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19
20 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
21 **COUNTY OF SAN FRANCISCO**

22 Miwanda Barnes and Allison Camille, individually,
23 and on behalf of all others similarly situated,

24 Plaintiffs,
25 vs.

26 Sprig, Inc., and Does 1-20, inclusive

27 Defendant.
28

Case No.: CGC-15-548154

**JOINT STIPULATION AND CLASS AND
PAGA ACTION SETTLEMENT**

1 IT IS HEREBY STIPULATED AND AGREED, by and between Plaintiffs Miwanda Barnes
2 and Allison Camille (“Plaintiffs”), individually and on behalf of all others similarly situated, and
3 Defendant Sprig, Inc. (“Defendant”), jointly referred to herein as the “Parties,” as follows:

4 **I. INTENTION OF THE PARTIES**

5 1. This Joint Stipulation and Class and PAGA¹ Action Settlement Agreement and all
6 associated exhibits and attachments (hereinafter “Settlement Agreement”), made and entered into by
7 and between Plaintiffs (for themselves and on behalf of the Settlement Class Members)² and
8 Defendant, each with the assistance of their respective counsel or attorneys of record, is intended to
9 fully, finally, and forever settle, compromise and discharge the Released Claims against the Released
10 Parties arising from or related to the Action, subject to the terms and conditions set forth herein.

11 2. Because this Action was pled as a class action, this settlement must receive preliminary
12 and final approval by the Court. Accordingly, the Parties enter into this Settlement Agreement on a
13 conditional basis subject to Court approval.

14 **II. LITIGATION BACKGROUND**

15 3. This class and PAGA action was filed in San Francisco Superior Court on
16 September 25, 2015.

17 4. Plaintiffs allege that Sprig misclassified its meal delivery drivers in California
18 (“Servers”) and failed to pay minimum and overtime wages, to provide required meal and rest periods,
19 to remit gratuities, to reimburse all business expenses, to provide compliant wage statements, and
20 owes waiting time and other penalties. On the basis of these allegations, Plaintiffs allege that
21 Defendant violated the California Labor Code and California’s Unfair Competition Law, Business &
22 Professions Code sections 17200 *et seq.*

23 5. Specifically, Plaintiffs allege on behalf of themselves and the class that Sprig: (1) failed
24 to pay overtime wages; (2) failed to pay minimum wages; (3) failed to reimburse business expenses;
25 (4) failed to provide meal periods; (5) failed to provide rest periods; (6) failed to furnish accurate
26

27 ¹ Labor Code Private Attorneys General Act of 2004, California Labor Code §§ 2698, *et seq.*

28 ² Capitalized terms are defined in Section III below.

1 itemized wage statements; (7) failed to pay all wages earned upon discharge; (8) engaged in unlawful
2 and/or unfair business practices; and (9) violation California's Private Attorney General Act.

3 6. Additionally, the two Plaintiffs each bring an individual claim alleging Sprig failed to
4 comply with ICRAA³ when conducting their background checks.

5 7. Defendant has denied Plaintiffs' claims and asserted affirmative defenses in its
6 pleadings responsive to Plaintiffs' Complaint. In settling the Action, Defendant maintains those
7 positions.

8 8. The Class Period ends at December 31, 2015 because Sprig reclassified its Servers to
9 employees on January 1, 2016.

10 9. After serving the PAGA notice letter, Plaintiff Barnes requested her personnel file on
11 September 3, 2015. Defendant provided Plaintiff Barnes' personnel file to Plaintiffs on September 23,
12 2015, which included Sprig's Independent Contractor Agreement and Plaintiff Barnes' background
13 check authorization, background check report, tax-related documents, and direct deposit authorization.

14 10. After the Complaint was served, the Parties met and conferred, in writing and over the
15 phone, several times regarding the possibility of alternative dispute resolution. The Parties agreed to
16 attend mediation with Michael Dickstein on April 7, 2016.

17 11. The Parties also met and conferred regarding the production of information for
18 mediation purposes related to Plaintiffs' allegations. Sprig produced information for mediation
19 purposes to Plaintiffs on March 18, 2016. The information produced by Sprig included a class list
20 (using employee identification numbers instead of names), the date each Class Member applied to
21 Sprig, whether a background check was conducted and when a background check was conducted for
22 each Class Member, whether each Class Member attended a Sprig orientation and the date each Class
23 Member attended a Sprig orientation, and the discharge date of each Class Member where applicable.
24 In addition, Sprig provided information on payments for each pay period for Class Members where it
25 had the information, including the amount of minutes worked, total amount paid, bonuses paid,
26
27

28 ³ Investigative Consumer Reporting Agencies Act, California Civil Code §§ 1786, *et seq.*

1 deductions, pay periods' beginning and ending dates, the payroll date, and the times Class Members
2 clocked-in and clocked-out during a significant part of the Class Period.

3 12. The Parties participated in a full-day mediation with Michael Dickstein on April 7,
4 2016. After a full day of arms-length negotiation, Mr. Dickstein made a mediator's proposal. On
5 April 18, 2016, the Parties agreed to the settlement in general terms, which are more fully specified in
6 this Settlement Agreement.

7 13. It is the desire of the Parties to fully, finally, and forever settle, compromise, and
8 discharge all disputes and claims against the Released Parties arising from or related to the Action, and
9 that this Settlement Agreement shall constitute a full and complete settlement and release of all the
10 Released Parties from all of the claims averred in the Action.

11 **III. DEFINITIONS**

12 14. The "Action" means the lawsuit entitled *Barnes, et al. v. Sprig, Inc., and Does 1-20,*
13 *inclusive*, CGC 15-548154, pending in Superior Court of California, San Francisco County.

14 15. "Aggrieved Employees" means Class Members who worked for Defendant within the
15 PAGA period, which is from August 15, 2014 through December 31, 2015.

16 16. "Class" means the collective group of those individuals who are Class Members.

17 17. "Class Counsel" means the law firms of Goldstein, Borgen, Dardarian & Ho of
18 Oakland, California, and Browne Labor Law of Marina del Rey, California.

19 18. "Class Member" or "Member of the Class" means an individual who was worked for
20 Defendant as a Server during the Class Period.

21 19. "Class Notice" means a notice to be submitted for approval by the Court substantially
22 in the form attached hereof as Exhibit A.

23 20. "Class Period" means the period from September 1, 2013 through December 31, 2015.

24 21. "Classified as Employee Class Period" means the period from September 1, 2013 to
25 August 14, 2014 when Defendant classified all Servers as employees. Due to this employee
26 classification, a 75% discount will be applied to calculation of settlement shares attributed to this time
27 period.
28

1 22. “Class Representatives” means Miwanda Barnes and Allison Camille, the named
2 Plaintiffs in the Action.

3 23. “Complaint” means the first amended complaint filed in this Action.

4 24. “Court” means the Superior Court of California, San Francisco County.

5 25. “Defendant” or “Sprig” means Sprig, Inc., the Defendant in the Action.

6 26. “Final Approval Date” means the date on which the Order of Final Approval is entered
7 in this matter.

8 27. “Final Approval Hearing” means a hearing set by the Court to take place after the
9 Notice Response Deadline for the purpose of (i) determining the fairness, adequacy and
10 reasonableness of the Settlement Agreement; (ii) determining the good faith of the Settlement
11 Agreement; and (iii) considering the Parties’ request for entry of Judgment.

12 28. “First Payment to the Settlement Fund” means the amount of five hundred eighty
13 thousand dollars (\$580,000), which Defendant must pay to the Settlement Administrator within
14 fourteen (14) calendar days of the Preliminary Approval Date and shall be held in an escrow account.

15 29. “ICRAA” means the California Investigative Consumer Reporting Agencies Act,
16 California Civil Code §§ 1786, *et seq.*

17 30. “Individual ICRAA Settlement” means the amount of one thousand dollars (\$1,000) to
18 be paid by Defendant from the Total Settlement Sum to each Class Representative in exchange for a
19 release from them against all Released Parties for any known or unknown individual ICRAA claims.

20 31. “Judgment” means the judgment to be rendered by the Court pursuant to this
21 Settlement Agreement.

22 32. “Last Known Address” means the most recently recorded mailing address for a Class
23 Member as such information is contained in Sprig’s records.

24 33. “Net First Payment to the Settlement Fund” means the portion of the First Payment to
25 the Settlement Fund which will be distributed to Participating Settlement Class Members after
26 deductions from the Total Settlement Sum for: (a) Class Counsel’s Pro Rata share of attorneys’ fees as
27 set forth in Paragraph 63.6 hereof; (b) Class Counsel’s litigation costs and expenses, up to ten
28 thousand dollars (\$10,000); (c) pro-rata share of settlement administration costs as set forth in

1 Paragraph 63.2 hereof; (d) the Individual ICRAA Settlements for the Class Representatives as set forth
2 in Paragraph 63.4 hereof; (e) partial Service Awards to each Class Representative as provided for in
3 Paragraph 63.3 hereof; and (f) the pro-rata share of PAGA Allocation as provided for in Paragraph
4 63.5 hereof.

5 34. “Net Second Payment to the Settlement Fund” means the portion of the Second
6 Payment to the Settlement Fund which will be distributed to Participating Settlement Class Members
7 after deductions from the Total Settlement Sum for: (a) Class Counsel’s Pro Rata share of attorneys’
8 fees as set forth in Paragraph 64.5 hereof; (b) pro-rata share of settlement administration costs as set
9 forth in Paragraph 64.2 hereof; (c) the outstanding portion of the Service Award to each Class
10 Representative as provided for in Paragraph 64.3 hereof; and (d) the pro-rata share of PAGA
11 Allocation as provided for in Paragraph 64.4 hereof.

