

## CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by Allison Villanueva (“Villanueva” or “Plaintiff”), on the one hand; and SAS Services San Diego, Inc. (“SAS Services” or “SAS”) and G2 Secure Staff, L.L.C. and G2 Secure Staff L.P. (collectively, “G2 Secure Staff” or G2”) (SAS Services, SAS, G2 Secure Staff, and/or G2 collectively, “Defendants”), on the other hand. Plaintiff and Defendants will, at times, be collectively referred to herein as “the Parties,” and individual entities or persons will be referred to as “a Party.”

### **I. THE LITIGATION**

1. On April 18, 2023, Villanueva filed a class action complaint in the Superior Court of the State of California, County of San Diego, entitled *Allison Villanueva v. SAS Services San Diego, Inc., G2 Secure Staff, L.L.C, and G2 Secure Staff CA, L.P.*, Case No. 37-2023-00016073-CU-OE-CTL, in which she asserted causes of action including (1) Failure to Timely Pay Minimum Wages, Overtime and/or Double Time Compensation, (2) Failure to Provide Legally Compliant Meal Periods or Compensation in lieu Thereof, (3) Failure to Provide Legally Compliant Rest Periods or Compensation in lieu Thereof, (4) Failure to Pay All Wages Owed Upon Separation, (5) Failure to Provide Sick Leave and Written Notice of the Amount of Sick Leave Available, (6) Failure to Furnish Accurate Itemized Wage Statements, (7) Failure to Maintain Accurate Records, (8) Failure to Provide Copies of Signed Documents, (9) Failure to Reimburse for Necessary Work Expenses, and (10) Violation of the Unfair Competition Law. On June 29, 2023, Villanueva filed a First Amended Complaint and added an eleventh cause of action for Penalties under the Labor Code Private Attorneys General Act, California Labor Code § 2698 et seq. (“PAGA”). On July 5, 2023, Defendant G2 Secure Staff filed a Notice of Removal to Federal Court. Neither Villanueva or SAS Services opposed the Notice of Removal.

The case was docketed with the U.S. District Court for the Southern District of California on July 6, 2023, as Case No. 3:23-cv-01243-LAB-DEB (herein “the Litigation.”)

2. The Parties engaged in substantial investigation and informal discovery, in connection with the Litigation. Defendant SAS Services provided extensive documents and detailed information to Plaintiff’s counsel to review and analyze. The documents and information included personnel records, time records and pay data for Villanueva, the time records and pay data for all class members, the number of work weeks worked by class members during the class period, the number of class members, the number of work weeks during the PAGA period, all SAS Services wage and hour policies, the Asset Purchase Agreement between SAS Services and G2 Secure Staff, tax returns for SAS Services, and other relevant information.

3. On September 13 and November 6, 2023, the Parties attended Early Neutral Evaluation (“ENE”) conferences with United States Magistrate Judge Daniel Butcher in the U.S. District Court for the Southern District of California. As a result of these conferences, the parties were able to reach a settlement of this matter (hereinafter, “Settlement”).

4. This Settlement resolves all claims within the scope of the Litigation, as fully described herein.

5. This Agreement concerning the Settlement is made in compromise of disputed claims. The payment by SAS Services required by this Agreement shall satisfy all claims alleged, or that could have been alleged, in the Litigation against SAS Services and G2 Secure Staff, for the Settlement Period (as defined below) only, including but not limited to claims for damages, penalties, and interest, and shall include payment for PAGA penalties, individual settlement awards, attorneys’ fees, litigation costs and expenses, a class representative service award, and settlement administration costs.

6. Because the Litigation is a putative class action, the settlement described in this Agreement is conditioned upon preliminary and final approval by the court. Accordingly, the Parties enter into this Agreement on a conditional basis. In the event the court does not approve of the settlement and enter Final Judgment, or in the event such Final Judgment does not become Final for any reason, or is modified in any material respect, or in the event the Effective Date, as defined herein, does not occur, this Agreement shall be deemed null and void *ab initio* and shall be of no force or effect whatsoever, and shall not be referred to or utilized for any purpose. Defendants deny all of Plaintiff's claims as to liability and damages as well as all class and PAGA allegations, and do not waive, but rather expressly reserve all rights to challenge all such claims and allegations upon all procedural and factual grounds including the assertion of any and all defenses, if the Final Judgment does not become Final for any reason, or in the event that the Effective Date does not occur.

## **II. DEFINITIONS**

The following are certain definitions applicable to this Agreement. Definitions contained elsewhere in the body of this Agreement shall also be effective.

1. "Class" and/or "Class Members"— means all individuals who were employed by SAS Services at the San Diego International Airport in San Diego, California as a nonexempt employee at any time during the Settlement Period. Some of these putative class member employees subsequently became employees of G2 Secure Staff when SAS and G2 entered into an Asset Purchase Agreement which was effectuated on August 22, 2022. This individual, class action, and PAGA settlement covers only the time period that these putative class members were employed by SAS and does not cover their employment by G2 after August 22, 2022.

2. “Class Counsel” and/or “Plaintiff’s Counsel” – means R. Craig Clark and Alicja A. Urtnowski, Consumer & Employment Law Group, 3258 Fourth Avenue, San Diego, CA, 92103.

3. “Plaintiff’s Counsel’s Attorneys’ Fees” – means the amount awarded by the Court for Plaintiff’s Counsel’s fees and to be distributed to Class Counsel in the Litigation, which shall be paid from the Gross Settlement Fund.

