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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES, CENTRAL DISTRICT

STEPHANIE OUELLETTE, an individual and  
on behalf of other aggrieved employees,

Plaintiff,

vs.

MKTG, INC., as Delaware corporation; US  
Concepts, LLC, a Delaware limited liability  
corporation; DENTSU AEGIS NETWORK  
US HOLDINGS, INC., a New Jersey  
corporation; and DOES 1 through 100  
inclusive,

Defendants.

CASE NO. 19STCV27487

[Assigned to Hon. Curtis A. Kin  
Department 72]

**STIPULATION AND AGREEMENT TO  
SETTLE CLASS AND PAGA ACTION**

Action Filed: August 2, 2019  
Trial Date: None

IT IS HEREBY STIPULATED AND AGREED by and between Stephanie Ouellette  
("Class Representative" or "Plaintiff"), on behalf of herself, all Class Members and PAGA  
Representative Action Members, as defined below, and the State of California, on the one hand,  
and Defendants MKTG, Inc., U.S. Concepts LLC, and Dentsu US, Inc. f/k/a Dentsu Aegis  
Network US Holdings, Inc. ("Defendants"), on the other hand (collectively, the "Settling Parties"),  
as set forth below:

1 **I. The Conditional Nature of This Stipulation.**

2 This Stipulation and Agreement to Settle Class Action, including all associated exhibits  
3 and attachments (“Stipulation”), is made for the sole purpose of resolving the above-captioned  
4 matter on a class-wide and Private Attorneys General Act basis. This Stipulation and the  
5 settlement it evidences is made in compromise of disputed claims.

6 Plaintiff’s operative complaint currently contains a single cause of action for alleged  
7 violations of the Private Attorneys General Act (“PAGA”), based on alleged violations of the  
8 Labor Code, Business & Professions Code, and applicable Wage Orders. The Settling Parties wish  
9 to resolve all claims against Defendants based on the same facts asserted by Plaintiff in her  
10 complaint. Thus, as set forth in detail below, within seven (7) days of execution of this Stipulation,  
11 Plaintiff will file a First Amended Complaint (“FAC”), which will include the corresponding class  
12 action causes of action for the corresponding alleged violations of the Labor Code, Business &  
13 Professions Code, and any applicable Wage Orders.

14 After Plaintiff amends her complaint to include the class action allegations, the settlement  
15 must then receive preliminary and final approval from the Court. Accordingly, Defendants and  
16 the Class Representative enter into this Stipulation and associated settlement on a conditional  
17 basis. In the event the Court does not execute and file the Order Granting Final Approval of  
18 Settlement, or in the event the Court does not enter the Judgment (as defined below), or in the  
19 event that the associated Judgment does not become Final (as defined below) for any reason: (1)  
20 Plaintiff’s FAC shall automatically and immediately be deemed stricken, and the currently  
21 operative complaint will once again become the operative pleading, and (2) this Stipulation shall  
22 be deemed null and void, it shall be of no force or effect whatsoever, it shall not be referred to or  
23 used for any purpose whatsoever, and the negotiation, terms, and entry of it shall remain subject to  
24 the provisions of California Evidence Code sections 1119 and 1152.

25 Moreover, because this Stipulation is made for the sole purpose of resolving the above-  
26 captioned matter on a class-wide and Private Attorneys General Act basis, Defendants agree not to  
27 remove this case to federal court based on any information or allegations contained in the FAC,  
28 unless this settlement does not become Final and Plaintiff amends her operative complaint in this

1 case to include class action allegations.

2 Defendants deny all of the claims as to liability, damages, and restitution, as well as the  
3 class allegations asserted in the Litigation. Defendants have agreed to resolve this Litigation via  
4 this Stipulation, but to the extent this Stipulation is deemed void or does not take effect,  
5 Defendants do not waive, but rather expressly reserve, all rights to challenge all such claims and  
6 allegations in the Litigation upon all legal, procedural, and factual grounds, including without  
7 limitation the ability to challenge class treatment on any grounds or to assert any and all defenses  
8 or privileges. The Class Representative and her counsel agree that Defendants retain and reserve  
9 these rights. In particular, the Class Representative and her counsel waive and agree not to argue  
10 or to present any argument that Defendants would be estopped from contesting class certification  
11 because they have entered into this Stipulation. In addition, the Settling Parties recognize and  
12 agree that under California law, which is applicable here, courts impose a lesser burden for  
13 certification for settlement classes than they do for contested classes.

14 **II. The Parties to this Stipulation.**

15 This Stipulation (with the associated exhibits) is made and entered into by and among the  
16 following parties (collectively, the “Settling Parties”): (i) the Class and PAGA Representative  
17 Stephanie Ouellette (on behalf of herself and each of the members of the class and the PAGA  
18 Representative Action Members), with the assistance and approval of her respective counsel of  
19 record in the Litigation (“Class and PAGA Counsel”); and (ii) Defendants MKTG, Inc., U.S.  
20 Concepts LLC, and Dentsu US, Inc. f/k/a Dentsu Aegis Network US Holdings, Inc., with the  
21 assistance of their counsel of record in the Litigation. The Stipulation is intended by the Settling  
22 Parties to result in a Judgment, and to fully, finally, and forever resolve, discharge, and settle the  
23 released claims upon and subject to the terms and conditions hereof.

24 **III. Procedural Posture.**

25 On April 29, 2019, Plaintiff filed a notice (the “PAGA Notice”) with the California Labor and  
26 Workforce Development Agency (“LWDA”) alleging that Defendants violated the Private Attorneys  
27 General Act (“PAGA”). In the PAGA Notice, Plaintiff seeks civil penalties under the PAGA for  
28 violations of Cal. Code Regs., tit. 8, § 11090, Labor Code §§ 510, 558, 1193.5, 1193.6, 1194,

1 1194.2, 1194.5, 1197, and 1198 by failing to pay any and all minimum wages,  
2 contractual/assignment wages, and overtime wages; Cal. Code Regs., tit. 8, §§ 11070, 11090,  
3 Labor Code §§ 226.7, 512, 558, and 1194.5 by failing to provide legally compliant meal periods  
4 and rest periods and failing to pay meal and rest period premium wages; Cal. Code Regs., tit. 8, §  
5 11090, Labor Code §§ 1174, 1174.5, and 1194.5 by failure to maintain accurate employment  
6 records; Labor Code §§ 1194.5, 2802, and 2699 by failing to reimburse and indemnify work  
7 related expenses and losses; Cal. Code Regs., tit. 8, § 11090 by making unlawful deductions or  
8 requiring a reimbursement for any shortage, breakage, or loss; and Labor Code §§ 226, 226.3,  
9 226.4, 558, 1174, 1174.5, and 1194.5 by failing to provide itemized and accurate wage statements.

10 On August 2, 2019, Plaintiff filed a PAGA representative action Complaint, entitled  
11 *Stephanie Ouellette v. MKTG, Inc., et al.*, Los Angeles Superior Court, Case No. 19STCV27487  
12 (the “Litigation”). The Complaint alleges a single cause of action for violation of the PAGA.

13 The parties have engaged in extensive written discovery and document exchange. The  
14 discovery provided by Defendants included Brand Ambassador contact information following the  
15 *Belaire-West* notice process, Defendants’ relevant policies and procedures, a sampling of Brand  
16 Ambassador time and payroll records, Defendants’ event lists, and approximately 745,000 emails  
17 based on Boolean keyword searches agreed upon by the Settling Parties.

18 On June 8, 2020, the Settling Parties attended a full-day mediation with experienced wage  
19 and hour mediator, Mark Rudy. After arms-length negotiation at mediation, the Settling Parties  
20 were unable to reach a settlement. After the mediation, the Settling Parties continued to negotiate  
21 through the mediator and, on November 4, 2021, reached an agreement to settle the Litigation on a  
22 class-wide and PAGA basis for a non-reversionary sum of five million dollars (\$5,000,000.00).

23 Pursuant to the terms of the settlement, Plaintiff shall file a First Amended Complaint  
24 alleging class claims limited to the underlying claims asserted by Plaintiff in the Complaint.  
25 Defendants specifically agree that they shall not seek to remove the case to federal court based on  
26 the filing of the First Amended Complaint, unless this settlement does not become Final and  
27 Plaintiff amends her operative complaint in this case to include class action allegations.. The Los  
28 Angeles Superior Court shall retain jurisdiction over the Litigation (including all claims asserted

1 in the First Amended Complaint) through final resolution. If this Stipulation is not granted final  
2 approval, then the Settling Parties shall revert back to the Complaint, and the First Amended  
3 Complaint shall immediately and automatically be rendered null and void.

