

1 Shaun Setareh (SBN 204514)
shaun@setarehlaw.com
2 William M. Pao (SBN 210846)
william@setarehlaw.com
3 Nolan Dilts (SBN 328904)
nolan@setarehlaw.com
4 SETAREH LAW GROUP
9665 Wilshire Boulevard, Suite 430
5 Beverly Hills, California 90212
Telephone (310) 888-7771
6 Facsimile (310) 888-0109

7 Attorneys for Plaintiff
JOHNNY ESPARZA

8
9 ROD M. FLIEGEL, Bar No. 168289
rfliegel@littler.com
ALISON S. HIGHTOWER, Bar No. 112429
10 aheightower@littler.com
LITTLER MENDELSON, P.C.
11 333 Bush Street, 34th Floor
San Francisco, CA 94104
12 Telephone: 415.433.1940
Fax No.: 415.399.8490

13 Attorneys for Defendants
14 MARYLAND MARKETSOURCE, INC.,
ALLEGIS GROUP, INC., and ALLEGIS GROUP
15 HOLDINGS, INC.

16
17 SUPERIOR COURT OF THE STATE OF CALIFORNIA
18 FOR THE COUNTY OF SAN MATEO
19

20 JOHNNY ESPARZA, on behalf of himself,
all others similarly situated,

21 Plaintiff,

22 v.

23 MARYLAND MARKETSOURCE, INC.,
24 a Maryland corporation, ALLEGIS
GROUP, INC., a Maryland corporation;
25 ALLEGIS GROUP HOLDINGS, INC., a
Maryland corporation; and DOES 1
26 through 50, inclusive,

27 Defendants.
28

Case No. 18-CIV-01821

Complex Civil Litigation

ASSIGNED FOR ALL PURPOSES TO THE
HON. V. RAYMOND SWOPE, DEPT. 23

**STIPULATION OF CLASS ACTION
SETTLEMENT**

1 IT IS HEREBY STIPULATED, by and between Plaintiff JOHNNY ESPARZA
2 (“Plaintiff”), individually and on behalf of all others similarly situated, on the one hand, and
3 Defendants MARYLAND MARKETSOURCE, INC., ALLEGIS GROUP, INC., AND ALLEGIS
4 GROUP HOLDINGS, INC. (“Defendants”), on the other hand, and subject to the approval of the
5 Court, that the Action is hereby compromised and settled pursuant to the terms and conditions set forth
6 in this Agreement of Class Action Settlement (“Settlement,” “Settlement Agreement” or
7 “Agreement”) and that the Court shall make and enter judgment, subject to the continuing jurisdiction
8 of the Court as set forth below, and subject to the definitions, recitals, and terms set forth herein which
9 by this reference become an integral part of this Agreement. Plaintiff and Defendants are collectively
10 referred to as the “Parties.”

11 DEFINITIONS

12 In addition to other terms defined in this Agreement, the terms below have the
13 following meaning in this Agreement:

14 1. “Action” means the putative class action entitled *Johnny Esparza v. Maryland*
15 *MarketSource, Inc., et al.*, pending in the California Superior Court for the County of San Mateo, Case
16 No. 18-CIV-01821.

17 2. “Plaintiff’s Counsel” means Shaun Setareh, William M. Pao, and Nolan Dilts of the
18 Setareh Law Group.

19 3. “Class Counsel” means Shaun Setareh, William M. Pao, and Nolan Dilts of the Setareh
20 Law Group.

21 4. “Class Counsel Award” means reasonable attorneys’ fees for Class Counsel’s litigation
22 and resolution of this Action, not to exceed one-third (1/3) of the Gross Settlement Amount or Three
23 Hundred and Ninety-Nine Thousand, Four Hundred and Fifty-Eight Dollars, and Thirty-Three Cents
24 (\$399,458.33), and Class Counsel’s expenses and costs reasonably incurred in connection with the
25 Action, not to exceed Twelve Thousand Five Hundred Dollars (\$12,500.00).

26 5. “Class Information” means information regarding Settlement Class Members that
27 Defendants, through its Defense Counsel, shall in good faith compile from available records and shall
28 be authorized by the Court to transmit in a secured manner to the Settlement Administrator only. Class

5-3-22

1 Information shall be transmitted in electronic form, readily usable, and shall include: each Settlement
2 Class Member's full name; Social Security number; and residential and email address, where
3 available.

4 6. "Class Notice" means the Notice of Class Action Settlement, substantially in the form
5 attached as **Exhibit 1A**, which shall be subject to Court approval and which the Settlement
6 Administrator shall initially email, when available, with a follow up notice provided by postcard via
7 regular U.S. First-Class Mail (**Exhibit 1B**), to explain the terms of this Agreement and the Settlement,
8 to include the timing and manner in which to request exclusion from the Settlement, to object to the
9 Settlement, to dispute the information upon which their Individual Settlement Award will be
10 calculated, and will inform the Settlement Class of the date, place, and time of the Final Approval
11 Hearing.

12 7. "Class Representative Service Award" means the amount that the Court authorizes to
13 be paid to Plaintiff, in addition to Plaintiff's Individual Settlement Award, in recognition of Plaintiff's
14 efforts and risks in assisting with the prosecution of the Action and in exchange for executing a general
15 release.

16 8. "Defendants" means Defendants Maryland MarketSource, Inc., Allegis Group, Inc.,
17 and Allegis Group Holdings, Inc.

18 9. "Defense Counsel" means Rod M. Fliegel from Littler Mendelson, P.C.

19 10. "Effective Date" of the Settlement means the latest date of occurrence of any of the
20 following:

21 a. the Court has entered both a Final Approval Order approving this Settlement
22 and the Final Judgment;

23 b. sixty-one (61) calendar days after the period for appeal from the Final Approval
24 or Judgment has expired if no appeal, review or writ is sought from Final Approval or the Judgment;
25 or,

26 c. if an appeal, review or writ is sought from Final Approval or Judgment, thirty-
27 one (31) calendar days after the petition has been denied or dismissed, or, if granted, Final Approval
28 and final judgment is affirmed in a form substantially identical to the form of the Final Approval Order

5-3-22

1 entered by the Court with no possibility of subsequent appeal or other judicial review therefrom, or
2 the date the appeal or other judicial review therefrom are fully dismissed with no possibility of
3 subsequent appeal, writ or other judicial review.

4 11. “Settlement Class” consists of all persons who were the subject of a background report
5 (including a consumer report and investigative consumer report) obtained by Defendant Maryland
6 MarketSource, Inc. from and including April 12, 2013 through and including October 26, 2014, which
7 Defendants estimate includes approximately 19,174 employees. If the total number of Settlement
8 Class members exceeds 19,174 by more than five percent (5%), i.e. the number exceeds 20,133,
9 Defendants shall have the option to either augment the Gross Settlement Amount by \$62.50 for each
10 Settlement Class member that exceeds 20,133, or modify the class period so that it ends on the date
11 when the Settlement Class members do not exceed 20,133.

12 12. “Settlement Class Member” means all persons who were the subject of a background
13 report (including a consumer report and investigative consumer report) obtained by Defendant
14 Maryland MarketSource, Inc. from and including April 12, 2013 through and including October 26,
15 2014.

16 13. “Final Approval” means a date after the Preliminary Approval Order on which the
17 Court enters an order granting final approval of this class action settlement and enters judgment in
18 accordance with this Agreement in the form attached as **Exhibit 3** or a form substantially similar
19 thereto.