4. “Class Representative Service Award” – means the amount awarded by the Court to Plaintiff for her role as the named plaintiff and class and/or PAGA representative, which shall be paid from the Gross Settlement Fund.

5. “Court” – means the U.S. District Court for the Southern District of California in which the Litigation is pending.

6. “Defendants” – means, collectively, SAS Services and G2 Secure Staff.

7. “Defendants’ Counsel” – means Quarles & Brady LLP for Defendant SAS Services and Morgan, Lewis & Bockius LLP for Defendant G2 Secure Staff.

8. “Effective Date” – means the date by which both of the following have occurred: (a) this Settlement is finally approved by the U.S. District Court for the Southern District of California; and (b) the Court enters an Order Finally Approving the Class Action and PAGA Settlement (“Order Granting Final Approval”) and a judgment (“Judgment”), both of which become Final.

9. “Final” – means the latest of: (a) if there is an appeal of the Judgment in the Litigation, the date of final affirmance on the appeal or the date of dismissal of such appeal; or (b) if one or more objections are submitted and not withdrawn, the expiration date of the time for



filing or noticing any appeal of the Order Granting Final Approval and/or Judgment; or (c) if no objections are made, the date the court enters the Order Granting Final Approval and Judgment.

10. “Final Approval Hearing” – means the hearing to be conducted by the Court to determine whether to finally approve the Settlement and enter the Judgment.

11. “Final Judgment” – refers to the Order Granting Final Approval and Judgment once they become Final.

12. “Gross Settlement Fund” – refers to Two Hundred Thousand Dollars (\$200,000), which is the maximum amount Defendants shall be required to pay under this Agreement, except as otherwise specifically provided herein. The \$200,000 Gross Settlement Fund shall consist of the following elements: (a) Plaintiff’s Counsel’s Attorneys’ Fees; (b) Plaintiff’s Litigation Costs and Expenses; (c) Class Representative Service Award; (d) Settlement Administration Expenses; (e) the PAGA Payment; and (f) the Net Settlement Fund, as defined below. This is a non-reversionary settlement. No part of the Gross Settlement Fund, nor any amount from the Gross Settlement Fund, shall revert to Defendants or any of the Releasees. No Class Member shall be required to file a claim to receive a Settlement Payment or PAGA Employee Payment.

13. “LWDA” – means the California Labor and Workforce Development Agency.

14. “Motion for Preliminary Approval” – refers to the Motion for Preliminary Approval of the Settlement and its supporting papers.

15. “Net Settlement Fund” – means the Gross Settlement Fund, less all of the following: (a) Plaintiff’s Counsel’s Attorneys’ Fees; (b) Plaintiff’s Litigation Costs and Expenses; (c) Class Representative Service Award; (d) Settlement Administration Expenses; (e) the PAGA Payment; and (f) the employer’s share of payroll taxes on the portion of the Settlement Payments designated as wages.

16. “Notice” – refers to the Notice of Class Action Settlement, substantially in the form attached hereto as Exhibit A.

17. “Order Granting Preliminary Approval” – refers to the order or statement of decision preliminarily approving the Settlement.

18. “PAGA Employee” – means those members of the Class who worked for Defendant SAS Services at the San Diego International Airport in San Diego, California as a nonexempt employee at any time during the PAGA Period, as defined below.

19. “PAGA Employee Payment” – means the 25% share of the PAGA Payment that will be paid to PAGA Employees.

20. “PAGA Payment” – means the portion of the Gross Settlement Fund that the Parties have designated as representing the recovery of civil penalties on behalf of the PAGA Employees under the Labor Code Private Attorneys General Act of 2004.

21. “LWDA PAGA Payment” – refers to the 75% portion of the PAGA Payment that shall be distributed to the LWDA.

22. “PAGA Period” – means the period from April 4, 2022 through August 22, 2022.

23. “Preliminary Approval Hearing” – means the hearing to be conducted by the U.S. District Court for the Southern District of California to determine whether to grant the Motion for Preliminary Approval.

24. “Settlement Administration Expenses” – means those expenses of effectuating and administering the Settlement, e.g., the costs incurred by the Settlement Administrator, the costs of giving notice to the Class, the costs of administering and disbursing the Net Settlement Fund and the PAGA Payment, and the fees of the Settlement Administrator. The Settlement Administration Expenses shall not exceed \$9,000.

25. “Settlement Administrator” – means the third party administrator jointly selected by the Parties and approved by the Court to effectuate the Settlement. The parties have selected Atticus Administration, LLC, to serve as the administrator to distribute notice of the proposed Settlement and, after the Effective Date, to distribute Settlement Payments and PAGA Employee Payments to the Settlement Class and the PAGA Employees, respectively.

26. “Settlement Class” – means all those persons who are members of the Class during the Settlement Period and who have not properly and timely opted out of the Settlement.

27. “Settlement Class Member(s)” – means any person who is included in the Settlement Class during the Settlement Period.

28. “Settlement Payment” – means the allocation from the Net Settlement Fund that shall be paid to the Settlement Class Members in accordance with Section III, Paragraph 15(h). The Settlement Payment does not include the PAGA Employee Payment.

29. “Settlement Period” – means the period from April 18, 2019 through August 22, 2022.

### **III. SETTLEMENT TERMS**

#### **1. Scope of Settlement:**

The Settlement described herein will resolve fully and finally (a) all Settlement Class Members’ Released Claims during the Settlement Period as described in Section III, Paragraph 6, (b) all Released PAGA Claims during the PAGA Period as described in Section III, Paragraph 7, and (c) the general release of all claims by Villanueva as described in Section III, Paragraph 8.

