

1 Shaun Setareh (SBN 204514)  
1 shaun@setarehlaw.com  
2 David Keledjian (SBN 309135)  
2 david@setarehlaw.com  
3 SETAREH LAW GROUP  
3 9665 Wilshire Blvd. Suite 430  
4 Beverly Hills, California 90212  
4 Telephone (310) 888-7771  
5 Facsimile (310) 888-0109

6 Attorneys for Plaintiff ULISES GONZALEZ

7 *Additional counsel listed on following page*

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
9 FOR THE COUNTY OF LOS ANGELES

10 ULISES GONZALEZ, on behalf of himself,  
11 and all others similarly situated,

12 *Plaintiff,*

13 vs.

14 CAREER STRATEGIES, INC., a Virginia  
15 corporation; CAREER STRATEGIES  
16 TEMPORARY, INC., a California  
16 corporation; and DOES 1 through 50,  
16 inclusive,

17 *Defendants.*

Case No.: 21STCV25613

**STIPULATION OF CLASS ACTION  
SETTLEMENT AGREEMENT AND  
RELEASE OF CLAIMS**

Assigned for all purposes to the  
Hon. David S. Cunningham, Dept. SS11

1 Shane R. Farley (SBN 333157)  
shane@setarehlaw.com  
2 SETAREH LAW GROUP  
9665 Wilshire Blvd. Suite 430  
3 Beverly Hills, California 90212  
Telephone (310) 888-7771  
4 Facsimile (310) 888-0109

5 Attorneys for Plaintiff ULISES GONZALEZ

6 SEYFARTH SHAW LLP  
Pamela Q. Devata (admitted pro hac vice)  
7 pdevata@seyfarth.com  
John W. Drury (admitted pro hac vice)  
8 jdrury@seyfarth.com  
233 South Wacker Drive, Ste. 8000  
9 Chicago, IL 60606  
Telephone: (312) 460-5000  
10 Facsimile: (312) 460-7000

11 SEYFARTH SHAW LLP  
Eric Suits (SBN 232762)  
12 esuits@seyfarth.com  
400 Capitol Mall, Suite 2350  
13 Sacramento, California 95814-4428  
Telephone: (916) 448-0159  
14 Facsimile: (916) 558-4839

15 Attorneys for Defendants  
CAREER STRATEGIES, INC.; and  
16 CAREER STRATEGIES TEMPORARY, INC.

17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**STIPULATION OF CLASS ACTION SETTLEMENT AGREEMENT  
AND RELEASE OF CLAIMS**

This Stipulation of Class Action Settlement Agreement and Release of Claims (“Agreement, Stipulation of Settlement” or “Settlement”) is made and entered into by and between Plaintiff ULISES GONZALEZ (“Plaintiff”), individually and on behalf of all others similarly situated, and Defendants CAREER STRATEGIES, INC. and CAREER STRATEGIES TEMPORARY, INC., (“Defendants”) (collectively, the “Parties”), subject to the terms and conditions hereof and the approval of the Court.

By this Agreement, the Parties intend to settle the Action (defined below) and to fully, finally, and forever resolve, discharge, and settle the Released Claims (defined below), subject to judicial approval of the terms set forth herein. If this Agreement is not finally approved, or is otherwise nullified, then the Parties shall return to their positions preceding this Agreement and Defendants shall retain all rights to challenge the Plaintiff’s claim and the certification of any class.

**1. DEFINITIONS**

For purposes of this Agreement, the Parties define the following terms. Each defined term appears throughout in the initial capital letters.

1.1 “**Action,**” “**Class Action,**” “**Lawsuit,**” or “**Complaint**” refers to the civil action initially brought by Plaintiff on April 27, 2021 in Contra Costa County Superior Court, Case No. C-21-00843, and subsequently refiled on July 13, 2021 and currently pending in Los Angeles County Superior Court, Case No. 21STCV25613, and styled as *Gonzalez v. Career Strategies, Inc., et. al.*

1.2 “**Administrative Costs**” refers to all costs associated with administration of the settlement contemplated by this Agreement, estimated to be \$55,000.00. Administrative costs include all fees and costs for, among other things, printing, copying, formatting, postage, envelopes, computer searches to locate addresses, calculation of payments to individual class members, any cost associated with the process for any uncashed checks, costs related to the settlement website, and any other expenses the Settlement Administrator incurs to complete the settlement process according to the terms of this Agreement. Administrative Costs are borne in the first instance by

1 the Settlement Administrator. All Administrative Costs shall be paid exclusively from the Gross  
2 Settlement Amount.

3 1.3 **“Agreement,” “Stipulation of Settlement,” “Settlement,” or “Settlement**  
4 **Agreement”** refers to this Stipulation of Class Action Settlement Agreement and Release of  
5 Claims, which includes all its Recitals herein and all the attached Exhibits.

6 1.4 **“Class,” “Settlement Class,” Settlement Class Members” or “Class Members”**  
7 means all persons on whom Defendants obtained a consumer report for employment purposes  
8 between April 27, 2016 and May 13, 2021. Defendants estimate that there are approximately  
9 32,805 class members.

10 1.5 **“Class Counsel”** means Plaintiff’s counsel, Shaun Setareh and David Keledjian of  
11 the Setareh Law Group.

12 1.6 **“Class Counsel Payment”** means the amount of attorney’s fees and costs that the  
13 Court awards to Class Counsel in connection with the resolution of the Action, and in accordance  
14 with this Agreement.

15 1.7 **“Class Period”** is the time period from April 27, 2016 through May 13, 2021.

16 1.8 **“Class Representative” or “Plaintiff”** refers to Plaintiff Ulises Gonzalez.

17 1.9 **“Consideration Period” or “Objection/Opt-Out Deadline”** refers to the 45  
18 calendar days following the date when the Settlement Administrator mails the Notice of Class  
19 Action Settlement. The Consideration Period is the period in which a Class Member can submit an  
20 Objection or a Request for Exclusion.

21 1.10 **“Court”** means the Superior Court of the State of California for the County of Los  
22 Angeles.

23 1.11 **“Defendants”** refer to Career Strategies, Inc. and Career Strategies Temporary, Inc.