20 14. “Final Approval Hearing” means the hearing to be conducted by the Court after the
21 filing by Plaintiff of an appropriate motion for approval of the Settlement, following the appropriate
22 notice to Settlement Class Members giving Settlement Class Members an opportunity to object to the
23 Settlement, at which time Plaintiff shall request that the Court finally approve the fairness,
24 reasonableness and adequacy of the terms and conditions of the Settlement, enter the Final Order and
25 Judgment, and take other appropriate action.

26 15. “Final Order and Judgment” means the order and judgment to be entered by the Court
27 at the time of the Final Approval Hearing upon granting final approval of the Settlement and this
28

1 Agreement as binding upon the Parties and Settlement Class Members in a form attached as **Exhibit 3**
2 or substantially similar thereto.

3 16. “Gross Settlement Amount” means the maximum amount Defendants shall have to pay
4 in connection with this Settlement, by way of a Qualified Settlement Fund, which shall be inclusive
5 of: (a) attorneys’ fees, expenses and costs incurred by Plaintiff’s Counsel, subject to Court approval;
6 (b) the Class Representative Service Award in an amount approved by the Court; (c) any Court-
7 approved costs for Class Notice and settlement administration by a third-party administrator selected
8 by agreement of the Parties and approved by the Court; and (d) all payments to Participating Settlement
9 Class Members. To the extent the Court reduces the amounts sought in any of the categories
10 (a) through (c) above, those unapproved amounts will be reallocated to the Settlement Class Members
11 as described as follows: The Net Settlement Amount, after deductions of items (a) through (c)
12 inclusive, will be paid pro rata to Settlement Class Members who do not timely exclude themselves
13 without reversion for unclaimed funds, and any remaining/unclaimed monies shall be distributed to
14 an agreed *cy pres* recipient approved by the Court. Subject to Court approval and the terms of this
15 Agreement, the Gross Settlement Amount Defendants shall be required to pay is One Million, One
16 Hundred and Ninety-Eight Thousand, and Three Hundred and Seventy-Five Dollars and Zero Cents
17 (\$1,198,375.00). No matter the circumstances, Defendants shall pay no more than the amount of the
18 Gross Settlement Amount. Defendants reserve the right to void the Agreement where any court orders
19 payment of an amount in excess of the Gross Settlement Amount or otherwise enters any order that
20 would or could require Defendants to do so. Each Settlement Class Member shall be responsible for
21 paying any taxes due on their Individual Settlement Award. The Gross Settlement Amount shall be
22 all-in with no reversion to Defendants.

23 17. “Individual Settlement Award” means the amount payable from the Net Settlement
24 Amount to each Settlement Class Member for their payment from the class fund.

25 18. “Net Settlement Amount” is the amount remaining in the class fund after deducting
26 from the Gross Settlement Amount the Court-approved Settlement Administration Costs, Class
27 Counsel Award, and the Class Representative Service Award. The settlement funds remaining after
28

1 deductions from the class fund shall be the Net Settlement Amount distributed to the Participating
2 Settlement Class Members.

3 19. “Notice of Objection” means a Settlement Class Member’s written objection to the
4 Settlement.

5 20. “Notice Packet” means the Court-approved Class Notice attached as **Exhibit 1A and**
6 **1B** and pre-printed return envelope to be e-mailed and mailed via regular First-Class U.S. Mail to all
7 members of the Class.

8 21. “Parties” means Plaintiff and Defendants.

9 22. “Participating Settlement Class Members” means all Settlement Class Members who
10 do not submit a valid and timely request for exclusion on or before the Response Deadline and who
11 shall be bound by all terms of the Settlement, if the Settlement is approved by the Court, and be issued
12 their Individual Settlement Award.

13 23. “Plaintiff” means the named Plaintiff, Johnny Esparza.

14 24. “Preliminary Approval Order” means the order to be issued by the Court preliminarily
15 approving the Settlement, the Class Notice, and authorizing the sending of the Notice Packet via e-
16 mail and U.S. First-Class Mail by the Settlement Administrator, appointing Plaintiff as the Class
17 Representative, Plaintiff’s Counsel as Class Counsel, and American Legal Claims Services as the
18 Settlement Administrator, and setting the date of the Final Approval Hearing, among other things,
19 substantially in the form attached as **Exhibit 2**. Class Counsel shall provide Defense Counsel with a
20 reasonable opportunity to review, and provide comments on, the Motion for Preliminary Approval of
21 the Settlement at least seven (7) calendar days before the Motion for Preliminary Approval of the
22 Settlement and supporting papers are filed with the Court.

23 25. “Released Claims” shall have the meaning set forth in Paragraph 44 and its subparts,
24 below.

25 26. “Released Parties” refers to each of the Defendants, all affiliated entities, and their past,
26 present, and future parent companies, holding companies, limited liability companies, affiliates,
27 subsidiaries, divisions, predecessors, successors, partners, owners, joint ventures, affiliated
28 organizations, shareholders, insurers, reinsurers and assigns, and each of its/their past, present and

1 future officers, directors, members, managers, trustees, subcontractors, customers, agents, employees,
2 attorneys, contractors, representatives, plan fiduciaries and/or administrators, benefits plans sponsored
3 or administered by Defendants or affiliated entities, or divisions, units, branches, and any other persons
4 or entities acting by, through, under or in concert with them.

5 27. “Settlement Class Members’ Released Claims” means and includes all manner of
6 action, causes of action, claims, demands, rights, suits, obligations, restitution, debts, contracts,
7 agreements, promises, liabilities, damages, charges, penalties, losses, costs, expenses, and attorneys’
8 fees, of any nature whatsoever, known or unknown, in law or equity, fixed or contingent, which
9 Plaintiff and Settlement Class Members have or may have against the Released Parties arising out of
10 or relating to any allegations made in the Action, any legal theories that could have been raised based
11 on the allegations in the Action, and all claims of any kind relating in any way to, or arising out of,
12 background checks and/or consumer reports of any kind presented in the Action based on the facts
13 alleged in the Complaint, including but not limited to claims under the Fair Credit Reporting Act
14 (“FCRA”) (15 U.S.C. §§ 1681 *et seq.*), California Consumer Credit Reporting Agencies Act (Cal. Civil
15 Code §§ 1785 *et seq.*), California Investigative Consumer Reporting Agencies Act (Cal. Civil Code
16 §§ 1786 *et seq.*), and California Business and Professions Code §§ 17200 *et seq.* “Settlement Class
17 Members’ Released Claims” includes claims for actual, statutory, liquidated, punitive or any other
18 form of damages, as well as for attorneys’ fees and costs. “Settlement Class Members’ Released
19 Claims” shall be construed as broadly as possible to effect complete finality over this Action.

20 28. “Response Deadline” means the date sixty (60) calendar days after the Settlement
21 Administrator mails the Notice Packets to Settlement Class Members and the last date on which
22 Settlement Class Members may postmark an objection to or opt out of the Settlement. To the extent
23 any mailed Notice Packet is returned as undeliverable, such person shall be permitted at least forty-
24 five (45) calendar days from any re-mailing of the Notice Packet to submit their objection or request
25 to opt out, but in no event later than thirty (30) calendar days after the close of the Response Deadline.

26 29. “Settlement Administrator” shall be American Legal Claims Services or such other
27 administrator agreed to by the Parties, subject to Court approval, that maintains adequate measures to
28 safeguard the security of class data.