#### **2. The Gross Settlement Fund:**

SAS Services shall pay the Gross Settlement Fund in the manner specified in this Agreement. Payment of the Gross Settlement Fund under the terms described in this Agreement shall be the sole financial obligation of SAS Services. The Gross Settlement Fund shall be used:

(1) to satisfy the claims of all Settlement Class Members; (2) to satisfy the PAGA claims of all PAGA Employees; (3) to satisfy the award of Plaintiff's Counsel's Attorneys' Fees; (4) to satisfy the award of Litigation Costs and Expenses; (5) to satisfy the Class Representative Service Award; (6) to satisfy Settlement Administration Expenses; and (7) to satisfy the LWDA PAGA Payment.

**3. Allocation of Net Settlement Fund Among Settlement Class Members and PAGA Employees:**

(a) The entire Net Settlement Fund and PAGA Payment will be paid out, with no reversion to Defendants.

(b) The Settlement Payments will be allocated among the Settlement Class Members according to the number of workweeks each Settlement Class Member worked for SAS Services at the San Diego International Airport in San Diego, California as a nonexempt employee at any time during the Settlement Period as a *pro rata* portion of the total combined workweeks of all Settlement Class Members during the Settlement Period. One or more days worked in a given week will be credited as a workweek for purposes of this calculation.

(c) The PAGA Employee Payments will be allocated among the PAGA Employees according to the number of workweeks each PAGA Employee worked for SAS Services at the San Diego International Airport in San Diego, California as a nonexempt employee at any time during the PAGA Period as a *pro rata* portion of the total combined workweeks of all PAGA Employees during the PAGA Period. One or more days worked in a given week will be credited as a workweek for purposes of this calculation.

**4. Tax Treatment of Payments to Settlement Class Members and PAGA Employees:**

Of the Settlement Payments to individual Settlement Class Members, one-third shall be designated as wages subject to payroll withholding to be reported on IRS Form W2s where required by law, one-third shall be designated as interest to be reported on IRS Form 1099s where required by law, and the remaining one-third shall be designated as Labor Code statutory penalties to be reported on IRS Form 1099s where required by law. Each Settlement Class Member shall be responsible for remitting to state and/or federal taxing authorities any applicable taxes which may be owed on the portion of his or his Settlement Payment or Class Representative Service Award that is reported on IRS Form 1099. Payments to PAGA Employees shall be designated as civil penalties to be reported on IRS Form 1099 where required by law. The Settlement Administrator shall report all required information to the appropriate taxing authorities regarding all payments made pursuant to this Agreement.

**5. Approval of Settlement:**

(a) Plaintiff agrees to request no more than Ten Thousand Dollars (\$10,000) for the Class Representative Service Award. Plaintiff agrees to seek no more than one-third (1/3) of the Gross Settlement Fund for Plaintiff's Counsel's Attorneys' Fees and agrees not to seek more than Five Thousand Dollars (\$5,000) for Litigation Costs and Expenses. Defendants will not oppose the Class Representative Service Award, Plaintiff's Counsel's Attorneys' Fees or Litigation Costs and Expenses up to these amounts.

(b) Should the Court decline to approve all material aspects of the Settlement or make rulings substantially altering the fundamental terms of the Settlement, except for the awards of the Class Representative Service Award, Plaintiff's Counsel's Attorneys' Fees, and Litigation Costs and Expenses, or if Defendants declare this Agreement null and void because more than 5% of the persons who fall within the definition of the Class submit timely and valid opt out

requests as specified in this Agreement, Defendants shall have no obligation to make any payment, including payment of the Gross Settlement Fund; in the event Defendants have made any payment, such monies shall be returned promptly to Defendants, except amounts paid to the Settlement Administrator to administer the Notice.

**6. Release of Claims by Settlement Class Members:**

Upon entry of the Court's Order Granting Final Approval of the Settlement and of the Judgment, each Settlement Class Member shall be deemed to have released Defendants and all of their respective parents, subsidiaries, predecessors, successors, affiliates, and related entities, and their respective shareholders, officers, directors, employees, administrators, fiduciaries, trustees, agents, investors, and benefit plans (collectively, the "Releasees"), from any and all "Released Claims" during the Settlement Period. For the purposes of this Agreement, the Released Claims are defined as: Any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorney's fees, damages, actions or causes of action which are alleged, or reasonably could have been alleged, during the Settlement Period based on the facts and claims asserted in the operative complaint filed in the Litigation, including without limitation claims for unpaid minimum wages, unpaid overtime wages, failure to provide legally compliant meal periods or compensation in lieu thereof, failure to provide legally compliant rest periods or compensation in lieu thereof, failure to provide all wages owed upon separation, failure to provide sick leave and written notice of the amount of sick leave available, failure to furnish accurate itemized wage statements, failure to maintain accurate records, failure to provide copies of signed documents, failure to reimburse for necessary work expenses, violation of California's Unfair Competition Law, civil penalties brought under the Labor Code Private Attorneys General Act of 2004 (PAGA), claims for penalties of any nature whatsoever arising out of the

Released Claims, or any other benefit claimed on account of allegations and claims which are reasonably related to the allegations and claims asserted in the operative complaint filed in the Litigation and thus could have been asserted. This release shall apply to claims arising at any point during the Settlement Period. This release shall exclude claims for vested benefits such as vested pension benefits, wrongful termination or employment discrimination, unemployment insurance, disability insurance, workers' compensation benefits, and claims outside of the Settlement Period.