12 35. “Net Settlement Fund” means the portion of the Total Settlement Sum which will be
13 distributed to Participating Settlement Class Members after deductions from the Total Settlement Sum
14 for: (a) Class Counsel’s attorneys’ fees and costs as provided for in Paragraph 62.3 hereof;
15 (b) settlement administration costs as set forth in Paragraph 62.4 hereof; (c) the individual ICRAA
16 settlements for the Class Representatives as set forth in Paragraph 62.6 hereof; (d) the Service Award
17 to the Class Representative as provided for in Paragraph 62.5 hereof; and (e) PAGA Allocation as
18 provided for in Paragraph 62.7 hereof.

19 36. “Notice Mailing Deadline” means the date twenty (20) calendar days after the
20 Preliminary Approval Date.

21 37. “Notice Response Deadline” means the date sixty (60) calendar days after the Class
22 Notice is mailed to the Class Members by the Settlement Administrator.

23 38. “Order of Final Approval” or “Order Granting Final Approval of Settlement” means an
24 order to be submitted by Plaintiff for entry and filing by the Court as specified in this Settlement
25 Agreement.

26 39. “PAGA” means the Labor Code Private Attorneys General Act of 2004, California
27 Labor Code §§ 2698, *et seq.*

1 40. “PAGA Allocation” means ten percent of the Net Settlement Fund before the PAGA
2 Allocation is deducted. Of this PAGA Allocation, 75% will be distributed to the California Labor &
3 Workforce Development Agency (“LWDA”) and 25% will be distributed to Class Members.

4 41. “Participating Settlement Class Member” means any Class Member who does not
5 submit a valid and timely Request for Exclusion, or who timely rescinds a Request for Exclusion.
6 Only Participating Settlement Class Members will receive a Settlement Award.

7 42. “Preliminary Approval Date” means the date on which the Court enters the Preliminary
8 Approval Order.

9 43. “Preliminary Approval Order” or “Order Granting Preliminary Approval of Settlement”
10 means an order to be submitted by Plaintiff for entry and filing by the Court, as specified in this
11 Settlement Agreement.

12 44. “Pro Rata Share of the First Payment to the Settlement Fund” means the amount
13 distributed by the Settlement Administrator from Defendant’s First Payment to the Settlement Fund,
14 which is approximately 55.24% (580,000/1,050,000).

15 45. “Pro Rata Share of the Second Payment to the Settlement Fund” means the amount
16 distributed by the Settlement Administrator from Defendant’s Second Payment to the Settlement
17 Fund, which is approximately 44.76% (470,000/1,050,000).

18 46. “QSF” means the qualified settlement fund that the Settlement Administrator will use
19 to administer the Total Settlement Fund according to the Settlement Agreement.

20 47. “Released Claims” means any and all claims, causes of action or demands against the
21 Released Parties during the Class Period that were asserted in this Action or could have been asserted
22 based on the facts alleged in the Complaint, including (a) claims involving unpaid training, withheld
23 tips, and delivery charges, (b) overtime claims based on facts alleged in the complaint, (c) missed meal
24 periods and rest breaks, (d) unpaid minimum wages and (e) penalties resulting from the Labor Code
25 and PAGA violations alleged in the Action, including Labor Code §§ 203, 558 and 226.7.

26 48. “Released Parties” means Defendant and its respective parent companies, subsidiaries,
27 affiliates, shareholders, members, agents (including, without limitation, any investment bankers,
28

1 accountants, insurers, reinsurers, attorneys and any past, present or future officers, directors and
2 employees) predecessors, successors, and assigns.

3 49. "Request for Exclusion" means the written notice a Class Member is required to submit
4 to the Settlement Administrator no later than the Notice Response Deadline to request exclusion from
5 the Settlement Class containing the information set forth in Paragraph 68 hereof.

6 50. "Second Payment to the Settlement Fund" means the \$470,000 paid by Defendant to
7 the QSF within 12 months after the Final Approval Date.

8 51. "Server" means any individual who worked for Defendant in California as a meal
9 delivery driver during the Class Period.

10 52. "Settlement Administrator" means Settlement Services, Inc., or any other administrator
11 mutually agreed upon by the Parties.

12 53. "Settlement Agreement" means this Agreement, and all of its attachments and exhibits,
13 which the Parties understand and agree sets forth all material terms and conditions of the settlement
14 between them and which is subject to Court approval.

15 54. "Settlement Award" means the total gross amount due to a Participating Settlement
16 Class Member, which shall be comprised of the Pro Rata Share of the First Payment to the Settlement
17 Fund and Pro Rata Share of the Second Payment to the Settlement Fund, which is described below in
18 Paragraphs 62.2, 63.1, and 64.1.

19 55. "Settlement Class" means the collective group of all Class Members who do not
20 request exclusion from the Class, and thus means the collective group of all the Class Members who
21 will become bound by the Judgment if the Settlement Effective Date occurs.

22 56. "Settlement Effective Date" means the date of (i) the Court's order granting final
23 approval of the Settlement, if there are no objections to the settlement; (ii) if there are objections, then
24 upon the expiration of time for appeal of the Court's final approval order; or (iii) if there is an appeal
25 by an objector from the Court's final approval order, then upon the final resolution of any appeal from
26 the Court's final approval order.

27 57. "Share Form" means the form which shall be enclosed with the Class Notice to be
28 mailed to Class Members, which shall be substantially in the form of Exhibit B attached hereof. Each

1 Share Form mailed to a Class Member will identify: how the Settlement Award was calculated, and
2 will estimate the Class Member's total Settlement Award, Pro Rata Share of the First Payment to the
3 Settlement Fund, and Pro Rata Share of the Second Payment to the Settlement Fund.

4 58. "Shifts Worked" means the number of shifts that a Class Member worked during the
5 Class Period for Sprig according to its records. For the period between September 1, 2013 and August
6 15, 2014, the Shifts Worked by Servers will be discounted by 75% to account for the fact that they
7 were classified as employees during that period.

8 59. "Total Settlement Sum" means the total amount of one million fifty thousand dollars
9 (\$1,050,000), which, other than the employer's share of payroll taxes (to be paid separately by
10 Defendant), is the total and maximum amount that Defendant will pay out for any and all purposes to
11 any and all recipients as specified in this Settlement Agreement. This total amount can only be
12 increased in accordance with Paragraph 74.2 hereof.

13 60. "Updated Address" means a mailing address that was updated by a reasonable address
14 verification measure of the Settlement Administrator or by an updated mailing address provided by the
15 United States Postal Service or a Class Member.

16 **IV. TERMS OF SETTLEMENT**

17 NOW, THEREFORE, in consideration of the mutual covenants, promises, and undertakings set
18 forth herein, the Parties hereby further stipulate and agree, subject to the Court's approval, as follows:

19 61. Stipulation for Class Certification: The Action may be provisionally certified as a class
20 action pursuant to California Code of Civil Procedure section 382, for the purposes of the monetary
21 relief provided in this Settlement Agreement. Consistent with the definitions previously set forth in
22 Paragraph 20 hereof, the Class shall be defined as and consist of: "All persons who have worked for
23 Defendant in California as a Server at any time from September 1, 2013 through December 31, 2015."
24 Plaintiffs Miwanda Barnes and Allison Camille and their attorneys, Goldstein, Borgen, Dardarian &
25 Ho and Browne Labor Law, may be preliminarily and conditionally appointed as Class Representative
26 and Class Counsel respectively.

1 62. Total Settlement Payments

2 62.1. *Total Settlement Sum*

3 Subject to Court approval and the occurrence of the Settlement Effective Date, Defendant,
4 itself or through the Settlement Administrator, shall pay the Total Settlement Sum of one million fifty
5 thousand dollars (\$1,050,000.00), which shall be made in two payments as described in Paragraphs 28,
6 50, 62.1.1.1, and 62.1.1.2 hereof. The payment of the Total Settlement Sum shall fully satisfy
7 Defendant’s obligations, exclusive of the employer’s share of payroll taxes, for payments, fees
8 (including, but not limited to, attorneys’ fees), and costs identified in this Settlement Agreement,
9 including payments to the Settlement Class, service awards and ICRAA payments to the Class
10 Representatives, costs of settlement administration, PAGA payments, and Class Counsel’s attorneys’
11 fees and out-of-pocket litigation expenses and costs, in the amounts and by the procedures specified in
12 this Settlement Agreement.

13 62.1.1. Funding Deadlines

14 62.1.1.1. Within fourteen (14) calendar days after the Court grants
15 Preliminary Approval, Defendant shall transmit the First Payment of the Total Settlement Sum to the
16 Settlement Administrator for deposit into an escrow account established and maintained by the
17 Settlement Administrator.

18 62.1.1.2. Within twelve (12) months after the Final Approval
19 Order, Defendant shall transmit the Second Payment of the Total Settlement Sum to the Settlement
20 Administrator for deposit into an escrow account established and maintained by the Settlement
21 Administrator.

22 62.2. *Settlement Awards to Participating Settlement Class Members.*

23 62.2.1. Only Participating Settlement Class Members are entitled to receive
24 payment under this Settlement Agreement, and the Net Settlement Fund shall be used to pay all
25 amounts due to Participating Settlement Class Members, which shall be calculated according to the
26 number of shifts worked as reflected in Sprig’s records. Shifts worked prior to August 15, 2014 shall
27 be discounted by 75%. But, each Participating Class Member shall receive a minimum Settlement
28 Award to be determined later. The Settlement Administrator will make the Settlement Award

1 calculations pursuant to this formula, which will require employment records to be provided by
2 Defendant, as may be modified by the Settlement Administrator's resolution of any challenges
3 pursuant to Paragraph 67.9. All monies in the Net Settlement Fund shall be expended for that purpose,
4 without any reversion to Defendant.

5 62.2.2. The Settlement Administrator shall pay each Participating Settlement
6 Class Member's Settlement Amount in two payments, and each payment shall be made by issuing one
7 check (or more if necessary for administrative convenience) for each payment to each Participating
8 Class Member from the Net Settlement Fund, less relevant withholdings.