30. "Settlement Administration Costs" means the reasonable costs and fees of administration of the Settlement to be paid from the Gross Settlement Amount, including but not limited to: (i) emailing the Notice Packets to Settlement Class Members; (ii) printing and mailing and re-mailing (if necessary) of Notice Packets to Settlement Class Members; (iii) establishing a URL to a website, maintained by the Settlement Administrator, that has links to the long-form Class Notice, the postcard notice, the motions for preliminary and final settlement approval, the motion for attorneys' fees and costs, and other information and documents filed in Court related to the Settlement; (iv) hosting a static "IVR" toll-free line to provide Settlement Class Members answers to frequently asked questions as approved by counsel for all Parties; (v) establishing a post office box for the return of Settlement Class Member communications; (vi) preparing and submitting to Settlement Class Members and government entities all appropriate tax filings and forms; (vii) computing the amount of and distributing Individual Settlement Awards, the Class Representative Service Award, and the Class Counsel Award; (viii) processing requests for exclusion and Notices of Objection; (ix) establishing a Qualified Settlement Fund, as defined by the Internal Revenue Code; and (x) issuing all required tax forms (e.g., 1099s) and providing all required tax reporting not already covered in subpart (vi), *supra*. The Settlement Administration Costs shall not exceed the amount estimated by the Settlement Administrator and approved by the Court to administrate the Settlement of the class.

RECITALS

31. Procedural History. On April 12, 2018, Plaintiff filed a Class Action Complaint in the California Superior Court for the County of San Mateo, Case No. 18CIV01821 (the "Action"). Defendants removed the Action to federal court in San Francisco. Plaintiff filed a First Amended Complaint on July 26, 2018. Plaintiff later stipulated to dismissing some of the claims in the First Amended Complaint. The Action was subsequently transferred to Maryland in October 2018. Plaintiff's Motion to Remand to the Superior Court was granted in February 2020. The claims currently pending in the Action include the following causes of action: (1) Violation of 15 U.S.C. §§ 1681b(b)(2)(A); (2) Violation of 15 U.S.C. §§ 1681d(a)(1) and 1681g(c); (3) Violation of California Civil Code §§ 1786 *et seq.*; and (4) Violation of California Civil Code §§ 1785 *et seq.* The

1 Unfair Competition claim (Bus. & Prof. Code §§ 17200 *et seq.*) was dismissed with prejudice as to
2 Plaintiff and without prejudice as to the putative class.

3 32. Settlement Negotiations. On July 29, 2021, the Parties participated in a private
4 mediation session before the Honorable Ronald M. Sabraw (Ret.), a retired Superior Court judge and
5 well-regarded and experienced class action mediator. Following the mediation, the Parties continued
6 to engage in informal settlement discussions, ultimately reaching a resolution.

7 33. Benefits of Settlement to Plaintiff and the Settlement Class Members. Plaintiff and
8 Class Counsel recognize the expense and length of continued proceedings necessary to litigate
9 Plaintiff's disputes in the Action through trial and through any possible appeals. Plaintiff also has
10 taken into account the uncertainty and risks of the outcome of further litigation, and the difficulties
11 and delays inherent in such litigation. Plaintiff and Class Counsel are also aware of the burdens of
12 proof necessary to establish liability for the claims asserted in the Action, both generally and in
13 response to Defendants' defenses thereto, the difficulties in obtaining class certification, and the
14 difficulties in establishing damages, penalties, restitution, and other relief sought in the Action.
15 Plaintiff and Class Counsel also have taken into account Defendants' agreement to enter into a
16 settlement that confers substantial benefits upon the Settlement Class Members. Based on the
17 foregoing, Plaintiff and Class Counsel have determined that the Settlement set forth in this Agreement
18 is fair, adequate, and reasonable and is in the best interests of all Settlement Class Members.

19 34. Defendants' Reasons for Settlement. Defendants recognize that any further defense of
20 the Action would be protracted and expensive for all Parties. Substantial amounts of Defendants'
21 time, energy, and resources have been, and unless this Settlement is completed, shall continue to be,
22 devoted to the defense of the claims asserted by Plaintiff. Defendants have also taken into account the
23 risks of further litigation in reaching its decision to enter into this Settlement. Even though Defendants
24 contend they are not liable for the claims alleged by Plaintiff in the Action, Defendants have agreed,
25 nonetheless, to settle in the manner and upon the terms set forth in this Agreement and to put to rest
26 the claims alleged in this Action. Nothing contained in this Agreement, no documents referred to
27 herein, and no action taken to carry out this Agreement, shall be construed or used as an admission by
28 or against Defendants as to the merits of the claims asserted in the Action or of any purported "notice"

1 to Defendants of any supposed deficiencies. Defendants contend they have complied with all
2 applicable state, federal, and local laws at all times material to the Action.

3 35. The Parties stipulate to the conditional certification of the Settlement Class for purposes
4 of this Settlement only. This Agreement is contingent upon the Preliminary Approval Order, Final
5 Order and Judgment, and certification of the Settlement Class by the Court for purposes of this
6 Settlement. Should this Settlement not become final, for whatever reason, the Parties' stipulation to
7 class certification as part of this Settlement shall become null and void *ab initio*, and the fact that the
8 Parties were willing to stipulate provisionally to class certification as part of this Settlement shall have
9 no bearing on, and shall not be admissible in connection with, the issue of whether a class should be
10 certified in a non-settlement context in the Action, and shall not be admissible for any purpose in any
11 action. Nothing in this Agreement will be construed as an admission or acknowledgement of any kind
12 that any class should be certified in the Action or in any other action or proceeding.

13 36. Defendants expressly reserve the right and declare that Defendants intend to oppose
14 class certification vigorously should this Settlement not result in a Final Order and Judgment by the
15 Court, or be modified or reversed on appeal or otherwise not become final. If for any reason this
16 Agreement does not become effective, Defendants reserve the right to contest certification of any class
17 for any reason. Defendants do not concede the merits of Plaintiff's contentions regarding the
18 suitability of the litigation for class certification under the California Code of Civil Procedure, but
19 have agreed to resolve the litigation through this Settlement in recognition of the expense and risk of
20 continuing with the litigation and in the belief that the Settlement is fair, adequate, and reasonable.
21 Therefore, in entering into this Agreement, it is the Parties' mutual intention and agreement that if, for
22 any reason, the Settlement Agreement does not become final, the conditional class certification will
23 be vacated, Plaintiff and Defendants will retain all rights to support or oppose certification for the
24 purposes of litigation, and any certification arising from the Court's Final Approval Hearing of this
25 Settlement may not be used by Plaintiff or Defendants in support of any argument for or against
26 certification of any class. Plaintiff will not be deemed to have waived, limited or affected in any way
27 any claims, rights or remedies in the Action, and Defendants will not be deemed to have waived,
28 limited, or affected in any way any of its claims, rights, remedies, objections or defenses in the Action.

1 Neither the provisional certification nor, if ultimately approved, the certification of the Settlement
2 Class to consummate this Settlement shall constitute a determination by the Court that a plaintiff class
3 should be certified for purposes of trial or for any other purpose in any action. Thus, if any appeal is
4 successful, the Court's certification of the class for settlement purposes shall be deemed void *nunc pro*
5 *tunc*.

6 Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

7 **TERMS OF SETTLEMENT**

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

10 37. Binding Settlement. This Settlement shall bind the Parties and all Settlement Class
11 Members, subject to the terms and conditions hereof and the Court's approval.