24 1.12 **“Defendants’ Counsel”** means the law firm Seyfarth Shaw LLP. For purposes of  
25 providing any notices required under this Agreement, Defendants’ Counsel refers to Pamela Devata  
26 ([pdevata@seyfarth.com](mailto:pdevata@seyfarth.com)), John Drury ([jdrury@seyfarth.com](mailto:jdrury@seyfarth.com)), and Eric Suits ([esuits@seyfarth.com](mailto:esuits@seyfarth.com)).

27 1.13 **“Effective Date”** of the Settlement means the date by which this Settlement is  
28 finally approved as provided herein and the Superior Court's entry of Judgment becomes final and is

1 no longer appealable. For purposes of this Stipulation of Settlement, “becomes final” shall mean  
2 upon the later of: (i) the day after the last date by which a notice of appeal to the California Court of  
3 Appeal of the final judgment or final approval order may be timely filed, and none is filed (*i.e.*, 60  
4 calendar days after service of notice of entry of judgment by the Superior Court on any party); (ii) if  
5 an appeal is filed, and the appeal is finally disposed of by ruling, dismissal, denial, or otherwise, the  
6 day after the last date for filing a request for further review of the Appellate Court's decision passes,  
7 and no further review is requested; or (iii) if an appeal is filed and there is a final disposition by  
8 ruling, dismissal, denial, or otherwise by the Appellate Court, and further review of the Appellate  
9 Court's decision is requested, the day after the review is finally dismissed or denied with prejudice  
10 and/or no further review of the judgment or order can be requested.

11 1.14 “**Final Approval**” or “**Final Approval Order**” means the final settlement approval  
12 order and judgment that will be entered by the Court.

13 1.15 “**Final Approval Hearing**” or “**Fairness Hearing**” means a hearing set by the  
14 Court, to take place for purposes of determining the fairness, adequacy, and reasonableness of the  
15 Stipulation of Settlement pursuant to class action procedures and requirements, determining the  
16 amount of the Class Counsel Payment, determining the amount of the Service Payment to the Class  
17 Representative, and entering Judgment.

18 1.16 “**Gross Settlement Amount**” or “**Settlement Fund**” means the maximum amount  
19 of Two Million Dollars and Zero Cents (\$2,000,000.00) that Defendants would pay as a result of the  
20 Final Approval of this Stipulation of Settlement. In no event shall Defendants be obligated to pay  
21 more than this amount. The Gross Settlement Amount includes: (1) the amounts payable to  
22 Participating Class Members; (2) the Service Payment to the Class Representative; (3) the Class  
23 Counsel Payment; and (4) the Administrative Costs. All amounts paid to anyone pursuant to this  
24 Stipulation of Settlement shall be paid out of a Qualified Settlement Fund.

25 1.17 “**Individual Settlement Payment**” means the amount calculated by the Settlement  
26 Administrator to distribute to each Participating Class Member. The Individual Settlement Payment  
27 shall be paid from the Net Settlement Amount.

28

1           1.18    “**Judgment**” means the judgment and order of final approval to be entered by the  
2 Court pursuant to this Stipulation of Settlement following the Final Approval Hearing.

3           1.19    “**Mediator**” means Rodney A. Max.

4           1.20    “**Net Settlement Amount**” means the portion of the Gross Settlement Amount that  
5 remains after accounting for any Class Representative Service Award, Administrative Costs, and  
6 the Class Counsel Payment. The Net Settlement Amount shall include all Individual Settlement  
7 Payments. This amount will be distributed to Participating Class Members.

8           1.21    “**Notice,**” “**Notice of Settlement,**” “**Settlement Notice**” or “**Class Notice**” means  
9 the Court-approved form of Notice of Class Action Settlement to be provided by the Settlement  
10 Administrator after preliminary approval of this Settlement. The Settlement Notice shall be  
11 substantially in the same form as **Exhibit A** attached hereto and shall be sent by electronic mail  
12 where Defendants’ records contain a last-known email address for the Class Member. For those  
13 individuals for whom Defendants do not possess a last-known email address or email delivery fails,  
14 the Settlement Administrator shall mail the Notice using United States First Class Mail. A separate  
15 “Long-Form Notice” or “Long-Form Notice of Settlement” substantially in the same form as  
16 **Exhibit B** attached hereto will be made available on the Settlement Website, which shall be kept  
17 accessible to the Putative Class Members for the duration of the Settlement through final  
18 distribution of the Individual Settlement Payments.

19           1.22    “**Objection**” means a written statement submitted timely by a Class member to the  
20 Settlement Administrator that contains: (1) the name and case number of the Action (or reasonable  
21 portion thereof); (2) the full name, last four digits of their Social Security Number, and current  
22 address of the Class Member making the Objection; (3) the specific reason(s) for the Objection; and  
23 (4) all evidence and supporting papers the Class Member submits for the Court to consider.

24           1.23    “**Objector**” refers to a Settlement Class Member who has submitted an objection.

25           1.24    “**Opt-Out Request**” or “**Request for Exclusion**” means a timely letter or written  
26 request submitted by First-Class Mail by a Class Member to the Settlement Administrator that  
27 includes: (1) the Class Member’s name and signature; (2) the last four digits of their Social Security  
28 Number; and (3) the following statement or something similar to “I request to be excluded from the

1 class action proceedings in the matter of *Gonzalez v. Career Strategies, Inc. et al.*, Case No.  
2 21STCV25613 pending in the California Superior Court, County of Los Angeles.”

3 1.25 “**Participating Class Member**” means a Class Member who does not submit a valid  
4 and timely Opt-Out Request/Request for Exclusion.

5 1.26 “**Parties**” means collectively Plaintiff, the Settlement Class, and Defendants.

6 1.27 “**Preliminary Approval Order**” means the order entered by the Court following a  
7 Motion for Preliminary Approval of the Agreement.

8 1.28 “**Released Claims**” means the “Released Claims by Class Members” and the  
9 “Released Claims By Class Representative” as defined in this Agreement. The Released Claims by  
10 Class Members shall apply to all Class Members who do not timely submit a Request for Exclusion.  
11 The Parties agree that the Judgment and Released Claims herein shall have *res judicata* effect.

