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CENTERRA SERVICES INTERNATIONAL, INC.

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
**FOR THE COUNTY OF SAN DIEGO**

NORA MONTENEGRO in a Representative capacity only, and on behalf of other members of the general public similarly situated.

Plaintiff,

vs.

CONSTELLIS INTEGRATED RISK MANAGEMENT SERVICES, INC., a Delaware Corporation; CENTERRA GROUP, LLC, a Delaware Limited Liability Company; CENTERRA SERVICES INTERNATIONAL, INC., a Delaware Corporation; and DOES 1-10, inclusive,

Defendants.

CASE NO. 37-2024-00011032-CU-OE-CTL

**CLASS ACTION**

**JOINT STIPULATION RE: CLASS ACTION AND REPRESENTATIVE ACTION SETTLEMENT**

1 This Joint Stipulation re: Class Action and Representative Action Settlement (“Settlement” or  
2 “Agreement” or “Settlement Agreement”) is made by and between plaintiff NORA MONTENEGRO  
3 (“Plaintiff”) individually and on behalf of the Settlement Class, on the one hand; and defendant  
4 CENTERRA SERVICES INTERNATIONAL, INC. (“CSI” or “Defendant”), on the other hand, in  
5 the current lawsuit entitled *Nora Montenegro v. Constellis Integrated Risk Management Services, Inc.*  
6 *et al.*, filed in San Diego County Superior Court, Case No. 37-2024-00011032-CU-OE-CTL (the  
7 “Action”). Plaintiff and CSI shall be, at times, collectively referred to as the “Parties.” This  
8 Agreement is intended by the Parties to fully, finally, and forever resolve the claims pled in the Action  
9 and as otherwise set forth herein, based upon and subject to the terms and conditions of this  
10 Agreement.

11 **1. DEFINITIONS**

12 **A. “Action”** means *Nora Montenegro v. Constellis Integrated Risk Management*  
13 *Services, Inc. et al.*, filed in San Diego County Superior Court, bearing Case No. 37-2024-  
14 00011032-CU-OE-CTL.

15 **B. “Aggrieved Employees”** means all persons who were employed by and received  
16 wages from CSI in an hourly-paid, non-exempt role at any time and who worked at least one  
17 Qualifying Pay Period during the PAGA Period on the following California contracts held by CSI  
18 between December 13, 2022 and October 1, 2024: U.S. Customs and Border Patrol, U.S. Patent and  
19 Trademark Office, Goldstone, and The Aerospace Corporation.

20 **C. “Aggrieved Employees PAGA Payment”** is the twenty-five percent (25%) share of  
21 the PAGA Payment, equivalent to Seven Thousand Five Hundred Dollars and Zero Cents  
22 (\$7,500.00), that will be distributed to Aggrieved Employees on a *pro rata* basis based on the  
23 Qualifying Pay Periods in which an Aggrieved Employee was paid wages for hours worked during  
24 the PAGA Period. Any Aggrieved Employee PAGA Payment to an Aggrieved Employee shall be  
25 in addition to his or her Individual Settlement Payment if he or she is also a Participating Class  
26 Member.

27 **D. “Class Counsel”** means: Eric K. Yaeckel, Ryan T. Kuhn, and Karoline D. Kitlowski  
28 of Sullivan & Yaeckel Law Group, APC. The term “Class Counsel” shall be used synonymously

1 with the term “Plaintiff’s Counsel.”

2       **E. “Class Period”** means the period from March 8, 2020 through May 16, 2025.

3       **F. “Class Notice”** means and refers to the notice sent to Class Members after  
4 preliminary approval of the Settlement in the manner described in Paragraph 9 of this Agreement.

5       **G. “Court”** means the Superior Court of the State of California for the County of San  
6 Diego.

7       **H. “Final Approval Date”** means the later of: (1) the date the Court signs an Order  
8 granting final approval of this Settlement (“Final Approval”) and Judgment; (2) if there is an  
9 objector, 60 days from the date the Final Approval and Judgment; or (3) to the extent any appeals  
10 have been filed, the date on which they have been resolved or exhausted.

11       **I. “Defendant”** means Centerra Services International, Inc.

12       **J. “Effective Date”** is the date on which this Settlement Agreement shall become  
13 effective, and when the settlement is considered to be Final. For purposes of this Settlement  
14 Agreement, “Effective Date” and “Final” mean: (i) in the event that the Settlement has received  
15 Final Approval by the Court, and regardless of whether any timely objections thereto have been  
16 filed or withdrawn, then sixty-five (65) calendar days after the Court’s issuance of the Final  
17 Approval Order without a timely appeal being filed; or, (ii) in the event that a timely appeal of the  
18 Court’s Final Approval Order has been filed, then the Settlement Agreement shall be “Final” when  
19 the applicable appellate court has rendered a final decision or opinion affirming the Court’s Final  
20 Approval Order without material modification, and the applicable date for seeking further appellate  
21 review has passed without further appellate review being sought. In the event that the Court fails to  
22 approve the Settlement, or if the appropriate appellate court fails to approve the Settlement: (1) this  
23 Settlement Agreement shall have no force and effect and the Parties shall be restored to their  
24 respective positions prior to entering into it, and no Party shall be bound by any of the terms of the  
25 Settlement Agreement; (2) Defendants shall have no obligation to make any payments to the  
26 LWDA, Class Members, Plaintiff or Plaintiff’s Counsel; and (3) any preliminary approval order  
27 and/or Final Approval Order shall be vacated.

1           **K.     “Employer Taxes”** means employer-funded taxes and contributions imposed on the  
2 wage portions of the Individual Settlement Payments under the Federal Insurance Contributions  
3 Act, the Federal Unemployment Tax Act, and any similar state and federal taxes and contributions  
4 required to be paid to federal and state tax authorities as a result of this Settlement.

5           **L.     “Gross Settlement Amount”** means a non-reversionary fund in the sum of Three  
6 Hundred Seventy Thousand Dollars and Zero Cents (\$370,000.00),<sup>1</sup> which shall be paid by CSI and  
7 from which all payments for the Individual Settlement Payments to Participating Class Members,  
8 the Court-approved amounts for attorneys’ fees and reimbursement of litigation costs and expenses  
9 to Class Counsel, Settlement Administration Costs, the Service Award, and the PAGA Payment  
10 shall be paid. It expressly excludes Employer Taxes, which shall be paid by CSI separate, apart,  
11 and in addition to the Gross Settlement Amount. Defendants shall not be obligated to pay any other  
12 sums in conjunction with this Settlement except as set forth herein.

13           **M.     “Individual PAGA Payment”** means a payment made to an Aggrieved Employee  
14 for his or her share of the Aggrieved Employee PAGA Payment, which may be in addition to his or  
15 her Individual Settlement Share if he or she is also a Participating Class Member.

16           **N.     “Individual Settlement Payment”** means a payment to a Participating Class  
17 Member of his or her net share of the Net Settlement Amount.

18           **O.     “Individual Settlement Share”** means the gross amount of the Net Settlement  
19 Amount that a Participating Class Member is projected to receive based on the number of Qualifying  
20 Workweeks that he or she worked as a Settlement Class Member during the Class Period, which  
21 shall be reflected in his or her Class Notice.

22           **P.     “LWDA Payment”** means the payment to the State of California Labor and  
23 Workforce Development Agency (“LWDA”) for its seventy-five percent (75%) share of the PAGA  
24 Payment, equivalent to Twenty-Two Thousand Five Hundred Dollars and Zero Cents (\$22,500.00).