12 38. Gross Settlement Amount. Subject to the terms and conditions of this Agreement, the
13 Gross Settlement Amount that Defendants will pay under this Settlement is the total sum of One
14 Million, One Hundred and Ninety-Eight Thousand, and Three Hundred and Seventy-Five Dollars and
15 No Cents (\$1,198,375.00) for payment of all claims, including all Individual Settlement Awards to
16 Participating Settlement Class Members, Class Counsel Award, Settlement Administration Costs, and
17 the Class Representative Service Award. No matter the circumstances, Defendants shall pay no more
18 than the Gross Settlement Amount. Defendants reserve the right to void any settlement agreement
19 where any court orders payment of an amount in excess of the Gross Settlement Amount or otherwise
20 enters any order that would or could require Defendants to do so. Defendants further have the right to
21 void settlement if two percent (2%) or more of the Settlement Class timely opts out. Except that in
22 the event Defendants exercise their right to void the settlement agreement as provided above, any fees
23 due and owing to the Settlement Administrator shall be paid by Defendants. Each Settlement Class
24 Member shall be responsible for paying any taxes due on their settlement. The Gross Settlement
25 Amount shall be all-in with no reversion to Defendants.

26 39. Payments from the Gross Settlement Amount. Subject to the terms and conditions of
27 this Agreement, the Settlement Administrator will make the following payments to be deducted from
28

1 the Gross Settlement Amount (20) calendar days after the Effective Date of the Settlement in the
2 amounts approved by the Court as follows:

3 a. Class Representative Service Award. Subject to Court approval, Plaintiff shall
4 be paid a Class Representative Service Award not to exceed Seven Thousand, Five Hundred Dollars,
5 and No Cents (\$7,500.00), or any lesser amount as awarded by the Court, for his time and effort in
6 bringing and presenting the Action, and his risks undertaken for the payment of costs in the event of
7 loss. Defendants shall not oppose or object to Plaintiff's request for a Class Representative Service
8 Award in an amount not to exceed Seven Thousand, Five Hundred Dollars, and No Cents (\$7,500.00).
9 The Class Representative Service Award shall be paid to Plaintiff from the Gross Settlement Amount
10 no later than fourteen (14) calendar days after Defendants provide the Settlement Administrator with
11 the Gross Settlement Amount. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiff
12 for his Class Representative Service Award. Plaintiff shall be solely and legally responsible to pay
13 any and all applicable taxes on his Class Representative Service Award. The Class Representative
14 Service Award shall be made in addition to Plaintiff's Individual Settlement Award. The Court-
15 approved Class Representative Service Award shall be paid solely from the Gross Settlement Amount.
16 Any amount requested by Plaintiff for the Class Representative Service Award and not awarded by
17 the Court shall become part of the Net Settlement Amount and made available for distribution to
18 Participating Settlement Class Members.

19 b. Class Counsel Award. Subject to Court approval, Class Counsel shall be
20 entitled to receive reasonable attorneys' fees in an amount not to exceed one-third (1/3) of the Gross
21 Settlement Amount, which amounts to Three Hundred and Ninety-Nine Thousand Dollars, Four
22 Hundred and Fifty-Eight Dollars, and Thirty-Three Cents (\$399,458.33). In addition, subject to Court
23 approval, Class Counsel shall be entitled to an award of reasonable costs associated with Class
24 Counsel's prosecution of the Action, which are properly documented in Class Counsel's billing
25 statements, in an amount not to exceed Twelve Thousand Five Hundred Dollars (\$12,500.00). Class
26 Counsel shall provide the Settlement Administrator with a properly completed and signed IRS Form
27 W-9 in order for the Settlement Administrator to process the Class Counsel Award approved by the
28 Court. Defendants shall not oppose or object to Plaintiff's request for an award of attorneys' fees or

1 litigation costs in the amounts referenced above. This is not, and shall not, be construed as a “clear
2 sailing” provision. In the event the Court awards Class Counsel less than one-third (1/3) of the Gross
3 Settlement Amount in attorneys’ fees and/or less than Twelve Thousand Five Hundred Dollars
4 (\$12,500.00) in costs, the difference shall become part of the Net Settlement Amount and made
5 available for distribution to the Participating Settlement Class Members. Class Counsel shall be paid
6 any Court-awarded attorneys’ fees and costs no later than fourteen (14) calendar days after Defendants
7 provide the Settlement Administrator with the Gross Settlement Amount. Class Counsel shall be
8 solely and legally responsible to pay all applicable taxes on the Class Counsel Award. The Settlement
9 Administrator shall issue an IRS Form 1099 to Class Counsel for the Class Counsel Award. The
10 Court-approved Class Counsel Award shall be paid solely from the Gross Settlement Amount.

11 c. Settlement Administration Costs. The settlement administration fees and
12 expenses, which are estimated not to exceed Forty Thousand Dollars (\$40,000.00), shall be paid from
13 the Gross Settlement Amount to American Legal Claims Services, or such other administrator agreed
14 to by the Parties and approved by the Court. Settlement Administration Costs shall not exceed the
15 reasonable estimate to administer the Settlement of the class without Court approval. Court-approved
16 Settlement Administration Costs shall be paid solely from the Gross Settlement Amount. Seven (7)
17 calendar days prior to Plaintiff filing a motion for final approval of this Settlement, the Settlement
18 Administrator shall provide the Parties with a declaration detailing services it has rendered with
19 respect to noticing the Class, and costs incurred and to be incurred in concluding its responsibilities
20 under the terms of this Agreement. The Parties agree to cooperate in the administration process and
21 to make all reasonable efforts to control and minimize Settlement Administration Costs.

22 i. The Parties each represent they do not have any financial interest in the
23 Settlement Administrator or otherwise have a relationship with the Settlement Administrator that
24 could create a conflict of interest.

25 ii. The Settlement Administrator shall keep the Parties timely apprised of
26 the performance of all Settlement Administrator responsibilities required by the Settlement, and to
27 provide weekly status reports regarding the mailing of the Notice Packets, returned as undeliverable
28 Notice Packets, and efforts to locate updated addresses and re-mailing of such Notice Packets. The

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

4 40. Payments from the Net Settlement Amount - Individual Settlement Awards. Subject
5 to the terms and conditions of this Agreement, Individual Settlement Awards shall be paid by the
6 Settlement Administrator to the Participating Settlement Class Members from the Net Settlement
7 Amount.

8 a. Individual Settlement Award payments shall be made by check and made
9 payable to each Participating Settlement Class Member as set forth in this Agreement.

10 b. Individual Settlement Awards to Participating Settlement Class Members shall
11 not be subject to payroll tax withholdings. The Settlement Administrator shall issue an IRS Form
12 1099 to Plaintiff and to each Participating Settlement Class Member for the portion of each Individual
13 Settlement Award payment allocated to FCRA payments to the extent required by law.

14 c. Distribution of Individual Settlement Awards. The Individual Settlement
15 Awards shall be mailed by the Settlement Administrator by regular First-Class U.S. Mail to each
16 Participating Settlement Class Member’s last known mailing address within fourteen (14) calendar
17 days after Defendants provide the Settlement Administrator with the Gross Settlement Amount. Prior
18 to mailing the Individual Settlement Awards, the Settlement Administrator shall perform another skip-
19 trace on Notice Packets returned as undelivered to update and correct any known or identifiable
20 address changes.