12 1.29 “**Released Parties**” means Defendants CAREER STRATEGIES, INC., and  
13 CAREER STRATEGIES TEMPORARY, INC. and their predecessors, successors, parent  
14 companies, subsidiaries, affiliates, officers, directors, attorneys, insurers, and assigns, and each and  
15 all of their current or former subsidiaries, parents, affiliates, predecessors, insurers, agents, servants,  
16 employees, successors, assigns, officers, officials, directors, attorneys, personal representatives,  
17 registered representatives, executors and shareholders, and any other persons acting by, through,  
18 under, or in concert with any of them.

19 1.30 “**Service Payment**” means the sum approved by the Court to be paid to Plaintiff  
20 Ulises Gonzalez in recognition of his efforts in obtaining the benefits of the Settlement in exchange  
21 for executing a general release in the Released Claims by Class Representative provided herein. The  
22 Service Payment shall not exceed Five Thousand Dollars (\$5,000.00). The Court may reduce the  
23 Service Payment. If this occurs, the amount by which the Service Payment is reduced shall be  
24 wholly reallocated to the Net Settlement Amount.

25 1.31 “**Settlement Administrator**” means such third-party entity that Career Strategies  
26 selects to serve as Settlement Administrator, subject to Court approval.

27 1.32 “**Settlement Website**” means the website for the Settlement in this Action that will  
28 be established and maintained by the Settlement Administrator, where all pleadings, orders,

1 agreements, and other documents necessary to effect the terms of this Settlement and to warrant  
2 approval of the Settlement by the Court will be posted at the time the Settlement Administrator  
3 sends the Notice of Settlement to the Class, and which shall be accessible to all Class Members  
4 through such time as all Settlement funds are finally and fully disbursed pursuant to the Settlement  
5 and Final Approval Order.

## 6 **2. RECITALS AND PROCEDURAL HISTORY**

7 **2.1 Allegations in Class Action Complaint.** On April 27, 2021, Plaintiff Ulises  
8 Gonzalez filed his original putative nationwide class action Complaint in the Superior Court of  
9 California, County of Contra Costa captioned *Gonzalez, on behalf of himself, all others similar*  
10 *situated v. Career Strategies, Inc., et al.* On July 13, 2021, the Action subsequently was refiled in  
11 the Superior Court of California, Los Angeles County and designated as Case No. 21STCV25613.  
12 Plaintiff's Complaint asserts a claim for a violation of 15 U.S.C. § 1681b(b)(2)(A) of the Fair Credit  
13 Reporting Act. If the case proceeded, Plaintiff may also have alleged violations of California's  
14 Investigative Consumer Reporting Agencies Act, Cal. Civ. Code § 1786, *et seq.* ("ICRAA"),  
15 California's Consumer Credit Reporting Agencies Act, Cal. Civ. Code § 1785, *et seq.* ("CCRAA"),  
16 and California's Unfair Competition Law, Cal. Bus. & Prof. Code § 17200 *et seq.* ("UCL"), based  
17 on the allegations above.

18 **2.2 Defendants' Denials.** Defendants deny (1) all material allegations in the Action, (2)  
19 that they violated any applicable laws, (3) that they are liable for damages, penalties, interest,  
20 restitution, attorneys' fees or costs, or for any other compensation or remedy with respect to anyone  
21 on account of the claims asserted in the Action, and (4) that class certification is appropriate as to  
22 any claim or proposed class in the Action. Defendants contend that their policies, procedures, and  
23 practices comply with all applicable laws asserted or that could have been asserted in the Action.  
24 Nonetheless, without admitting any liability or wrongdoing whatsoever and without admitting that  
25 class certification is appropriate for any purpose other than for settlement purposes alone,  
26 Defendants have agreed to settle the Action on the terms set forth in this Agreement, to avoid the  
27 burden, expense, and uncertainty of litigation. Any statements by Defendants in this Agreement are  
28 made for settlement purposes only.



1           **2.3 Negotiation of Settlement.** Class Counsel engaged in intensive negotiations with  
2 Defendants viewed toward achieving substantial benefits for the Class Members, while avoiding the  
3 cost, delay, and uncertainty of future litigation. On November 24, 2021, the Parties attended  
4 mediation and participated in good faith, arms-length settlement discussions with mediator Rodney  
5 A. Max, a highly respected mediator with expertise in FCRA class actions, and were able to reach  
6 an agreement to resolve the claims released herein.

7           **2.4 Class Counsel's Investigation and Evaluation.** This Settlement was reached after  
8 exchanges of information both before and during the mediation, and is the result of extensive arm's-  
9 length negotiations. The Parties engaged in multiple telephone conferences prior to the mediation  
10 and then participated in a full-day (and into the night) mediation, with Mr. Max assisting in  
11 facilitating the Settlement as a neutral third-party.

12           The Parties have conducted an investigation of the facts and law applicable to Plaintiff's  
13 claims in the Action and Defendants' defenses thereto, the damages claimed by Plaintiff, and  
14 exchanged data, documents, and information regarding the claims prior to the mediation and prior  
15 to negotiating the Settlement. In particular, Defendants produced background check disclosures  
16 used during the Class Period, presented information regarding the alleged statute of limitations  
17 defense, and confirmed the applicable estimated class size through data analysis. The Parties agree  
18 that the foregoing exchange of information and evaluation are sufficient to assess the merits of the  
19 respective Parties' position.

20           Based on the forgoing data and on its own independent investigation and evaluation, Class  
21 Counsel is of the opinion that the Settlement for consideration and on the terms set forth in this  
22 Stipulation of Settlement is fair, reasonable, and adequate and is in the best interest of the Class  
23 Members in light of all known facts and circumstances, including the risk of significant delay and  
24 uncertainty associated with litigation, the various defenses asserted by Defendants, and the  
25 numerous potential appellate issues. Further, Plaintiff has carefully evaluated the terms of the  
26 Settlement, and, based upon that review, has determined that it is fair and reasonable.

27 **3. ALLOCATION OF SETTLEMENT PROCEEDS**

28           **3.1 Gross Settlement Amount.** With the exception of the discretionary escalation

1 under Paragraph 3.1.1 below, Defendants shall pay Two Million Dollars and Zero Cents  
2 (\$2,000,000.00) as the Gross Settlement Amount as a result of this Stipulation of Settlement. The  
3 Gross Settlement Amount includes: the Administrative Costs, the Class Counsel Payment (not to  
4 exceed one-third (1/3) of the Gross Settlement Amount) plus costs (not to exceed \$20,000.00) as  
5 determined by the Court for Class Counsel, the Service Payment to the Class Representative (not to  
6 exceed Five Thousand Dollars and Zero Cents (\$5,000.00)), with the remainder to pay the  
7 Individual Settlement Payments to Participating Class Members.