9 62.2.3. The Settlement Administrator shall, within fifteen (15) days after the
10 Settlement Effective Date, make the final calculation for each Participating Class Member of total
11 payments from the Net Settlement Fund, Pro Rata Share Of the First Payment to the Settlement Fund
12 to the Settlement Administrator, and Pro Rata Share Of the Second Payment to the Settlement Fund to
13 the Settlement Administrator. The Pro Rata Shares from the First Payment to the Settlement Fund
14 shall be distributed within fifteen (15) calendar days after the Settlement Effective Date. The pro rata
15 Settlement Awards from the Second Payment to the Settlement Fund shall be distributed within fifteen
16 (15) calendar days after the Second Payment to the Settlement Fund is received by the Settlement
17 Administrator.

18 62.2.4. Upon completion of its final calculation of payments, and at least five
19 (5) calendar days prior to the distribution of payments to Participating Settlement Class Members from
20 the Net First Payment of the Settlement Fund, the Settlement Administrator shall provide the
21 calculations in Paragraphs 62.2.1 and 62.2.3 hereof to Class Counsel and Defendant's Counsel with a
22 report listing the amount of all payments to be made to each Participating Settlement Class Member
23 (identifying the Class Representatives by name and all other Participating Class Members by unique
24 identification numbers).

25 62.2.5. Except for the Service Awards and individual ICRAA settlements to the
26 Class Representative, all payments to Participating Settlement Class Members under this Settlement
27 Agreement are for the Released Claims. Each Plaintiff and Participating Settlement Class Member's
28 individual settlement payment shall be treated in the following proportions: Eighty percent (80%) of

1 such payments shall be for interest, expense reimbursement, and penalties, and twenty percent (20%)
2 of such payments shall be for allegedly unpaid wages.

3 62.2.6. Defendant will issue appropriate tax forms and reports to Participating
4 Settlement Class Members and governmental tax authorities based on the foregoing allocations. The
5 Parties will not offer or provide any tax advice to Class Members concerning their responsibility for
6 taxes, if any, on payments they receive.

7 62.2.7. Defendant will pay separately the employer's share of the payroll taxes
8 related to payments for unpaid wages as applicable.

9 62.3. *Class Counsel's Costs, Expenses, and Attorneys' Fees*

10 62.3.1. From the Total Settlement Sum, and subject to Court approval,
11 Defendant shall pay Class Counsel's actual litigation costs and expenses up to a maximum amount of
12 ten thousand dollars (\$10,000), and up to three hundred fifty thousand dollars (\$350,000.00) (which is
13 an amount equal to one-third of the Total Settlement Sum) for Class Counsel's attorneys' fees. As set
14 forth in Paragraph 69 of this Settlement Agreement, Class Counsel will apply to the Court for, and
15 Defendant does not oppose, approval of payment of those amounts of costs, expenses, and attorneys'
16 fees.

17 62.3.2. The Settlement Administrator shall, within fifteen (15) calendar days
18 after the Settlement Effective Date, make the final calculation regarding Class Counsel's Pro Rata
19 Shares of the First Payment to the Settlement Fund and the Second Payment to the Settlement Fund.
20 Upon completion of these calculations of payments, and at least five (5) calendar days prior to the
21 distribution of Class Counsel's Pro Rate Share of the First Payment to the Settlement Fund, the
22 Settlement Administrator shall provide Class Counsel and Defendant's Counsel with a report listing
23 the amounts in each Pro Rata Share. The two payments to Class Counsel will be calculated as
24 described in Paragraphs 44-45, 63.6.2, and 64.5.

25 62.3.3. Class Counsel's Pro Rate Share of the First Payment to the Settlement
26 Fund shall be distributed within fifteen (15) calendar days after the Settlement Effective Date. Class
27 Counsel's Pro Rate Share of the Second Payment to the Settlement Fund shall be distributed within
28

1 fifteen (15) calendar days after the Second Payment to the Settlement Fund is received by the
2 Settlement Administrator.

3 62.4. *Costs of Settlement Administration:* The costs of settlement administration shall
4 not exceed \$25,000 unless the Settlement Administrator is unable to issue both payments within the
5 same calendar year. In the event that the Settlement Administrator is unable to distribute funds from
6 the Second Payment to the Settlement Fund in 2017, the settlement administration costs shall not
7 exceed \$31,750. The Settlement Administrator's Pro Rata Share from the First Payment to the
8 Settlement Fund shall be distributed within fifteen (15) calendar days after the Settlement Effective
9 Date, and the Pro Rate Share From the Second Payment to the Settlement Fund shall be distributed
10 within fifteen (15) calendar days after the Second Payment to the Settlement Fund is received by the
11 Settlement Administrator.

12 62.5. *Service Awards to Class Representatives:* From the Total Settlement Sum, and
13 subject to Court approval, Defendant shall pay a service award of \$5,000 to each Class Representative
14 in recognition of their efforts and time expended on behalf of the Settlement Class. Defendant does
15 not oppose or object to the approval of payment of this amount. The distribution of part of the Service
16 Award from the First Payment to the Settlement Fund shall be distributed within fifteen (15) calendar
17 days after the Settlement Effective Date, and the remainder of the Service Award shall be distributed
18 within fifteen (15) calendar days after the Second Payment to the Settlement Fund is received by the
19 Settlement Administrator.

20 62.6. *ICRAA Settlement with Class Representatives:* From the Total Settlement Sum,
21 and subject to Court approval, Defendant shall pay \$1,000 to each Class Representative in exchange
22 for a release as to all known and unknown ICRAA claims against the Released Parties. This payment
23 shall be distributed within fifteen (15) calendar days after the Settlement Effective Date.

24 62.7. *PAGA Allocation:*

25 62.7.1. After deducting Service Awards, ICRAA Settlements, attorneys' fees
26 and costs, and settlement administration costs from the Total Settlement Fund, ten (10) percent of the
27 remainder is the PAGA Allocation. The PAGA Allocation is expected to total approximately \$65,300.
28 This PAGA allocation is appropriate for several reasons. First, the PAGA period is less than the full

1 class period because the PAGA notice was sent on August 17, 2015. Second, Plaintiff Barnes' alleged
2 arbitration agreement did not include a class waiver, and thus the PAGA claim is less valuable than in
3 a case where the arbitration agreement contains a class waiver. Third, because Sprig reclassified its
4 Servers on January 1, 2016, which was before the date of mediation and when the parties entered into
5 a tentative settlement, the maximum PAGA penalties are less appropriate here than in a case where the
6 Labor Code violations alleged continued throughout the pendency of the litigation. Fourth, pursuant
7 to Labor Code § 2699(e)(2), a court may find that the maximum PAGA penalties are oppressive.
8 Sprig is a recently-formed, start-up company, and, in contrast to the PAGA penalties, the largest
9 potential amount for any of the Labor Code violations is for damages for failure to remit gratuities.
10 Fifth, the PAGA Allocation here is a larger percentage of the Net Settlement than in many other class
11 and PAGA action settlements. For example, in *Abu-Arafeh, et al v. Norco Delivery Serv., Inc.*, this
12 Court granted final approval to a wage and hour settlement that had a \$10,000 PAGA allocation. 2016
13 WL 1597956 (S.F. Cnty. Mar. 15, 2016). This \$10,000 PAGA allocation was distributed from a net
14 settlement fund of either \$503,944 or \$638,944. Another example is *Bararsani, et al. v. Coldwell*
15 *Banker Residential Brokerage Co.*, where the court granted final approval to a settlement that had a
16 PAGA allocation of \$10,000 and a net settlement of \$2,941,871.75. 2016 WL 1243589 (L.A. Cnty.
17 Jan. 13, 2016). As a percentage of the net settlement, the PAGA allocation in *Bararsani* was
18 approximately .3%, the PAGA allocation in *Norco Delivery* was approximately either 1.9% or 1.6%.
19 By contrast, the PAGA allocation in *Barnes* is expected to be approximately 10.8%.

20 62.7.2. Seventy-five (75) percent of the PAGA Allocation will be paid to the
21 LWDA and twenty-five (25) percent of the PAGA Allocation will be paid to Aggrieved Employees.
22 All Participating Settlement Class Members will each receive an equal share of the PAGA allocation
23 for Aggrieved Employees. The PAGA Allocation's Pro Rata Share from the First Payment to the
24 Settlement Fund shall be distributed within fifteen (15) calendar days after the Settlement Effective
25 Date, and the Pro Rate Share From the Second Payment to the Settlement Fund shall be distributed
26 within fifteen (15) calendar days after the Second Payment to the Settlement Fund is received by the
27 Settlement Administrator.
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1 62.7.3. *Notification to LWDA prior to preliminary approval hearing:* At least
2 ten calendar days prior to the date set for preliminary hearing, Class Counsel shall notify the LWDA
3 of the settlement and the date, time and location of the preliminary approval hearing. Class Counsel
4 shall bring a copy of such correspondence to the preliminary approval hearing.

5 62.7.4. *Notification to LWDA prior to the final approval hearing:* Prior to
6 serving the motion for final approval, Class Counsel shall notify the LWDA of the date, time and
7 location of the final approval hearing. Class Counsel shall attach such correspondence to its
8 declaration in support of the motion for final approval.

9 63. Distributions from the First Payment to the Settlement Funds shall be distributed:
10 Within fifteen (15) calendar days from the Settlement Effective Date, payments shall be made (1) to
11 each Participating Settlement Class Member for their pro rata share of the Net First Payment to the
12 Settlement Fund; (2) to each Class Representative for a share of their Service Award and for the full
13 amount of their Individual ICRAA Settlement; (3) to the Settlement Administrator for the Pro Rata
14 Share From the First Payment to the Settlement Fund; (4) to class counsel for the full amount of
15 litigation costs up to \$10,000 and the Pro Rata Share From the First Payment to the Settlement Fund of
16 attorneys' fees; and (5) to the LWDA and Aggrieved Employees from Pro Rata Share From the First
17 Payment to the Settlement Fund for the PAGA Allocation.