21 d. Individual Settlement Award checks shall remain negotiable for one hundred
22 and eighty (180) calendar days from the date of mailing. A postcard reminding Participating
23 Settlement Class Members to negotiate or cash their Individual Settlement Award checks before the
24 void date will be mailed by the Settlement Administrator sixty (60) calendar days after issuance of the
25 Individual Settlement Award payments to those Participating Settlement Class Members who have
26 not negotiated their checks by that time. If an Individual Settlement Award check remains uncashed
27 after one hundred and eighty (180) calendar days from issuance, the Settlement Administrator shall
28

1 void any such uncashed checks. Thereafter, any uncashed checks shall be distributed to the
2 Employment Rights Project of Bet Tzedek or to a mutually agreed-upon and Court-approved *cy pres*.

3 e. Any failure of a Settlement Class Member to deposit a check shall not affect
4 the enforceability of the release of all claims, as the Parties jointly agree that valid consideration for
5 the same is the offer of monetary consideration by means of the offer of settlement and mailing of
6 settlement checks.

7 f. No Credit Toward Benefit Plans. The Individual Settlement Award payments
8 made to Participating Settlement Class Members under this Settlement will not be utilized to calculate
9 any additional benefits under any benefit plan to which any Settlement Class Members may be eligible,
10 including but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans,
11 vacation plans, sick leave plans, paid time off plans, and any other benefit plans. Rather, it is the
12 Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts
13 to which any Settlement Class Members may be entitled under any benefit plans.

14 41. Settlement Administration.

15 a. Class Information. Within twenty (20) calendar days of entry of the Preliminary
16 Approval Order, Defendants shall provide the Settlement Administrator with the Class Information
17 for purposes of mailing the Notice Packets to Settlement Class Members. The Class Information shall
18 be considered confidential, shall not be disclosed to anyone other than Defense Counsel and the
19 Settlement Administrator, and shall be returned to Defense Counsel at the conclusion of the matter
20 upon request. Specifically, the Settlement Administrator shall not provide the Class Information to
21 Class Counsel.

22 b. Notice by Email When Available. Within seven (7) business days after
23 receiving the Class Information from Defendants as provided herein, the Settlement Administrator
24 shall send copies of the Class Notice to all Settlement Class Members via email, where available.
25 Should the email not be available or deliverable, the Settlement Administrator shall send a follow up
26 notice by postcard via regular First-Class U.S. Mail. The Settlement Administrator shall perform a
27 search based on the National Change of Address database maintained by the United States Postal
28 Service to update and correct any known or identifiable address changes. The Settlement

1 Administrator shall exercise its best judgment to determine the current mailing address for each
2 Settlement Class Member. The address identified by the Settlement Administrator as the current
3 mailing address shall be presumed to be the most current mailing address for each Settlement Class
4 Member. The Parties agree that this procedure for notice provides the best notice practicable to
5 Settlement Class Members and fully complies with due process.

6 c. Undeliverable Notice. Any Notice Packet returned to the Settlement
7 Administrator as non-delivered on or before the Response Deadline shall be re-mailed by the
8 Settlement Administrator to the forwarding address affixed thereto. If no forwarding address is
9 provided, the Settlement Administrator shall promptly attempt to determine a correct address by the
10 use of skip-tracing, or other type of automated search, using the name, address and/or Social Security
11 number of the Settlement Class Member involved, and shall then perform a re-mailing to the
12 Settlement Class Member whose Notice Packet was returned as non-delivered, assuming another
13 mailing address is identified by the Settlement Administrator. Settlement Class Members who are
14 sent a re-mailed Notice Packet shall have their Response Deadline extended by 45 calendar days from
15 any remailing of the Notice Packet but in no event later than 30 calendar days after the close of the
16 Response Deadline. If these procedures are followed, notice to Settlement Class Members shall be
17 deemed to have been fully satisfied, and if the intended recipient of the Notice Packet does not receive
18 the Notice Packet, the intended recipient shall nevertheless remain a Settlement Class Member and
19 shall be bound by all terms of the Settlement and the Final Order and Judgment.

20 d. Exclusion. The Class Notice shall provide that Settlement Class Members who
21 wish to exclude themselves from the Settlement Class must submit a written request to be excluded
22 on or before the Response Deadline. Such request for exclusion must: (1) contain the full name,
23 address, telephone number, the last four digits of the Social Security number of the person requesting
24 exclusion, and a statement that they request exclusion from the class and do not wish to participate in
25 the settlement; (2) be signed personally by the individual that seeks exclusion from the Settlement
26 Class; and (3) be postmarked by the Response Deadline and returned by mail to the Settlement
27 Administrator at the specified address as directed by the Class Notice. So-called “mass” opt-outs are
28 prohibited by this Agreement (*e.g.*, any letter, pleading, or other writing from any individual, including

1 any attorney or law firm, that purports to seek exclusion on behalf of, or for, other individuals will be
2 invalid on its face and of no force or legal effect whatsoever). Subject to review by Class Counsel,
3 Defense Counsel, and the Court, the date of the postmark on the return mailing envelope shall be the
4 exclusive means used by the Settlement Administrator to determine whether a request for exclusion
5 has been timely submitted. Any Settlement Class Member who timely requests exclusion will not be
6 entitled to submit objections to the Settlement, will not be entitled to any recovery under the
7 Settlement, and will not be bound by the Settlement or have any right to object, appeal or comment
8 thereon. All Settlement Class Members who do not submit a valid and timely request for exclusion
9 on or before the Response Deadline shall be Participating Settlement Class Members and shall be
10 bound by all terms of the Settlement, if the Settlement is approved by the Court. No later than fourteen
11 (14) calendar days before the motion for final approval of the Settlement is filed and scheduled to be
12 heard at the Final Approval Hearing, the Settlement Administrator shall provide counsel for the Parties
13 with the number of Settlement Class Members who have timely requested exclusion from the
14 Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage
15 Settlement Class Members to submit requests for exclusion from the Settlement.

16 e. Objections. The Class Notice shall state that Settlement Class Members who
17 wish to object to the Settlement should submit to the Court a Notice of Objection, supporting papers
18 and/or notices of intent to appear at the Final Approval Hearing by the Response Deadline. The Notice
19 of Objection should: (1) clearly identify the case name and number (*Esparza v. Maryland*
20 *MarketSource, Inc., et al.*, Case Number 18-CIV-01821); (2) either be mailed to the Clerk of the Court,
21 Superior Court of San Mateo County, 400 County Center, Redwood City, CA 94063, or filed in person
22 at the same location; (3) be mailed to Class Counsel and Defense Counsel; and (4) be mailed or filed
23 on or before 60 calendar days from mailing of the Class Notice. Settlement Class Members who fail
24 to timely object in the manner specified herein and in the Class Notice may nevertheless still appear
25 at the Final Approval Hearing. At no time shall any of the Parties, Class Counsel or Defense Counsel
26 seek to solicit or otherwise encourage or discourage Settlement Class Members from submitting a
27 Notice of Objection or filing an appeal from the Final Order and Judgment.

1 f. Written Report Prior to Final Approval. At least fourteen (14) calendar days
2 prior to filing of the Motion for Final Approval, the Settlement Administrator shall provide a written
3 report or declaration to the Parties describing the process and results of the administration of the
4 Settlement to date, which report or declaration shall be filed by Plaintiff with the Court at the same
5 time as the Motion for Final Approval is filed. Within seven (7) calendar days following the deadline
6 to submit claims, the Settlement Administrator shall provide the Parties with total costs for notice and
7 claims administration.

8 g. Final Report by Settlement Administrator to Court After Disbursement of Gross
9 Settlement Amount. Within ten (10) calendar days after final disbursement of all funds from the Gross
10 Settlement Amount, the Settlement Administrator will serve on the Parties and file with the Court a
11 declaration providing a final report on the disbursements of all funds from the Gross Settlement
12 Amount.