8           **3.1.1 Escalator Provision.** The total number of estimated Class Members is stated  
9 in Paragraph 1.4 above. If the total number of Class Members, as stated in Paragraph 1.4, increases  
10 by more than ten percent (10%), then the Gross Settlement Amount shall be augmented by  
11 Defendants in proportion to the amount by which the total number of Class Members increased  
12 above 10%. Should Defendant decline to increase the Gross Settlement Amount in accordance with  
13 this provision, either party may rescind this Agreement at their sole discretion.

14           **3.2 Service Payment to Class Representative.** The Service Payment to the Class  
15 Representative will, subject to Court approval, be paid in an amount not to exceed Five Thousand  
16 Dollars and Zero Cents (\$5,000.00) from the Gross Settlement Amount for service and assistance to  
17 the Class. Defendants will not oppose the Class Representative's request for Service Payment not  
18 to exceed this amount. Any amount of the requested Service Payment not awarded by the Court will  
19 become part of the Net Settlement Amount.

20           Because the Service Payment represents payment to the Class Representative for service to  
21 the Class Members, payroll taxes will not be withheld from the Service Payment. The Settlement  
22 Administrator will report the Service Payment on a Form 1099, and any other required tax forms,  
23 and will provide them to the Class Representative and to the pertinent taxing authorities as required  
24 by law. The Class Representative assumes full responsibility for paying all taxes, federal and state,  
25 if any, due as a result of the Service Payment and will indemnify and hold Defendants harmless  
26 from any liability incurred as a result of any failure by the Class Representative to pay any taxes  
27 held by any taxing authority to be owed by her.

28

1           **3.3 Class Counsel Payment.** Class Counsel shall apply to the Court for an award from  
2 the Gross Settlement Amount of reasonable attorneys' fees not to exceed one-third (1/3) of the  
3 Gross Settlement Amount (currently \$666,666.66) plus reasonable costs incurred in this Action, not  
4 to exceed \$20,000.00, which Defendants will not oppose. Any amount of the requested Class  
5 Counsel Payment not awarded by the Court will become part of the Net Settlement Amount. The  
6 Parties shall have no liability for any other attorneys' fees or costs or any amount outside of the  
7 Settlement Fund.

8           **3.4 Administrative Costs.** The Settlement Administrator shall be paid for the costs of  
9 administering of the Settlement from the Gross Settlement Amount.

10           The actions of the Settlement Administrator shall be governed by the terms of this  
11 Stipulation of Settlement and any orders of the Court. The Parties agree that communications to and  
12 from the Settlement Administrator will include both Class Counsel and Defendants' Counsel.

13           In the event that either Defendants' Counsel or Class Counsel takes the position that the  
14 Settlement Administrator is not acting in accordance with the terms of the Stipulation of Settlement,  
15 such party shall meet and confer first with opposing counsel and/or, if necessary with the Settlement  
16 Administrator, to attempt to resolve the issue. Should those efforts fail, Defendants' Counsel and  
17 Class Counsel shall jointly request the Court's assistance in resolving the issue.

18           **3.5 Participating Class Members.** Only Participating Class Members shall be entitled  
19 to a Settlement Payment which shall consist of an equal, *pro rata* amount to each Participating Class  
20 Member from the Net Settlement Amount. Class Members shall not be required to submit claim  
21 forms. Based on the various federal and state claims alleged or that could have been asserted based  
22 on the allegations in the Action pertaining to pre-employment background checks, the Parties  
23 understand and agree that the payments to each member of the Settlement Class are not wages, not  
24 subject to withholdings, and will be reported on an IRS Form 1099 to be issued by the Settlement  
25 Administrator. Each member of the Settlement Class will be solely responsible for paying all taxes  
26 owed on this payment.

27 **4. RELEASES**

28

1           **4.1 Released Claims by All Members of the Settlement Class.** Upon the Effective  
2 Date, Plaintiff and each member of the Settlement Class fully release and forever discharge the  
3 Released Parties from the Released Claims. Each Settlement Class Member who does not opt out of  
4 the Settlement shall release Defendants and their predecessors, successors, subsidiaries, parent  
5 companies, other corporate affiliates, and assigns, and each and all of their current or former  
6 subsidiaries, parents, affiliates, predecessors, insurers, agents, servants, employees, successors,  
7 assigns, officers, officials, directors, attorneys, personal representatives, registered representatives,  
8 executors, and shareholders, including their respective pension, profit sharing, savings, health, and  
9 other employee benefits plans of any nature, the successors of such plans, and those plans'  
10 respective current or former trustees and administrators, agents, employees, and fiduciaries, and any  
11 other persons acting by, through, under, or in concert with any of them, from any and all claims,  
12 debts, liabilities, demands, obligations, penalties, guarantees, costs, expenses, attorneys' fees,  
13 interest, damages, actions or causes of action that such individuals have or could have had under the  
14 facts pled or alleged by Plaintiff in this Action under: 15 U.S.C. § 1681b of the Fair Credit  
15 Reporting Act ("FCRA"), 15 U.S.C. §§ 1681d and 1681g of the FCRA, California Civil Code  
16 Section 1786, *et seq.* (the Investigative Consumer Reporting Agencies Act ("ICRAA")), California  
17 Civil Code Section 1785, *et seq.* (the Consumer Credit Reporting Agencies Act ("CCRAA")),  
18 California Business & Professions Code section 17200, *et seq.* (the Unfair Competition Law  
19 ("UCL")), and similar claims under the law of any other State.

20           **4.2 Released Claims by Plaintiff.** In addition to the Released Claims set forth in  
21 Section 6.1 of this Agreement, the Class Representative expressly releases any and all claims,  
22 known or unknown, they may have against Defendants (and other Released Parties), including but  
23 not limited to the claims asserted in the Action, or any other claims that could have been asserted in  
24 the Action, through and including the Effective Date, as permitted by law. Excluded from this  
25 general release of claims are those.