25           **Q.     “Net Settlement Amount”** means the portion of the Gross Settlement Amount that  
26 is available for distribution to the Participating Class Members after deductions for the Court-  
27 approved allocations for Settlement Administration Costs, a Service Award to Plaintiff, an award of

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28           <sup>1</sup> As the same may be increased in accordance with Paragraph 17, below.

1 attorneys' fees, reimbursement of litigation costs and expenses to Class Counsel, and the PAGA  
2 Payment.

3 **R. "Operative Complaint" or "Complaint"** means the First Amended Complaint to  
4 be filed with the Court in *Nora Montenegro v. Constellis Integrated Risk Management Services, Inc.*  
5 *et al.*, San Diego County Superior Court, Case No. 37-2024-00011032-CU-OE-CTL, pursuant to  
6 the terms of this Settlement Agreement.

7 **S. "PAGA Payment"** is the gross amount of Thirty Thousand Dollars and Zero Cents  
8 (\$30,000.00) that is allocated toward PAGA penalties under this Agreement, all of which is payable  
9 from the Gross Settlement Amount. Out of the PAGA Payment, seventy-five percent (75%),  
10 equivalent to Twenty-Two Thousand Five Hundred Dollars and Zero Cents (\$22,500.00), will be  
11 paid to the LWDA (*i.e.*, the LWDA Payment), and twenty-five percent (25%), equivalent to Seven  
12 Thousand Five Hundred Dollars and Zero Cents (\$7,500.00), will be paid to Aggrieved Employees  
13 on a *pro rata* basis based on the number of Qualifying Pay Periods worked for CSI in the PAGA  
14 Period (*i.e.* the "Aggrieved Employees PAGA Payment").

15 **T. "PAGA Period"** means the period from December 13, 2022 through May 16, 2025.

16 **U. "Participating Class Members"** means all Settlement Class Members who do not  
17 submit a timely and valid Request for Exclusion. Settlement Class Members who are not  
18 Participating Class Members will still be eligible to receive an Individual PAGA Payment if such  
19 individual(s) qualify as an "Aggrieved Employee" within the meaning of this Settlement  
20 Agreement.

21 **V. "Participating Individual Settlement Share"** means the gross amount of the Net  
22 Settlement Amount that a Participating Class Member is eligible to receive based on the number of  
23 Qualifying Workweeks in which he or she received wages for hours worked as a Settlement Class  
24 Member during the Class Period once all opt-outs have been factored in. A Participating Class  
25 Member's Participating Individual Settlement Share excludes any Individual PAGA Payment to  
26 which he or she may be entitled if he or she is also an Aggrieved Employee.

27 **W. "Plaintiff," "Named Plaintiff," or "Class Representative"** shall refer to plaintiff  
28 Nora Montenegro.

1           **X.     “Preliminary Approval Date”** means the date on which the Court enters an Order  
2 granting preliminary approval of the Settlement.

3           **Y.     “Qualifying Workweek”** means a workweek worked by a Settlement Class Member  
4 or Aggrieved Employee (as applicable) during which he or she was employed by and received wages  
5 from CSI, and was paid wages for hours worked in a non-exempt, hourly position during the Class  
6 Period or PAGA Period (as applicable) on the following contracts: U.S. Customs and Border Patrol,  
7 U.S. Patent and Trademark Office, Goldstone, and/or The Aerospace Corporation, excluding any  
8 pay periods which are otherwise released pursuant to a prior Class or PAGA settlement including,  
9 without limitation, the settlement in *Hines v. Constellis Integrated Risk Management Services, et*  
10 *al.*, Los Angeles Superior Court, Case No. 20STCV26962 (“Qualifying Pay Periods”). **“Qualifying**  
11 **Pay Period”** is any pay period during the Class Period or PAGA Period in which a Settlement Class  
12 Member or Aggrieved Employee (as applicable) had a Qualifying Workweek.

13           **Z.     “Released Parties”** shall mean CSI (including without limitation, Constellis  
14 Integrated Risk Management Services, Inc. and Centerra Group, LLC) and each of their past,  
15 present, and future respective subsidiaries, dba’s, affiliates, parents, insurers and reinsurers, and  
16 company-sponsored employee benefit plans of any nature and their successors and predecessors in  
17 interest, including all of their officers, directors, shareholders, employees, agents, principals, heirs,  
18 representatives, accountants, auditors, consultants, attorneys, administrators, fiduciaries, trustees,  
19 and agents.

20           **AA.    “Response Deadline”** means the deadline for Settlement Class Members to mail  
21 any Requests for Exclusion, Objections, or Qualifying Workweek Disputes to the Settlement  
22 Administrator, which is forty-five (45) calendar days from the date that the Class Notice is first  
23 mailed by the Settlement Administrator, unless a Class Member’s notice is re-mailed. In such an  
24 instance, the Response Deadline shall be fifteen (15) calendar days from the re-mailing, or forty-  
25 five (45) calendar days from the date of the initial mailing, whichever is later, in which to postmark  
26 a Request for Exclusion, Qualifying Workweek Dispute or Objection. The date of the postmark  
27 shall be the exclusive means for determining whether a Request for Exclusion, Objection, or  
28 Qualifying Workweek Dispute was submitted by the Response Deadline.

1           **BB. “Request for Exclusion”** means a written request to be excluded from the Settlement  
2 Class pursuant to Paragraph 9(c) below.

3           **CC. “Service Award”** means a monetary amount to be paid to Plaintiff of up to Seven  
4 Thousand Five Hundred Dollars and Zero Cents (\$7,500.00), which subject to Court approval, will  
5 be paid out of the Gross Settlement Amount if Plaintiff signs the final stipulation of settlement and  
6 does not opt out.

7           **DD. “Settlement Administration Costs”** means all costs incurred by the Settlement  
8 Administrator in administration of the Settlement, including, but not limited to, the distribution of  
9 the Settlement Class Notice, calculating Individual Settlement Shares, Individual Settlement  
10 Payments, Individual PAGA Payments, and Participating Individual Settlement Shares, as well as  
11 processing associated taxes and withholdings, providing declarations, generating Individual  
12 Settlement Payment checks and related tax reporting forms, doing administrative work related to  
13 unclaimed checks, transmitting payment to Class Counsel for the Court-approved amounts for  
14 attorneys’ fees and reimbursement of litigation costs and expenses, to Plaintiff for her Service  
15 Award, and to the LWDA for the LWDA Payment, providing weekly reports of opt-outs, objections  
16 and related information, and any other actions of the Settlement Administrator as set forth in this  
17 Agreement, all pursuant to the terms of this Agreement. The Settlement Administration Costs are  
18 estimated not to exceed \$5,500. If the actual amount of the Settlement Administration Costs is less  
19 than \$5,500, the difference between \$5,500 and the actual Settlement Administration Costs shall be  
20 a part of the Net Settlement Amount. If the Settlement Administration Costs exceed \$5,500 then  
21 such excess will be paid solely from the Gross Settlement Amount and Defendants will not be  
22 responsible for paying any additional funds in order to pay these additional costs.

23           **EE. “Settlement Administrator”** means the Third-Party Administrator mutually agreed  
24 upon by the Parties that will be responsible for the administration of the Settlement including,  
25 without limitation, the distribution of the Individual Settlement Payments to be made by CSI from  
26 the Gross Settlement Amount and related matters under this Agreement.