4 **IV. Defendants' Denial of Wrongdoing or Liability.**

5 Defendants deny all of the claims and contentions alleged by the Class/PAGA  
6 Representative in the Litigation. Nonetheless, Defendants have concluded that to continue the  
7 Litigation would be protracted and expensive and that it is desirable that the Litigation be fully  
8 and finally settled in the manner and upon the terms and conditions set forth in this Stipulation. In  
9 addition, Defendants have taken into account the uncertainty and risks inherent in any litigation,  
10 particularly class action litigation, as well as the difficulties and delays inherent in such litigation.  
11 Defendants have, therefore, determined that it is desirable and beneficial to it that the Litigation be  
12 settled in the manner and upon the terms and conditions set forth in this Stipulation.

13 **V. Claims of the Class/PAGA Representative and Benefits of Settlement.**

14 The Class/ PAGA Representative believes that the claims asserted in the Litigation have  
15 merit and that evidence developed to date supports the claims. The Class/ PAGA Representative  
16 and Class Counsel recognize and acknowledge, however, the expense and length of the type of  
17 continued proceedings necessary to prosecute the Litigation against Defendants through trial and  
18 through appeals. The Class/ PAGA Representative and Class Counsel have also taken into  
19 account the uncertain outcome and the risk of any litigation, especially in putative class actions  
20 such as this Litigation, as well as the difficulties and delays inherent in such litigation. The Class/  
21 PAGA Representative and Class Counsel are also mindful of the inherent problems of proof in  
22 establishing and overcoming potential defenses to the claims asserted in the Litigation. In light of  
23 these considerations, the Class/ PAGA Representative and Class Counsel believe that the  
24 settlement set forth in the Stipulation, including the monetary payments and prospective relief,  
25 confers substantial benefits, and is in the best interests of the Class Representative and the Class.

26 **VI. Terms of Stipulation and Agreement of Settlement.**

27 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and between the  
28 Class/PAGA Representative, for herself and on behalf of all others similarly situated to them and

1 as defined below, on the one hand, and Defendants on the other hand, with the assistance of their  
2 respective counsel of record, that, as among the Settling Parties, including all members of the  
3 Settlement Class and PAGA Representative Action Members, that the Litigation, Released PAGA  
4 Claims and the Released Class Claims shall be finally and fully compromised, settled and  
5 released, subject to the terms and conditions of the Stipulation and the Judgment.

6 **1. Definitions**

7 As used in all parts of this Stipulation (including the exhibits which are incorporated as  
8 part of the Stipulation), the following terms have the meanings specified below:

9 1.1 “Accurint Skip Tracing” means the utilization of Accurint, after the  
10 Reasonable Address Verification, to review the accuracy of and, if possible, to update a  
11 Class/PAGA Member’s mailing address if a Class/PAGA Member’s Class Notice is returned to  
12 the Settlement Administrator as undeliverable.

13 1.2 “Class” or “Class Members” shall hereafter mean and include both the  
14 Class Members and the PAGA Representative Members, including any and all Persons who are or  
15 were previously employed by Defendants MKTG, Inc. and/or U.S. Concepts LLC, as non-exempt  
16 employees in the positions of promotional models, lead promotion models, occasional employees,  
17 brand representatives, brand ambassadors, or promoters in California during the Class Period.  
18 Defendants represent that there are 1,524 Class Members covered by this Settlement Agreement.

19 1.3 “Class Counsel” and “Plaintiff’s Counsel” means:

20 **MARLIN & SALTZMAN, LLP**  
21 Stanley D. Saltzman (SBN 90058)  
22 Karen I. Gold (SBN 258360)  
23 29800 Agoura Road, Suite 210  
24 Agoura Hills, California 91301  
25 Telephone: (818) 991-8080  
Facsimile: (818) 991-8081  
ssaltzman@marlinsaltzman.com  
kgold@marlinsaltzman.com

**LAW OFFICES OF PETER M. HART**  
Peter M. Hart, Esq. (SBN 198691)  
12121 Wilshire Blvd., Suite 525  
Los Angeles, California 90025  
Telephone: (310) 478-5789  
Facsimile: (509) 561-6441  
hartpeter@msn.com

26 1.4 “Class Period” means the following: June 8, 2017 to February 2, 2022.

27 1.5 “Class Member Payout Fund” means the gross amount that Defendants will  
28 pay (subject to the occurrence of the Effective Date) to all Participating Class Members, and is

1 calculated by subtracting all of the following from the Gross Settlement Sum: (1) the maximum  
2 total gross amount Defendants will pay (subject to the occurrence of the Effective Date) to Class  
3 Counsel for attorneys' fees and costs, which is \$1,750,000.00 in attorneys' fees (35% of the Gross  
4 Settlement Sum); (2) the maximum total gross amount Defendants will pay (subject to the  
5 occurrence of the Effective Date) to Class Counsel for costs and litigation expenses, which is  
6 estimated to be no more than \$250,000.00, subject to proof; (3) the maximum total gross amount  
7 Defendants will pay (subject to the occurrence of the Effective Date) to the Class Representative  
8 as a service award, which is \$30,000.00; (4) the maximum total gross amount Defendants will pay  
9 (subject to the occurrence of the Effective Date) to the Settlement Administrator, which shall be  
10 no more than \$19,000; and (5) the maximum total gross amount Defendants will pay (subject to  
11 the occurrence of the Effective Date) to the LWDA and PAGA Representative Action Members  
12 representing the Gross PAGA Payment, which shall be no more than \$500,000.00. The Settling  
13 Parties estimate that the Class Member Payout Fund be at least \$2,451,000. The Parties agree that  
14 any amount of attorney's fees or costs, administrative costs, incentive award, and/or PAGA  
15 penalties requested and not approved by the Court shall be distributed to Settlement Class  
16 Members according to the formula set forth at Paragraph 1.15. The Class Member payout fund is  
17 non-reversionary, meaning no amount of the fund shall revert to Defendants.

18                   1.6     "Class Representative", "PAGA Representative" or "Plaintiff" means  
19 Stephanie Ouellette.

20                   1.7     "Complaint" means the original Complaint in *Stephanie Ouellette v. MKTG,*  
21 *Inc., et al.*, Los Angeles Superior Court, Case No. 19STCV27487.

22                   1.8     "Court" means the Superior Court of the State of California, for the County  
23 of Los Angeles.

24                   1.9     "Defendants" means MKTG, Inc., U.S. Concepts LLC, and Dentsu US, Inc.  
25 f/k/a Dentsu Aegis Network US Holdings, Inc.

26                   1.10    "Defendant Releasees" means Defendants, each of its related companies,  
27 including but not limited to subsidiaries, parents, shareholders, members, agents (including,  
28

1 without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys and any  
2 past, present or future officers, directors and employees) predecessors, successors, and assigns.

3 1.11 “Effective Date” means (i) in the event that the Settlement has received  
4 final approval by the Court and there were no timely objections filed, or that any timely objections  
5 have been withdrawn, then the date of the Court’s order of final approval of the Settlement; (ii) in  
6 the event that one or more timely objections has/have been filed and not withdrawn, then upon the  
7 passage of the applicable date for an objector to seek appellate review of the trial court’s order of  
8 final approval of the Settlement, without a timely appeal having been filed; or, (iii) in the event  
9 that a timely appeal of the Court’s order of final approval has been filed, then the Settlement shall  
10 be final when the applicable appellate court has rendered a final decision or opinion affirming the  
11 trial court’s final approval without material modification, and the applicable date for seeking  
12 further appellate review has passed, or the date that any such appeal has been either dismissed or  
13 withdrawn by the appellant.

14 1.12 “Experian Skip Tracing” means the utilization of Experian, after the  
15 Reasonable Address Verification and Accurint Skip Tracing, to review the accuracy of and, if  
16 possible, to update a mailing address for a Class Member if a Class Member’s Class Notice is  
17 returned to the Settlement Administrator as undeliverable.

18 1.13 “Gross PAGA Payment” means the penalties pursuant to California Labor  
19 Code sections 2698 *et seq.*, the Labor Code Private Attorney General Act of 2004, that the Settling  
20 Parties have agreed is a reasonable sum to be paid in settlement of the PAGA claims included in  
21 the Litigation, which is \$500,000.00. The Gross PAGA Payment is to be approved by the Court  
22 pursuant to Labor Code section 2699, and is to be distributed as follows: seventy-five percent  
23 (75%) to the LWDA and twenty-five percent (25%) to PAGA Representative Action Members.