13 h. Monitoring and Reviewing Settlement Administration. The Parties have the
14 right to monitor and review the administration of the Settlement to verify that the monies allocated
15 under the Settlement are distributed in a correct amount, as provided for in this Agreement.

16 i. Best Efforts. The Parties agree to use their best efforts to carry out the terms of
17 this Settlement.

18 j. Disputes Regarding Administration of Settlement. Any dispute not resolved by
19 the Settlement Administrator concerning the administration of the Settlement shall be resolved by the
20 Court. Prior to any such involvement of the Court, counsel for the Parties shall confer in good faith
21 and make use of the services of a mediator, if necessary, to resolve the dispute without the necessity
22 of involving the Court.

23 42. Final Settlement Approval Hearing and Entry of Final Order and Judgment. Upon
24 expiration of the Response Deadline, a Final Approval Hearing shall be conducted to determine
25 whether to grant final approval of the Settlement, including determining the amounts properly payable
26 for: (i) Individual Settlement Awards made to the Participating Settlement Class Members; (ii) the
27 Class Counsel Award of attorneys' fees and costs; (iii) the Class Representative Service Award; and
28 (iv) Settlement Administration Costs. Upon approval, the Court shall enter a Final Order and

1 Judgment. Class Counsel shall provide Defense Counsel with a reasonable opportunity to review, and
2 provide comments on, the Final Order and Judgment of the Settlement at least seven (7) calendar days
3 before the motion and supporting papers are filed with the Court.

4 43. Funding and Allocation of Gross Settlement Amount. Settlement Class Members shall
5 not be required to submit a claim form in order to receive a share of the Net Settlement Amount, and
6 no portion of the Gross Settlement Amount shall revert to Defendants or result in an unpaid residue.
7 Defendants shall fund the Gross Settlement Amount within fifteen (15) calendar days after the
8 Effective Date of the Settlement by wire transfer or as agreed upon with the Settlement Administrator.
9 If this Settlement is not finally approved by the Court in full, or is terminated, rescinded, canceled or
10 fails to become effective for any reason, then no portion of the Gross Settlement Amount shall be paid
11 by Defendants.

12 44. Release by Plaintiff and Participating Settlement Class Members. Upon entry of Final
13 Order and Judgment, Plaintiff and all other Participating Settlement Class Members shall be deemed
14 to have released their respective claims against the Released Parties, which shall be referred to as
15 Released Claims, as follows:

16 a. Release of Claims: Participating Settlement Class Members. Upon entry of
17 Final Order and Judgment, the Participating Settlement Class Members shall release the Released
18 Parties, to the fullest extent permitted by law, from all manner of action, causes of action, claims,
19 demands, rights, suits, obligations, restitution, debts, contracts, agreements, promises, liabilities,
20 damages, charges, penalties, losses, costs, expenses, and attorneys' fees, of any nature whatsoever,
21 known or unknown, in law or equity, fixed or contingent, which Plaintiff and Settlement Class
22 Members have or may have against the Released Parties arising out of or relating to any allegations
23 made in the Action, any legal theories that could have been raised based on the allegations in the
24 Action, and all claims of any kind relating in any way to, or arising out of, background checks and/or
25 consumer reports of any kind presented in the Action based on the facts alleged in the Complaint,
26 including but not limited to claims under the Fair Credit Reporting Act ("FCRA"), California
27 Consumer Credit Reporting Agencies Act (Cal. Civil Code §§ 1785 *et seq.*), California Investigative
28 Consumer Reporting Agencies Act (Cal. Civil Code §§ 1786 *et seq.*), and California Business and

1 Professions Code §§ 17200 *et seq.* “Settlement Class Members’ Released Claims” includes claims
2 for actual, statutory, liquidated, punitive or any other form of damages, as well as for attorneys’ fees
3 and costs. “Settlement Class Members’ Released Claims” shall be construed as broadly as possible to
4 affect complete finality over this Action.

5 b. Plaintiff’s Release of Claims. Upon entry of Final Order and Judgment,
6 Plaintiff shall release the Released Parties, known and unknown, not previously released, to the fullest
7 extent permissible under the law in exchange for the consideration provided in this Settlement, except
8 for such claims that cannot be released by law. This General Release of All Claims includes all claims
9 released by Settlement Class Members in Section 44(a), and Plaintiff shall hereby release the Released
10 Parties to the fullest extent permissible under the law in exchange for the consideration provided by
11 this Settlement, except for such claims that cannot be released by law. This release includes any and
12 all claims, obligations, demands, actions, rights, causes of action, and liabilities against the Released
13 Parties, of whatever kind and nature, character, and description whether in law or equity, whether
14 sounding in tort, contract, federal, state, and/or local law, statute, ordinance, regulation, common law,
15 or other source of law or contract, whether known or unknown, and whether anticipated or
16 unanticipated, including all unknown claims covered by California Civil Code § 1542 that could have
17 been or are asserted based on Plaintiff’s application for employment, employment with, and separation
18 from Defendants arising at any time for any type of relief. This release includes, without limitation,
19 any and all claims based on: (1) any alleged violations of the FCRA, the California Consumer Credit
20 Reporting Agencies Act, the California Investigative Consumer Reporting Agencies Act, the
21 California Private Attorney General Act, the California Business and Professions Code, and any other
22 federal, state, or local law governing the procurement and use of background/credit checks; (2) Title
23 VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e *et seq.*; the Civil Rights Act of
24 1866, 42 U.S.C. § 1981, as amended; the Americans with Disabilities Act (“ADA”), 42 U.S.C. § 12101
25 *et seq.*; the ADA Amendments Act; the Americans with Disabilities Amendments Act of 2008; the
26 Family Medical Leave Act, 29 U.S.C. § 2601 *et seq.*; the California Family Rights Act; the Equal Pay
27 Act; the Lilly Ledbetter Fair Pay Act; the Employee Retirement Income Security Act (except as to any
28 vested benefits); the Occupational Safety and Health Act; the California Fair Employment and

1 Housing Act, as amended, Cal. Gov't Code § 12900 *et seq.*; and the California Constitution; (3)
2 violation of any public policy, contract, tort, or common law claim including, but not limited to,
3 wrongful discharge, retaliation, harassment, discrimination, breach of contract, promissory estoppel,
4 false imprisonment, intentional infliction of emotional distress, invasion of privacy, fraud, duress,
5 fraudulent misrepresentation, negligent misrepresentation, defamation, negligence, assault, battery,
6 unjust enrichment, money had and received, and violation of public policy; (4) violation of the
7 California Labor Code, any applicable California Industrial Welfare Commission Wage Order, the
8 Fair Labor Standards Act of 1938, as amended, 29 U.S.C. § 201 *et seq.*; and any claims under state or
9 federal law for wage and hour violations including, but not limited to, claims for minimum wages,
10 straight pay, overtime, overtime premium pay, commissions, bonuses, expense reimbursement, meal
11 period premium pay, rest period premium pay, inaccurate wage statements, claim for vacation, sick
12 pay, paid time off or other leave; (5) all other known and unknown claims under any federal or state
13 common law, statutory, or other regulatory provision, now or hereafter recognized; and (6) all claims
14 for attorneys' fees and costs, to the fullest extent permissible by law (including waiver of any and all
15 rights and benefits conferred by California Civil Code § 1542.