27           **FF. “Settlement Class” or “Settlement Class Members”** means all persons who were  
28 employed by and received wages from CSI in an hourly-paid, non-exempt role and who worked at

1 least one Qualifying Workweek at any time during the Class Period on the following California  
2 contracts held by CSI between December 13, 2022 and October 1, 2024: U.S. Customs and Border  
3 Patrol, U.S. Patent and Trademark Office, Goldstone, and The Aerospace Corporation.

4 **2. BACKGROUND**

5 **A.** On December 13, 2023, Plaintiff filed with the LWDA and served on CSI a notice  
6 under Labor Code section 2699.3 stating Plaintiff intended to serve as a proxy of the LWDA to  
7 recover civil penalties on behalf of the Aggrieved Employees for various Labor Code violations (the  
8 “PAGA Notice”).

9 **B.** On March 8, 2024, Plaintiff filed this Action against CSI, Constellis Integrated Risk  
10 Management Services, Inc. and Centerra Group, LLC, styled as a PAGA representative action  
11 seeking civil penalties for alleged violations of the Labor Code with respect to alleged (1) meal and  
12 rest break violations, (2) minimum wage violations, (3) overtime violations, (4) wage statement  
13 violations, (5) failure to reimburse, and (6) failure to pay wages upon separation (the “Action”).  
14 Constellis Integrated Risk Management Services, Inc. and Centerra Group, LLC were subsequently  
15 dismissed as defendants.

16 **C.** Shortly thereafter, the Parties agreed to exchange informal discovery and attend a  
17 mediation, in advance of which Class Counsel was provided with, among other things: (1) a  
18 sampling of time and payroll records for the Class Members/Aggrieved Employees; (2) data points  
19 including the number of Aggrieved Employees, the number of separated Aggrieved Employees, and  
20 the number of pay periods worked; (3) relevant policy and other documents pertaining to CSI’s  
21 operations and wage and hour practices; and (4) all personnel records, time records, payroll records  
22 and wage statements relating to Plaintiff. For purposes of discussing a class settlement, Defense  
23 Counsel also subsequently provided Class Counsel with information regarding the Class Members,  
24 including the number of additional individuals who would be Class Members, the number of Class  
25 Members who separated during the relevant time period, and the number of workweeks and pay  
26 periods worked in the Class Period.

27 **D.** On October 1, 2024, the Parties participated in a full-day mediation before Paul  
28 Haines, Esquire, a well-regarded litigator and mediator experienced in employment matters,



1 including wage-and-hour class and PAGA actions. Although the Parties were unable to reach an  
2 agreement at the mediation, the Parties subsequently accepted a mediator's proposal and reached  
3 the Settlement to resolve the Action on the terms set forth in this Agreement. As part and parcel to  
4 the Settlement, the Parties have agreed after full execution of this Agreement to stipulate afford  
5 Plaintiff leave to file a First Amended Complaint ("FAC") in the Action to (1) add all facts, theories,  
6 and alleged Labor Code violations asserted by Plaintiff in Plaintiff's mediation brief and at  
7 mediation (including, without limitation, regular rate violations as to overtime, double-time, and  
8 sick pay based on receipt of shift differentials, cash-in-lieu payments and any other forms of  
9 remuneration); and (2) assert the same such claims on a putative class action basis as statutory claims  
10 under the California Labor Code and the California Business and Professions Code, respectively.

11 **E.** Class Counsel has conducted significant investigation of the law and facts relating to  
12 the claims asserted in the Action and the PAGA Notice, and have concluded that that the Settlement  
13 set forth herein is fair, reasonable, adequate, and in the best interests of the Settlement Class and  
14 Aggrieved Employees, taking into account the sharply contested issues involved, the expense and  
15 time necessary to litigate the Action through trial and any appeals, the risks and costs of further  
16 litigation of the Action, the risk of an adverse outcome, the uncertainties of complex litigation, the  
17 information learned through informal discovery regarding Plaintiff's allegations, and the substantial  
18 benefits to be received by Settlement Class Members and Aggrieved Employees.

19 **F.** CSI has concluded that, because of the substantial expense of defending against the  
20 Action, the length of time necessary to resolve the issues presented herein, the inconvenience  
21 involved, and the concomitant disruption to its business operations, it is in its best interest to accept  
22 the terms of this Agreement. CSI denies each of the allegations and claims asserted against it in the  
23 Action and the PAGA Notice. However, CSI nevertheless desires to settle the Action for the  
24 purpose of avoiding the burden, expense and uncertainty of continuing litigation and for the purpose  
25 of putting to rest the controversies engendered by the Action.

26 **G.** This Agreement is intended to and does effectuate the full, final, and complete  
27 resolution of all Class Released Claims of Plaintiff and Participating Class Members, and all PAGA  
28

Released Claims of Plaintiff and, to the extent permitted by law, of the State of California and Aggrieved Employees.

**3. JURISDICTION**

The Court has jurisdiction over the Parties and the subject matter of the Action. The Action includes claims that, if proven, would authorize the Court to grant relief pursuant to the applicable statutes. After the Court has granted Final Approval of the Settlement and entered judgment, the Court shall retain jurisdiction over the Parties to enforce the terms of the judgment pursuant to California Rule of Court, rule 3.769, subdivision (h).

**4. STIPULATION OF CLASS CERTIFICATION**

The Parties stipulate to the certification of the Settlement Class under this Agreement for purposes of settlement only.

**5. AMENDMENT OF PLEADING AND MOTIONS FOR APPROVAL OF SETTLEMENT**

After full execution of the Agreement, the Parties will stipulate for leave to file the proposed FAC in the Action (a copy of which is attached hereto as **Exhibit "A"**), which (1) add all facts, theories, and alleged Labor Code violations asserted by Plaintiff in Plaintiff's mediation brief and at mediation (including, without limitation, regular rate violations as to overtime, double-time, and sick pay based on receipt of shift differentials, cash-in-lieu payments and any other forms of remuneration); and (2) assert the same such claims on a putative class action basis as statutory claims under the California Labor Code and the California Business and Professions Code, respectively.

After full execution of this Agreement, Plaintiff will move for an order granting preliminary approval of the Settlement, approving and directing the mailing of the proposed Notice of Class Action Settlement ("Class Notice") attached hereto as **Exhibit "B"**, conditionally certifying the Settlement Class for settlement purposes only, and approving the deadlines proposed by the Parties for the submission of Requests for Exclusion, Qualifying Workweek Disputes, and Objections. If and when the Court preliminarily approves the Settlement, and after administration of the Class Notice in a manner consistent with the Court's Preliminary Approval Order, Plaintiff will move for an order finally approving the Settlement and seek entry of a Judgment in line with this Settlement.

1 The Parties may both respond to any Objections lodged to final approval of the Settlement up to  
2 five (5) court days before the Final Approval Hearing.

3 Class Counsel will submit near-final drafts of the moving papers (including all supporting  
4 papers, declarations, and proposed order) for preliminary approval to counsel for Defendant for their  
5 review and comment at least five (5) court days prior to their intended filing. Counsel for Defendant  
6 will provide their comments to the draft motion for preliminary approval and supporting papers in  
7 a timely fashion so as not to delay its filing. Class Counsel will also prepare Plaintiffs' motion final  
8 approval of the settlement. Not later than five (5) court days prior to the submission of the motion  
9 for final approval to the Court, Class Counsel will submit near-final drafts of the moving papers  
10 (including all supporting papers, declarations, and proposed order) to counsel for Defendant for  
11 review and comment. Defendant will provide its comments to the draft motion for final approval  
12 and supporting papers as soon as practicable after receipt and prior to the deadline to file the final  
13 approval motion. Plaintiff shall file the motion for preliminary approval as soon as practicable  
14 following execution of this Settlement Agreement.