24 1.14 “Gross Settlement Sum” shall mean the total settlement amount to be paid  
25 by Defendants pursuant to the settlement, including attorneys’ fees to Class Counsel, costs  
26 incurred by Class Counsel, the Gross PAGA Payment (as defined above), settlement  
27 administration costs, Class/PAGA Representative’s service award, and distributions to  
28 Participating Class Members, which amount is five million dollars (\$5,000,000.00). Defendants’



1 share of payroll taxes (e.g. UI, ETT, Social Security and Medicare taxes) is not included in the  
2 Gross Settlement Sum and must be paid by Defendants in addition to the Gross Settlement Sum.  
3 The Gross Settlement Sum shall cover all expenses associated with the settlement, as follows: (1)  
4 the Class Member Payout Fund which is the maximum total gross amount that Defendants will  
5 pay (subject to the occurrence of the Effective Date) to Participating Class Members; (2) the  
6 maximum total gross amount Defendants will pay (subject to the occurrence of the Effective Date)  
7 to Class Counsel for attorneys' fees which is \$1,750,000.00; (3) the maximum total gross amount  
8 Defendants will pay (subject to the occurrence of the Effective Date) to Class Counsel for costs  
9 and litigation expenses, which is estimated to be no more than \$250,000.00 ; (4) the maximum  
10 total gross amount Defendants will pay (subject to the occurrence of the Effective Date) to the  
11 Class/PAGA Representative as a service award, which is \$30,000.00; (5) the maximum total gross  
12 amount Defendants will pay (subject to the occurrence of the Effective Date) to the Settlement  
13 Administrator, which shall be no more than \$19,000; and (6) the maximum total gross amount  
14 Defendants will pay (subject to the occurrence of the Effective Date) to the LWDA and PAGA  
15 Representative Action Members representing the Gross PAGA Payment, which shall be no more  
16 than \$500,000.00.

17           1.15 "Individual Class Settlement Amount" shall mean the total gross amount  
18 due to an individual Participating Class Member, inclusive of pre- and post-judgment interest,  
19 penalties, and wages, allocated as 10% to W-2 wages and 90% to interest and penalties. The  
20 Individual Class Settlement Amount shall be calculated based on the following formula:  
21 Multiplying the Class Member Payout Fund by a fraction, the numerator of which is the total  
22 number of hours the Participating Class Member worked for Defendants during the Class Period,  
23 and the denominator of which is the aggregate number of hours during the Class Period in which  
24 all Participating Class Members worked for Defendants.

25           1.16 "Individual PAGA Settlement Amount" shall mean each PAGA  
26 Representative Action Member's portion of the Net PAGA Payment. The Individual PAGA  
27 Settlement Amount shall be treated as 100% penalties. The Individual PAGA Settlement Amount  
28 shall be calculated based on the following formula: Multiplying the Net PAGA Payment by a

1 fraction, the numerator of which is the total number of pay periods the PAGA Representative  
2 Action Member worked for Defendants during the PAGA Period, and the denominator of which is  
3 the aggregate number of pay periods during the PAGA Period in which all PAGA Representative  
4 Action Members worked for Defendants.

5 1.17 “Judgment” means the judgment to be rendered by the Court pursuant to  
6 this Stipulation upon the granting of the Motion for Final Approval. This Judgment shall be a  
7 judgment for purposes of California Rule of Court 3.771(a).

8 1.18 “Labor and Workforce Development Agency” or “LWDA” means the  
9 California agency that pursuant to California Labor Code sections 2698 *et seq.*, shall receive an  
10 amount equal to seventy-five percent (75%) of the amount paid for the Gross PAGA Payment in  
11 settlement of the Litigation.

12 1.19 “Last Known Address” means the most recently recorded mailing address  
13 for a Class Member, which information is contained in employment, payroll, or personnel records  
14 maintained by Defendants.

15 1.20 “Litigation” shall mean the lawsuit pending in the Court presently styled  
16 *Stephanie Ouellette v. MKTG, Inc., et al.*, Los Angeles Superior Court, Case No. 19STCV27487.

17 1.21 “Net PAGA Payment” means the twenty-five (25%) portion of the Gross  
18 PAGA Payment to be distributed to PAGA Representative Action Members.

19 1.22 “Non-Settlement Class” or “Non-Settlement Class Member(s)” or  
20 “Member(s) of the Non-Settlement Class” consists of or means the group of all Class Members, if  
21 any, who properly and timely elect to Opt Out (as defined below) of the settlement by requesting  
22 exclusion from the class action settlement pursuant to Paragraph 3.3.5 of the Stipulation.

23 1.23 “Notice of Proposed Class Action Settlement” or “Class Notice(s)” means a  
24 notice titled “Notice of Proposed Class Action Settlement” to be approved by the Court,  
25 substantially in the form attached hereto as Exhibit 1. The “Notice of Proposed Class Action  
26 Settlement” shall constitute the class notice pursuant to California Rule of Court 3.769(f) and,  
27 once approved by the Court, shall be deemed compliant with California Rule of Court 3.766(d).

28

1                   1.24   “Notice Mailing Deadline” means the deadline for the Settlement  
2 Administrator to mail the Class Notices, which shall be no later than forty-five (45) calendar days  
3 after the Preliminary Approval Date.

4                   1.25   “Objection Deadline” means the deadline for a Class Member to object to  
5 the settlement by writing, which date shall be indicated on the Class Notices mailed by the  
6 Settlement Administrator and which shall be postmarked no later than forty-five (45) calendar  
7 days after the Notice Mailing Deadline. In the event the Settlement Administrator must re-mail a  
8 Class Notice, those Class Members shall have an additional fourteen (14) days to object to the  
9 Settlement in writing. Notwithstanding, any Class Member who does not object in writing may  
10 nonetheless object to the settlement by appearing at the final approval hearing.

11                  1.26   “Opt Out” or “Opt Outs” means a written letter, signed by a Class Member,  
12 indicating he/she wishes to be excluded from the Settlement Class, and in the manner specified in  
13 the Class Notice, no later than the Opt-Out Deadline.

14                  1.27   “Opt Out Deadline” means the deadline for a Class Member to Opt-Out of  
15 the settlement, which date shall be indicated on the Class Notices mailed by the Settlement  
16 Administrator. The Opt Out Deadline is postmarked no later than forty-five (45) calendar days  
17 after the Notice Mailing Deadline. In the event the Settlement Administrator must re-mail a Class  
18 Notice, those Class Members shall have an additional fourteen (14) days to opt out of the  
19 Settlement from the original Opt Out Deadline.

20                  1.28   “Order of Final Approval and Entry of Judgment” or “Order Granting Final  
21 Approval of Settlement and Entry of Judgment” shall mean the order and judgment to be entered  
22 by the Court upon the granting of the Motion for Final Approval.

23                  1.29   “PAGA Representative Action Members” means any and all Persons who  
24 are or were previously employed by Defendants MKTG, Inc. and/or U.S. Concepts LLC as a non-  
25 exempt employee holding the position(s) of promotional models, lead promotion models,  
26 occasional employees, brand representatives, brand ambassadors, or promoters in California  
27 during the PAGA Period.

28                  1.30   “PAGA Period” means the period of April 29, 2018 to February 2, 2022.

1           1.31   “Participating Class Member(s)” or “Settlement Class” or “Members of the  
2 Settlement Class” means all Class Members who do not Opt Out of the class settlement.

3           1.32   “Person” means a natural person.

4           1.33   “Preliminary Approval Date” shall mean the date on which the Court grants  
5 preliminary approval of the settlement.

6           1.34   “Preliminary Approval Order” or “Order Granting Preliminary Approval of  
7 the Settlement and Setting a Settlement Fairness Hearing” shall mean an order executed and filed  
8 by the Court titled “Order Granting Preliminary Approval of the Settlement and Setting a  
9 Settlement Fairness Hearing,” substantially in the form attached hereto as Exhibit 3. This  
10 Preliminary Approval Order shall constitute an order certifying a provisional class for settlement  
11 purposes only pursuant to California Rule of Court 3.769(d), and an order setting a final  
12 approval/fairness hearing pursuant to California Rule of Court 3.769(e).

13           1.35   “Reasonable Address Verification” shall mean the utilization of the  
14 National Change of Address Database maintained by the United States Postal Service to review  
15 the accuracy of and, if possible, update a mailing address.

