stipulation invalid, the Parties request that the Court first attempt to construe
19 the terms or provisions valid to the fullest extent possible consistent with applicable
20 precedents so as to define all provisions of this Stipulation as valid and enforceable.

21 72. Binding Nature of Notice of Class Action Settlement. It is agreed that
22 because the Class Members are so numerous, it is impossible or impractical to have
23 each Class Member execute the Stipulation. The Class Notice shall advise all Class
24 Members of the binding nature of the Settlement and the release of Released
25 Claims, and shall have the same force and effect as if this Stipulation were executed
26 by each Class Member.

27 73. Publicity. Plaintiff and Class Counsel agree not to disclose or
28 publicize the Settlement, including the fact of the Settlement, its terms or contents,

1 and the negotiations underlying the Settlement, in any manner or form, directly or
2 indirectly, to any person or entity, except Class Members and as shall be
3 contractually required to effectuate the terms of the Settlement as set forth herein.
4 For the avoidance of doubt, this section means Plaintiff and Class Counsel agree
5 not to issue press releases, communicate with, or respond to any media or
6 publication entities, publish information in manner or form, whether printed or
7 electronic, on any medium or otherwise communicate, whether by print, video,
8 recording or any other medium, with any person or entity concerning the
9 Settlement, including the fact of the Settlement, its terms or contents and the
10 negotiations underlying the Settlement, except as shall be contractually required to
11 effectuate the terms of the Settlement as set forth herein. In response to inquiries
12 from third parties, Plaintiff and Class Counsel may respond as follows: “The
13 parties reached an amicable resolution.” However, for the limited purpose of
14 allowing Class Counsel to prove adequacy as class counsel in other actions, Class
15 Counsel may disclose the names of the Parties and the venue/case number of this
16 Action, but not any settlement details.

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20 Dated: _____, 2018

PLAINTIFF JEREMY EDWARDS

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24 Dated: _____, 2018

DEFENDANT CHARTWELL STAFFING
SERVICES d/b/a CHARTWELL
STAFFING SOLUTIONS

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28 Its: _____

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Dated: _____, 2018

CROSS-DEFENDANT AMERICAN FOOD
PROCESSING & PACKING LLC d/b/a
AVALON FOOD PACKING

By: _____

Its: _____

Approved as to form and content:

Dated: _____, 2018

MATERN LAW GROUP, PC

By: _____

MATTHEW J. MATERN
Attorneys for Plaintiff and the Class

Dated: _____, 2018

OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.

By: _____

CHRISTOPHER J. ARCHIBALD
Attorneys for Defendant
CHARTWELL STAFFING
SERVICES, INC. d/b/a CHARTWELL
STAFFING SOLUTIONS

Dated: _____, 2018

NOVIAN & NOVIAN, LLP

By: _____

FARHAD NOVIAN
Attorneys for Defendant AMERICAN

FOOD PROCESSING & PACKING,
LLC d/b/a AVALON FOOD
PACKING

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