**7. Release of Claims by PAGA Employees:**

Upon entry of the Court's Order Granting Final Approval of the Settlement and of the Judgment, each PAGA Employee shall be deemed to have released the Releasees from the "Released PAGA Claims" during the PAGA Period. No PAGA Employee may opt out of this release. For purposes of this Agreement, the Released PAGA Claims are defined as: Any and all claims, debts, liabilities demands, obligations, guarantees, costs, expenses, attorney's fees, damages, actions or causes of action under PAGA (Cal. Labor Code §§ 2698 *et seq.*) which are alleged, or reasonably could have been alleged, during the PAGA Period based on the facts and claims asserted in the operative complaint filed in the Litigation.

**8. Release of Claims by Plaintiff:**

Preliminarily, it is noted below in Paragraph 20, that Plaintiff has entered into a separate individual settlement with Defendant G2. That settlement and settlement agreement is not intended to be impacted or abrogated by Plaintiff's release of the Released Claims and Released PAGA Claims, and release of claims in this paragraph. Plaintiff's release of the Released Claims and Released PAGA Claims acknowledges that Plaintiff is eligible for, and is seeking, an enhancement award as Class Representative and, therefore, in addition to the Settlement Class

Members' releases of the Released Claims and of the Released PAGA Claims described above, and in exchange for the consideration recited in this Agreement, including but not limited to the Class Representative Service Award, Villanueva releases, acquits, and discharges and covenants not to sue any of the Releasees for any claim, whether known or unknown, which she has ever had, or hereafter may claim to have against SAS arising on or before the date she signs this Agreement, and against G2 arising on or before August 23, 2022, including without limitation, any claims relating to or arising out of any aspect of her relationship with Defendant SAS at any time, or the termination of that relationship, any claims for unpaid compensation, wages, reimbursement for business expenses, penalties, or waiting time penalties under the California Labor Code, the California Business and Professions Code, the federal Fair Labor Standards Act, 29 U.S.C. section 201, et seq., or any state, county or city law or ordinance regarding wages or compensation; any claims for employee benefits, including without limitation, any claims under the Employee Retirement Income Security Act of 1974; any claims of employment discrimination on any basis, including without limitation, any claims under Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1866, 42 U.S.C. section 1981, the Civil Rights Act of 1991, the Americans with Disabilities Act of 1991, the Family and Medical Leave Act of 1993, the California Government Code, or any other state, county or city law or ordinance regarding employment discrimination. Villanueva acknowledges and agrees that the foregoing general release is given in exchange for the consideration provided to her under this Agreement by Defendants. However, this release shall not apply to claims for workers' compensation benefits, unemployment insurance benefits, pension or retirement benefits, or any other claim or right that as a matter of law cannot be waived or released.



Villanueva expressly waives any rights or benefits available to her under the provisions of Section 1542 of the California Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASING PARTY.

Villanueva acknowledges and agrees that she understands fully the statutory language of Civil Code section 1542 and, with this understanding, nevertheless elects to, and does hereby, assume all risks for claims that have arisen, whether known or unknown, which she ever had, or hereafter may claim to have, arising on or before the date of her signature to this Agreement, and specifically waives all rights she may have under California Civil Code section 1542.

**9. Opt-Outs:**

Upon the Court's entry of the Order Granting Preliminary Approval of this Settlement, notice shall be given to all members of the Class as set forth in Section III, Paragraph 14(c) of this Agreement. Individuals who fall within the definition of the Class may choose to opt out of the Class under such procedures specified in Section III, Paragraph 14(c)(v) of this Agreement. Any such individuals who validly opt out of the Class ("Opt-Outs") will not be a Settlement Class Member; will not be bound by the release of the Released Claims by Settlement Class Members as set forth in Section III, Paragraph 6 of this Agreement; and will receive no part of the Net Settlement Fund or the Gross Settlement Fund except that Opt-Outs who are PAGA Employees will still be bound by the release of the Released PAGA Claims and will be mailed

their PAGA Employee Payment. Every individual who falls within the definition of the Class who does not validly and timely opt out shall be deemed a Settlement Class Member. The Settlement Administrator shall provide copies of all written requests for exclusion from the Class to the Parties' counsel within ten (10) calendar days of the final date to opt out. If more than five percent (5%) of the persons who fall within the definition of the Class become Opt-Outs as specified in this Agreement, then Defendants shall have the option to declare this Agreement null and void, which they can accomplish by, within thirty (30) calendar days following the expiration of the last time period in which to opt out, serving written notice of their exercise of this option on Class Counsel. All signatories and their counsel agree they will not encourage Class Members to opt out.

**10. Denial of Liability:**

Defendants deny that they or any of their respective parents, subsidiaries, affiliates or successors or any of the other Releasees has engaged in any unlawful activity, has failed to comply with the law in any respect, or has any liability to anyone under the claims asserted in the Litigation. The Parties expressly acknowledge that this Agreement is entered into for the purpose of compromising disputed claims and that nothing herein is an admission of liability or wrongdoing by Defendants or any of the Releasees. Neither the Agreement nor any document prepared in connection with the Settlement may be admitted in any proceeding as an admission by any of the Parties, any of the Releasees, or any person within the definition of the Class. However, this paragraph and all other provisions of this Agreement notwithstanding, any and all provisions of this Agreement may be admitted in evidence and otherwise used in any and all proceedings to enforce any or all terms of this Agreement, or in defense of any claims released or barred by this Agreement.