16 c. Plaintiff's Waiver of Rights Under California Civil Code Section 1542. As
17 partial consideration for the Class Representative Service Award, Plaintiff's Released Claims shall
18 include all such claims, whether known or unknown by the releasing party. Thus, even if Plaintiff
19 discovers facts and/or claims in addition to or different from those that he now knows or believes to
20 be true with respect to the subject matter of Plaintiff's Released Claims, those claims will remain
21 released and forever barred. Therefore, with respect to Plaintiff's Released Claims, Plaintiff expressly
22 waives and relinquishes all of the provisions and all of his rights and benefits under the provisions of
23 section 1542 of the California Civil Code, which reads:

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

27 d. Class Counsel. Upon entry of Final Order and Judgment and except as
28 otherwise provided by this Agreement, Class Counsel and any counsel associated with Class Counsel

1 waive any claim to costs, attorneys' fees, and expenses against Defendants arising from or related to
2 the Action.

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

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

26 47. No Admission/Denial of Liability. Plaintiff continues to maintain that his claims have
27 merit notwithstanding this Settlement. Defendants deny all claims alleged in this Action and deny any
28 liability or wrongdoing of any kind associated with the claims alleged in this matter. Neither this

1 Agreement, nor any of its terms and conditions, nor any of the negotiations connected with it, shall be
2 construed or deemed as an admission of liability, culpability, negligence, or wrongdoing on the part
3 of Defendants, and none shall be used against Defendants as admissions or indications with respect to
4 any claim of any fault, concession, or omission by Defendants. The Parties further agree that this
5 Agreement will not be admissible in this or any other proceeding as evidence that Defendants or the
6 Released Parties are liable to Plaintiff or any Settlement Class Member, or on notice of any alleged
7 deficiency, other than according to the terms of this Agreement.

8 48. Publicity and Confidentiality.

9 a. Communication by Counsel. Plaintiff's Counsel agrees that it will not solicit
10 Settlement Class Members to participate in this Settlement or opt out of this Settlement, and further
11 agrees that it will not initiate or contact or have any communications with the Settlement Class
12 Members during the settlement approval process. Nothing will prevent Plaintiff's Counsel from
13 responding to inquiries from Settlement Class Members. For their part, Defendants agree that it shall
14 not discourage Settlement Class Members from participating in the Settlement and shall refer any
15 questions to the Settlement Administrator. Plaintiff's Counsel is allowed to post publicly-filed
16 documents on Plaintiff's Counsel's website.

17 b. No Media. No public comment, communications to media, or any form of
18 advertising or public announcement (including social media) regarding the case and/or Settlement
19 shall be made by Plaintiff or his counsel at any time other than posting publicly-filed documents on
20 the website of Plaintiff's Counsel. Any verbal or written disclosure will result in Plaintiff forfeiting
21 the entire Class Representative Service Award. In response to any inquiries, the Parties and their
22 respective counsel shall simply state that the matter "has been resolved."

23 c. Confidentiality. Prior to filing of the motion(s) for approval, Class Counsel
24 shall not discuss the terms of the Settlement or negotiations leading to Settlement with any person
25 other than the named Plaintiff. Until preliminary approval, the specific terms of this Settlement shall
26 be confidential and not disclosed to any party or person, except Plaintiff himself.

27 d. Certification. Class Counsel will provide signed declarations to Defendants and
28 the Court, under penalty of perjury, seven (7) calendar days in advance of filing the motion seeking

1 final settlement approval that the Setareh Law Group does not presently represent any other current or
2 former employees of Allegis, MarketSource, and their affiliates, and that the Setareh Law Group is
3 not aware of other persons having claims against Allegis, MarketSource, and their affiliates, and have
4 not referred, or plan to refer, any other clients regarding any claims against Allegis, MarketSource,
5 and their affiliates to any other attorneys. The Court will retain jurisdiction to enforce this provision
6 as appropriate.

7 49. Preliminary Approval of Settlement. Plaintiff shall draft and file a Motion for
8 Preliminary Approval of the Settlement, asking the Court to enter the Preliminary Approval Order
9 **(Exhibit 2)**. The Parties agree to work diligently and cooperatively to have this Settlement presented
10 to the Court for preliminary approval. The Preliminary Approval Order shall provide for, among other
11 things, the Notice Packet to be sent to Settlement Class Members as specified herein.

12 50. Exhibits and Headings. The terms of this Agreement include the terms set forth in any
13 attached Exhibits, which are incorporated by this reference as though fully set forth herein. The
14 Exhibits to this Agreement are an integral part of the Settlement. The descriptive headings of any
15 paragraphs or sections of this Agreement are inserted for convenience of reference only.

16 51. Interim Stay of Action. The Parties agree to stay, and to request that the Court stay, all
17 proceedings in the Action, except such proceedings necessary to implement and complete the
18 Settlement, obtain preliminary and final approval, and enter the Final Order and Judgment. The Parties
19 agree to not serve any more discovery, nor shall they be required to respond to any pending written
20 discovery or deposition notices, which is withdrawn without prejudice, while the Parties continue to
21 negotiate the final written settlement agreement and seek preliminary and final Court approval. Should
22 preliminary or final approval be denied, the Parties will meet and confer cooperatively to discuss any
23 litigation-related deadlines in this Action. Discovery shall not commence anew unless and until either
24 or both Parties move the Court to lift the stay.

25 52. Amendment or Modification. This Agreement may be amended or modified only by a
26 written instrument signed by the Parties and their respective counsel or their successors-in-interest.

27 53. Entire Agreement. This Agreement and any attached Exhibits constitute the entire
28 agreement between the Parties, and no oral or written representations, warranties, or inducements have

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

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

20 55. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure
21 to the benefit of, the successors and assigns of the Parties.

22 56. California Law Governs. All terms of this Agreement and the Exhibits hereto shall be
23 governed by and interpreted according to the laws of the State of California, without giving effect to
24 any law that would cause the laws of any jurisdiction other than the State of California to be applied.

25 57. No Prior Assignments. The Parties and their counsel represent, covenant and warrant
26 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
27 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause
28 of action, or right herein released and discharged.

1 58. Cooperation and Execution of Necessary Documents. The Parties will cooperate in
2 good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
3 Agreement.

4 59. Counterparts. This Agreement may be executed in one or more counterparts. All
5 executed counterparts and each of them shall be deemed to be one and the same instrument. Electronic
6 signatures will not be accepted.

7 60. This Settlement is Fair, Adequate and Reasonable. Plaintiff and Class Counsel
8 represent that this Settlement is a fair, adequate, and reasonable settlement of the Action and the Parties
9 have arrived at this Settlement after extensive arm’s-length negotiations facilitated by an experienced
10 and well-regarded mediator, taking into account all relevant factors, present and potential.

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

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

20 63. Binding Nature of Notice of Class Action Settlement. It is agreed that because the
21 Settlement Class Members are so numerous, it is impossible or impractical to have each Settlement
22 Class Member execute the Agreement. The Class Notice shall advise all Settlement Class Members
23 of the binding nature of the Settlement and the release of Released Claims, and shall have the same
24 force and effect as if this Agreement were executed by each Settlement Class Member, unless the
25 Settlement Class Member timely returns a request for exclusion from the Settlement.

26 ///

27 ///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

64. EXECUTION BY PARTIES AND COUNSEL.

The Parties and their counsel hereby execute this Agreement.

I HAVE READ THE FOREGOING AGREEMENT. I ACCEPT AND AGREE TO THE PROVISIONS IT CONTAINS, AND HEREBY EXECUTE IT VOLUNTARILY WITH FULL UNDERSTANDING OF ITS CONSEQUENCES.