18 63.1. *Payment of Settlement Awards to Participating Settlement Class Members from*
19 *the First Payment to the Settlement Fund:* Each Participating Settlement Class Member will be paid
20 according to the appropriate formula set forth in Paragraph 62.2.1 and 62.2.3. The Net First Payment to
21 the Settlement Fund, expected to total approximately \$333, 663, is the remainder of \$580,000 after
22 deducting the partial payments for attorneys' fees, settlement administration costs, service payments,
23 and PAGA Allocation and full payment of Class Counsel's litigation costs as set forth in Paragraphs
24 63.2-63.6. The formula for calculating each Participating Settlement Class Member shall include an
25 appropriate reduction for time worked during the Classified as Employee Class Period to account for
26 their employee status during that time.

27 63.2. *Payment to the Settlement Administrator from the First Payment to the*
28 *Settlement Fund:* The Settlement Administrator will be paid all costs incurred through fifteen (15)

1 calendar days after the Settlement Effective Date from the First Payment to the Settlement Fund, but
2 this amount shall not exceed its Pro Rata Share of the First Payment to the Settlement Fund.

3 63.3. *Payment of Service Awards to Class Representatives from the First Payment to*
4 *the Settlement Fund:* Each Class Representative shall be paid \$3,000, or, if the Court awards less than a
5 \$5,000 Service Award, then sixty (60) percent of the Service Award amount in the Order of Final
6 Approval will be paid.

7 63.4. *Payment of Individual ICRAA Settlement with Class Representatives from the*
8 *First Payment to the Settlement Fund:* Each Class Representative's total Individual ICRAA Settlement
9 will be paid.

10 63.5. *Payment of PAGA Allocation from the First Payment to the Settlement Fund:*
11 The Pro Rata Share from the First Payment to the Settlement Fund will be paid to the LWDA and
12 Aggrieved Employees. Of this pro-rata amount, 75% will be paid to the LWDA and 25% will be
13 distributed to Participating Settlement Class Members as Aggrieved Employees, and each Participating
14 Settlement Class Member will receive an equal share of the PAGA Allocation.

15 63.6. *Payment to Class Counsel from the First Payment to the Settlement Fund*

16 63.6.1. Class Counsel will be paid the full amount of costs and expenses
17 awarded in the Court's Order of Final Approval.

18 63.6.2. Class Counsel will be paid Class Counsel's Pro Rata Share From the
19 First Payment to the Settlement Fund of attorneys' fees.

20 64. Distributions from the Second Payment to the Settlement Funds shall be distributed as
21 follows: Within fifteen (15) calendar days after the Settlement Administrator receives the Second
22 Payment to the Settlement Fund from Defendant, payments shall be made (1) to each Participating
23 Settlement Class Member for their pro rata share of the Net Second Payment to the Settlement Fund;
24 (2) to each Class Representative for their pro-rata share of their Service Award; (3) to the Settlement
25 Administrator for its pro rata share of administration costs; (4) to class counsel for their pro rata share
26 of attorneys' fees, and (5) a pro rata share to the LWDA and Aggrieved Employees from the remaining
27 PAGA Allocation.
28

1 64.1. *Payment of Settlement Awards to Participating Settlement Class Members from*
2 *the Second Payment to the Settlement Fund:* Each Participating Class Member will be paid their Pro
3 Rata Share From the Second Payment to the Settlement Fund. The Net Second Payment to the
4 Settlement Fund, expected to total approximately \$270,361, is the remainder of \$470,000 after
5 deducting the partial payments for attorneys’ fees and costs, settlement administration costs, service
6 payments, and PAGA allocation as set forth in Paragraphs 64.2-64.5, including an appropriate
7 reduction for time worked during the Classified as Employees Class Period because Defendant
8 classified them as employees during that period.

9 64.2. *Payment to the Settlement Administrator from the Second Payment to the*
10 *Settlement Fund:* The Settlement Administrator will be paid all costs incurred after fifteen (15)
11 calendar days after the Settlement Effective Date from the Second Payment to the Settlement Fund, but
12 this amount shall not exceed the Pro Rata Share From the Second Payment to the Settlement Fund.

13 64.3. *Payment of Service Awards to Class Representatives from the Second Payment*
14 *to the Settlement Fund:* Each Class Representative will be paid \$2,000, or, if the Court awards less than
15 a \$5,000 Service Award, then forty (40) percent of the Service Award amount in the Order of Final
16 Approval will be paid.

17 64.4. *Payment of PAGA Allocation from the Second Payment to the Settlement Fund:*
18 The Pro Rata Share from the Second Payment to the Settlement Fund will be paid to the LWDA and
19 Aggrieved Employees. Of this pro-rata amount, 75% will be paid to the LWDA and 25% will be
20 distributed to Participating Settlement Class Members as Aggrieved Employees, and each
21 Participating Settlement Class Member will receive an equal share of the PAGA Allocation.

22 64.5. *Payment to Class Counsel from the Second Payment to the Settlement Fund:*
23 Class Counsel will be paid Class Counsel’s Pro Rata Share From the Second Payment to the
24 Settlement Fund of attorneys’ fees.

25 65. Stipulation to Amended Complaint: Plaintiffs will file an amended complaint that will
26 include the same allegations and causes of action of the original complaint, but will add Allison
27 Camille as a Class Representative and a cause of action for failure to pay overtime wages. Defendant
28 will stipulate to the filing of this first amended complaint.

1 66. Court Approval of Notice to the Class

2 66.1. Plaintiffs shall promptly submit this Settlement Agreement to the Court together
3 with a Motion for Preliminary Approval of Settlement and Certification of Settlement Class.

4 Plaintiffs’ motion shall also seek an order:

- 5 a. Preliminarily approving the settlement;
- 6 b. Approving as to form and content the proposed Class Notice;
- 7 c. Approving as to form and content the proposed Share Form, and
8 instructions;
- 9 d. Directing the mailing of the Class Notice, Share Forms, and instructions
10 by first class mail to Class Members;
- 11 e. Preliminarily certifying the Class for purposes of settlement and
12 preliminarily appointing Plaintiffs and Plaintiffs’ Counsel as Class Representative and Class Counsel
13 of the Settlement Class;
- 14 f. Preliminarily approving settlement administration services to be
15 provided by the Settlement Administrator;
- 16 g. Preliminarily approving the proposed service awards to Plaintiffs
17 Miwanda Barnes and Allison Camille as Class Representatives;
- 18 h. Preliminarily approving the Individual ICRAA Settlements between
19 Defendant and each Class Representative;
- 20 i. Preliminarily approving the application for payment of reasonable
21 attorneys’ fees, costs, and expenses to Class Counsel; and
- 22 j. Scheduling a fairness hearing on the question of whether the proposed
23 settlement should be finally approved as fair, reasonable, and adequate as to the members of the
24 Settlement Class.

25 66.2. Failure of the Court to enter the Preliminary Approval Order in its entirety or in
26 a substantially similar form will be grounds for the Parties to terminate the settlement and the terms of
27 this Settlement Agreement.

1 67. Class Notice Distribution Procedure

2 67.1. Within ten (10) calendar days of the Preliminary Approval Date, Defendant shall
3 provide to the Settlement Administrator information in electronic format regarding all Class Members,
4 including Last Known Addresses and telephone numbers, Social Security numbers, e-mail addresses,
5 and the number of Shifts Worked, including, to the extent the information is available, the date of each
6 Shift Worked. Defendant will provide this information to the Settlement Administrator only. The
7 Settlement Administrator will provide Class Counsel with complete information, in electronic format,
8 for the two Class Representatives and all other Class Members will appear in a spreadsheet that
9 includes identifying numbers that the Settlement Administrator has assigned to each Class Member
10 and the number of Shifts Worked for each Class Member, including, to the extent the information is
11 available, the date of each Shift Worked.

12 67.2. Prior to mailing the Class Notices, the Settlement Administrator will update the
13 addresses for the Class Members using the National Change of Address database and other available
14 resources deemed suitable by the Settlement Administrator. To the extent this process yields an
15 Updated Address, that Updated Address shall replace the Last Known Address and be treated as the
16 new Last Known Address for purposes of this Settlement Agreement and for subsequent mailings in
17 particular.

18 67.3. Unless the Parties agree otherwise in writing or the Court so orders, the Class
19 Notices shall be mailed to the Last Known Address or Updated Address (if applicable) of the Class
20 Members by first class mail no later than the Notice Mailing Deadline. Attached to the Class Notices
21 will be a Share Form describing how the Settlement Award was calculated based on the shifts worked
22 data provided by Defendant, and the Class Member's total estimated Settlement Award, estimated Pro
23 Rata share from the First Payment to the Settlement Fund, and estimated Pro Rata share amount from
24 Second Payment to the Settlement Fund.

25 67.4. The Settlement Administrator shall mail the Class Notices within twenty (20)
26 calendar days after entry of the preliminary approval order.

27 67.5. The Settlement Administrator will use all appropriate tracing methods to ensure
28 that the Class Notice packets are received by all Class Members. Any returned envelopes from the

1 initial mailing with forwarding addresses will be used by the Settlement Administrator to locate
2 missing Class Members and re-mail the Class Notice to the correct or Updated Address.

3 67.6. In the event that the first mailing of the Class Notice to any Class Member is
4 returned without a forwarding address, the Settlement Administrator will immediately conduct a
5 standard skip trace in an effort to ascertain the current address for the particular Class Member in
6 question. If a more recent or accurate address is found by this method, the Settlement Administrator
7 will resend the Notice to the Updated Address within three (3) calendar days of identifying the new
8 address information.