11. **PAGA Payment and Distribution:** Five Thousand Dollars (\$5,000) of the Gross Settlement Fund shall be designated as the recovery of civil penalties under the Labor Code Private Attorneys General Act of 2004 (PAGA). Of that amount, seventy-five percent (\$3,750) shall be distributed to the LWDA. The remaining twenty-five percent (\$1,250) shall be distributed to PAGA Employees according to the allocation formula set forth in Section III, Paragraph 4(c) above.

12. **Distribution of Net Settlement Fund:**

The Net Settlement Fund shall be distributed by the Settlement Administrator in accordance with the following eligibility requirements:

- (a) Opt-Outs are not entitled to any Settlement Payments.
- (b) Defendants, through the Settlement Administrator, shall make payments to Settlement Class Members as set forth in Section III, Paragraph 4, above. This is a non-reversionary settlement. No part of the Gross Settlement Fund, nor any amount from the Gross Settlement Fund, shall revert to Defendants or any of the Releasees.
- (c) SAS Services will provide to the Settlement Administrator the best information available to them with respect to the full names, last known addresses, last known telephone numbers, Social Security numbers, and workweeks of the persons identified from their records as being Class Members and PAGA Employees. The Settlement Administrator will, as needed, attempt to obtain updated addresses through the National Change of Address (“NCOA”) database.
- (d) Payments to Settlement Class Members and PAGA Employees shall be by check mailed to their last known addresses. Checks will be void 180 days after the issue date. For Settlement Class Members and PAGA Employees whose payments are returned as undeliverable

and for which no forwarding addresses is available, the Settlement Administrator shall take reasonable steps to locate the person by other means. The steps deemed reasonable should be in proportion to the amount of the payment. Upon exhaustion of such reasonable steps, any unclaimed funds from uncashed checks shall be distributed per Section III, Paragraph 16(h) below.

**13. Settlement Administration:**

Settlement Administration Expenses, upon order of the Court, shall be paid from the Gross Settlement Fund. All disputes relating to the Settlement Administrator's ability and need to perform its duties shall be referred to the Court if they cannot be resolved by the Parties. The Settlement Administrator shall regularly and accurately report to the Parties, in written form when requested, the substance of the work performed, including the amounts payable to individual Settlement Class Members and PAGA Employees and the total amount to be paid to all such persons.

**14. Preliminary Approval of Settlement:**

The Parties agree to the following procedures for obtaining preliminary approval of the Settlement, certifying a conditional Settlement Class, and notifying Settlement Class Members:

(a) **Class Certification for Settlement Purposes Only:** The Parties stipulate to certification of the Class for purposes of settlement only. If the Court does not grant either preliminary approval or final approval of this Settlement, or if Defendants elect to exercise their right to declare the Agreement void pursuant to the terms of this Agreement, the Parties' stipulation to certification of the class for settlement purposes will be void and of no further force or effect.

(b) **Motion for Preliminary Approval:** Plaintiff will file the Motion for Preliminary Approval of the Settlement and Proposed Order Granting Preliminary Approval of the Settlement with the supporting papers. Plaintiff's Counsel will send the Motion for Preliminary Approval of the Settlement and Proposed Order Granting Preliminary Approval of the Settlement to Defendants' Counsel for their review, comment, and approval at least one week prior to their filing. Defendants will not oppose the motion for preliminary approval provided it is consistent with this Agreement.

(c) **Notice of Class Settlement:** Following entry of the Order Granting Preliminary Approval of the Settlement, the Notice, substantially in the form attached hereto as Exhibit A shall be mailed to Class Members.

(i) Within fourteen (14) calendar days of entry of the Order Granting Preliminary Approval of the Settlement, Defendant SAS Services shall provide the Settlement Administrator with the following data for each Class Member and PAGA Employee: (1) name, last known mailing address, last known telephone number, and Social Security number; (2) the number of workweeks each Class Member worked for SAS Services at the San Diego International Airport in San Diego, California as a nonexempt employee at any time during the Settlement Period; and (3) the number of workweeks each PAGA Employee worked for SAS Services at the San Diego International Airport in San Diego, California as a nonexempt employee at any time during the PAGA Period. Thereafter, the Settlement Administrator shall update the last known mailing addresses of Class Members received from Defendant SAS Services, with those obtained by searching the National Change of Address database ("NCOA").

(ii) Within thirty (30) calendar days of preliminary approval, the Settlement Administrator shall mail the Notice to all identified Class Members via U.S. Mail using the most

current mailing address information available for Class Members from Defendants' records and the NCOA database. The deadline for requesting exclusion from the Settlement Class shall be thirty (30) calendar days from the date the Notice is first mailed by the Settlement Administrator. (This deadline is referred to as the "Exclusion/Objection Deadline Date.")

(iii) If Notices are returned as undeliverable without forwarding addresses, the Settlement Administrator shall conduct a skip trace to locate more current addresses for Class Members and re-mail the Notices to any new addresses obtained. If forwarding address information is obtained by return mail, the Settlement Administrator shall promptly forward the Notices to the addressee via first-class regular U.S. Mail. Class Members who are sent a re-mailed Notice pursuant to the terms of this paragraph shall have fifteen (15) days from the date of the re-mailed Notice to opt out or object to the Settlement and shall be informed of the extended deadline in a cover letter to accompany the re-mailed Notice.