26           **4.3 General Release - Waiver of California Civil Code Section 1542.** As to all of the  
27 Released Claims, the Class Representatives waive any and all rights provided by California Civil  
28 Code Section 1542, which states:

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

7           The releases shall extend through the date of Final Approval of the settlement.

8           **4.4 Settlement is Contingent Upon Release of Claims.** This Agreement is conditioned  
9 upon the releases by the Settlement Class and Class Representatives as described herein, and upon  
10 covenants by the Settlement Class and Class Representative that they will not participate as  
11 plaintiffs, claimants, or absent class members in any actions, lawsuits, proceedings, complaints, or  
12 charges in any court or before any administrative body asserting any claims they have released  
13 under this Settlement.

14           **5. NOTICE TO CLASS MEMBERS AND CLASS MEMBERS' OPTIONS TO**  
15           **RESPOND**

16           **5.1 Application for Preliminary Approval.** At the earliest practicable time after  
17 execution of this Stipulation of Settlement, Class Counsel shall submit to the Court a motion for  
18 preliminary approval, and supporting papers, which shall include this Stipulation of Settlement  
19 Agreement and Release of Claims. Plaintiff shall be responsible for drafting and filing the motion  
20 for preliminary approval. Plaintiff will provide Defendant with a copy of the draft motion for  
21 preliminary approval at least five (5) business days before the filing of the motion. The Court's  
22 preliminary approval of this Stipulation of Settlement shall be embodied in a Preliminary Approval  
23 Order (in a form substantially similar to **Exhibit C**) certifying the Class for settlement purposes  
24 only, preliminarily approving the Settlement and approving the Notice of Class Action Settlement to  
25 be sent to the Class in the general form attached hereto as **Exhibit A** which will explicitly provide  
26 and refer Class Members to a hyperlink to the Settlement Website that will maintain the Long-Form  
27 Notice in a form substantially similar to **Exhibit B**.

28           **5.2 Notice**

**5.2.1 Class Data for the Settlement Administrator.** Within thirty (30) calendar  
days after the Court enters the Preliminary Approval Order, Defendants shall provide to the

1 Settlement Administrator a confidential class list containing the names and, where available, last  
2 known email and physical mailing addresses of each Class Member. This information shall be used  
3 to facilitate the administration of this Agreement. The Settlement Administrator shall keep the class  
4 data provided by Defendants strictly confidential and shall use the class data only for the purposes  
5 described in this Agreement, and shall return the class data to Defendants or confirm the destruction  
6 of same upon completing the settlement administration called for by this Agreement. Upon receipt  
7 of the class data, and for any Class Members for whom email delivery of the Notice is not possible,  
8 the Settlement Administrator shall run on Accurint (or substantially similar) skip-trace and check  
9 with the U.S. Postal Service National Change of Address Database and update any addresses with  
10 any new information found regarding the location of Class Members.

11           **5.2.2 Content of Class Notice.** The Class Notices shall be substantially in the  
12 forms attached as **Exhibit A** (to be sent by e-mail, where available, in the first instance) and  
13 **Exhibit B** (to be available on the Settlement Website). Together, the Class Notices shall inform  
14 Class Members of the amount of the Settlement, a calculation of the Class Members' anticipated  
15 share of the Net Settlement Amount, the full amounts of the Class Counsel Payment and Service  
16 Award, the terms of the releases, the procedure to opt out of the Settlement through a Request for  
17 Exclusion, the procedure to object to the Settlement, and the date of the Final Approval Hearing.  
18 No claim form will be required to participate in the Settlement.

19           **5.2.3 Delivery of Class Notices to Class Members.** Within 21 calendar days of  
20 the receipt of the class data discussed above, the Settlement Administrator will send the Notice of  
21 Settlement to the last-known e-mail address for each Class Member. For those individuals for  
22 whom Defendants do not possess a last-known e-mail address or e-mail delivery fails, the  
23 Settlement Administrator shall mail the Notice using United States First Class Mail. The Settlement  
24 Administrator will also establish the Settlement Website, which will include the Stipulation of  
25 Settlement and a summary of the settlement terms.

26           For those Class Notices sent by U.S. Mail, unless the Settlement Administrator receives the  
27 Notice of Settlement returned as undeliverable from the U.S. Postal Service, the Notice shall be  
28 deemed received by the Class Member to whom it was sent.

1 For those Class Notices sent by U.S. Mail, if after the first mailing of the Notice and prior to  
2 the Final Approval Hearing, any Notice is returned to the Settlement Administrator by the U.S.  
3 Postal Service with a forwarding address for the recipient, the Settlement Administrator shall re-  
4 mail such notice to that forwarding address as soon as is reasonably practicable.

5 For those Class Notices sent by U.S. Mail, in the event that after the first mailing of the  
6 Notice and prior to the Final Approval Hearing, any Notice is returned to the Settlement  
7 Administrator by the U.S. Postal Service without a forwarding address, the Settlement  
8 Administrator will make reasonable efforts to locate forwarding addresses, including performing a  
9 standard skip-trace using the Class Member's social security number (when available) and address  
10 in an effort to ascertain the current address and/or telephone number of the Class Member. If a  
11 current address is ascertained, the Settlement Administrator shall promptly re-mail the Notice.

12 **5.2.4 Binding Effect of Settlement.** Although a Class Member might not receive  
13 the Notice of Class Action Settlement, and might not timely submit an Objection or a Request for  
14 Exclusion because of inability to locate the Class Member's current address, that Class Member  
15 shall nonetheless be bound by this Agreement.

16 **5.2.5 Proof of Mailing.** At least twenty (20) calendar days prior to the Final  
17 Approval Hearing, the Settlement Administrator shall provide a declaration of due diligence and  
18 proof of e-mailing and/or mailing with regarding the Notice of Class Action Settlement. The  
19 declaration shall be provided to Class Counsel and Defense Counsel, which they shall in turn  
20 provide to the Court.

21 **5.2.6 Settlement Administrator Updates.** Beginning two weeks after the date the  
22 Notices of Settlement are sent, the Settlement Administrator shall provide to Class Counsel and  
23 Defendants' Counsel a weekly status report which will be cumulative, reflecting the names and the  
24 number of Class Members who have filed Opt-Out Requests or Objections, as well as information  
25 about how many Notices have been mailed to forwarding addresses, returned as undeliverable,  
26 and/or re-mailed.