Dated: 04/29/22, 2022 Johnny Esparza
PLAINTIFF JOHNNY ESPARZA

Dated: _____, 2022 MARYLAND MARKETSOURCE, INC.

By: _____
Francis B. Buckley
Its: Group General Counsel and Secretary to
Maryland MarketSource, Inc.

Dated: _____, 2022 ALLEGIS GROUP, INC.

By: _____
Its:

Dated: _____, 2022 ALLEGIS GROUP HOLDINGS, INC.

By: _____
Its:

Approved as to form and content:

Dated: april 29, 2002, 2022 SETAREH LAW GROUP

Shaun Setareh
SHAUN SETAREH
WILLIAM M. PAO
NOLAN DILTS

Attorneys for Plaintiff and the Class
JOHNNY ESPARZA

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Dated: 5-3-22, 2022

LITTLER MENDELSON, P.C.



ROD M. FLIEGEL
ALISON S. HIGHTOWER

Attorneys for Defendants
MARYLAND MARKETSOURCE, INC., ALLEGIS
GROUP, INC., and ALLEGIS GROUP HOLDINGS,
INC.

4857-7821-6724.2 / 090024-1004
04/22/22

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

64. EXECUTION BY PARTIES AND COUNSEL.

The Parties and their counsel hereby execute this Agreement.

I HAVE READ THE FOREGOING AGREEMENT. I ACCEPT AND AGREE TO THE PROVISIONS IT CONTAINS, AND HEREBY EXECUTE IT VOLUNTARILY WITH FULL UNDERSTANDING OF ITS CONSEQUENCES.

Dated: _____, 2022

PLAINTIFF JOHNNY ESPARZA

Dated: _____, 2022

MARYLAND MARKETSOURCE, INC.

By: Francis B. Buckley
Francis B. Buckley
Its: Group General Counsel and Secretary to Maryland MarketSource, Inc.

Dated: _____, 2022

ALLEGIS GROUP, INC.

By: _____
Its: _____

Dated: _____, 2022

ALLEGIS GROUP HOLDINGS, INC.

By: _____
Its: _____

Approved as to form and content:

Dated: _____, 2022

SETAREH LAW GROUP

SHAUN SETAREH
WILLIAM M. PAO
NOLAN DILTS

Attorneys for Plaintiff and the Class
JOHNNY ESPARZA

1 64. EXECUTION BY PARTIES AND COUNSEL.

2 The Parties and their counsel hereby execute this Agreement.

3 I HAVE READ THE FOREGOING AGREEMENT. I ACCEPT AND AGREE TO
4 THE PROVISIONS IT CONTAINS, AND HEREBY EXECUTE IT VOLUNTARILY WITH FULL
5 UNDERSTANDING OF ITS CONSEQUENCES.

6 Dated: _____, 2022

7 PLAINTIFF JOHNNY ESPARZA

8 Dated: _____, 2022

MARYLAND MARKETSOURCE, INC.

9 By: _____

Francis B. Buckley
10 Its: Group General Counsel and Secretary to
11 Maryland MarketSource, Inc.

12 Dated: _____, 2022

ALLEGIS GROUP, INC.

13 By: Richard D Moore
14 Its: SECRETARY

15 Dated: _____, 2022

ALLEGIS GROUP HOLDINGS, INC.

16 By: Richard D Moore
17 Its: ASSISTANT SECRETARY

18 Approved as to form and content:

19 Dated: _____, 2022

20 SETAREH LAW GROUP

21
22 SHAUN SETAREH
23 WILLIAM M. PAO
24 NOLAN DILTS

25 Attorneys for Plaintiff and the Class
26 JOHNNY ESPARZA
27
28



Verification Complete

The document has been officially verified.

Job Status	✓ Signed & Verified
Job Name	MARKETSOURCE -- 2022 04-29 Class Settlement Agreement
Sender Name	Wendy Sarabia
Job Key	4BA0AB77-2D59-4E68-9641-515A04FD2CBB

Recipient 2
Shaun Setareh
shaun@setarehlaw.com
(310) 746-7978

IP Address
172.33.1.28

Signature

Recipient 1
Johnny Esparza
esparza_johnny@gmail.com
(714) 365-9365

IP Address
172.33.2.40

Signature

Job History

Activity	Date & Time	Recipient	Activity Details
Job Completed Matching Hash	04/30/2022 00:52 UTC	Shaun Setareh	Signed by Shaun Setareh (shaun@setarehlaw.com) Blockchain Block VWSpDjIzFKx6K3g7VRpkAN8PKV55JxQ1h6KY5ec2kel= Document Hash 2977329C29A73C2FF2E81F16369886555FAFB1BD4A7DFBEFBB7F497D2B2E9149 Timestamp 04/30/2022 00:52 UTC
Document Viewed	04/30/2022 00:51 UTC	Shaun Setareh	Viewed by Shaun Setareh (shaun@setarehlaw.com)
Document Sent	04/29/2022 23:15 UTC	Shaun Setareh	Sent out via email to Shaun Setareh (shaun@setarehlaw.com)
Document Sent	04/29/2022 23:15 UTC	Shaun Setareh	Sent out via text to Shaun Setareh ((310) 746-7978)
Document Sent	04/29/2022 22:48 UTC	Shaun Setareh	Sent out via email to Shaun Setareh (shaun@setarehlaw.com)
Document Sent	04/29/2022 22:48 UTC	Shaun Setareh	Sent out via text to Shaun Setareh ((310) 746-7978)
Document Signed	04/29/2022 22:48 UTC	Johnny Esparza	Signed by Johnny Esparza ((714) 365-9365) Blockchain Block VWqweG0K1vZHUkcl/PaSh+W3N/8iXKY+A3bLUHrfqY= Document Hash 43E2C40D44B1F90261FF78173AF84137F8C503F0BEE906F89F40372CCD6D3460 Timestamp 04/29/2022 22:48 UTC
Document Viewed	04/29/2022 22:45 UTC	Johnny Esparza	Viewed by Johnny Esparza ((714) 365-9365)
Document Viewed	04/29/2022 22:45 UTC	Johnny Esparza	Viewed by Johnny Esparza ((714) 365-9365)

Activity	Date & Time	Recipient	Activity Details
 Document Viewed	04/29/2022 22:45 UTC	Johnny Esparza	Viewed by Johnny Esparza ((714) 365-9365)
 Document Viewed	04/29/2022 22:45 UTC	Johnny Esparza	Viewed by Johnny Esparza ((714) 365-9365)
 Document Viewed	04/29/2022 22:45 UTC	Johnny Esparza	Viewed by Johnny Esparza ((714) 365-9365)
 Document Viewed	04/29/2022 22:42 UTC	Johnny Esparza	Viewed by Johnny Esparza ((714) 365-9365)
 Document Viewed	04/29/2022 22:42 UTC	Johnny Esparza	Viewed by Johnny Esparza ((714) 365-9365)
 Document Viewed	04/29/2022 22:40 UTC	Johnny Esparza	Viewed by Johnny Esparza ((714) 365-9365)
 Document Sent	04/29/2022 22:40 UTC	Johnny Esparza	Sent out via email to Johnny Esparza (esparza_johnny@ymail.com)
 Document Sent	04/29/2022 22:40 UTC	Johnny Esparza	Sent out via text to Johnny Esparza ((714) 365-9365)
 Job Created	04/29/2022 22:40 UTC		Created by Wendy Sarabia (wendy@setarehlaw.com)