9 67.7. The Settlement Administrator shall provide weekly updates on the status of
10 notice mailings, including remailings to forwarding addresses and results of any skip traces performed.
11 If the Settlement Administrator cannot ascertain a current address for a Class Member, it shall notify
12 both Parties who, with the provision of appropriate information, may then conduct supplemental
13 searches for a current address. The Settlement Administrator shall re-mail notices to Class Members
14 for whom either Party has found a more recent or current mailing address.

15 67.8. At least ten (10) calendar days prior to the Final Fairness Hearing, the
16 Settlement Administrator shall prepare, and Class Counsel shall provide the Court, a declaration by the
17 Settlement Administrator of due diligence and proof of mailing of the Class Notices, and Share Forms
18 required to be mailed to Class Members by this Settlement Agreement, and of the delivery results of
19 the Settlement Administrator's mailings including tracing and re-mailing efforts.

20 67.9. Class Members will have the right to challenge only the number of Shifts
21 Worked used to calculate the Settlement Awards. Challenges shall be sent directly to the Settlement
22 Administrator at the address indicated on the Share Form. No challenge will be accepted unless
23 postmarked within forty-five (45) calendar days after the mailing of Class Notice. Additional time
24 may be provided to a Class Member for good cause and within an amount of time determined by the
25 Settlement Administrator that will not delay the distribution of settlement payments to other Class
26 Members. The Settlement Administrator will inform Class Counsel and Defendant's Counsel in
27 writing of any timely filed challenges and will provide copies of any such challenges. Class Counsel
28 will have the opportunity to contact Class Members who submit challenges to investigate the basis of

1 their challenge. Challenges will be resolved without hearing by the Settlement Administrator, who
2 will make a decision based on Defendant’s records and any documents or other information presented
3 by the Class Member making the challenge, Class Counsel or Defendant. The Settlement
4 Administrator’s determination is final and binding without a right of appeal.

5 67.10. Unless a Class Member submits a valid and timely Request for Exclusion (as
6 described in Paragraph 68), he or she will automatically become a Participating Settlement Class
7 Member. In other words, Class Members shall not be required to take any action to receive payment
8 from the Net Settlement Fund.

9 68. Procedure for Requesting Exclusion and Objecting to the Settlement

10 68.1. Class Members who wish to opt out of this settlement shall notify the
11 Settlement Administrator in writing that they want to exclude themselves from (i.e., opt out of) the
12 Settlement Class. The written exclusion statement (“Request for Exclusion”) must include the Class
13 Member’s name, address, and last four digits of his/her Social Security number, and state, in writing,
14 the desire to be excluded. The Request for Exclusion must be postmarked no later than the Notice
15 Response Deadline, or as otherwise ordered by the Court, to be considered timely. Class Members
16 shall be permitted to rescind their Request for Exclusion in writing by submitting a rescission
17 statement to the Settlement Administrator no later than three (3) business days prior to the Final
18 Fairness Hearing, or as otherwise ordered by the Court.

19 68.2. Class Members who wish to object to this settlement must do so in writing, or in
20 any other manner ordered by the Court. Written objections must include the Class Member’s name,
21 address, and last four digits of his/her Social Security number, and state the basis of the objection. All
22 written objections must be mailed to the Settlement Administrator and postmarked no later than the
23 Notice Response Deadline, or as otherwise ordered by the Court, to be considered timely.
24 Alternatively, Class Members may appear at the final approval hearing to object provided that the
25 Parties shall have seven (7) court days to respond in writing to the objections made for the first time at
26 the final approval hearing. Class Members shall be permitted to withdraw their objections in writing
27 by submitting a withdrawal statement to the Settlement Administrator no later than three (3) business
28 days prior to the Final Fairness Hearing, or as otherwise ordered by the Court.

1 68.3. The Settlement Administrator shall (a) date stamp all original Requests for
2 Exclusion and objections to the settlement that it receives; (b) serve copies on Class Counsel and
3 Defendant’s Counsel no later than five (5) business days after receipt, or immediately if received
4 within five (5) business days of the Final Fairness Hearing; and (c) file the date-stamped originals with
5 the Clerk of the Court no later than five (5) business days prior to Final Fairness Hearing or
6 immediately if received less than five (5) business days prior to the Final Fairness Hearing.

7 68.4. The Settlement Administrator shall also (a) date stamp all original rescission of
8 request for exclusions and withdrawal of objection statements it receives; (b) serve copies on Class
9 Counsel and Defendant’s Counsel no later than five (5) business days after receipt, or immediately if
10 received within five (5) business days of the Final Fairness Hearing; and (c) file the date-stamped
11 originals with the Clerk of the Court no later than five (5) business days prior to the Final Fairness
12 Hearing or immediately if received less than five (5) business days prior to the Final Fairness Hearing.

13 69. Motion for Final Approval and Final Fairness Hearing

14 69.1. Prior to the Final Fairness Hearing and consistent with the rules imposed by the
15 Court, Plaintiff shall move the Court for entry of the Order of Final Approval (and associated entry of
16 Judgment) and, at the same time, move the Court for an award of attorneys’ fees, costs, and Service
17 Awards. Through this motion, Plaintiffs shall advise the Court of the agreements in Paragraphs 62-64
18 hereof. Plaintiffs and Class Counsel shall be responsible for justifying the agreed upon payments set
19 forth in Paragraphs 62.3.1, 63.6, and 64.5 hereof. To the extent possible, the motion seeking entry of
20 the Order of Final Approval shall be noticed for the same day as the Final Fairness Hearing. The
21 Parties shall take all reasonable efforts to secure entry of the Order of Final Approval. If the Court
22 rejects the Settlement Agreement, fails to enter the Order of Final Approval, or fails to enter the
23 Judgment, this Settlement Agreement shall be void *ab initio*, and Defendant shall have no obligation
24 to make any payments under the Settlement Agreement, except that the Parties shall each be
25 responsible for 50% of the costs of, and any payments due to, the Settlement Administrator for
26 services performed up to that time.

27 69.2. Class Counsel will submit a proposed Order for Final Approval and Judgment,
28 which shall include findings and orders:

1 69.2.1. Approving the settlement, adjudging the terms thereof to be fair,
2 reasonable, and adequate, reciting the release terms in full, and directing that the Settlement
3 Agreement terms and provisions be carried out;

4 69.2.2. Approving the payment of settlement awards to Participating Settlement
5 Class Members;

6 69.2.3. Approving the payment of service awards to the Plaintiffs as Class
7 Representatives;

8 69.2.4. Approving Class Counsel’s application for an award of attorneys’ fees
9 and reimbursement of costs and litigation expenses;

10 69.2.5. Approving each Plaintiff’s Individual ICRAA Settlement;

11 69.2.6. Approving the PAGA allocation;

12 69.2.7. Approving the payment of settlement administration costs;

13 69.2.8. Appointing Plaintiffs and Class Counsel as Settlement Class
14 Representatives and Class Counsel; and

15 69.2.9. Providing that the Court will retain jurisdiction to oversee administration
16 and enforcement of the terms of the Settlement Agreement and the Court’s orders.

17 69.3. Following entry of the Court’s Order Granting Final Approval of Settlement,
18 the Parties will act to assure the timely execution and the fulfillment of all its provisions, including,
19 but not limited to, the following:

20 69.3.1. Class Counsel and Defendant’s Counsel will assist the Settlement
21 Administrator as needed or requested in the process of identifying and locating Participating
22 Settlement Class Members entitled to payments from the Net Settlement Fund and assuring delivery of
23 such payments;

24 69.3.2. Class Counsel and Defendant’s Counsel will assist the Settlement
25 Administrator as needed or requested in responding to late requests for payments and the fair
26 administration of that Fund;

1 69.3.3. Class Counsel and Defendant’s Counsel will cooperate with each other
2 and assist the Settlement Administrator as needed or requested in completing the distribution of any
3 uncashed checks, as specified below, to the designated *cy pres* beneficiary; and

4 69.3.4. Plaintiffs and Class Counsel will certify to the Court completion of all
5 payments required to be made by this Settlement Agreement as set forth in Paragraphs 62-64 hereof.

6 70. Distribution of Settlement Awards to Participating Settlement Class Members

7 70.1. The Settlement Administrator shall mail said checks, and any necessary tax
8 reporting forms, to each Participating Settlement Class Member at his or her Last Known Address, or
9 Updated Address if obtained.

10 70.2. The distribution to the Participating Settlement Class Members for their Pro
11 Rata Share From the First Payment to the Settlement Fund shall occur within fifteen (15) calendar
12 days of the Settlement Effective Date, and the distribution for the Pro Rata Share From the Second
13 Payment to the Settlement Fund shall occur within fifteen (15) calendar days of Defendant’s Second
14 Payment to the Settlement Fund.

15 70.3. Prior to sending out checks from the Second Payment to the Settlement Fund,
16 the Administrator will update the addresses for the Class Members using the National Change of
17 Address database and other available resources deemed suitable by the Settlement Administrator. To
18 the extent this process yields an Updated Address, that Updated Address shall replace the Last Known
19 Address and be treated as the new Last Known Address for purposes of this Settlement Agreement and
20 for subsequent mailings in particular. The Settlement Administrator shall notify the Parties of its
21 discovery and use of Updated Addresses for the second distribution to the extent that they differ from
22 the ones used for the first distribution.

23 70.4. Following the mailing of the payments to Participating Settlement Class
24 Members discussed in Paragraphs 63.1 and 64.1 hereof, the Settlement Administrator shall provide a
25 declaration of payment, which Class Counsel will file with the Court and serve on Defendant within
26 thirty (30) calendar days of mailing the last payment to Participating Settlement Class Members,
27 Plaintiffs, and Class Counsel.

1 70.5. Participating Settlement Class Members who are sent payments shall have
2 ninety (90) calendar days after mailing by the Settlement Administrator to cash their settlement
3 checks. If such Participating Settlement Class Members do not cash their checks within that period,
4 those checks will become void and a stop payment will be placed on the uncashed checks. In such
5 event, those Participating Settlement Class Members will be deemed to have waived irrevocably any
6 right in or claim to a settlement payment. However, if the interests of fairness require it and good
7 cause exists, the Parties may agree to allow the Settlement Administrator to re-issue a stale settlement
8 check to a Participating Settlement Class Member.