27 **5.3 Requests for Exclusion ("Opt-Out Request").**  
28

1           **5.3.1 Opt-Out Procedure.** Class Members, except for Plaintiff, will have forty-  
2 five (45) days from the initial date the Settlement Administrator sends the Notice of Settlement  
3 within which to opt-out of the Settlement. Class Members who wish to exercise this option must  
4 timely submit an Opt-Out Request to the Settlement Administrator postmarked by the  
5 Objection/Opt-Out Deadline. To be valid, a Request for Exclusion must include the Class  
6 Member's name and signature, current address, current telephone number, the last four digits of the  
7 Class Member's Social Security number and statement affirming the Class Members wishes to opt  
8 out of the Settlement. The Settlement Administrator shall not review or consider any Opt-Out  
9 Request postmarked after the Objection/Opt-Out Deadline.

10           **5.3.2 Effect of Number of Opt-Outs.** If ten percent (10%) or more of the total  
11 number of Class Members submit timely and valid Opt-Out Requests, then Defendants shall have  
12 the option to cancel the Settlement in their sole discretion, and all actions taken in its furtherance  
13 will be null and void. To exercise this option, Defendants must send written notification to Class  
14 Counsel within fourteen (14) days of receiving a report from the Settlement Administrator  
15 informing Defendants that the total number of timely and valid Opt-Out Requests is ten percent  
16 (10%) or more of the Settlement Class. If Defendants choose to exercise this option to rescind the  
17 Settlement, the effect will be precisely the same as if Final Judgment did not occur, as discussed  
18 herein, and Defendants will retain the entirety of the Gross Settlement Amount, less any fees to be  
19 paid to the settlement administrator for work performed in connection with their duties under this  
20 Agreement.

21           **5.3.3 Effect of Exclusion Through Opting Out.** Any Class Member who  
22 properly requests exclusion using this procedure will not receive any payment from the Settlement  
23 and will not be bound by the Stipulation of Settlement or have any right to object, appeal or  
24 comment thereon. Class Members who do not submit a valid and timely executed Opt-Out Request  
25 shall be part of the Settlement Class and bound by all the terms of the Stipulation of Settlement and  
26 any judgment entered in the Action as part of a Final Approval Order entered by the Court. Neither  
27 the Parties nor any of their counsel will solicit any Class Member to submit an Opt-Out Request.

28           **5.4 Objections to Settlement.** The Parties agree that Plaintiff may not file an objection



1 to the Settlement. Class Members, except for Plaintiff, will have forty-five (45) days from the date  
2 the Notice of Settlement is sent within which to submit an objection to the Settlement. Only Class  
3 Members who have not filed an Opt-Out Request may object to the Settlement. To object, a Class  
4 Member may submit by First-Class Mail a written objection to the Settlement Administrator  
5 postmarked by the Objection/Exclusion Deadline that includes the Class Member's full name,  
6 signature, the reasons for the objection, and whether the Class Member intends to appear at the  
7 Final Approval Hearing, and the name of the case: *Gonzalez v. Career Strategies, Inc., et al.*, Case  
8 No. 21STCV25613 pending in the California Superior Court, County of Los Angeles. The  
9 Settlement Administrator shall forward copies of any objections to Class Counsel and Defendants'  
10 Counsel within three (3) days of receipt. Class Counsel shall submit copies of any objections  
11 received to the Court in conjunction with the filing of the motion for Final Approval of the  
12 Settlement. Alternatively, Class Members wishing to object may also elect to do so orally directly  
13 to the Court by appearing in person at the Final Approval Hearing without submitting a written  
14 objection prior to the hearing. However, only written objections submitted according to the  
15 procedure above will be heard at the Final Approval Hearing without the need for the objector to  
16 appear at the hearing. The Parties and their counsel agree that they will not solicit, encourage,  
17 counsel, or advise any individual to object to the Settlement.

18 **6. FINAL APPROVAL**

19 6.1 Following preliminary approval, notice to the Class, and an opportunity for  
20 objection, Plaintiff will move the Court for entry of the Final Approval Order and Judgment. The  
21 Final Approval Order and Judgment shall, among other things, (a) find that the Court has personal  
22 jurisdiction over all members of the Settlement Class and that the Court has subject matter  
23 jurisdiction to approve this Stipulation of Settlement, (b) certify the Class for Settlement purposes  
24 only, (b) find the Settlement fair, reasonable, adequate, and in the best interests of the Class  
25 Members, (c) approve the Class Counsel Payment, (d) approve the Class Representative's  
26 application for Service Payment, (e) approve the payment of the Administrative Costs, and (f)  
27 permanently release and bar any further Released Claims by Class Members who do not opt-out of  
28 the Settlement. The Parties expressly agree that the Court will retain jurisdiction to enforce the

1 terms of the Settlement and the Final Approval Order. The Parties and their counsel shall make all  
2 reasonable efforts to secure entry of the Judgment. The proposed Final Approval Order and  
3 Judgment shall be lodged with the Court no later than seven (7) days before the Final Approval  
4 Hearing. Plaintiff shall be responsible for drafting and filing the Final Approval Motion and for  
5 entry of the Judgment. Plaintiff will provide Defendant with a copy of the motion(s) at least five (5)  
6 business days before the filing of the motion.

7           6.2     Class Representative and Class Counsel agree that they shall draft and file the  
8 necessary papers for approval of the Service Payment and Class Counsel Payment. Defendants will  
9 not oppose the amount of the Service Payment and Class Counsel Payment sought, as long as they  
10 are consistent with this Stipulation of Settlement. If the Court (or any appellate court) awards less  
11 than the amount requested for attorneys' fees and/or costs, or less than the amount requested for the  
12 Service Payment for the Class Representative, only the awarded amount shall be paid and shall  
13 constitute satisfaction of the obligations of Defendants under this Stipulation of Settlement. If Class  
14 Counsel files a timely appeal regarding the amount of the Class Counsel Payment and/or costs or  
15 Service Payment approved by the Court, the Settlement Administrator shall hold the difference  
16 between the amount requested and the amount awarded in escrow, in an interest-bearing account  
17 until such appeal has been fully resolved. Any unawarded amounts shall be added to the Net  
18 Settlement Amount for distribution to the Participating Class Members.