15 For purposes of settlement only, the Parties agree that all statutes of limitations shall be  
16 waived with respect to the claims asserted in the FAC, with all such limitations to run from the  
17 earliest possible date based on the filing of the Action and the sending of the PAGA Notice. In the  
18 event the Court does not grant final approval of the settlement, then the FAC will be deemed  
19 withdrawn *ab initio* and the original limitations periods shall apply.

## 20 **6. STATEMENT OF NO ADMISSION**

21 Defendant denies any wrongdoing of any sort and further deny any liability to Plaintiff and  
22 the Settlement Class and/or Aggrieved Employees with respect to any claims or allegations asserted  
23 in the Action, the PAGA Notice, and/or the FAC. This Agreement shall not be deemed an admission  
24 by Defendant of any claims or allegations asserted in the Action, the PAGA Notice, and/or the FAC.  
25 Except as set forth elsewhere herein, in the event that this Agreement is not approved by the Court,  
26 or any appellate court, is terminated, or otherwise fails to be enforceable, Plaintiff will not be  
27 deemed to have waived, limited or affected in any way any claims, rights or remedies, or defenses  
28 in the Action, the PAGA Notice, and/or the FAC, and Defendant will not be deemed to have waived,

1 limited, or affected in any way any of its objections or defenses thereto. The Parties shall be restored  
2 to their respective positions in the Action prior to the entry of this Settlement.

3 **7. RELEASE OF CLAIMS**

4 **a. Release by All Participating Class Members.**

5 Effective only upon the entry of an Order granting Final Approval of the Settlement, entry  
6 of Judgment, and payment by CSI to the Settlement Administrator of the full Gross Settlement  
7 Amount and Employer's Taxes necessary to effectuate the Settlement, Plaintiff and all Participating  
8 Class Members release the Released Parties of any and all claims that have been or could reasonably  
9 have been asserted based on the factual allegations in the Operative Complaint as follows: For the  
10 duration of the Class Period, the release includes, for Participating Class Members: (1) all claims  
11 for failure to provide meal periods or compensation in lieu thereof (including, without limitation,  
12 break premiums); (2) all claims for failure to provide rest periods or compensation in lieu thereof  
13 (including, without limitation, break premiums); (3) all claims for failure to pay minimum or other  
14 wages for all hours worked; (4) all claims for failure to pay (or properly pay) overtime wages; (5) all  
15 claims for failure to issue accurate wage statements; (6) all claims asserting a failure to properly  
16 reimburse employees for business-related expenses; and (7) all claims for failure to pay all wages  
17 due upon separation from employment; (8) all claims for failure to timely pay wages during  
18 employment; (9) all claims for failure to pay (or properly pay) sick pay; (10) all claims asserted  
19 through California Business & Professions Code section 17200, *et seq.* arising out of the Labor Code  
20 violations referenced in the FAC; and (11) all claims for relief, including damages, statutory and/or  
21 civil penalties, equitable and/or injunctive relief, attorneys' fees, interest, costs, and any other kind  
22 of relief whatsoever that could be sought based on the factual allegations and theories of liability  
23 asserted in the FAC (the "Class Released Claims"). The Parties additionally agree that the Class  
24 Released Claims shall include the release of claims under the federal Fair Labor Standards Act  
25 ("FLSA") pursuant to *Rangel v. Check Cashers*, 899 F.3d 1106 (9th Cir. 2018).

26 **b. PAGA Release by All Aggrieved Employees**

27 Effective only upon the entry of an Order granting Final Approval of the Settlement, entry  
28 of Judgment, and payment by CSI to the Settlement Administrator of the full Gross Settlement

1 Amount and Employer's Taxes necessary to effectuate the Settlement, Plaintiff, the Aggrieved  
 2 Employees, and, to the extent permitted by law, the State of California, release the Released Parties  
 3 for the duration of the PAGA Period from all claims alleged in the FAC for PAGA civil penalties  
 4 pursuant to Labor Code sections 201-203, 204, 226, 226(a), 226.7, 246, 510, 512, 1194, 1197.1,  
 5 1198, and 2802, including for alleged (1) failure to provide meal periods or compensation in lieu  
 6 thereof (including, without limitation, break premiums); (2) failure to provide rest periods or  
 7 compensation in lieu thereof (including, without limitation, break premiums); (3) failure to pay  
 8 minimum or other wages for all hours worked; (4) failure to pay (or properly pay) overtime wages;  
 9 (5) failure to issue accurate wage statements; (6) failure to properly reimburse employees for  
 10 business-related expenses; and (7) failure to pay all wages due upon separation from employment;  
 11 (8) failure to timely pay wages during employment; and (9) failure to pay (or properly pay) sick  
 12 pay (the "PAGA Released Claims"). The Class Released Claims and PAGA Released Claims shall  
 13 be collectively referred to herein as the "Released Claims."

14 **c. Claims Not Released**

15 The Released Claims expressly excludes all other claims, including claims for vested  
 16 benefits, wrongful termination, unemployment insurance, disability, social security, workers'  
 17 compensation, and any other claims outside of the Class Released Claims of Participating Class  
 18 Members arising during the Class Period and the PAGA Released Claims of Aggrieved Employees  
 19 (and, to the extent permitted by law, the State of California) arising outside of the PAGA Period.

20 **8. SETTLEMENT ADMINISTRATOR**

21 **A.** Plaintiff and CSI, through their respective counsel, have selected CAC Services  
 22 Group, LLC to administer the Settlement, which includes but is not limited to distributing the Class  
 23 Notice, distributing and responding to inquiries about the Class Notice and calculating all amounts  
 24 to be paid from the Gross Settlement Amount. Charges and expenses of the Settlement  
 25 Administrator, currently estimated to be \$5,500, will be paid from the Gross Settlement Amount. If  
 26 the actual amount of the Settlement Administration Costs is less than \$5,500, the difference between  
 27 \$5,500 and the actual Settlement Administration Costs shall be a part of the Net Settlement Amount.  
 28 If the Settlement Administration Costs exceed \$5,500, then such excess will be paid solely from the

1 Gross Settlement Amount and Defendants will not be responsible for paying any additional funds  
2 in order to pay these additional costs.