9 71. Distribution of Residual

10 71.1. Should there remain any residual from the Net Settlement Fund after all
11 payments are made under this Settlement Agreement, for example, if any uncashed settlement checks,
12 the residual amount shall be paid as an award to the *cy pres* beneficiary.

13 71.2. The Parties agree, subject to Court approval, that the “nonprofit organization[]
14 providing civil legal services to the indigent” *cy pres* beneficiary per California Code of Civil
15 Procedure § 384(b) is Bay Area Legal Aid.

16 71.3. Any costs associated with administering the residual (e.g., bank stop payment
17 charges) or payments to the *cy pres* beneficiary will be deducted from the residual before donation of
18 the *cy pres* funds.

19 71.4. No later than three (3) weeks after the Settlement Administrator has issued its
20 last a stop payment on uncashed settlement checks, the Settlement Administrator shall pay over any
21 residual to the *cy pres* beneficiary designated by the process described above. The Settlement
22 Administrator shall provide a declaration of payment to the *cy pres* beneficiary, which will be filed
23 with the Court and served on Class Counsel within ten (10) calendar days of payment of the residual to
24 such beneficiary. This declaration of payment may be combined with the declaration of payment
25 described in Paragraph 70.4 if feasible.

26 72. Releases

27 72.1. *Class Release.* Upon the Settlement Effective Date, Plaintiffs and each of the
28 Settlement Class Members (and only these persons) shall be deemed to have, and by operation of the

1 Judgment shall have, fully, finally, and forever released, dismissed with prejudice, relinquished and
2 discharged all Released Claims as defined above.

3 72.2. *Named Plaintiffs' Individual ICRAA Release.* In exchange for their Individual
4 ICRAA Settlements, the Class Representatives agree to release all known and unknown ICRAA
5 claims against the Released Parties.

6 72.3. *Named Plaintiffs' Individual General Release.* In exchange for their receipt of a
7 service award and the individual ICRAA Settlement as described in Paragraph 72.2, the Class
8 Representatives agree to a general release of all claims they might have against the Released Parties
9 based on or arising from their employment with Defendant. The Class Representatives waive all
10 rights and benefits afforded by California Civil Code section 1542 and do so understanding the
11 significance of that waiver. Section 1542 provides:

12 A general release does not extend to claims which the creditor does not
13 know or suspect to exist in his or her favor at the time of executing the
14 release, which if known by him or her must have materially affected his
 or her settlement with the debtor.

15 In order to achieve a full and complete release of all claims arising from this lawsuit against
16 Released Parties, Class Representatives acknowledge that this Settlement Agreement is meant to
17 include in its effect all claims that were asserted in this action, including claims the Class
18 Representatives do not know or suspect to exist in their favor against Defendant. Plaintiffs also agree
19 to not seek further employment with the Released Parties and waive any right to be hired by the
20 Released Parties.

21 73. Preliminary Timeline for Completion of Settlement

22 73.1. The preliminary schedule for notice, approval, and payment procedures carrying
23 out this settlement is below. The schedule may be modified depending on whether and when the
24 Court grants necessary approvals and orders notice to the class, and sets further hearings. In the event
25 of such modification, the Parties shall cooperate in order to complete the settlement procedures as
26 expeditiously as reasonably practicable.

27 73.1.1. Preliminary Approval Hearing before the Court on or before July 18,
28 2016, if permitted by the Court;

1 73.1.2. Defendant to provide names, Social Security numbers, addresses, phone
2 numbers, e-mail addresses, dates of employment and data necessary to calculate the Settlement
3 Awards, including the number and dates, to the extent the dates are available, of Shifts Worked for
4 each Class Member to Settlement Administrator no later than ten (10) calendar days after Preliminary
5 Approval is granted;

6 73.1.3. Within fourteen (14) calendar days of the Preliminary Approval Date,
7 Defendant shall send the First Payment to the Settlement Fund to the Settlement Administrator;

8 73.1.4. Settlement Administrator to mail the Class Notice, Share Form, and
9 instructions (as applicable) by first class mail to Class Members no later than twenty (20) calendar
10 days after Preliminary Approval;

11 73.1.5. Settlement Administrator to conduct trace/search efforts and send a
12 follow up mailing, no later than thirty (30) calendar days after initial mailing, to individuals whose
13 Class Notice was returned as undeliverable or whose listed address is found to be inaccurate or
14 outdated.

15 73.1.6. Any challenges to the calculation of Participating Settlement Class
16 Member awards must be postmarked no later than forty-five (45) days after the date of the initial
17 mailing of the Class Notice;

18 73.1.7. Requests for Exclusion or objections to the Settlement must be
19 postmarked no later than sixty (60) calendar days after the date of the initial mailing of the Class
20 Notice;

21 73.1.8. Settlement Administrator to file with the Court and serve on the Parties
22 any Request for Exclusion and/or written objections or statements of intention to object to the
23 Settlement received from Class Members, and will also file with the Court and serve on the Parties its
24 certification of the completion and results of the Class Notice, and related processes, no later than ten
25 (10) calendar days before Final Approval Hearing, or in the case of late-received Requests for
26 Exclusion, objections or statements, immediately upon receipt thereof;

1 73.1.9. Class Counsel will file a timely motion for final approval of settlement,
2 including Class Counsel’s application for award of attorneys’ fees and costs before the Final Approval
3 Hearing;

4 73.1.10. Final Approval Hearing before the Court will occur approximately 100
5 calendar days after the entry of the Preliminary Approval Order, or as soon thereafter as the Court will
6 hear the Motion for Final Approval;

7 73.1.11. Within fifteen (15) calendar days of the Settlement Effective Date,
8 the Settlement Administrator shall distribute payments associated with the First Payment of the
9 Settlement Fund, including payments to Participating Settlement Class Members, Class Counsel, Class
10 Representatives, the Settlement Administrator, and the LWDA as set forth in Paragraph 63 hereof;

11 73.1.12. Within twelve (12) months of the Court granting final approval,
12 Defendant shall transmit the Second Payment to the Settlement Fund (totaling \$480,000) to the
13 Settlement Administrator.

14 73.1.13. Prior to sending out checks from the Second Payment to the
15 Settlement Fund, the Administrator will update the addresses for the Class Members using the
16 National Change of Address database and other available resources deemed suitable by the Settlement
17 Administrator. To the extent this process yields an Updated Address, that Updated Address shall
18 replace the Last Known Address and be treated as the new Last Known Address for purposes of this
19 Settlement Agreement and for subsequent mailings in particular.

20 73.1.14. Within fifteen (15) calendar days after the Second Payment to the
21 Settlement Fund is received by the Settlement Administrator, Settlement checks shall be issued by
22 mail to Participating Settlement Class Members, Class Counsel, Class Representatives, the Settlement
23 Administrator, and the LWDA according to Paragraph 64 hereof.

24 73.1.15. Participating Settlement Class Members who are sent payments shall
25 have ninety (90) calendar days after mailing by the Settlement Administrator to cash them.

26 73.1.16. No later than three (3) weeks after the Settlement Administrator has
27 issued its last a stop payment on uncashed settlement checks, the Settlement Administrator shall pay
28 over any residual to the *cy pres* beneficiary designated by the process described above.

1 74. Miscellaneous Provisions

2 74.1. *Voiding or Modifying the Settlement Agreement:* This Settlement Agreement
3 may not be changed, altered or modified, except in writing and signed by the Parties hereof, and
4 approved by the Court. This Settlement Agreement may not be discharged except by performance in
5 accordance with its terms or by a writing signed by the Parties hereof.

6 74.2. *Representations Regarding Class Data:* Plaintiff enters into this agreement
7 based on Defendant's presentation that there are two thousand six hundred and twenty-nine (2,629)
8 Class Members, and that Servers have been classified by Defendant as employees since January 1,
9 2016. In the event the actual number of Class Members exceeds two thousand six hundred and
10 twenty-nine (2,629) by more than ten percent (10%) (i.e., if the actual number equals or exceeds
11 2,892), the Total Settlement Sum will be increased by that percentage (e.g., if the actual number of
12 Class Members is a 12% increase from 2,629, the Total Settlement Sum would increase by 12%).

13 74.3. *Parties' Authority:* The signatories hereby represent that they are fully
14 authorized to enter into this Settlement Agreement and bind the Parties hereof to the terms and
15 conditions hereof.

16 74.4. *Mutual Full Cooperation:* The Parties agree to fully cooperate with each other
17 to accomplish the terms of this Settlement Agreement, including but not limited to, executing such
18 documents and taking such other action as may reasonably be necessary to implement the terms of this
19 Settlement Agreement. The Parties to this Settlement Agreement shall use their best efforts, including
20 all efforts contemplated by this Settlement Agreement and any other efforts that may become
21 necessary by order of the Court or otherwise to effectuate this Settlement Agreement and the terms set
22 forth herein. As soon as practicable after execution of this Settlement Agreement, Class Counsel shall,
23 with the assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the
24 Court's preliminary and final approval of this Settlement Agreement.

25 74.5. *No Admission of Liability or Wrongdoing; Inadmissibility of Settlement:*
26 Nothing contained herein, nor the consummation of this Settlement Agreement, is to be construed or
27 deemed an admission of liability, culpability, negligence or wrongdoing on the part of Defendant.
28 Each of the Parties hereof has entered into this Settlement Agreement with the intention to avoid

1 further disputes and litigation and its attendant inconvenience and expense. By entering into this
2 Agreement, none of the Parties intends to render it, or consent to its becoming, admissible in evidence
3 in any other proceeding. Notwithstanding the preceding sentence, this Settlement Agreement shall be
4 admissible in any action or proceeding to approve, interpret or enforce this Settlement Agreement.
5 The Parties agree that this paragraph is not intended to limit in any way any protections afforded by
6 Federal Rules of Evidence 408, 501 or any similar, applicable federal, state or local statute or rule
7 regarding admissibility of this Settlement Agreement.