16           1.36   “Released Class Claims” shall collectively mean all claims, demands,  
17 rights, liabilities and causes of action against Defendants and Defendant Releasees (as defined  
18 above) for any type of relief and statutory penalties alleged in the Complaint and First Amended  
19 Complaint, along with claims which could be asserted based on the facts already alleged in the  
20 Complaint, including but not limited, for violations of applicable IWC Wage Orders, Labor Code  
21 §§ 510, 558, 1193.5, 1193.6, 1194, 1194.2, 1194.5, 1197, and 1198 by failing to pay any and all  
22 minimum wages, contractual/assignment wages, and overtime wages; applicable IWC Wage  
23 Orders, Labor Code §§ 226.7, 512, 558, 1194.5, and Cal. Code Civ. Proc. § 1021.5 by failing to  
24 provide legally compliant meal periods and rest periods and failing to pay meal and rest period  
25 premium wages; applicable IWC Wage Orders, Labor Code §§ 1174, 1174.5, and 1194.5 by  
26 failure to maintain accurate employment records; Labor Code §§ 1194.5 and 2802 by failing to  
27 reimburse and indemnify work related expenses and losses; applicable IWC Wage Orders by  
28 making unlawful deductions or requiring a reimbursement for any shortage, breakage, or loss;

1 Labor Code §§ 226, 226.3, 226.4, 558, 1174, 1174.5, and 1194.5 by failing to provide itemized  
2 and accurate wage statements; and Labor Code §§ 201, 202, and 203 for failure to pay all wages  
3 due upon separation of employment.

4           1.37 “Released PAGA Claims” shall collectively mean all claims for penalties  
5 under the California Private Attorneys’ General Act, California Labor Code sections 2698, *et seq.*,  
6 alleged in the PAGA Notice filed by Plaintiff on April 29, 2019, with the LWDA, along with  
7 claims which could be asserted based on the facts already alleged in the PAGA Notice, including  
8 but not limited to, for violations of applicable IWC Wage Orders, Labor Code §§ 510, 558,  
9 1193.5, 1193.6, 1194, 1194.2, 1194.5, 1197, and 1198 by failing to pay any and all minimum  
10 wages, contractual/assignment wages, and overtime wages; applicable IWC Wage Orders, Labor  
11 Code §§ 226.7, 512, 558, and 1194.5 by failing to provide legally compliant meal periods and rest  
12 periods and failing to pay meal and rest period premium wages; applicable IWC Wage Orders,  
13 Labor Code §§ 1174, 1174.5, and 1194.5 by failure to maintain accurate employment records;  
14 Labor Code §§ 1194.5, 2802, and 2699 by failing to reimburse and indemnify work related  
15 expenses and losses; applicable IWC Wage Orders by making unlawful deductions or requiring a  
16 reimbursement for any shortage, breakage, or loss; Labor Code §§ 226, 226.3, 226.4, 558, 1174,  
17 1174.5, and 1194.5 by failing to provide itemized and accurate wage statements; and Labor Code  
18 §§ 201, 202, and 203 for failure to pay all wages due upon separation of employment.

19           1.38 “Settlement Administrator” means the third-party settlement administration  
20 firm CPT Group, Inc.

21           1.39 “Settlement Hearing” or “Motion for Final Approval” or “Fairness and  
22 Good Faith Determination Hearing” or “Settlement Fairness Hearing” means a hearing set by the  
23 Court to take place on or about the Settlement Hearing Date (as defined below) for the purpose of:  
24 (i) determining the fairness, adequacy, and reasonableness of the Stipulation and associated  
25 settlement pursuant to class action procedures and requirements; (ii) determining the good faith of  
26 the Stipulation and associated settlement; and (iii) entering Judgment. This Settlement Hearing is  
27 intended to be the settlement hearing or final approval hearing required under California Rule of  
28 Court 3.769(a).

1           1.40   “Settlement Hearing Date” is the date that is on or near the date that is thirty  
2 (30) calendar days after the Objection and Opt Out Deadlines.

3           1.41   “Settlement Hearing Motion Date” is the date that is on or near the date that  
4 is sixteen (16) court days prior to the Settlement Hearing.

5           1.42   “Settling Parties” mean Defendants MKTG, Inc., U.S. Concepts LLC, and  
6 Dentsu US, Inc. f/k/a Dentsu Aegis Network US Holdings, Inc., and Plaintiff Stephanie Ouellette  
7 on behalf of herself, all Class Members and PAGA Representative Action Members, and the State  
8 of California.

9           1.43   “Stipulation” means this agreement, the Stipulation and Agreement to Settle  
10 Class and PAGA Action and all of its attachments and exhibits, which the Settling Parties  
11 understand and agree sets forth all material terms and conditions of the settlement between them,  
12 and which is subject to Court approval.

13           1.44   “Updated Address” means a mailing address that was updated via a  
14 Reasonable Address Verification, via an updated mailing address provided by the United States  
15 Postal Service or a Class Member, via Accurint and/or Experian Skip Tracing, or via a locator  
16 service.

17           1.45   “Verification Form” means a Verification Form in the same or substantially  
18 the same form as set forth in Exhibit 2 of this Stipulation allowing a Class Member to dispute the  
19 number of hours in which he or she worked for Defendants, and/or (2) the total number of pay  
20 periods worked during the PAGA period.

21           1.46   “Verification Form Deadline” means the deadline for a Class Member to  
22 dispute the number of hours, pay periods and/or allocation listed in the Verification Form, which  
23 date shall be indicated on the Verification Forms mailed by the Settlement Administrator and  
24 which shall be postmarked no later than forty-five (45) calendar days after the Notice Mailing  
25 Deadline. In the event the Settlement Administrator must re-mail a Class Notice, those Class  
26 Members shall have an additional fourteen (14) days from the original Verification Form Deadline  
27 to submit the Verification Form disputing the number of hours, pay periods, and/or allocation.

28

1           **2.       The Settlement.**

2                   2.1       *Settlement Amount, Timing of Payments, Tax Reporting Obligations, and*  
3 *Other Obligations of Defendants and the Settlement Administrator.*

4                               2.1.1   The total Gross Settlement Sum shall be Five Million Dollars and  
5 Zero Cents (\$5,000,000.00). Defendants’ share of payroll taxes (e.g. UI, ETT, Social Security and  
6 Medicare taxes) are not part of the Gross Settlement Sum and must be paid by Defendants in  
7 addition to the Gross Settlement Sum.

8                               2.1.2   Defendants shall fund the Gross Settlement Sum within thirty (30)  
9 calendar days after the Effective Date.

10                              2.1.3   All distributions required from the Gross Settlement Sum are to be  
11 paid not later than thirty (30) calendar days after Defendants’ funding of the Gross Settlement  
12 Sum by the Settlement Administrator as further detailed below.

13                              2.1.4   The Settlement Administrator will administer the settlement by  
14 distributing the Class Notice, Verification Form, performing skip traces, receiving completed Opt  
15 Outs, providing Class Counsel and counsel for Defendants with updates on the status (including  
16 Class Member names and percentages) of opt outs, calculating the employer’s share of payroll  
17 taxes including whether taxable wage limits for each Participating Class Member has been reached  
18 based on year-to-date earnings data provided by Defendants, and handling inquiries about the  
19 calculation of the Individual Class Settlement Amounts. The actions of the Settlement  
20 Administrator shall be governed by the terms of this Stipulation. The Settling Parties, through  
21 their counsel, may provide written information needed by the Settlement Administrator pursuant  
22 to the Stipulation.

23                              2.1.5   Defendants, through the Settlement Administrator, shall pay no later  
24 than ten (10) calendar days after the receipt of the Gross Settlement Sum by the Settlement  
25 Administrator from Defendants: (1) the amount of attorneys’ fees and litigation costs approved by  
26 the Court to Class Counsel as described in subsection (a) below; (2) the Class Representative’s  
27 service award approved by the Court as set forth in subsection (b) below; (3) the fees and costs to  
28 the Settlement Administrator as set forth in subsection (c) below; and (4) seventy-five percent

1 (75%) of the Gross PAGA Payment to the LWDA approved by the Court as set forth in subsection  
2 (d) below.

3 (a) Attorneys' Fees and Litigation Costs: Class Counsel shall  
4 submit their Application for Award of Attorneys' Fees and Costs to the Court before the  
5 Settlement Hearing. Class Counsel will seek attorneys' fees in the amount of \$1,750,000.00 and  
6 actual costs which are not to exceed \$250,000.00. Class Counsel shall serve Defendants with  
7 copies of all documents in support of their Application for Award of Attorneys' Fees and Costs,  
8 including a Declaration supporting the requested costs. Defendants agree not to oppose the  
9 Application for Award of Attorneys' Fees and Costs, as long as the request for Costs is supported  
10 by a Declaration. The Settlement Administrator will report the attorneys' fees and costs award on  
11 a Form 1099, which it will provide to Class Counsel and to the pertinent taxing authorities.

12 (b) Class Representative's Service Awards: Subject to Court  
13 approval, the Class Representative shall receive a service award of \$30,000.00. This amount in in  
14 addition to her pro rata share of the settlement fund. Defendants agree not to oppose the amount  
15 of the Class Representative's Service Award. Since it is the intent of the Settling Parties that the  
16 service award to the Class Representative is for her service to the Class and PAGA Representative  
17 Action Members, and not wages, the Settlement Administrator will not withhold any taxes from  
18 the service award. The Settlement Administrator will report the service award on a Form 1099,  
19 which it will provide to the Class Representative and to the pertinent taxing authorities.