3           **9.     NOTICE, WORKWEEK DISPUTE, OBJECTION, AND EXCLUSION**  
4                   **PROCESS**

5           **A.     Notice to the Settlement Class Members**

6           (1)       Within thirty (30) days after the Preliminary Approval Date, Counsel for CSI  
7 shall provide the Settlement Administrator with information with respect to each Settlement Class  
8 Member and/or Aggrieved Employee, including his or her: (1) name; (2) last known address(es)  
9 currently in CSI's possession, custody, or control; (3) last known telephone number(s) currently in  
10 CSI's possession, custody, or control; (4) last known Social Security Number(s) in CSI's possession,  
11 custody, or control; (5) the dates of employment (*i.e.*, hire dates, and, if applicable, re-hire date(s))  
12 and/or separation date(s)); (6) the number of Qualifying Workweeks for each Settlement Class  
13 Member for the Class Period, and (7) the number of Qualifying Pay Periods for each Aggrieved  
14 Employee for the PAGA Period (hereafter, the "Class List"). The final Class List will be designated  
15 as Highly Confidential, Attorneys' Eyes Only, pursuant to a Court-approved and entered Stipulated  
16 Protective Order to be submitted by the Parties in the Action prior to the filing of the motion for  
17 preliminary approval, and provided by CSI directly to the Settlement Administrator, but only after  
18 the Settlement Administrator signs and returns to Counsel for CSI the Acknowledgment and  
19 Agreement to be Bound attached as Exhibit A to such Protective Order. The final Class List shall  
20 be used only by the Settlement Administrator and only for purposes of administering the Settlement  
21 and shall not be provided to Class Counsel. The Settlement Administrator shall perform an address  
22 search using the United States Postal Service National Change of Address ("NCOA") database and  
23 update the addresses contained on the Class List with the newly-found addresses, if any. Within  
24 seven (7) calendar days, or soon thereafter, of receiving the Class List from CSI, the Settlement  
25 Administrator shall mail the Class Notice to the Settlement Class Members via first-class regular  
26 U.S. Mail using the most current mailing address information available. The Settlement  
27 Administrator shall maintain the Class List and digital copies of all the Settlement Administrator's  
28 records evidencing the giving of notice to any Settlement Class Member and/or other records

1 pertaining to its administration of the Settlement (including, without limitation, records pertaining  
2 to Class Member queries, requests for exclusions, opt-outs, Workweek disputes, and undeliverable  
3 mailing), for at least four (4) years from the Final Approval Date.

4 (2) The proposed Class Notice will include verbiage jointly agreed to by the  
5 Parties and will set forth:

- 6 (a) the Settlement Class Member's estimated Individual Settlement  
7 Payment and Individual PAGA Payment, as applicable, and the basis  
8 for each;
- 9 (b) the information required by California Rule of Court, rule 3.766,  
10 subdivision (d);
- 11 (c) the material terms of the Settlement;
- 12 (d) the proposed Settlement Administration Costs;
- 13 (e) the definition of the Settlement Class;
- 14 (f) a statement that the Court has preliminarily approved the Settlement;
- 15 (g) how the Settlement Class Member can obtain additional information,  
16 including contact information for Class Counsel;
- 17 (h) information regarding opt-out, objection and dispute procedures;
- 18 (i) the date and location of the Final Approval Hearing; and
- 19 (j) that the Settlement Class Member must notify the Settlement  
20 Administrator no later than the Response Deadline if the Settlement  
21 Class Member disputes the accuracy of the number of Qualifying  
22 Workweeks as set forth on his or her Class Notice ("Qualifying  
23 Workweek Dispute"). If a Settlement Class Member fails to timely  
24 dispute the number of Qualifying Workweeks attributed to him or her  
25 in conformity with the instructions in the Class Notice, then he or she  
26 shall be deemed to have waived any objection to its accuracy and any  
27 claim to any additional settlement payment based on different data.  
28

1                   (3)       If a Class Notice from the initial notice mailing is returned as undeliverable,  
2 the Settlement Administrator will attempt to obtain a current address for the Settlement Class  
3 Member to whom the returned Class Notice had been mailed, within five (5) calendar days of receipt  
4 of the returned Class Notice, by: (1) contacting the Settlement Class Member by phone, if possible,  
5 and (2) undertaking skip tracing. If the Settlement Administrator is successful in obtaining a new  
6 address, it will promptly re-mail the Class Notice to the Settlement Class Member. Further, any  
7 Class Notices that are returned to the Settlement Administrator with a forwarding address before the  
8 Response Deadline shall be promptly re-mailed to the forwarding address affixed thereto.

9                   (4)       No later than seven (7) calendar days after the Response Deadline, the  
10 Settlement Administrator shall provide counsel for the Parties with a declaration attesting to the  
11 completion of the notice process, including the number of attempts to obtain valid mailing addresses  
12 for and re-sending of any returned Class Notices, as well as the identities, number of, and copies of  
13 all Requests for Exclusion and Objections received by the Settlement Administrator, if any.

14                   **B.       Objections.**

15                   Only Participating Class Members may object to the Class Settlement; neither Participating  
16 Class Members nor PAGA Aggrieved Employees may object to the PAGA settlement. In order for  
17 any Settlement Class Member to object to this Class Settlement in writing, or any term of it, he or  
18 she must do so by mailing a written objection to the Settlement Administrator at the address  
19 provided on the Class Notice, with such objection postmarked no later than the Response Deadline.  
20 The Settlement Administrator shall email a copy of the Objection forthwith to Class Counsel and  
21 counsel for CSI and attach copies of all Objections to the Declaration it provides Class Counsel,  
22 which Class Counsel shall file in support of Plaintiff's Motion for Final Approval. To be valid, the  
23 Objection must be timely submitted and must set forth the following in writing: (1) the Objector's  
24 name; (2) the Objector's address; (3) the last four digits of the Objector's Social Security Number;  
25 (4) the Objector's signature; (5) a statement of whether the Objector plans to appear at the Final  
26 Approval Hearing; and (6) the reason(s) for the Objection, along with whatever legal authority, if  
27 any, the Objector asserts in support of the Objection. A written objection is not required. A  
28 Settlement Class Member can also appear at the Final Approval Hearing to have any objections



1 heard by the Court. If a Settlement Class Member objects to the Class Settlement, the Settlement  
2 Class Member will remain a member of the Settlement Class and if the Court approves this  
3 Agreement, the Settlement Class Member will be bound by the terms of the Settlement in the same  
4 way and to the same extent as a Settlement Class Member who does not object. The date of mailing  
5 of the Class Notice to the objecting Settlement Class Member shall be conclusively determined  
6 according to the records of the Settlement Administrator. Settlement Class Members need not object  
7 in writing to be heard at the Final Approval Hearing; they may object or comment in person at the  
8 hearing at their own expense. Class Counsel and counsel for CSI may respond to any objection  
9 lodged with the Court up to five (5) court days before the Final Approval Hearing.

10 **C. Requesting Exclusion.**

11 Any Settlement Class Member may request exclusion from (*i.e.*, to “opt out” of) the Class  
12 Settlement by mailing a written request to be excluded from the Class Settlement (“Request for  
13 Exclusion”) to the Settlement Administrator, postmarked on or before the Response Deadline. To  
14 be valid, a Request for Exclusion must be timely submitted and must include the following in  
15 writing: (1) the Class Member’s name; (2) the Class Member’s Social Security Number; (3) the  
16 Class Member’s signature; and (4) a statement that the Class Member seeks to be excluded from the  
17 Settlement Class using the same or any other language standing for the proposition the Class  
18 Member seeks to be excluded from the Settlement Class: “Please exclude me from the Settlement  
19 Class in the *Montenegro v. Constellis Integrated Risk Management Services, Inc.* matter. I  
20 understand that by requesting exclusion, I will not participate in the class settlement and will not  
21 receive any money from the class settlement.” The Settlement Administrator shall immediately  
22 provide copies of all Requests for Exclusion to Class Counsel and counsel for CSI and shall report  
23 the Requests for Exclusions that it receives, to the Court, in its declaration to be provided in advance  
24 of the Final Approval Hearing. Any Settlement Class Member who timely and properly requests  
25 exclusion from the Settlement Class using this procedure will not be entitled to receive any  
26 Individual Settlement Share from the Settlement and will not be bound by the Settlement Agreement  
27 or have any right to object to, appeal, or comment on the Settlement as it relates to the Class  
28 Settlement and Class Released Claims. Any Settlement Class Member who does not opt out of the

1 Settlement Class by submitting a timely and valid Request for Exclusion will be bound by all terms  
2 of the Settlement, including those pertaining to the Class Released Claims, as well as any Judgment  
3 that may be entered by the Court if Final Approval of the Class Settlement is granted. A Settlement  
4 Class Member cannot submit both a Request for Exclusion and an objection. If a Settlement Class  
5 Member submits an Objection and a Request for Exclusion, the Request for Exclusion will control  
6 and the Objection will be overruled. Settlement Class Members who worked during the PAGA  
7 Period as Aggrieved Employees that submit a valid Request for Exclusion from the Settlement Class  
8 will still be deemed to be Aggrieved Employees, will still receive their Individual PAGA Payments,  
9 and will be bound by the release of the PAGA Released Claims.