19           6.3     If Final Approval does not occur, or if this Stipulation of Settlement is terminated or  
20 canceled pursuant to its terms, the Parties to this Stipulation of Settlement shall be deemed to have  
21 reverted to their respective status as of the date and time immediately prior to the execution of this  
22 Stipulation of Settlement. Notwithstanding any other provision of this Stipulation of Settlement, no  
23 order of the Court, or modification or reversal on appeal of any order of the Court, reducing the  
24 amount of any attorneys' fees or costs to be paid by Defendants to Class Counsel, or reducing the  
25 amount of the Service Payment paid to the Class Representative, shall constitute grounds for  
26 cancellation or termination of the Stipulation of Settlement, or grounds for limiting any other  
27 provision of the Judgment.

28 **7.     FUNDING AND DISTRIBUTION OF SETTLEMENT PROCEEDS**

1           7.1     Within thirty (30) calendar days after the Effective Date, Defendants shall provide  
2 the Gross Settlement Amount to the Settlement Administrator to fund the Settlement as set forth in  
3 this Stipulation of Settlement.

4           7.2     Within forty-five (45) calendar days after the Effective Date, the Settlement  
5 Administrator shall issue the Individual Settlement Payments to Class Members in the form of a  
6 check, which shall become null and void if not cashed within one hundred eighty (180) days of  
7 issuance. The Settlement Administrator will mail all settlement checks to the last known address of  
8 each Participating Class Member. No settlement checks will be mailed to those Class Members  
9 whose Notice was returned as undeliverable with no valid address ascertained above. Any Class  
10 Member who is not mailed an initial Settlement Payment pursuant to this paragraph shall  
11 nevertheless be bound by the Judgment and subject to the Released Claims. For all such Class  
12 Members, the value of their Settlement Payment shall be included in the Net Settlement Amount to  
13 be allocated to Participating Class Members. The settlement check shall contain release language  
14 printed on the back of the check. In the event that a Settlement Payment is returned by the U.S.  
15 Postal Service with a forwarding address, the Settlement Administrator shall re-mail the check  
16 within three (3) days. In the event that a Settlement Payment is returned by the U.S. Postal Service  
17 as undeliverable, the Settlement Administrator shall perform a standard skip-trace and shall remail  
18 the check within three (3) days if a current address can be ascertained.

19           7.3     Any checks issued to the Class Members shall remain valid and negotiable for one  
20 hundred eighty (180) days from date of their issuance. If any Class Member does not cash his or  
21 her settlement check within 180 days, such uncashed check shall be voided, and the unclaimed  
22 funds therefrom shall be transmitted to a *cy pres* recipient allowable under CCP § 384, to be  
23 designated by the Parties, who shall receive all funds remaining unclaimed in this Settlement,  
24 subject to Court approval. During the 180-day check-cashing period, the Settlement Administrator  
25 shall provide bi-weekly reports to Class Counsel and Defendants' Counsel regarding the number of  
26 checks cashed and the total value of Settlement Payment remaining uncashed.

27           7.4     Within forty-five (45) calendar days of the Effective Date, the Settlement  
28 Administrator shall pay the Court-approved Class Counsel Payment to Class Counsel's trust

1 account. Class Counsel shall provide to the Settlement Administrator, with a copy to Defendants,  
2 the pertinent taxpayer identification number and IRS Form W-9 within fourteen (14) days after the  
3 Effective Date.

4       7.5     Within forty-five (45) calendar days of the Effective Date, the Settlement  
5 Administrator shall send a check by mail for the Court-approved Service Payment to the Class  
6 Representative, care of Class Counsel.

7       7.6     Within two hundred and ten (210) days of issuance of the settlement checks, the  
8 Class Administrator shall provide to Class Counsel and Defendants' Counsel a report as to the  
9 amount of funds remaining in the Settlement Fund.

10 **8. MISCELLANEOUS**

11       8.1     **Voluntary Nature.** The Parties acknowledge they have entered into this Stipulation  
12 of Settlement voluntarily, based on their own judgment and without coercions, duress, or undue  
13 influence of any Party, and not in reliance on any promises, representations, or statements made by  
14 the other Party other than those contained in this Stipulation of Settlement. Plaintiff has read and  
15 fully understood the terms of this Stipulation of Settlement and consulted with his attorney prior to  
16 executing this Stipulation of Settlement. Plaintiff and Class Counsel agree that the Defendants have  
17 provided all information needed to make an informed decision to enter into this Stipulation of  
18 Settlement, and Plaintiff has been given the opportunity to ask any questions which Plaintiff may  
19 have regarding this Stipulation of Settlement.

20       8.2     **No Tax Advice.** Class Counsel and Defendants' Counsel do not intend this  
21 Stipulation of Settlement to constitute legal or tax advice regarding any federal, state or local tax  
22 issue. To the extent this Settlement or any of its attachments are interpreted to contain or constitute  
23 advice regarding any federal, state, or local tax issue, such advice is not intended or written to be  
24 used, and cannot be sued, by any person for the purpose of avoiding any tax liability or penalties.  
25 The tax issues for each Class Member are unique to him/her, and each Class Member is advised to  
26 obtain tax advice from his or her own tax advisor with respect to any payments resulting from this  
27 Settlement.

28

1           **8.3 Conditional Certification of the Class.** The Parties stipulate and agree to the  
2 conditional certification of the Class for purposes of this Settlement only. Should, for whatever  
3 reason, the Court not grant Final Approval, the Parties' stipulation to class certification as part of  
4 the Settlement shall become null and void and shall have no bearing on, and shall not be admissible  
5 in connection with, the issue of whether or not certification would be appropriate in a non-  
6 settlement context. Defendants expressly reserve their right and declare that they intend to oppose  
7 class certification vigorously should this Settlement not be granted Final Approval.