20 (c) Settlement Administration Costs: Subject to Court approval,  
21 the Settlement Administrator shall be paid an amount which will not exceed \$19,000 for all fees  
22 and costs relating to the administration of this settlement, including but not limited to all the duties  
23 set forth in this Stipulation, all tax document preparation, custodial fees, and accounting fees, all  
24 costs and fees associated with preparing, issuing, and mailing any and all Class Notices, all costs  
25 and fees associated with computing, reviewing, and paying distributions from the Gross  
26 Settlement Sum, all costs and fees associated with preparing any tax returns and any other filings  
27 required by any governmental taxing authority or agency, all costs and fees associated with  
28 preparing any other notices, reports, or filings to be prepared in the course of administering



1 disbursements from the Gross Settlement Sum, and any other costs and fees incurred and/or  
2 charged by the Settlement Administrator in connection with the execution of its duties under this  
3 Stipulation.

4 (d) PAGA Penalties: Subject to Court approval, \$375,000.00  
5 shall be paid to the LWDA for PAGA penalties, which represents the seventy-five percent (75%)  
6 share of the \$500,000.00 portion of the Gross Settlement Sum allocated to PAGA and payable to  
7 the LWDA pursuant to Labor Code sections 2699 *et. seq.*

8 2.1.6 No later than thirty (30) calendar days after the funding of the Gross  
9 Settlement Sum, Defendants, through the Settlement Administrator, and according to the terms,  
10 conditions and procedures set forth in this Stipulation, shall pay to each Participating Class  
11 Member his or her Individual Class Settlement Amount and shall pay each to PAGA  
12 Representative Action Member his or her Individual PAGA Settlement Amount.

13 2.1.7 The Settlement Administrator shall compute the Individual Class  
14 and PAGA Settlement Amounts as follows:

15 (a) The payment of the Individual Class Settlement Amount will  
16 be calculated by using the formulas set forth in Paragraph 1.15.

17 (b) The payment of the Individual PAGA Settlement Amount  
18 will be calculated by using the formulas set forth in Paragraph 1.16.

19 (c) The Settling Parties agree that the above-described formulas  
20 and distribution method is reasonable and fair in light of the Settling Parties' investigation of the  
21 claims of the Class and PAGA Representative Action Members, and the relative degree of  
22 uncertainty, risk of outcome of further litigation, and difficulties and delays inherent in such  
23 litigation of these claims.

24 (d) Participating Class Members and PAGA Representative  
25 Action Members will have one hundred eighty (180) calendar days from the date of issuance of  
26 the check to cash their check. For any check not cashed after 180 calendar days, the Settlement  
27 Administrator shall remit the funds to the Unclaimed Property Fund maintained by the State  
28 Controller's Office in the name of the Participating Class and/or PAGA Representative Action

1 Member. The funds remitted to the Unclaimed Property Fund will remain the employee's  
2 property. This will allow employees who did not cash their checks to collect their Individual  
3 Class Settlement Amounts and/or Individual PAGA Settlement Amounts at any time in the future.  
4 Therefore, there will be no unpaid residue or unclaimed or abandoned class member funds and the  
5 California Code of Civil Procedure section 384 shall not apply.

6                   2.1.8 Defendants, through the Settlement Administrator, shall be  
7 responsible for reporting and paying the employer's share of payroll taxes (e.g. UI, ETT, Social  
8 Security and Medicare taxes) which are to be paid in addition to the Gross Settlement Sum.  
9 Defendants, through the Settlement Administrator, will report each payment made on the Gross  
10 Settlement Sum to government authorities including the Internal Revenue Service as required by  
11 law, and it shall make all required deductions and/or withholdings. Defendants, through the  
12 Settlement Administrator, will also retain the amount due for the employee's share of payroll taxes  
13 and will pay those amounts to the pertinent government authorities in the manner and the time  
14 prescribed by law. Defendants, through the Settlement Administrator, shall report the payments to  
15 the Internal Revenue Service (and other relevant government agencies) as wage income in the year  
16 of payment on a Form W-2, and as penalty and interest income on a Form 1099, as appropriate.

17           **3.     Procedure for Approval and Implementation of Settlement.**

18                   3.1     *Preliminary Approval.*

19                   3.1.1 The Class/PAGA Representative, through her counsel of record,  
20 shall file this Stipulation with the Court, and the Settling Parties shall promptly file a joint motion  
21 in the Litigation requesting that the Court enter the unopposed Preliminary Approval Order:

22                                 (a)     Preliminarily approving for settlement purposes only the  
23 proposed settlement and this Stipulation, and preliminarily certifying the settlement class for  
24 settlement purposes only;

25                                 (b)     Preliminarily approving the appointment of Plaintiff as the  
26 representative of the Class and the PAGA Representative Action Members for settlement purposes  
27 only;

1 (c) Preliminarily approving the appointment of Class Counsel as  
2 counsel for the Class for settlement purposes only;

3 (d) Appointing and approving CPT Group, Inc. or such other  
4 administrator as chosen by the Parties and approved by the Court, to administer the claims and  
5 settlement payment procedures required by this Stipulation;

6 (e) Approving the Class Notice and Verification Form, copies of  
7 which are attached hereto as Exhibits 1 and 2, and authorizing the Settlement Administrator to  
8 send them to settlement class members;

9 (f) Scheduling the Settlement Hearing for consideration of class  
10 certification and final approval of this Stipulation;

11 (g) Establishing a procedure for Class Members to Opt Out, and  
12 setting a date after which no Class Members shall be allowed to Opt Out; and

13 (i) Establishing a procedure for Class Members to object to the  
14 settlement.

15 3.1.2 Failure of the Court to enter the Preliminary Approval Order in its  
16 entirety or in a substantially similar form will be grounds for Defendants to terminate the  
17 settlement and the terms of this Stipulation pursuant to Paragraph 3.6.1; however, pursuant to  
18 Paragraph 3.6.1, the Settling Parties are to take all reasonable steps to cure any deficiencies so as  
19 to avoid any termination of the settlement.

20 3.2 *Notice to Class Members.*

21 3.2.1 If, by entering the Preliminary Approval Order, the Court provides  
22 authorization to send the Class Notices, the Settlement Administrator will facilitate the mailing of  
23 the Class Notices and Verification Forms to all Class Members and to the PAGA Representative  
24 Action Members, no later than thirty (30) calendar days after entry of the Preliminary Approval  
25 Date. The Class Notices and Verification Forms shall be mailed via first class mail through the  
26 United States Postal Service, postage pre-paid. The envelope shall bear the following phrase in  
27 the bottom left hand corner: IMPORTANT – CLASS ACTION SETTLEMENT  
28 INFORMATION. PLEASE OPEN IMMEDIATELY. The mailing enclosing the Class Notice

1 and Verification Form will not contain any other materials. The Class Notice, Verification Form,  
2 and the envelope or covering shall be marked to denote the return address of the Settlement  
3 Administrator.

4                   3.2.2 Defendants shall prepare a list, in an electronically usable format,  
5 for the Settlement Administrator containing for each Class Member the following information: the  
6 first, last and middle name, Last Known Address, social security number, dates of employment as  
7 a non-exempt employee in California (start and end dates), the total number of hours worked, and  
8 the number of pay periods worked during the PAGA Period. By approving this settlement, the  
9 Court will be deemed to have authorized Defendants to provide the Settlement Administrator with  
10 this information. Defendants shall provide this list to the Settlement Administrator within  
11 fourteen (14) calendar days of the Preliminary Approval Date.

12                   3.2.3 For the Class/PAGA Representative, the Settlement Administrator  
13 shall mail the Class Notice to the Class Representative in care of Class Counsel at Class Counsel's  
14 addresses.

15                   3.2.4 If a Class Member is known to be deceased, the Class Notice for  
16 that deceased Class Member shall be mailed to the Last Known Address (or Updated Address, if  
17 applicable) of the legal representative of the deceased Class Member's estate, to the extent known.