10 **D. Disputes Regarding Settlement Class Members' Qualifying Workweek Data.**

11 Each Settlement Class Member may dispute the number of Qualifying Workweeks attributed  
12 to him or her with respect to the Individual Settlement Share on his or her Class Notice ("Workweek  
13 Dispute"). Any such disputes must be in writing and mailed to the Settlement Administrator by the  
14 Settlement Class Member, postmarked on or before the Response Deadline. To be valid, a  
15 Qualifying Workweek Dispute must be timely submitted and must include the following in writing:  
16 (1) the Class Member's name, current mailing address, telephone number, the last four digits of  
17 his/her social security number, and his/her signature; (2) a statement indicating that the Class  
18 Member seeks to dispute the number of Qualifying Workweeks credited to him or her, the time  
19 period(s) he or she worked for CSI during the Class Period, and the number of Qualifying  
20 Workweeks that he or she contends should be credited to him or her; and (3) documentation and/or  
21 other facts supporting the Class Member's position. The Settlement Administrator shall  
22 immediately provide copies of all Qualifying Workweek Disputes (if any) to Class Counsel and  
23 counsel for CSI. In response to any timely Qualifying Workweek Dispute, CSI will first verify the  
24 information contained in the disputing Class Member's personnel file and CSI's payroll records.  
25 Unless the Class Member can establish that the number of Qualifying Workweeks credited to him  
26 or her is incorrect, by providing documentation in support thereof or other details to substantiate his  
27 or her position, the total number of Qualifying Workweeks established by CSI's records will control.  
28 Class Counsel and counsel for CSI will then make a good faith effort to resolve the dispute

informally before the Final Approval Hearing. If counsel for the Parties cannot agree, the dispute shall be resolved by the Settlement Administrator before the Final Approval Hearing, who shall examine the records provided by CSI and the Class Member and shall be the final arbiter of disputes relating to a Class Member's Qualifying Workweeks. The Settlement Administrator's determination regarding any such dispute shall be final for purposes of administering notice of the Settlement, subject to final review, determination, and approval by the Court.

**10. INDIVIDUAL SETTLEMENT PAYMENTS AND INDIVIDUAL PAGA PAYMENTS**

Individual Settlement Payments will be calculated and distributed to Participating Class Members from the Net Settlement Amount on a *pro rata* basis, based on the Participating Class Members' respective number of Qualifying Workweeks during the Class Period. Individual PAGA Payments to Aggrieved Employees will be calculated and distributed to Aggrieved Employees from the Aggrieved Employee PAGA Payment on a *pro rata* basis based on Aggrieved Employees' respective number of Qualifying Pay Periods during the PAGA Period. Specific calculations of the Individual Settlement Shares and Individual PAGA Payments to Aggrieved Employees will be made as follows:

**A. The Total Number of Qualifying Workweeks.**

The Total Number of Qualifying Workweeks worked by each Settlement Class Member during the Class Period ("Class Member's Workweeks"), as well as the aggregate number of Qualifying Workweeks worked by all Settlement Class Members during the Class Period ("Class Workweeks"), shall be determined from CSI's records and shall be provided on the Class List provided by CSI. Additionally, the total number of Qualifying Pay Periods worked by each Aggrieved Employee during the PAGA Period ("Aggrieved Employee's Pay Periods"), as well as the aggregate number of Qualifying Pay Periods worked by all Aggrieved Employees during the PAGA Period ("PAGA Pay Periods"), shall be determined from CSI's records and shall be provided on the Class List provided by CSI.

**B.** To determine each Participating Class Member's Participating Individual Class Settlement Share, the Settlement Administrator will determine the aggregate number of

Qualifying Workweeks worked by all Participating Class Members during the Class Period (“Total Participating Class Member Workweeks”) and use the following formula: Individual Settlement Share = (Individual Participating Class Member’s Qualifying Workweeks ÷ Total Participating Class Member Qualifying Workweeks) × Net Settlement Amount.

C. To determine each Aggrieved Employee’s Individual PAGA Payment, the Settlement Administrator will use the following formula: Aggrieved Employee’s Individual PAGA Payment = (Aggrieved Employee’s Qualifying Pay Periods ÷ Total Aggrieved Employee PAGA Qualifying Pay Periods) x Aggrieved Employee PAGA Payment.

D. Individual Settlement Payments and Individual PAGA Payments shall be paid to Participating Class Members and/or Aggrieved Employees by way of check. When a Participating Class Member is also an Aggrieved Employee, one check may be issued that aggregates both the Individual Settlement Payment and the Individual PAGA Payment.

## **11. DISTRIBUTION OF PAYMENTS**

### **A. Distribution of Individual Settlement Payments.**

Participating Class Members will receive an Individual Settlement Payment and Aggrieved Employees will receive an Individual PAGA Payment as applicable. Individual Settlement Payment and Individual PAGA Payment checks shall remain valid and negotiable for one hundred and eighty (180) calendar days after the date of their issuance. In the event that any checks mailed to Participating Class Members and/or Aggrieved Employees are not cashed, deposited, or otherwise negotiated within the 180-day period, then the checks shall be sent to the California State Controller’s Office Unclaimed Property Fund in the name of the individual, and such Class Members and/or Aggrieved Employees shall nevertheless be bound to the Settlement and the Final Approval Order. Thus, there shall be no “Unpaid Residue” subject to the requirements of California Code of Civil Procedure section 384.

### **B. Funding of Settlement.**

Within thirty (30) business days following the occurrence of the Effective Date of the Settlement as defined above, CSI shall remit payment of the Gross Settlement Amount (as the same may be escalated pursuant to Paragraph 17 of this Agreement) and Employer Taxes (as that term is

defined herein) to the Settlement Administrator pursuant to Internal Revenue Code section 1.468B-1 for deposit in an interest-bearing qualified settlement account (“QSA”) with an FDIC insured banking institution, for distribution in accordance with this Agreement and the Court’s Orders and subject to the conditions described herein.

**C. Time for Distribution.**

Within fifteen (15) calendar days after payment of the full Gross Settlement Amount and Employer Taxes by CSI, or as soon thereafter as practicable, the Settlement Administrator shall distribute Payments from the QSA for: (1) the Service Award to Plaintiff as approved by the Court; (2) the Attorneys’ Fees and Cost Award to be paid to Class Counsel, as approved by the Court; (3) the Settlement Administrator Costs, as approved the Court; (4) the LWDA Payment, as approved by the Court; and (5) Individual PAGA Payments as approved by the Court. The balance remaining shall constitute the Net Settlement Amount from which Individual Settlement Payments shall be made to Participating Class Members, less applicable taxes and withholdings.