8           **8.4 Mutual Full Cooperation.** The Parties and their counsel agree to cooperate fully  
9 with each other to accomplish and implement the terms of this Stipulation of Settlement. Such  
10 cooperation shall include, but not be limited to, execution of such other documents and the taking of  
11 such other action as may reasonably be necessary to fulfill the terms of this Stipulation of  
12 Settlement. The Parties to this Stipulation of Settlement shall exercise reasonable efforts, including  
13 all efforts contemplated by this Stipulation of Settlement and any other efforts that may become  
14 necessary by Court order, or otherwise, to effectuate this Stipulation of Settlement and the terms set  
15 forth herein.

16           **8.5 No Admission.** Nothing contained herein, nor the consummation of this Stipulation  
17 of Settlement, is to be construed or deemed an admission of liability, culpability, negligence, or  
18 wrongdoing on the part of Defendants or and of the other Released Parties. Each of the Parties  
19 hereto has entered into this Stipulation of Settlement with the intention of avoiding further disputes  
20 and litigation with the attendant risk, inconvenience and expenses. This Stipulation of Settlement is  
21 a settlement document and shall pursuant to the California Evidence Code section 1152 and/or  
22 Federal Rule of Evidence 408 and/or any other similar law, be inadmissible as evidence in any  
23 proceeding, except an action or proceeding to approve the settlement and/or interpret or enforce this  
24 Stipulation of Settlement.

25           **8.6 Construction.** The Parties hereto agree that the terms and conditions of this  
26 Stipulation of Settlement are the result of lengthy, intensive, arm's-length negotiations between the  
27 Parties and that this Stipulation of Settlement shall not be construed in favor of or against any party  
28 by reason of the extent to which any party or its counsel participated in the drafting of this

1 Stipulation of Settlement.

2           8.7     **No Publicity or Comments to Media.** The Parties and their counsel agree that no  
3 comments of any kind regarding the Stipulation of Settlement, the Settlement-related documents, or  
4 the Settlement negotiations, may be made at any time to the press/media, unless the Parties agree  
5 otherwise in writing. Notwithstanding the foregoing, Defendants shall have the right to disclose the  
6 Settlement and its terms for accounting or public filing purposes, or to otherwise comply with any  
7 public reporting duties. The Parties' counsel shall also retain the right to discuss the Settlement with  
8 the Parties.

9           8.8     Plaintiff, by signing this Stipulation of Settlement, is bound by the terms herein and  
10 further agrees not to request to be excluded from the Settlement and not to object to any terms of  
11 this Stipulation of Settlement. Any such request for exclusion or objection shall therefore be void  
12 and of no force or effect. Defendants and Plaintiff waive their rights to file an appeal, writ, or any  
13 challenge whatsoever to the terms of this Stipulation of Settlement, except Plaintiff and Class  
14 Counsel have the right to appeal any order denying, in whole or in part, their application for the  
15 award of attorneys' fees and costs and/or the Service Payment.

16           8.9     **Amendment or Modification.** This Stipulation of Settlement may not be changed,  
17 altered, or modified, except in writing signed by counsel for the Parties and approved by the Court.  
18 This Stipulation of Settlement may not be discharged except by performance in accordance with its  
19 terms or by a writing used by the Parties hereto.

20           8.10    **Binding on Successors.** This Stipulation of Settlement shall be binding upon and  
21 inure to the benefit of the Parties hereto and their respective heirs, trustees, executors,  
22 administrators, successors, and assigns.

23           8.11    **Parties' Authority.** The signatories hereto represent that they are fully authorized to  
24 enter into this Stipulation of Settlement and bind the Parties hereto to the terms and conditions  
25 hereof.

26           8.12    **No Prior Assignments.** The Parties hereto represent, covenant, and warrant that they  
27 have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or  
28 encumber to any person or entity any portion of any liability, claim, demand, action, cause of action

1 or rights released and discharged by this Stipulation of Settlement.

2 8.13 **Counterparts.** The Parties may execute this Stipulation of Settlement in  
3 counterparts, and execution of counterparts and photocopies thereof shall have the same force and  
4 effect as if all Parties had signed the same instrument.

5 8.14 **Jurisdiction of the Court.** The Court shall retain jurisdiction solely with respect to  
6 the implementation and enforcement of the terms of the Stipulation of Settlement and all orders and  
7 judgements entered in connection therewith, and all Parties hereto submit to the jurisdiction of the  
8 Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation of  
9 Settlement and all orders and judgments entered in connection therewith.

10 8.15 **Governing Law.** This Stipulation of Settlement shall be interpreted, construed,  
11 enforced and administered in accordance with the laws of the state of California.

12 8.16 **Entire Agreement.** This Stipulation of Settlement including Exhibits attached,  
13 contains the entire agreement between the Parties relating to the Settlement. All prior or  
14 contemporaneous agreements, understandings, representations, and statements, whether oral or  
15 written and whether by a party or such party's legal counsel, are merged herein. No rights hereunder  
16 may be waived except in writing.

17 IN WITNESS THEREOF, this Stipulation of Settlement is executed by the Parties and their  
18 duly authorized attorneys, as of the day and year herein set forth.

19 Dated: March 10, 2022

ULISES GONZALEZ

20  
21 *Ulises Gonzalez*

22 \_\_\_\_\_  
23 ULISES GONZALEZ  
24 Plaintiff

25  
26  
27 Dated: March 10, 2022

CAREER STRATEGIES, INC.

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

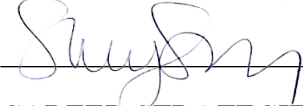
  
\_\_\_\_\_

CAREER STRATEGIES, INC  
Defendant

By: Shelley Shumway  
Title: COO

Dated: March 10, 2022

CAREER STRATEGIES TEMPORARY, INC.

  
\_\_\_\_\_

CAREER STRATEGIES TEMPORARY, INC  
Defendant

By: Shelley Shumway  
Title: COO

**APPROVED AS TO FORM**

Dated: March 10, 2022

SETAREH LAW GROUP

  
\_\_\_\_\_

Shaun Setareh  
David Keledjian  
Shane R. Farley  
Attorneys for Plaintiff  
ULISES GONZALEZ

Dated: March 10, 2022

SEYFARTH SHAW LLP

  
\_\_\_\_\_

Pamela Q. Devata



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

John W. Drury  
Eric Suits  
Attorneys for Defendants  
CAREER STRATEGIES, INC.; and  
CAREER STRATEGIES TEMPORARY, INC.