18                   3.2.5 Unless the Settlement Administrator receives a Class Notice  
19 returned from the United States Postal Service for reasons discussed below in this paragraph, that  
20 Class Notice shall be deemed mailed, and received by the Class Member to whom it was sent five  
21 (5) days after mailing. In the event that subsequent to the first mailing of a Class Notice and prior  
22 to the Verification and Opt Out Deadline, that Class Notice is returned to the Settlement  
23 Administrator by the United States Postal Service because the address of the recipient is no longer  
24 valid, *i.e.*, the envelope is marked "Return to Sender," the Settlement Administrator shall  
25 undertake an Accurint Skip Tracing or Experian Skip Tracing on the Class Member to attempt to  
26 ascertain the current address of the particular Class Member in question and, if such an address is  
27 ascertained, the Settlement Administrator will re-send the Class Notice within three (3) business  
28 days of receipt of the returned Class Notice. In either event, the Class Notice shall be deemed

1 received once it is mailed for the second time. In the event that subsequent to the first mailing of a  
2 Class Notice and on or after the Verification Form and Opt Out Deadline, that Notice is returned  
3 to the Settlement Administrator by the United States Postal Service because the address of the  
4 recipient is no longer valid, *i.e.*, the envelope is marked "Return to Sender," the Settlement  
5 Administrator shall be required to take no further action with that Class Notice and it shall be  
6 deemed to have been delivered. In the event that subsequent to the first mailing of a Class Notice  
7 and prior to the Verification Form and Opt Out Deadline that Notice is returned to the Settlement  
8 Administrator by the United States Postal Service with a forwarding address for the recipient, the  
9 Settlement Administrator shall re-mail the notice to that address within three (3) business days of  
10 receipt of the returned Class Notice, the Class Notice will be deemed mailed and received at that  
11 point, and the forwarding address shall be deemed the Updated Address for that Class Member. In  
12 any event, if the Settlement Administrator does not receive notice from the United States Postal  
13 Service that a particular Class Notice is undeliverable, or should be sent to a forwarding address,  
14 at least ten (10) days prior to the deadline for the Settlement Administrator to provide the  
15 Declaration of Compliance pursuant to Paragraph 3.2.6 below, the notice procedures in this  
16 paragraph will be deemed to have been complied with as to that Class Notice and no further action  
17 need be taken by the Settlement Administrator with regard to that Class Notice. In the event the  
18 Settlement Administrator must re-mail any Class Notice pursuant to the provisions of this  
19 Paragraph due to being returned for an invalid address, the Verification Form, Opt Out and  
20 Objection Deadlines shall be extended for those re-mailings by fourteen (14) days from the  
21 original respective deadline. The Settlement Administrator shall include a cover letter with any  
22 re-mailing informing the Class Member of the re-mailing of the Class Notice and that he or she  
23 has fourteen (14) calendar days from the date of the re-mailing (which shall be the date the re-  
24 mailing of the Class Notice is postmarked) to postmark any response allowed by the Stipulation  
25 and Class Notice, even if postmarked after the original Verification Form, Objection and Opt Out  
26 Deadlines. Compliance with the procedures described in this paragraph shall constitute due and  
27 sufficient notice to Class Members of this proposed settlement and of the Settlement Hearing, and  
28 shall satisfy the requirements of due process. Nothing else shall be required of or done by the

1 Settling Parties, Class Counsel, counsel for Defendants, or the Settlement Administrator to provide  
2 notice of the proposed settlement and the Settlement Hearing.

3                   3.2.6 No later than ten (10) calendar days after the Verification Form and  
4 Opt Out Deadline, the Settlement Administrator shall provide Class Counsel and counsel for  
5 Defendants with a declaration attesting to completion of the notice process, including any attempts  
6 to obtain Updated Addresses for, and the re-sending of, any returned Class Notices, including the  
7 steps set forth in Paragraph 3.2.5 (“Declaration of Compliance”), which shall be filed with the  
8 Court by Class Counsel.

9                   3.3     *Responses to the Notice of Proposed Class Action Settlement.*

10                   3.3.1 Submission of Verification Form: If a Class Member disagrees with  
11 the pay periods or hours set forth on his or her Verification Form, he or she must submit  
12 documentation with the Verification Form that supports his or her belief regarding the section  
13 provided on the Verification Form. The Settlement Administrator will review the documentation  
14 and make a determination based upon the submitted documentation as to the validity of the Class  
15 Member’s claim. If the Settlement Administrator needs further information from Defendants  
16 concerning the Class Member’s claim, the Settlement Administrator will notify Defendants and  
17 Class Counsel and request the needed information. Defendants’ records will be presumed  
18 determinative if there is a dispute over the pay periods, unless the Class Member has submitted  
19 valid and compelling documentation to support his or her claim to different work dates than the  
20 number shown on the Verification Form. The Settlement Administrator, upon conferring with  
21 Class Counsel and Defendants’ Counsel, shall resolve all disputes by applying the above standard.  
22 If either Party disagrees with the Settlement Administrator’s decision as to any dispute, said Party  
23 may seek resolution of the dispute with the Court by submitting a written letter detailing his or her  
24 position as well as any supporting documentation to the Settlement Administrator, who shall  
25 submit any such documentation to the Court (redacted as necessary) by way of declaration  
26 submitted to the Court no later than seven (7) days prior to the hearing date for the Motion for  
27 Final Approval.. The Court’s determination as to any disputes shall be binding and final. The  
28 Verification Form must be returned to the Settlement Administrator on or before the Verification

1 Form Deadline. Any completed Verification Form that is returned to the Settlement Administrator  
2 after the Verification Form Deadline will not be accepted or processed, except if in response to a  
3 deficiency notice sent by the Settlement Administrator pursuant to Paragraph 3.3.8 or in response  
4 to a re-mailing of the Class Notice by the Settlement Administrator pursuant to Paragraph 3.2.5.

5 3.3.2 Participation at Class Members' Own Expense: Pursuant to  
6 California Rule of Court 3.766(d)(5), Class Members have the option to participate in this Lawsuit  
7 at their own expense by obtaining their own attorney(s). Class Members who choose this option  
8 will be responsible for any attorneys' fees or costs incurred as a result of this election. The Class  
9 Notice will advise Class Members of this option.

10 3.3.3 Objections to Settlement: Class Members may also object to the  
11 settlement by submitting written objections to the Settlement Administrator no later than the  
12 Objection Deadline. The written objection must be signed and dated, and additionally state the  
13 Class Member's name, dates of employment as Defendants' non-exempt employee in California,  
14 the case name and number (*Ouellette v. MKTG, Inc.*, Case No. 19STCV27487, Superior Court of  
15 the State of California, County of Los Angeles), and the basis for the objection. A Class Member  
16 who objects to the settlement must be a Member of the Settlement Class and may not submit an  
17 Opt Out pursuant to Paragraph 3.3.5 below. The Settlement Administrator shall file a declaration  
18 with the Court no later than seven (7) days prior to the final approval hearing, attaching any valid  
19 and timely objections received from Class Members. Notwithstanding, any Class Member who  
20 does not object in writing may nonetheless object to the settlement by appearing at the final  
21 approval hearing and having his/her objection heard. The Class Notice will advise Class Members  
22 of this option.

23 3.3.4 No PAGA Opt-Out. Class Members/PAGA Representative Action  
24 Members may not elect to opt out of participating in the settlement of the PAGA Released Claims.

25 3.3.5 Opting Out of Settlement: Class Members may elect to opt out of  
26 and, thus exclude themselves from the Settlement Class. Class Members who wish to exercise this  
27 option must send to the Settlement Administrator a signed letter containing the Class Member's  
28 name, last four digits of his/her social security number, and a written statement to the effect of: "I

1 wish to be excluded from the *Ouellette v. MKTG, Inc.* Settlement.” The request for exclusion  
2 must be postmarked on or before the Opt Out Deadline. If a proper Opt Out is not received by the  
3 Settlement Administrator from a Class Member on or before the Opt Out Deadline, then that Class  
4 Member will be deemed to have forever waived his or her right to opt out of the Settlement Class.  
5 The Class Notice will advise Class Members of the option to opt out of the settlement and will  
6 contain instructions on how to do so. Class Members who do not properly request exclusion from  
7 the class action settlement by submitting valid and timely Opt Out shall be deemed Members of  
8 the Settlement Class. Class Members who do properly request exclusion from the class action  
9 settlement by submitting valid and timely Opt Out shall not receive his or her portion of the  
10 Individual Class Settlement Amount and shall not be bound by the Release of the Class Claims.

11                   3.3.6 If a Class Member completes and submits both a Verification Form  
12 and an Opt Out, the Verification Form shall be accepted, the Opt Out shall be disregarded and the  
13 Individual Class Settlement Amount will be paid and the Class Member will become bound by the  
14 Judgment.

15                   3.3.7 Class Members who do not opt out of the Settlement Class pursuant  
16 to Paragraph 3.3.5 shall be deemed Members of the Settlement Class and shall be bound by the  
17 Judgment.