(iv) The Notice shall provide that the Class Members who wish to object to the Settlement must submit their objection to the Settlement Administrator postmarked, faxed, or emailed no later than the Exclusion/Objection Deadline Date. The objection should be in writing and should explain the basis of the objection. No individual who excludes themselves from the Settlement Class shall be entitled to object to the Settlement. The Settlement Administrator shall provide the Parties with copies of all objections to the Settlement on a rolling basis as they are received, and within ten (10) calendar days after the Exclusion/Objection Deadline Date, the Settlement Administrator shall provide the Parties with a complete and accurate list of all Class Members who have submitted objections to the Settlement.

(v) The Notice shall include the option for Class Members to opt out of the Settlement. Any Class Member wishing to opt out of the Settlement must submit a written

request for exclusion to the Settlement Administrator postmarked, faxed, or emailed no later than the Exclusion/Objection Deadline Date. Class Members who fail to opt out of the Settlement shall be bound by all terms of the Settlement and the Judgment entered in the Litigation if the Settlement is finally approved by the Court. The Settlement Administrator shall provide the Parties with copies of all objections to the Settlement on a rolling basis as they are received, and within ten (10) calendar days after the Exclusion/Objection Deadline Date, the Settlement Administrator shall provide the Parties with a complete and accurate list of all Class Members who have validly and timely requested exclusion from the Settlement.

(vi) In addition to other information contained on the Notice, the Notice will include an explanation of the pro rata distribution formula used to determine the share of the Net Settlement Fund that each Class Member may be entitled to receive under the Settlement. The Notice shall request corrected and/or updated name, address, and telephone information, and shall permit the Class Member to challenge or dispute their share of the Net Settlement Fund by submitting a written challenge to the Settlement Administrator stating what they believe to be the correct information and providing supporting documentation. Any such challenges must be mailed to the Settlement Administrator by the Exclusion/Objection Deadline Date. Any such challenges shall be resolved by the Settlement Administrator after conferring with counsel for the Parties, and the decision of the Settlement Administrator shall be final, binding, and non-appealable.

(d) **Non-Solicitation of Opt-Outs / Objections:** The Parties agree that neither they nor their counsel will solicit or otherwise directly or indirectly encourage Class Members to request exclusion from the Class, object to the Settlement, or appeal the Judgment. This provision however does not impact Plaintiff's Counsel's right and obligation to provide accurate

information regarding the terms of the proposed Settlement and Class Members' rights and options under the proposed Settlement.

(e) **Final Approval Hearing:** A Final Approval Hearing to determine final approval of the Settlement shall be conducted subject to the calendar of the Court. No later than thirty (30) calendar days prior to the Final Approval Hearing, the Settlement Administrator shall provide Class Counsel with a Declaration of Compliance to be filed with the Court by Class Counsel. No later than ten (10) calendar days before the Final Approval Hearing, or upon such other schedule as may be directed by the Court, Plaintiff shall file a Motion for Final Approval, a Memorandum of Points and Authorities in Support of the Settlement, and Motion for Attorneys' Fees and Costs and Class Representative Service Award, but will send these documents to Defendants' Counsel for their review, comment, and approval at least one week prior to their filing. Prior to the Final Approval Hearing, Class Counsel shall present the proposed Order Granting Final Approval and Judgment to the Court for its approval and entry. After entry of the Judgment, the Court shall retain continuing jurisdiction over the Litigation for purposes of (i) enforcing this Settlement Agreement, (ii) addressing settlement administration matters, and (iii) addressing such post-Final Judgment matters as may be appropriate under court rules or applicable law. No judgment shall be entered unless it is consistent with the terms of this Agreement. Notice of the Judgment will be posted on the Settlement Administrator's website.

15. **Funding and Distribution of Gross Settlement Fund**

(a) **Funding and Distribution Timelines:** SAS Services, on behalf of Defendants, shall fund the settlement within ten (10) business days after the Effective Date. This Agreement shall not constitute a waiver of the right of any of the Defendants to seek contribution or indemnity against each other.



(b) **Payment of Class Counsel's Attorneys' Fees:** Class Counsel shall submit an application to the Court for an award of attorneys' fees in an amount not to exceed \$66,666.66. The amount awarded by the Court will compensate the firm that represented Plaintiff, the Class for settlement purposes only, and the PAGA Employees in the Litigation. The amount of court-awarded attorneys' fees shall be paid by the Settlement Administrator to Class Counsel within ten (10) business days after the Effective Date. The Settlement Administrator shall issue a Form 1099 to Class Counsel for the payment. Defendants agree not to oppose the request for attorneys' fees so long as it does not exceed \$66,666.66.

(c) **Payment of Litigation Costs and Expenses:** Class Counsel shall submit an application to the Court for reimbursement of out-of-pocket Litigation Costs and Expenses in an amount of no more than \$5,000.00. The amount of court-awarded Litigation Costs and Expenses shall be paid by the Settlement Administrator to Class Counsel within ten (10) business days after the Effective Date. The Settlement Administrator shall issue a Form 1099 to Class Counsel for the payment. Defendants agree not to oppose the request for Litigation Costs and Expenses so long as it does not exceed \$5,000.00.

(d) **Payment of Class Representative Service Award and Compensation for General Release:** Class Counsel on behalf of the Plaintiff shall submit an application to the court for a Class Representative Service Award in the amount of \$10,000 for the Plaintiff. Defendants agree not to object to the Class Representative Service Award of not more than \$10,000 for Plaintiff. The Settlement Administrator shall make payment of the Class Representative Service Award as awarded by the Court to Plaintiff within ten (10) business days after the Effective Date. The Settlement Administrator shall issue a form 1099 to Plaintiff for the payment.

(e) **Payment of Settlement Administration Expenses:** The Settlement Administrator shall receive such amount approved by the Parties and by the Court, from the Gross Settlement Fund, in an amount not to exceed \$9,000 within ten (10) business days after the Effective Date.