**12. ATTORNEYS’ FEES AND LITIGATION COSTS**

Class Counsel shall apply for, and CSI shall not oppose, an award of attorneys’ fees of up to 33 and 1/3 % of the Gross Settlement Amount, which, unless the Gross Settlement Amount is escalated pursuant to Paragraph 17 of this Agreement, amounts to One Hundred and Twenty-Three Thousand, Three Hundred and Thirty-Three Dollars and Thirty-Three Cents (\$123,333.33). Class Counsel shall further apply for, and CSI shall not oppose, an application or motion by Class Counsel for reimbursement of actual costs associated with Class Counsel’s prosecution of this matter as set forth by declaration testimony in an amount up to Fifteen Thousand Dollars and Zero Cents (\$15,000.00). Awards of attorneys’ fees and costs shall be paid out of the Gross Settlement Amount, for all past and future attorneys’ fees and costs necessary to prosecute, settle, and obtain Final Approval of the settlement in Action. The “future” aspect of the amounts stated herein includes, without limitation, all time and expenses expended by Class Counsel (including any appeals therein). There will be no additional charge of any kind to either the Settlement Class Members or request for additional consideration from Defendants for such work unless, CSI materially breach this Agreement, including any term regarding funding, and further efforts are necessary from Class

1 Counsel to remedy said breach, including, without limitation, moving the Court to enforce the  
2 Agreement. Should the Court approve attorneys' fees and/or litigation costs and expenses in  
3 amounts that are less than the amounts provided for herein, then the unapproved portion(s) shall  
4 become a part of the Net Settlement Amount for distribution to Participating Class Members, and  
5 any such lesser award shall not be grounds for Plaintiff and/or Class Counsel to terminate the  
6 Settlement.

7 **13. SERVICE AWARD TO PLAINTIFF**

8 Named Plaintiff shall seek, and CSI shall not oppose, a Service Award in an amount not to  
9 exceed Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) payable to Plaintiff for  
10 participation in and assistance with the Action. Any Service Award awarded to Plaintiff shall be  
11 paid from the Gross Settlement Amount and shall be reported to Plaintiff on an IRS Form 1099. If  
12 the Court approves the Service Award to Plaintiff in less than the amounts sought herein, then the  
13 unapproved portion(s) shall become a part of the Net Settlement Amount for distribution to  
14 Participating Class Members, and any such lesser award shall not be grounds for Plaintiff and/or  
15 Class Counsel to terminate the Settlement.

16 **14. TAXATION AND ALLOCATION**

17 **a.** Each Individual Settlement Share shall be allocated as follows: 20% as wages (to be  
18 reported on an IRS Form W-2) and 80% for civil or statutory penalties and interest, with such non-  
19 wage portions to be reported on an IRS Form 1099. Each Individual PAGA Payment shall be  
20 allocated entirely as penalties reported on an IRS Form 1099. The Parties agree that prior to  
21 distribution, each Individual Settlement Share due to a Participating Class Member will be subject  
22 to reduction for required employee-side payroll taxes, contributions and withholdings with respect  
23 to the wage portion of the Individual Settlement Share, which shall yield each Participating Class  
24 Member's "Individual Settlement Payment." The amount of federal income tax withholding will  
25 be based upon a flat withholding rate for supplemental wage payments in accordance with Treasury  
26 Regulation § 31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also be  
27 made pursuant to applicable state and/or local withholding codes or regulations.  
28

1           **b.**       Forms W-2 and/or Forms 1099 will be timely and correctly prepared and distributed  
2 by the Settlement Administrator at times and in the manner required by the Internal Revenue Code  
3 of 1986 (the “Code”) and consistent with this Agreement. If the Code, the regulations promulgated  
4 thereunder, or other applicable tax law, is changed after the date of this Agreement, the processes  
5 set forth in this Section may be modified in a manner to bring CSI into compliance with any such  
6 changes.

7           **c.**       Neither Counsel for Plaintiff nor counsel for CSI intend anything contained in this  
8 Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Agreement  
9 be relied upon as such within the meaning of United States Treasury Department Circular 230 (31  
10 C.F.R. Part 10, as amended) or otherwise. Settlement Class Members and Aggrieved Employees  
11 will be responsible for correctly characterizing the compensation that they receive pursuant to the  
12 Form 1099 and for payment of any taxes owing on said amount(s).

13                   **15.    PRIVATE ATTORNEYS’ GENERAL ACT ALLOCATION AND**  
14                   **NOTIFICATION TO THE LWDA**

15           The Parties agree to allocate Thirty Thousand Dollars and Zero Cents (\$30,000.00) of the  
16 Gross Settlement Amount toward PAGA penalties. Pursuant to the PAGA, seventy-five percent  
17 (75%) of the amount allocated toward PAGA (\$22,500.00) will be paid to the LWDA and twenty-  
18 five percent (25%) (\$7,500.00) will be distributed to Aggrieved Employees on a *pro rata* basis based  
19 upon their respective Qualifying Pay Periods worked as Aggrieved Employees during the PAGA  
20 Period.

21           Concurrently with the filing of the motion for preliminary approval of the settlement under  
22 this Agreement, Plaintiff and her counsel will comply with all requirements under PAGA to give  
23 notice and make submissions regarding the proposed settlement to the LWDA, and promptly  
24 provide written evidence thereof to counsel for CSI.

25                   **16.    COURT APPROVAL**

26           This Agreement is contingent upon an order by the Court granting Final Approval of the  
27 Settlement, and that the LWDA does not intervene and object to the Settlement. In the event it  
28 becomes impossible to secure approval of the Settlement by the Court and the LWDA, the Parties

1 shall be restored to their respective positions in the Action prior to entry of this Settlement, except  
2 as otherwise set forth herein. If this Settlement Agreement is voided, not approved by the Court or  
3 approval is reversed on appeal, it shall have no force or effect and no Party shall be bound by its  
4 terms except to the extent: (a) the Court reserves any authority to issue any appropriate orders when  
5 denying approval; and/or (b) there are any terms and conditions in this Settlement Agreement  
6 specifically stated to survive the Settlement Agreement being voided or not approved, and which  
7 control in such an event.

8 **17. INCREASE IN QUALIFYING WORKWEEKS**

9 CSI represents that the Settlement Class worked approximately 9,713 Qualifying  
10 Workweeks during the Class Period. In the event that it is determined that the number of  
11 Qualifying Workweeks worked by Class Members during the Class Period is more than 10,000  
12 Qualifying Workweeks, then the Gross Settlement Amount shall be increased by one percent (1%)  
13 for every one percent (1%) increase in Qualifying Workweeks over the 10,000 threshold. Thus,  
14 for example, if the number of Qualifying Workweeks worked during the Class Period increases  
15 by 2% over 10,000, the Gross Settlement Amount would be increased by 2%, or  $\$370,000 \times 0.02$ ,  
16 for an increased Gross Settlement Amount of \$377,2000 ( $\$370,000 + \$7,200$ ).

17 **18. NOTICE OF JUDGMENT**

18 In addition to any duties set out herein, the Settlement Administrator shall provide notice  
19 of the Final Judgment entered in the Action by posting the same on its website for a period of no  
20 less than four (4) years.