18                   3.3.8 In the event that any Class Member timely submits a Verification  
19 Form or Opts Out, but it is deficient, as soon as possible, but not later than five (5) business days  
20 of the Settlement Administrator’s receipt of such Verification Form or Opt Out, the Settlement  
21 Administrator shall send by first class, postage pre-paid, United States mail a notice to such Class  
22 Member informing him or her of the deficiency and that he or she has ten (10) calendar days from  
23 the date of the notice (which shall be the date the notice is mailed) to cure the deficiency and  
24 postmark and mail the Opt Out even if postmarked after the Verification Form or Opt Out  
25 Deadline respectively. The Settlement Administrator shall also copy Class Counsel and counsel  
26 for Defendants with any such notices of deficiency.

27                   3.3.9 The Settling Parties agree that the Verification Form, Objection and  
28 Opt Out Deadlines shall not be extended, and no untimely submissions will be honored, under any



1 circumstances, unless mutually agreeable by the Settling Parties and/or except to the extent  
2 permitted under Paragraphs 3.2.5 and 3.3.8. Notwithstanding the foregoing, a Class Member will  
3 be allowed to extend the Verification Form, Objection or Opt Out Deadlines for himself or herself  
4 if, and only if, he or she can make a showing of legal incapacity during the notice period.

5                   3.4     *Post Deadline Period Events and Settlement Fairness Hearing.*

6                   3.4.1    Within fourteen (14) calendar days after the Verification Form and  
7 Opt Out Deadline, the Settlement Administrator shall calculate the final Individual Class  
8 Settlement Amount to be paid to each Participating Class Member, calculate the final Individual  
9 PAGA Settlement Amount to be paid to each PAGA Representative Action Member, and prepare  
10 a final statement of settlement sum for each Participating Class Member and PAGA  
11 Representative Action Member.

12                   3.4.2    On the date set forth in the Preliminary Approval Order and Class  
13 Notice, a Settlement Hearing shall be held before the Court in order to: (1) review this Stipulation  
14 and whether the Court should give it final approval; (2) consider any timely objections made (i.e.  
15 by the Objection Deadline); and (3) consider Class Counsel’s application for an award of  
16 attorneys’ fees, reimbursement for costs and expenses, and the Class Representative’s service  
17 award. At the Settlement Hearing, the Class Representative, through Class Counsel, shall ask the  
18 Court to give final approval to this Stipulation and shall submit to the Court a proposed (a) Order  
19 Determining Good Faith and Granting Final Approval of Settlement, and (b) Judgment to be  
20 entered in the Litigation. The Settling Parties shall take all reasonable efforts to secure entry of  
21 the Order Determining Good Faith and Granting Final Approval of Settlement, and the Judgment.  
22 If the Court rejects the Stipulation, fails to enter the Order Determining Good Faith and Granting  
23 Final Approval of Settlement, or if the Court fails to enter the Judgment, this Stipulation shall be  
24 void, and Defendants shall have no obligation to make any payments under the Stipulation, and  
25 the FAC will be immediately and automatically stricken; however, the Settling Parties and their  
26 counsel agree to take all reasonable efforts to fix any deficiencies the Court cites for its non-  
27 approval as set forth in Paragraph 3.6.1.

28                   3.5     *Releases.*

1                   3.5.1 Upon payment of the Gross Settlement Sum by Defendants, Plaintiff  
2 and each of the Participating Class Members shall be deemed to have, and by operation of the  
3 Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released  
4 Class Claims against Defendants and Defendant Releasees during the Class Period.

5                   3.5.2 Upon payment of the Gross Settlement Sum by Defendants,  
6 Plaintiff, each of the PAGA Representative Action Members, and the State of California shall be  
7 deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released,  
8 relinquished, and discharged all PAGA Released Claims against Defendants and Defendant  
9 Releasees during the PAGA Period.

10                  3.5.3 Upon payment of the Gross Settlement Sum by Defendants, Class  
11 Representative, for herself and her heirs, executors, administrators, successors, and assigns, hereby  
12 fully and forever release and discharge Defendants and Defendant Releasees of and from any and  
13 all claims, demands, causes of action, charges and grievances, of whatever kind or nature, whether  
14 known or unknown, suspected or unsuspected, which the Class Representative now owns or holds  
15 or have at any time before her execution of this Stipulation owned or held against Defendants  
16 and/or Defendant Releasees, including, but not limited to, any and all claims, charges, demands  
17 and causes of action: (1) which arose out of or are in any way connected with the Class  
18 Representative's employment with Defendants; (2) which are related to or concern any law,  
19 including, but not limited to: (i) discrimination under local, state or federal law based on age,  
20 disability, sex, sexual orientation, race or any other category protected by any such law; (ii)  
21 wrongful termination, breach of express and implied-in-fact contract, breach of the covenant of  
22 good faith and fair dealing, intentional and negligent infliction of emotional distress, defamation,  
23 invasion of privacy, breach of employment contract, fraud or negligent misrepresentation,  
24 intentional interference with contractual relations and prospective economic advantage, and other  
25 torts; (iii) sexual harassment; (iv) failure to pay wages; and (v) retaliation; (3) violation of  
26 California *Business and Professions Code* Section 17200, et seq., and/or the California *Labor*  
27 *Code*; or (4) which arose out of or are in any way connected with any transaction, occurrence, act,  
28

1 omission, loss, damage or injury whatsoever resulting from any act committed or omission made  
2 prior to the date of this Agreement.

3 It is the Class Representative's intention that her execution of this Stipulation will forever  
4 bar every claim, demand, cause of action, charge and grievance against Defendants and Defendant  
5 Releasees at any time prior to and through their execution of this Stipulation. Because this is the  
6 Class Representative's intention, the Class Representative expressly waives any and all rights and  
7 benefits conferred upon her by the provisions of section 1542 of the California *Civil Code*.

8 Section 1542 provides:

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

12 It is also understood and agreed by the Class Representative that this general release  
13 expressly includes settlement of the Class Representative's claims, if any, for employment  
14 termination and/or retaliation and/or willful misconduct, and therefore, expressly precludes them  
15 from filing any additional petitions for supplemental benefits under California *Labor Code*,  
16 sections 132a and 4553.

17 3.6 *Termination of Settlement; Reasonable Steps to Cure.*

18 3.6.1 In the event that the settlement set forth in this Stipulation is not  
19 approved in its entirety by the Court, or in the event that the Effective Date does not occur, the  
20 Settling Parties shall have the option to void the settlement, and in such case, no payments shall be  
21 made by Defendants to anyone in accordance with the terms of this Stipulation, and this  
22 Stipulation shall be deemed null and void with no effect on the Litigation whatsoever, and the  
23 FAC shall be immediately and automatically stricken. Notwithstanding this provision, the Settling  
24 Parties agree to take all reasonable steps to cure any deficiencies cited by the Court as reason for  
25 non-approval of any matter(s) filed with the Court for approval. In the event that more than ten  
26 percent (10%) of the Class Members Opt Out of the settlement by submitting valid and timely Opt  
27 Outs by the Opt Out Deadline, Defendants shall have the right to nullify this settlement and  
28 Stipulation; however, Defendants must notify Class Counsel of its intention to nullify the

1 settlement and Stipulation within seven (7) calendar days after the expiration of the Opt Out  
2 Deadline. In the event this settlement is nullified the FAC shall be immediately and automatically  
3 deemed stricken. Should any party exercise the right to nullify the settlement under this paragraph,  
4 the Settling Parties agree that the party who nullifies this settlement shall bear the entire costs of  
5 settlement administration incurred through the date of nullification.

6                   3.6.2 In the event the Court or LWDA increases the amount the parties  
7 have allocated towards the Gross PAGA Payment, the additional amount awarded by the Court  
8 will cause the Class Member Payout Fund to be decreased. It is the intention of the parties that  
9 any increase in the Gross PAGA Payment will not result in Defendants having to pay additional  
10 monies and neither will such an increase result in decrease in the amount awarded to Class  
11 Counsel fees or costs and expenses, unless otherwise ordered by the Court. Class Counsel shall  
12 comply with the notice and reporting requirements under *Labor Code* section 2699(1)(2)-(3).

13                   3.7 *Miscellaneous Provisions.*

14                   3.7.1 No Person shall have any claim against Class Counsel, the  
15 Settlement Administrator, Defendants, or any of the Defendant Releasees based on the payments  
16 made pursuant to this Stipulation and the settlement contained herein or further orders of the  
17 Court.