8 74.6. *Notices:* Unless otherwise specifically provided herein, all notices, demands or
9 other communications given hereunder shall be in writing and shall be deemed to have been duly
10 given as of the third business day after mailing by United States registered or certified mail, return
11 receipt requested, addressed as follows:

12 To Class Counsel:

13 Laura L. Ho
14 GOLDSTEIN BORGEN DARDARIAN & HO
15 300 Lakeside Drive, Suite 1000
16 Oakland, CA 94612
17 Tel: (510) 763-9800
18 Fax: (510) 835-1417
19 Email: lho@gdblegal.com

20 To Defendant:

21 Fraser A. McAlpine
22 JACKSON LEWIS P.C.
23 50 California Street, 9th Floor
24 San Francisco, CA 94111
25 Tel: (415) 394-9400
26 Fax: (415) 394-9401
27 Email: fraser.mcalpine@jacksonlewis.com

28 If the identity of the person(s) to be notified for any party change or their address changes, that
party shall notify all other Parties of said change in writing.

 74.7. *Captions and Interpretations:* Paragraph titles or captions contained herein are
inserted as a matter of convenience and for reference, and in no way define, limit, extend or describe
the scope of this Settlement Agreement or any provision hereof. Each term of this Settlement
Agreement is contractual and not merely a recital. The Parties hereof agree that the terms and

1 conditions of this Settlement Agreement are the result of lengthy, intensive arms-length negotiations
2 between the Parties supervised by an experienced employment law mediator and that this Settlement
3 Agreement shall not be construed in favor of or against any Party by reason of the extent to which any
4 Party or his, her or its counsel participated in the drafting of this Settlement Agreement.

5 74.8. *Integration Clause:* This Settlement Agreement contains the entire agreement
6 between the Parties relating to the settlement and transaction contemplated hereby, and all prior or
7 contemporaneous agreements, understandings, representations, and statements, whether oral or written
8 and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be
9 waived except in writing.

10 74.9. *No Prior Assignments:* This Settlement Agreement shall be binding upon and
11 inure to the benefit of the Parties hereof and their respective heirs, trustees, executors, administrators,
12 and successors. The Parties hereof represent, covenant, and warrant that they have not directly or
13 indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any
14 person or entity any portion of any liability, claim, demand, action, cause of action or rights herein
15 released and discharged except as set forth herein.

16 74.10. *Settlement Class Member Signatories:* It is agreed that because the members of
17 the Settlement Class are so numerous, it is impossible or impractical to have each member of the
18 Settlement Class execute this Settlement Agreement. The Class Notice will advise all Class Members
19 of the binding nature of the release and the Court's judgment, upon its entry, shall have the same force
20 and effect as if this Settlement Agreement were executed by each Member of the Settlement Class.

21 74.11. *Counterparts:* This Settlement Agreement may be executed in counterparts
22 with signatures transmitted by facsimile or as an electronic image of the original signature. When
23 each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an
24 original, and, when taken together with other signed counterparts, shall constitute one Settlement
25 Agreement, which shall be binding upon and effective as to all Parties. A facsimile signature shall
26 have the same force and effect as the original signature, if and only if it is transmitted from counsel for
27 one party to the other. Such transmissions shall be interpreted as verification by the transmitting
28

1 counsel that the signature is genuine and that the party signing has authorized and reviewed the
2 agreement.

3 Dated: June 20, 2016 By: /s/
4 Miwanda Barnes
5 Plaintiff

6 Dated: June 20, 2016 By: /s/
7 Allison Camille
8 Plaintiff

9 Dated: June 24, 2016 Sprig, Inc.
10 By: /s/

11 Approved as to form by:

12 Dated: June 22, 2016 GOLDSTEIN, BORGEN, DARDARIAN & HO
13 By: /s/
14 Laura L. Ho
15 Attorney for Plaintiffs

16 Dated: June 21, 2016 BROWNE LABOR LAW
17 By: /s/
18 David Browne
19 Attorney for Plaintiffs

20 Dated: June 22, 2016 JACKSON LEWIS, P.C.
21 By: /s/
22 Fraser A. McAlpine
23 Attorney for Defendant
24
25
26
27
28

Exhibit A

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND FAIRNESS HEARING

If you worked as a Server for Sprig, in the State of California at any time during the period of September 1, 2013 through December 31, 2015 you could receive a payment from a proposed class action settlement.

This Notice was authorized by the Court. This is not a solicitation from a lawyer.

You are not being sued. Read this Notice carefully. Your legal rights are affected whether you act or not.

- A settlement has been reached between former Sprig Servers, Plaintiffs Miwanda Barnes and Allison Camille, individually and on behalf of a Class of Sprig Servers, and Defendant Sprig, Inc. (“Sprig”).
- The settlement resolves a class action lawsuit alleging Sprig misclassified Servers as independent contractors instead of employees, and, as a result, failed to pay all minimum and overtime wages, reimburse business expenses, provide required information in wage statements, provide meal and rest periods, remit gratuities, and pay all wages owed at time of discharge. Sprig denies all the claims and contentions alleged in the lawsuit and Sprig maintains it has fully complied with the law.
- The parties have reached a settlement to avoid the costs and risks of litigation. The settlement provides cash payments to Participating Settlement Class Members based on Sprig’s records of the number of shifts worked for Sprig as a Server in California during the Class Period as described below.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
AUTOMATIC INCLUSION/DO NOTHING	If you worked as a Server for Sprig between <u>September 1, 2013 and December 31, 2015</u> , you do not need to do anything to participate in the Settlement. If you do nothing, you will receive a payment automatically if the Court approves the proposed Settlement. You will also give up the right to bring or participate in any similar action that may be filed against Sprig.
REQUEST EXCLUSION	If you wish to be excluded from the settlement, you must submit a written Request for Exclusion according to the instructions contained in this Notice. If you submit a Request for Exclusion, you will not be bound by the Settlement and you will not receive cash payment.
OBJECT	You may also object and tell the Court why you don’t like the settlement. If the Court approves the settlement despite your objection, you will still be bound by the settlement.

- **Your options are more fully explained in this notice below. The deadline to submit an objection or request exclusion is [60 days from date of mailing].**

1. Why did I receive this notice?

The Plaintiffs and Sprig have entered into a Joint Stipulation and Class Action Settlement Agreement (“Settlement Agreement”) that will, if finally approved by the Court, fully resolve this case. The Settlement Agreement sets forth the details of the settlement. Details on how to get additional information, including a copy of the Agreement, are provided at the end of this Notice. The proposed Settlement Agreement has been submitted to the Court, and it has been preliminarily approved for settlement purposes only. The Court also appointed the law firms of Goldstein Borgen Dardarian & Ho and Browne Labor Law as Class Counsel to represent you and the Settlement Class.

Sprig’s records show that you are a Member of the Settlement Class, which is defined as follows:

All persons who worked for Sprig as a Server in California at any time between September 1, 2013 and December 31, 2015.

As a Class Member, you may be entitled to share in the funds to be made available for settlement of this class action. You are not being sued and you will not be individually responsible for any of the attorneys’ fees or costs of the litigation as the settlement requires those amounts to be paid from the Total Settlement Sum paid by Sprig. However, your rights will be affected by the Settlement Agreement described in this Notice whether you act or not. This Notice explains the lawsuit, the settlement and your legal rights.

On September 25, 2015, a class and representative action was filed in Superior Court of California, County of San Francisco, alleging Sprig violated the California Labor Code and engaged in unfair business practices in violation of Business & Professions Code §§ 17200 *et seq.* The Plaintiffs, Miwanda Barnes and Allison Camille allege that Sprig misclassified Servers as independent contractors instead of employees, and, as a result, failed to pay all minimum and overtime wages, reimburse business expenses (i.e., mileage, cellular phone use, payment to Sprig for supplies), provide required information in wage statements, provide meal and rest periods, remit gratuities, and pay all wages owed at time of discharge. Sprig denies all the claims and contentions alleged in the lawsuit and Sprig maintains it has fully complied with the law. The Court has not ruled on whether Sprig violated the law as Plaintiffs allege, but Plaintiffs and Sprig have agreed on the settlement terms described below.

a. Overall summary of settlement terms

Sprig will pay one million fifty thousand dollars (\$1,050,000) to settle this case (the “Total Settlement Sum”). From the Total Settlement Sum, payments will be made to the Settlement Administrator for administration costs, to the Named Plaintiffs for their representation of the Class, to the Named Plaintiffs for their individual claims under the Investigative Consumer Reporting Agencies Act (“ICRAA”), to the California Labor & Workforce Development Agency (“LWDA”) for Private Attorney General Act (“PAGA”) penalties, and to Class Counsel for attorneys’ fees and costs. The amounts of these various payments are described in this Notice below. After deduction of these amounts, the remainder – the “Net Settlement Fund” – of approximately \$604,400, will be distributed to Participating Settlement Class members. Assuming 100% participation, the average total amount that each Participating Settlement Class Member will receive is estimated to be \$_____.

Sprig will pay the Total Settlement Sum in two payments if the Court grants final approval of the Settlement. Sprig’s first payment of \$580,000 (“Sprig’s First Payment”) will be distributed shortly after

the court's final approval of the settlement, and Sprig's second payment of \$470,000 will be made within twelve months of final approval and then distributed to the participating settlement class members.