21 **19. WITHDRAWAL FROM SETTLEMENT BASED ON REQUESTS FOR**  
22 **EXCLUSION**

23 CSI shall retain the right to nullify the Agreement in the event that more than ten percent  
24 (10%) of Class Members submit timely and valid Requests for Exclusion. Should the 10%  
25 threshold for opt outs be exceeded, the Settlement Administrator shall notify lead counsel for all  
26 Parties via email immediately, and CSI must provide written notice to Class Counsel of its  
27 withdrawal within ten (10) calendar days of receiving sufficient information to determine that the  
28



1 opt out rate exceeds 10%. If CSI exercises this right, it shall be solely responsible for the costs  
2 incurred for settlement administration up to the date of nullification.

3 **20. CONFIDENTIALITY**

4 Except as otherwise agreed in writing between the Parties, both before and following the  
5 execution of this Settlement Agreement by the Parties and their counsel, there will be no direct or  
6 indirect comment or publication by Plaintiff and Class Counsel of the settlement in terms of  
7 affirmative or responsive media statements/comments, press releases or conferences, website  
8 postings or content, social media postings or content, other Internet postings or content, subscribed  
9 email messages, newsletters, disseminated updates, mass mailings, or any other comment or  
10 publication to the press, media or public at large. This shall not apply to or limit the public filing  
11 of motions or other case materials by Class Counsel in the Action related to seeking and obtaining  
12 Court approval of the proposed settlement and the related awards of attorneys' fees and costs,  
13 enhancements and the other relief set forth in this Settlement Agreement, or to communications  
14 between Class Counsel and Plaintiff or Settlement Class Members. Class Counsel may otherwise  
15 state only that the Action has been settled on terms mutually agreeable to the Parties. The Parties  
16 understand and agree that there may be media coverage of the settlement of the Action not initiated  
17 by Plaintiff or Class Counsel, directly or indirectly. It is also agreed and understood that the Parties  
18 and each and every Settlement Class Member, may disclose the settlement to their families, plus  
19 their legal, tax, or accounting advisors, insurance companies, or as required by law, regulatory  
20 rules or regulatory requirements. Class Counsel may disclose the names of the Parties in the  
21 Action, the venues/case numbers, and settlement details available in the public record, for the  
22 limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions or  
23 for purposes of seeking approval of an unrelated settlement.

24 **21. SETTLEMENT WEBSITE**

25 The Parties agree that the Settlement Administrator may use U.S. mail and its own website  
26 to provide notice and information about the Settlement to the Settlement Class Members.  
27 Reference to this Settlement on the Settlement Administrator's website must be taken down within  
28 45 days after the date the Settlement Administrator must remit any unclaimed funds to the State,

1 as set forth in Section 11.A of this Agreement. No information about the Action or the settlement  
2 may be posted on Class Counsel's websites or their social media without CSI's prior written  
3 consent, except as expressly set forth in this Agreement.

4 **22. MISCELLANEOUS PROVISIONS**

5 **A. Interpretation of the Agreement, Governing Law.**

6 This Agreement constitutes the entire agreement between the Parties with respect to its  
7 subject matter. Except as expressly provided herein, this Agreement has not been executed in  
8 reliance upon any other written or oral representations or terms, and no such extrinsic oral or written  
9 representations or terms shall modify, vary or contradict its terms. In entering into this Agreement,  
10 the Parties agree that this Agreement is to be construed according to its terms and may not be varied  
11 or contradicted by extrinsic evidence. The Agreement will be interpreted and enforced under the  
12 laws of the State of California, both in its procedural and substantive aspects, without regard to its  
13 conflict of law provisions. Any claim arising out of or relating to the Agreement, or the subject  
14 matter hereof, will be resolved solely and exclusively in the Superior Court of the State of California  
15 for the County of San Diego, and Plaintiff and CSI hereby consent to the personal jurisdiction of the  
16 Court in the Action over it solely in connection therewith. The foregoing is only limited to disputes  
17 concerning this Agreement. The Parties, and each of them, participated in the negotiation and  
18 drafting of this Agreement and had available to them the advice and assistance of independent  
19 counsel. As such, neither Plaintiff nor CSI may claim that any ambiguity in this Agreement should  
20 be construed against the other. The Agreement may be modified only by a writing signed by counsel  
21 for the Parties and approved by the Court.

22 **B. Further Cooperation.**

23 The Parties and their respective attorneys shall proceed diligently to prepare and execute all  
24 documents, to seek the necessary approvals from the Court, and to do all things reasonably necessary  
25 to consummate the Settlement as expeditiously as possible. The Parties agree that they will not take  
26 any action inconsistent with this Agreement, including, without limitation, encouraging Class  
27 Members to opt out of the Settlement. In the event the Court finds that any Party has taken actions  
28 inconsistent with the Settlement, including, without limitation, encouraging Class Members to opt

1 out of the Settlement, the Court may take any corrective actions, including enjoining any Party from  
2 communicating regarding the Settlement on an *ex parte* basis, issuing (a) corrective notice(s),  
3 awarding monetary, issue, evidentiary and/or terminating sanctions against that Party, and/or  
4 enforcing this Agreement despite the presence of opt-outs and/or objections.

5 **C. Counterparts.**

6 The Agreement may be executed in one or more actual or non-original counterparts,  
7 including via DocuSign, all of which will be considered one and the same instrument and all of  
8 which will be considered duplicate originals.

9 **D. Authority.**

10 Each individual signing below warrants that he or she has the authority to execute this  
11 Agreement on behalf of the Party for whom or which that individual signs.

12 **D. Binding On Assigns.**

13 This Settlement Agreement shall be binding upon and inure to the benefit of the Parties  
14 hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

15 **F. Deadlines Falling on Weekends or Holidays.**

16 To the extent that any deadline set forth in this Agreement falls on a Saturday, Sunday, or  
17 legal holiday, that deadline shall be continued until the following business day.

18 **G. Jurisdiction of the Court.**

19 Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain  
20 jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this  
21 Settlement Agreement and all orders and judgments entered in connection therewith, and the Parties  
22 and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting,  
23 implementing, and enforcing the settlement embodied in this Settlement Agreement and all orders  
24 and judgments entered in connection therewith.

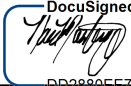
25 **H. Severability.**

26 In the event that one or more of the provisions contained in this Agreement shall for any  
27 reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or  
28 unenforceability shall in no way effect any other provision if CSI's counsel and Class Counsel, on

behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

**IT IS SO AGREED:**

Dated: 4/15/2025, 2025

DocuSigned by:  
  
 DD2880EE7A68403...  
**NORA MONTENEGRO**  
 Plaintiff and Class Representative

Dated: April 14, 2025

Katherine F. McKenzie-Veal  
**CENTERRA SERVICES INTERNATIONAL, INC.**  
 By: Katherine F. McKenzie-Veal  
 Its: VP, Legal - Deputy GC

**AGREED AS TO FORM:**


**SULLIVAN & YAECKEL LAW GROUP, APC**

Dated: \_\_\_\_\_, 2025

\_\_\_\_\_  
 Eric K. Yaeckel  
 Ryan T. Kuhn  
 Karoline D. Kitlowski  
 Counsel for Plaintiff Nora Montenegro

**MCGUIREWOODS LLP**

Dated: April 11, 2025

  
 \_\_\_\_\_  
 Sabrina A. Beldner  
 David Szwarczstejn  
 Counsel for Defendant  
 Centerra Services International, Inc.