18                   3.7.2 In the event that the Stipulation is not substantially approved by the  
19 Court, after all reasonable steps to cure have been exhausted, or the settlement set forth in the  
20 Stipulation is terminated, cancelled, declared void or fails to become effective in accordance with  
21 its terms, or if the Judgment does not become final, or to the extent cancellation is otherwise  
22 provided for in this Stipulation, the Settling Parties shall resume the Litigation at that time as if no  
23 Stipulation had been entered. In such event: (1) the FAC shall be immediately and automatically  
24 deemed stricken, (2) Defendants agree not to remove this case to federal court unless this  
25 settlement does not become Final and Plaintiff amends her operative complaint in this case to  
26 include class action allegations; and (3) the terms and provisions of the Stipulation shall have no  
27 further force and effect with respect to the Settling Parties and shall not be used in this Litigation  
28 or in any other proceeding for any purpose, and (4) any Judgment or order entered by the Court in

1 accordance with the terms of the Stipulation shall be treated as vacated. Notwithstanding any  
2 other provision of this Stipulation, if the Court should fail to award attorneys' fees to Class  
3 Counsel in the full amount provided for in this Stipulation, no order of the Court or modification  
4 of any order of the Court concerning the amount of any attorneys' fees and costs to be paid by  
5 Defendants to Class Counsel pursuant to this settlement shall constitute grounds for cancellation  
6 or termination of the Stipulation or grounds for limiting any other provision of the Judgment. If  
7 any of Class Counsel's fees and costs or Class Representative's Service Awards are reduced by  
8 the Court, these funds will revert to the Class Member Payout Fund. It is agreed that no order of  
9 the Court, including any order concerning attorneys' fees, may alter or otherwise increase the  
10 Gross Settlement Amount.

11                               3.7.3 The Settling Parties: (a) acknowledge that it is their intent to  
12 consummate this agreement; (b) agree to cooperate to effectuate and implement all terms and  
13 conditions of the Stipulation and to exercise their best efforts to accomplish the foregoing terms  
14 and conditions of the Stipulation; (c) agree to seek and to attempt to obtain Court approval for the  
15 Stipulation; and (d) agree to reasonably work together to seek and attempt to obtain Court  
16 approval for the Stipulation and final approval should the Court not grant approval upon the first  
17 presentation.

18                               3.7.4 Unless otherwise ordered by the Court, in the event the Stipulation  
19 shall be terminated, cancelled, declared void or fails to become effective in accordance with its  
20 terms, within seven (7) business days after written notification of such event, the party receiving  
21 notice shall notify the other party of this event in writing.

22                               3.7.5 The Stipulation compromises claims which were contested and the  
23 subject of a good faith dispute, and it shall not be deemed an admission by any of the Settling  
24 Parties as to the merits of any claim or defense. The Settling Parties agree that the amounts paid  
25 in settlement of the Litigation and the other terms of the settlement were negotiated at arms' length  
26 and in good faith with sufficient information by the Settling Parties and reflect a settlement that  
27 was reached voluntarily after consultation with competent legal counsel.

28

1                   3.7.6 All of the exhibits to the Stipulation are material and integral parts  
2 hereof and are fully incorporated herein by this reference.

3                   3.7.7 The Stipulation may be amended or modified only by a written  
4 instrument signed by or on behalf of all Settling Parties or their respective successors-in-interest.

5                   3.7.8 The Stipulation constitutes the entire agreement among the Settling  
6 Parties hereto and no representations, warranties, or inducements have been made to any party  
7 concerning the Stipulation or its exhibits other than the representations, warranties, and covenants  
8 contained and memorialized in such documents. Except as otherwise provided herein, each party  
9 shall bear its own costs.

10                  3.7.9 Class Counsel, on behalf of the Class, are expressly authorized by  
11 the Class Representative to take all appropriate actions required or permitted to be taken by the  
12 Class pursuant to the Stipulation to effect its terms and also are expressly authorized to enter into  
13 any modifications or amendments to the Stipulation on behalf of the Class which they deem  
14 appropriate.

15                  3.7.10 Each counsel or other Person executing the Stipulation or any of its  
16 exhibits on behalf of any Settling Parties hereby warrants that such Person has full and express  
17 authority to do so.

18                  3.7.11 The Stipulation may be executed in one or more counterparts. All  
19 executed counterparts and each of them shall be deemed to be one and the same instrument. A  
20 complete set of executed counterparts shall be filed with the Court.

21                  3.7.12 The Stipulation shall be binding upon, and inure to the benefit of,  
22 the successors and assigns of the parties hereto; however, this Stipulation is not designed to and  
23 does not create any third party beneficiaries unless otherwise specifically provided herein.

24                  3.7.13 The Court shall retain jurisdiction with respect to implementation  
25 and enforcement of the terms of the Stipulation, and all parties hereto submit to the jurisdiction of  
26 the Court for purposes of implementing and enforcing the settlement embodied in the Stipulation.  
27 The Parties further understand and agree that if an action is brought to enforce any of the terms of  
28

1 this Stipulation, the prevailing party shall be entitled to its/his/her reasonable attorneys' fees and  
2 costs incurred in the enforcement action.

3                   3.7.14 The Stipulation and the exhibits hereto shall be considered to have  
4 been negotiated, executed, and delivered, and to have been wholly performed, in the State of  
5 California, and the rights and obligations of the parties to the Stipulation shall be construed and  
6 enforced in accordance with, and governed by, the internal, substantive laws of the State of  
7 California without regard to principles of conflicts of law.

8                   3.7.15 The language of all parts of this Stipulation shall in all cases be  
9 construed as a whole, according to its fair meaning, and not strictly for or against either party. No  
10 party shall be deemed the drafter of this Stipulation. The parties acknowledge that the terms of the  
11 Stipulation are contractual and are the product of negotiations between the parties and their  
12 counsel. Each party and his/her/its counsel cooperated in the drafting and preparation of the  
13 Stipulation. In any construction to be made of the Stipulation, the Stipulation shall not be  
14 construed against any party and the canon of contract interpretation set forth in California Civil  
15 Code section 1654 shall not be applied.

16                   3.7.16 Should any deadlines set forth in the Stipulation require any action  
17 to be taken on a weekend or a Court holiday, then the action may be taken on the next business  
18 day, unless otherwise specified by law or rule of Court, except that should the Opt Out Deadline or  
19 Objection Deadline (or extension(s) thereof specified in the Stipulation relating to a deficiency  
20 notice or a re-mailing) fall on a Saturday and regular U.S. Mail service is in operation that day,  
21 then no further extension pursuant to this paragraph shall apply to these specific deadlines.

22                   3.7.17 The parties agree that no party shall issue any press release of any  
23 sort to the news media or otherwise, nor communicate in any way with any news or other media  
24 source, concerning this Settlement Agreement or the Litigation. Notwithstanding the foregoing, if  
25 the Defendants are asked to comment publicly about the Litigation and/or any of the claims by the  
26 press or any third party, they may respond as follows, or words to that effect, "The Company takes  
27 all concerns raised in connection with its employees seriously, including those raised in this  
28 matter. While it denies liability, the Company decided to settle this matter to avoid protracted and

1 costly litigation. The Company always is committed to treating its employees fairly and equitably,  
2 which includes complying with all applicable laws and regulations.” Nothing in this paragraph  
3 shall have any effect upon a party’s ability to communicate internally or with Settlement Class  
4 Members. Nothing in this paragraph shall be deemed to prevent Defendants or Class Counsel  
5 from fulfilling the requirements of Class Notice or communicating with Settlement Class  
6 Members.

7  
8 READ AND AGREED TO INDIVIDUALLY AND ON BEHALF OF THE PROPOSED CLASS:

9   
10 \_\_\_\_\_  
11 Plaintiff Stephanie Ouellette

Dated: 11 / 10 / 2022, 2022

12  
13 READ AND AGREED TO ON BEHALF OF MKTG, Inc. and U.S. Concepts LLC

14 thomas meisner...  
15 By: thomas meisner... (Nov 9, 2022 11:15 EST)  
16 Title: Chief Financial Officer


Dated: Nov 9, 2022, 2022

17 READ AND AGREED TO ON BEHALF OF Dentsu US, Inc. f/k/a Dentsu Aegis Network US  
18 Holdings, Inc.


19 Kamla Alexander  
20 By: Kamla Alexander (Nov 9, 2022 07:53 PST)  
21 Title: Secretary

Dated: November 9, 2022

22 APPROVED AS TO FORM:

23   
24 \_\_\_\_\_  
25 Jeffrey S. Ranen  
26 William C. Sung  
27 Lewis Brisbois Bisgaard & Smith LLP  
28 Attorneys for Defendants

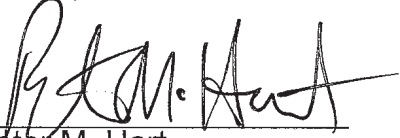
Dated: November 9, 2022

  
\_\_\_\_\_

Dated: November 10, 2022



1 Karen I. Gold  
Marlin & Saltzman, LLP  
2 Attorneys for Plaintiff and the Class

3 

4 Peter M. Hart  
5 Law Offices of Peter M. Hart  
Attorneys for Plaintiff and the Class

Dated: 11/9, 2022

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