(f) **Payment of the LWDA PAGA Payment:** Within ten (10) business days after the Effective Date, the Settlement Administrator shall distribute the LWDA PAGA Payment to the LWDA.

(g) **Approval of Plaintiff's Counsel's Attorneys' Fees, Litigation Costs and Expenses and Class Representative Service Award:** Recovery of Plaintiff's Counsel's Attorneys' Fees, Litigation Costs and Expenses and the award of the Class Representative Service Award are not conditions to this Agreement. Any order or proceeding relating to the application by Class Counsel of an award of attorneys' fees, costs, expenses, or Class Representative Service Award, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel this Agreement. To the extent the Court does not approve the full amount of Plaintiff's Counsel's Attorneys' Fees, Litigation Costs and Expenses, Settlement Administration Expenses, and/or the Class Representative Service Award, and the order is upheld on appeal, the non-approved amounts will be allocated to the Net Settlement Fund for distribution to the Settlement Class Members according to the allocation formula set forth herein.

(h) **Payments to Settlement Class Members and PAGA Employees:** After deducting Class Counsel's Attorneys' Fees, Litigation Costs and Expenses, the Class Representative Service Award, Settlement Administration Expenses, and the LWDA PAGA Payment from the Gross Settlement Fund, the Settlement Administrator shall distribute the entire

PAGA Employee Payment to the PAGA Employees, and the entire Net Settlement Fund to the Settlement Class Members according to the allocation formulas described in Section III, Paragraph 4. Within ten (10) business days after the Effective Date, the Settlement Administrator shall mail a check to each Settlement Class Member and/or to each PAGA Employee via U.S. Mail using the most current mailing address information available, including any address updates obtained through NCOA searches, Social Security Number searches, self-reported address changes, or any other source. Any check issued to a Settlement Class Member or a PAGA Employee shall remain valid and negotiable for one hundred eighty (180) calendar days from the date of issuance. If any check issued to a Settlement Class Member or PAGA Employee is returned as undeliverable, the Settlement Administrator shall make reasonable efforts to locate the Settlement Class Member or PAGA Employee by conducting a National Change of Address Search and skip trace and re-mail the check. After one hundred eighty calendar days (180) from the date of first issuance, if any funds remain resulting from returned and/or uncashed and/or stale checks, those funds shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Code of Civil Procedure § 1500 et seq., for the benefit of those Settlement Class Members or PAGA Employees who did not cash their checks, until such time that they claim their property. The Parties agree that this disposition results in no “unpaid residue” under California Code of Civil Procedure § 384, because the entire Net Settlement Fund will be paid out to the Settlement Class Members and PAGA Employees, whether or not they all cash their checks. Therefore, Defendants shall not be required to pay any interest on the funds distributed to the Controller. Settlement Class Members will be bound by the release of Released Claims and PAGA Employees will be bound by the release of Released PAGA Claims whether or not they cash

their checks.

16. **Notices:**

Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the fifth day after mailing by United States mail, addressed as follows:

To Class Counsel:

R. CRAIG CLARK  
ALICJA A. URTNOWSKI  
**CONSUMER & EMPLOYMENT LAW GROUP**  
3258 Fourth Avenue  
San Diego, CA 92103  
Telephone: (619) 239-1321  
Facsimile: (888) 273-4554

Attorneys for Plaintiff Allison Villanueva

To Defendants' Counsel:

J. ROD BETTS  
DOUGLAS R. OTTENWESS  
**QUARLES & BRADY LLP**  
101 West Broadway, Ninth Floor  
San Diego, CA 92101  
Telephone: (619) 237-5200  
Facsimile: (619) 615-0700

Attorneys for Defendant  
SAS Services San Diego, Inc.

JOHN S. BATTENFELD  
KATHY H. GAO  
DANIEL R. RODRIGUEZ  
**MORGAN, LEWIS & BOCKIUS LLP**  
300 South Grand Avenue  
Twenty-Second Floor  
Los Angeles, CA 90071-3132  
Telephone: (213) 612-2500  
Facsimile: (213) 612-2501

Attorneys for Defendants  
G2 Secure Staff, L.L.C. and G2 Secure Staff CA, L.P.

**17. Defendants' Option to Void Agreement:**

It is understood and agreed by the Parties that the formula for the distribution of the Net Settlement Fund and the procedure for effectuating this Settlement are subject to approval by the Court. However, if any court order or action of the Court requires Defendants or any other Releasee to pay any portion of the Gross Settlement Fund to any person or entity other than as provided herein, or pay more than the amounts specified in this Agreement (including cash payments to the Class, Class Counsel's Attorneys' Fees, Litigation Costs and Expenses, Settlement Administration Expenses, Class Representative Service Award, and the PAGA Payment), the Agreement shall be voidable by Defendants by written notice by any of them to Class Counsel, no later than twenty (20) calendar days after Defendants receive notice of entry of any such order.

If Defendants exercise a right under this Agreement to void this Agreement, or if the Court fails to approve this Agreement, neither Defendants nor any other Releasee shall have any obligation to make any payments under this Agreement and Defendants shall receive a return of any funds already paid. Defendants agree to pay to the Settlement Administrator directly all of the Settlement Administration Expenses under those circumstances.

**18. No Publicity:**

The Parties and their respective counsel shall not issue any press release or media release or have any communication with the press or media regarding this Settlement. Class Counsel may, however, respond to any inquiries from Class Members or PAGA Employees regarding the Settlement.

**19. CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY**

TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS

AGREEMENT.

20. **Entire Agreement:**

After this Agreement is fully executed by all Parties and their attorneys of record, this Agreement and its Exhibits (along with Plaintiffs' separate Confidential Settlement Agreement with Defendant G2) shall constitute the entire agreement relating to settlement of this Litigation and the causes of action and defenses asserted therein, and it shall then be deemed that no oral representations, warranties or inducements have been made to any party concerning this Agreement other than the representations, warranties and covenants expressly stated in this Agreement.

21. **Authorization:**

Plaintiff's Counsel warrant and represent that they are authorized by Plaintiff, for whom they are the attorneys of record, and the attorneys of record for Defendants warrant and represent that they are authorized by Defendants, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties agree to seek the assistance of the court, and in all cases all such documents, supplemental provisions and assistance of the court shall be consistent with this Agreement.

22. **Jurisdiction:**

The court shall have continuing jurisdiction to resolve any dispute which may arise with

regard to the terms and conditions of this Agreement. Except where the context indicates otherwise, references to the court shall also include any other courts that take jurisdiction of the Litigation, or any to whom the court has referred the matter. In the event that one or more of the Parties institutes an action or proceeding to enforce the provisions of this Settlement, or declare rights and/or obligations under this Settlement, the prevailing Party shall be entitled to recover reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement action.

**23. Interim Stay of Proceedings:**

Pending completion of all of the prerequisites necessary to effectuate this Settlement, the Parties agree, subject to Court approval, to a stay of all proceedings in the Litigation except such as are necessary to effectuate the Settlement.

**24. Modification:**

This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by Class Counsel and Defendants' Counsel or their successors-in-interest. Amendments and modifications may be made without additional notice to the Class unless such notice is required by the Court.

**25. Successors:**

This Agreement shall be binding upon, and inure to the benefit of, the successors of each of the Parties.

**26. California Law:**

All terms of this Agreement and its Exhibits shall be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.



**27. Representation by Counsel:**

The Parties have each been represented by counsel and have cooperated in the drafting and preparation of this Agreement. This Agreement shall not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

**28. Counterparts:**

This Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Any executed counterpart shall be admissible in evidence to prove the existence and contents of this Agreement.

**29. Incorporation of Exhibits:**

All exhibits attached hereto are incorporated by reference and are a material part of this Agreement. Any notice, order, judgment or other exhibit that requires approval of the Court must be approved without material alteration from its current form in order for this Agreement to become effective.

**30. Reasonableness of Settlement:**

The Parties believe that this is a fair, reasonable, and adequate Settlement and have arrived at this Settlement through arms-length negotiations, taking into account all relevant factors, present and potential.

**31. Waiver of Right to be Excluded:**

By signing this Agreement, Plaintiff agrees to be bound by its terms and agrees not to request to be excluded from the Class. Any such request for exclusion by Plaintiff shall be void and of no force or effect.

**32. Final Order and Judgment:**

Upon final approval of the Settlement, an Order Granting Final Approval and Judgment

shall be entered by the court which shall, among other things:

(a) Grant final approval to the Settlement as fair, reasonable, adequate, in good faith and in the best interests of the Class and the PAGA Employees, as a whole, and order the Parties to carry out the provisions of this Agreement.

(b) Award amounts for Plaintiff's Counsel's Attorneys' Fees, Litigation Costs and Expenses, the Class Representative Service Award, Settlement Administration Expenses and the PAGA Payment.

(c) Adjudge that the Settlement Class Members and PAGA Employees are upon the Effective Date conclusively deemed to have released Defendants and the Releasees pursuant to Paragraphs 6-8 of Section III hereof.

(d) Bar and permanently enjoin each Settlement Class Member and PAGA Employee from prosecuting against the Releasees any and all of the Released Claims and Released PAGA Claims.

(e) Reserve continuing jurisdiction as provided herein.

Dated: January , 2024  
18/01/2024

  
Allison Villanueva (Jan 18, 2024 14:46 PST)  
\_\_\_\_\_  
ALLISON VILLANUEVA,  
PLAINTIFF

Dated: January , 2024

DEFENDANT SAS SERVICES SAN DIEGO, INC.

By \_\_\_\_\_  
WESAM ABOUELATA,  
PRESIDENT

Dated: January , 2024


DEFENDANTS G2 SECURE STAFF, L.L.P. & G2  
SECURE STAFF CA, L.P.

By \_\_\_\_\_  
TONYA HOLT  
GENERAL COUNSEL

**APPROVED AS TO FORM AND EXPRESS PROVISIONS RELATING TO COUNSEL  
ONLY:**

Dated: January 18, 2024

CONSUMER & EMPLOYMENT LAW GROUP

By  \_\_\_\_\_  
R. CRAIG CLARK  
ALICJA A. URTNOWSKI  
Attorneys for Plaintiff  
ALLISON VILLANUEVA

Dated: January , 2024

QUARLES & BRADY LLP

By \_\_\_\_\_  
J. ROD BETTS  
DOUGLAS R. OTTENWESS  
Attorneys for Defendant  
SAS SERVICES SAN DIEGO, INC.

Dated: January , 2024

MORGAN, LEWIS & BOCKIUS, LLP

By \_\_\_\_\_  
JOHN S. BATTENFELD  
KATHY H. GAO  
DANIEL R. RODRIGUEZ  
Attorneys for Defendants  
G2 SECURE STAFF, L.L.C. &  
G2 SECURE STAFF CA, L.P.