Sprig's First Payment will cover payments for pro-rata administration costs, a share of the Service Awards for the Named Plaintiffs, full payment for the Named Plaintiffs individual ICRAA claims, pro-rata PAGA penalties for the LWDA, full payment of litigation costs and expenses to Class Counsel up to ten thousand dollars (\$10,000), and pro-rata attorneys' fees of Class Counsel. After these payments, the remainder – "Sprig's Net First Payment" – pro-rata shares will be paid to Participating Class Members based on the formula discussed in Section 3(c).

Sprig's Second Payment will cover payments for the rest of administration costs, Named Plaintiffs' service awards, PAGA penalties for the LWDA, and Class Counsel's attorneys' fees. The remainder – "Sprig's Net Second Payment" – pro-rata shares will be paid to Participating Class Members based on the same formula.

b. Who will receive settlement payments?

All Sprig Servers who have a shift worked between September 1, 2013 and December 31, 2015 will automatically receive a settlement payment unless he or she submits a valid and timely Request for Exclusion.

c. How much can I expect to receive?

The enclosed Estimated Payment Form ("Share Form") lists the amount you can expect to receive if you participate in the settlement. This sum is based on Sprig's records of the number of shifts you worked as a Server during the Class Period. Class Members who worked between September 1, 2013 and August 14, 2014 will have a 75% discount applied to their shifts because Sprig classified those Servers as employees during that time. Each Participating Settlement Class Member will receive a minimum payment of at least \$ ____ . You have a right to challenge the number of shifts worked by following the instructions on the Share Form. All challenges, with supporting documentation, must be submitted by **[45 days after initial mailing]**, 2016. The Settlement Administrator will resolve all challenges and its decision will be final and binding.

The estimated payment amount may be reduced or increased, however, based upon the information contained in the Share Form, decisions of the Settlement Administrator about challenges, the number of Participating Settlement Class Members, the number of Requests for Exclusion submitted, whether additional class members are identified or come forward, and the terms of the Court's final approval order.

(1) Applicable Tax Withholding and Responsibility for Taxes

Settlement Awards to Participating Settlement Class Members are allocated for tax purposes as follows: (1) 20% of each award will be considered wages; and (2) 80% of each award will be considered as penalties, interest, and reimbursement for business expenses. In accordance with applicable tax laws, required tax withholdings will be taken out of from each Participating Settlement Class Members' payment and sent to the appropriate taxing authorities. You should seek tax advice as to any amounts you receive pursuant to the Settlement from your own tax advisor as the Parties cannot provide tax advice.

(2) Uncashed Checks

The Net Settlement Fund shall be distributed to all Participating Settlement Class Members. All settlement checks that are not cashed or deposited within ninety (90) days of issuance will be void. Any

remaining balance from the Net Settlement Fund after the void date will be donated to worthy non-profit organizations proposed by the Parties and approved by the Court. No unclaimed funds or unclaimed check amounts will be returned to Sprig.

d. Service Awards and Individual ICRAA Settlements to the Named Plaintiffs

The Court has also preliminarily approved a Service Award payment of \$5,000 to each Named Plaintiff. The service awards will be paid from the Total Settlement Sum. This service award seeks to compensate the Named Plaintiffs for the risk incurred and time and efforts in assisting with the prosecution of this lawsuit on behalf of the Class Members and for executing a General Release that releases more claims than the release for all other Class Members. The Court has also preliminarily approved the payment of \$1,000 to each Named Plaintiff from the Settlement Fund for their individual ICRAA claims and in exchange for their individual release of all known and unknown ICRAA claims against all Released Parties.

e. Attorneys' fees and costs for the Class Counsel

You do not need to pay individually any portion of Class Counsel's attorneys' fees and costs. All payments for those attorneys' fees and costs will be deducted from the Total Settlement Sum, and attorneys' fees will be paid as a pro-rata share from each of Sprig's two payments to the Settlement Fund. This will reduce any payment made to you should you choose to remain a Participating Settlement Class Member. Class Counsel will apply to the Court for final approval of their attorneys' fees and costs. The attorneys for the Class will ask for reimbursement of their costs of up to \$10,000 actually incurred in litigating this case and for fees of up to one third of the Settlement Amount (*i.e.*, up to one third of \$1,050,000). The actual amount awarded will be determined by the Court to ensure that the amount of attorneys' fees and costs is reasonable, and will be paid from the Total Settlement Sum provided by Sprig.

f. Settlement Administration Costs

The Total Settlement Fund will also cover costs incurred by the Settlement Administrator in connection with administering this Settlement. These costs will not exceed \$25,000, but, if the Settlement Administrator must issue the second of the two payments to Class Members in 2018, the costs will not exceed \$31,750. The name and contact information of the Settlement Administrator's is provided below.

g. PAGA payments to LWDA

The parties have allocated 10% of the amount remaining from the Settlement Fund (after deducting Service Awards, ICRAA Settlements, Attorneys' fees and costs, and settlement administration) to the LWDA for PAGA penalties. The California Labor Code requires that 75% of any amounts paid pursuant to PAGA be provided to the LWDA. Each Participating Class Member will receive a pro-rata share of the remaining 25% Of the PAGA Allocation.

h. All Payments Subject to Court Approval

All of the payments listed above will be made if and only if the Court grants final approval of the Settlement Agreement based on its finding that the settlement is reasonable, fair, and adequate for the Class. The amounts of those payments may be adjusted by the Court.

4. What Are My Options?

You may participate by doing nothing, exclude yourself from the settlement or object to it.

a. What do I have to do in order to receive a settlement payment?

If you do nothing, you will automatically receive your settlement award in two payments. By participating in this settlement, you also agree to be bound its terms and to release your claims raised by this lawsuit against Sprig.

b. Can I request to be excluded from the Settlement?

You, or any Class Member, can, if you wish, exclude yourself from the Settlement. If you do, you will not receive a Settlement Award and will not be subject to the terms of the Settlement Agreement. To exclude yourself, you must mail a written statement containing (1) your name and address, (2) the last four digits of your Social Security number, (3) state your desire to be excluded from the Settlement Class, and (4) address it to the Settlement Administrator, whose name and address is listed below. The request must be postmarked by **[60 days after date of mailing of Notice]**. You may also rescind your request to be excluded from the settlement up to three days prior to **Final Fairness Hearing date**. The rescission of your request must be submitted in a written statement to the Settlement Administrator.

You cannot both exclude yourself and obtain a Settlement Award, and you cannot both exclude yourself and object to the settlement. If you exclude yourself, you will not receive a Settlement Award. If you submit a Request for Exclusion and submit an objection to the settlement, your objection will not be considered.

c. Can I object to the settlement?

If you are satisfied with the proposed settlement, you do not need to express your views or appear at the hearing at which the Court will consider final approval of the settlement. However, if you wish to object to the proposed settlement you must take the steps below. If you do not timely object, you may waive your right to object or to appear at the hearing at which the Court will consider whether to grant final approval. To object, you must mail a written statement containing (1) your name and address, (2) the last four digits of your Social Security number, (3) the basis for your objection, and (4) address it to the Settlement Administrator. The written statement must be postmarked by [60 days after mailing of Notice].

You have the right to address the Court at the hearing scheduled for **[INSERT DATE AND TIME OF THE HEARING]** in Department 302 of San Francisco County Superior Court, 400 McAllister Street, San Francisco, CA 94102. You may appear at the final approval hearing personally, or through your own counsel, paid for at your own expense.

The settlement relates to the time that you worked as a Server for Sprig during the Class Period, and to any and all claims related to Sprig's alleged failure to pay minimum wages, pay overtime wages, reimburse business expenses, provide meal periods, provide rest periods, remit gratuities, provide accurate and itemized wage statements, and pay all wages owed at discharge. If the proposed Settlement is approved, all Class Members who have not requested exclusion will be considered to have released Sprig and all other Released Parties (Sprig's parent companies, subsidiaries, affiliates, shareholders, members, agents, including, without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys and any past, present or future officers, directors and employees), predecessors, successors, and

assigns. As a result, Settlement Class Members will be permanently barred from suing or otherwise making a claim against any of the Released Parties regarding the Released Claims. The exact language of the Release, including the legal definition of Released Claims and Released Parties, is included in the Settlement Agreement.

By deciding to receive your Settlement Award, Class Members who do not exclude themselves from the settlement will be considered to have accepted the release and to have waived any of the Released Claims against the Released Parties.



No. California law protects individuals and employees from retaliation based on their decision to participate or not participate in a class action settlement. Your decision to participate, not participate, or object in this Settlement will not impact your employment with Sprig or Sprig's treatment of you as a former employee. **Sprig is prohibited by law from retaliating in any way based on your decision to participate or not participate in the settlement.**



This Notice only summarizes this lawsuit, the settlement, and related matters. For more information, you may find and review the Settlement Agreement and this Notice which are posted on the websites of the Class Counsel firm Goldstein, Borgen Dardarian & Ho, [www.gbdhlegal.com], and Browne Labor Law, [www.brownelaborlaw.com]. If you have questions about the settlement, you may also contact Class Counsel as follows:

GOLDSTEIN, BORGEN DARDARIAN & HO
Laura L. Ho, Esq.
James P. Kan, Esq.
Byron Goldstein, Esq.
300 Lakeside Drive, Suite 1000
Oakland, CA 94612
Telephone: (800) 822-5000
www.gbdhlegal.com

BROWNE LABOR LAW
David Browne, Esq.
475 Washington Blvd.
Marina del Rey, CA 90292
Telephone: (310) 421-4810

You may also contact the Settlement Administrator at:

Sprig Server Settlement Administrator
c/o [insert name]
[Address]
[email address]
Toll free telephone number: (xxx) xxx-xxxx

The pleadings and other records in this litigation, including the Settlement Agreement, may be examined online at the San Francisco Superior Court's online services website, at <http://www.sfsuperiorcourt.org/online-services>. After arriving at the website, click the "Search by Case Number" link, then enter 548154 as the case number, click "Submit," and then click on CGC-15-548154. Images of every document filed in the case may be viewed at no charge.

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANT'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS!