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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

LARONDA RASMUSSEN et al.,

Plaintiffs,

vs.

THE WALT DISNEY COMPANY et al.,

Defendants.

CASE NO. 19STCV10974

SETTLEMENT AGREEMENT

Dept: 6
Judge: Elihu M. Berle
Action Filed: April 2, 2019
Trial Date: May 5, 2025

1 **I. INTRODUCTION**

- 2 1. Subject to approval by the Superior Court of the State of California for the County of
3 Los Angeles (the “Court”), this Settlement Agreement (“Agreement”) is entered into by
4 and between Plaintiffs LaRonda Rasmussen, Karen Moore, Virginia Eady-Marshall,
5 Enny Joo, Rebecca Train, Nancy Dolan, Anabel Pareja Sinn, Dawn Johnson, and
6 Chelsea Hanke (“Plaintiffs” or “Named Plaintiffs”), on behalf of themselves and the
7 Classes defined herein, and Defendants The Walt Disney Company, Walt Disney
8 Pictures, Hollywood Records, Inc., Walt Disney Direct-to-Consumer & International,
9 Disney Content Sales, LLC, Buena Vista Home Entertainment, Inc., Walt Disney Parks
10 and Resorts U.S., Inc., Walt Disney Imagineering Research & Development, Inc.,
11 American Broadcasting Companies, Inc., and TWDC Enterprises 18 Corp.
12 (“Defendants”).

13 **II. SUMMARY OF CASE AND RESOLUTION**

14 **A. Plaintiffs’ Claims**

- 15 2. Plaintiffs filed the initial Class Action Complaint in this matter on April 2, 2019.
16 Plaintiffs subsequently amended the complaint four times, and the operative Corrected
17 Fourth Amended Complaint (“Amended Complaint”) was filed on April 15, 2021. The
18 Amended Complaint alleges class claims for: (1) violations of the California Equal Pay
19 Act (“EPA”), Cal. Lab. Code § 1197.5, *et seq.*; (2) failure to pay all wages due to
20 discharged and quitting employees in violation of Cal. Lab. Code §§ 201-203, *et seq.*;
21 (3) sex/gender discrimination in violation of the California Fair Employment and
22 Housing Act (“FEHA”), Cal. Gov. Code § 12900, *et seq.*; (4) violation of California
23 Labor Code § 232; (5) violation of California’s Unfair Competition Law (“UCL”), Bus.
24 & Prof. Code § 17200, *et seq.*; (6) penalties under the Labor Code Private Attorneys
25 General Act (“PAGA”), Cal. Lab. Code § 2698, *et seq.*; and (7) waiting time penalties
26 under Cal. Lab. Code § 210, *et seq.* The Amended Complaint also alleges individual
27 promotion denial claims on behalf of Named Plaintiffs.
28 3. The Named Plaintiffs have negotiated separate agreements to settle their individual

1 promotion denial claims. The Class Settlement Fund does not include the separate
2 Named Plaintiffs' settlements for their non-class claims.

- 3 4. Defendants have denied and continue to deny all of the allegations made in the
4 Amended Complaint and in this Action generally, deny that they have engaged in any
5 unlawful activity, deny that they have failed to comply with the law in any respect, deny
6 that they are liable or owe damages to anyone with respect to the alleged facts or causes
7 of action asserted, and deny that but for the Settlement Agreement, any class should be
8 certified in this Action.

9 **B. Discovery and Class Certification**

- 10 5. After commencement of this case, the Parties engaged in over four years of class
11 discovery prior to class certification. Class discovery included reports from four experts
12 and related depositions, depositions of Defendants' Persons Most Qualified (a total of
13 22 individual witnesses, including one witness who was both a named and PMQ
14 witness) and depositions of the nine Named Plaintiffs. The Parties each served and
15 responded to multiple interrogatories. Defendants made 84 document productions,
16 totaling 44,051 pages, and produced voluminous payroll and human resources data.
17 Plaintiffs also completed document production regarding the Named Plaintiffs. Both
18 Parties completed document productions regarding their respective class certification
19 experts.

- 20 6. Plaintiffs filed their Motion for Class Certification on June 29, 2023. Plaintiffs' Motion
21 relied on documents, deposition testimony, payroll and human resources data, and
22 expert reports from industrial organizational psychologist Dr. Leaetta Hough and labor
23 economist Dr. David Neumark. Defendants opposed Plaintiffs' motion, and they relied
24 on documents, deposition testimony, payroll and human resources data, and expert
25 reports from labor economist Dr. John Johnson and industrial organizational
26 psychologist Dr. Chester Hanvey. Plaintiffs then filed a reply brief. Both Parties moved
27 to strike the opposing side's expert witnesses, and full briefing was completed on all
28 four motions. On November 15, 2023, the Court denied both Parties' motions to strike

1 opposing experts.

- 2 7. On December 8, 2023, the Court granted class certification for Plaintiffs' EPA claim
3 and derivative UCL and Waiting Time claims ("EPA Class") and denied class
4 certification for Plaintiffs' disparate impact claims under FEHA.
- 5 8. Following class certification, the Parties engaged in additional substantial discovery on
6 the merits on the certified claims. Plaintiffs deposed four witnesses and served
7 additional document requests and interrogatories. Defendants made 27 additional
8 document productions containing 38,878 pages, and provided updated payroll and
9 human resources data.

10 **C. Mediation and Settlement Negotiations**

- 11 9. The Parties previously attempted to resolve this case by engaging in three mediation
12 sessions on August 18, 2022, September 27, 2022, and October 4, 2023, but were
13 unable to reach a resolution at those times. Following partial class certification and
14 additional merits discovery, the Parties agreed to engage in a fourth mediation session
15 with experienced mediator Hunter R. Hughes, III. Prior to the mediation, the Parties
16 submitted pre-mediation statements, separately consulted with the mediator, and had a
17 joint session with the mediator by zoom on July 9, 2024. The Parties then participated
18 in an in-person mediation session with the mediator on July 12, 2024. The mediation
19 was followed by continued discussions between the parties over the following two
20 months, and the Parties were able to reach a settlement in principle. At all times during
21 this process, counsel bargained vigorously and at arm's-length on behalf of their clients
22 with the assistance of a distinguished neutral.
- 23 10. Class Counsel and counsel for Defendants recognize that, in the absence of an approved
24 settlement, they would face a long litigation course, including a motion for
25 decertification of the EPA Class, motions for summary judgment, further motions to
26 strike expert witnesses, and trial and appellate proceedings that would consume time
27 and resources and present each of them with ongoing litigation risks and uncertainties.
28 Class Counsel and the Class Representatives believe that it is in the interest of all Class

1 Members to resolve finally and completely the claims of the Class Members against
2 Defendants. Class Counsel and the Named Plaintiffs believe that the terms of the
3 Settlement Agreement are in the best interests of the Classes and are fair, reasonable,
4 and adequate. Defendants wish to bring the litigation to a conclusion on the terms set
5 forth in this Settlement Agreement.

- 6 11. Without any admission or concession by Defendants of any liability or wrongdoing with
7 respect to the allegations in Plaintiffs' Amended Complaint, all released claims shall be
8 finally and fully compromised, settled, and released subject to the terms and conditions
9 of this Settlement Agreement, which were the subject of extensive negotiation and
10 ultimate agreement by the Parties.

11 **III. NO ADMISSION, NO DETERMINATION**

- 12 12. This Settlement Agreement does not, and is not intended to constitute, nor shall it be
13 deemed to constitute, an admission by any Party as to the merits, validity, or accuracy
14 of any of the allegations, claims, or defenses of any Party in this case. The Class
15 Members continue to assert the merits and validity of their claims. By entering into this
16 Agreement, Defendants do not admit or concede, expressly or impliedly, but instead
17 deny, that they have in any way violated the EPA, the UCL, FEHA, California Labor
18 Code, the common law of any jurisdiction, or any other federal, state, or local law,
19 statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or
20 in equity. Neither the Court nor any other court has made any findings or expressed any
21 opinion concerning the merits, validity, or accuracy of any of the allegations, claims, or
22 defenses in this Action.

- 23 13. Nothing in this Settlement Agreement, nor any action taken in implementation thereof,
24 nor any statements, discussions, or communications, nor any materials prepared,
25 exchanges, issued, or used during the course of the mediation or negotiations leading to
26 this Settlement Agreement, is intended by the Parties to, nor shall any of the foregoing
27 constitute, be introduced, be used, or be admissible in any way in this case or any other
28 judicial, arbitral, administrative, investigative, or other proceeding of whatsoever kind

1 or nature as evidence of any violation of the EPA, the UCL, FEHA, California Labor
2 Code, the common law of any jurisdiction, or any other federal, state, or local law,
3 statute, ordinance, regulation, rule, or executive order, or any obligation or duty at law
4 or in equity.

- 5 14. Notwithstanding the foregoing, this Settlement Agreement may be used in any
6 proceeding in the Court or in mediation or arbitration to enforce or implement any
7 provision of this Settlement Agreement, including to enforce a Named Plaintiff or Class
8 Member Release, or implement any orders or judgments of the Court entered into in
9 connection herewith.

10 **IV. GENERAL TERMS OF THE SETTLEMENT AGREEMENT**

11 **A. Definitions.** The following terms shall have the meanings defined in this Section
12 wherever used in this Agreement:

- 13 15. “Action” means the Plaintiffs’ lawsuit against Defendants captioned *Rasmussen, et al.*
14 *v. The Walt Disney Company, et al.*, Case No. 19STCV10974, initiated on April 2,
15 2019, and pending in Superior Court of the State of California, County of Los Angeles.
- 16 16. “Agreement” means this Settlement Agreement and all exhibits attached to it.
- 17 17. “Class Counsel” means the law firms of Andrus Anderson LLP, Cohen Milstein Sellers
18 & Toll PLLC, and Goldstein, Borgen, Dardarian & Ho.
- 19 18. “Class Counsel Fees and Expenses Payment” means the amount awarded to Class
20 Counsel by the Court to compensate them for their fees and expenses in connection with
21 the Action, including their pre-filing investigation, their commencement of the Action
22 and all related litigation activities, this Agreement, and all post-Settlement Agreement
23 compliance procedures.
- 24 19. “Class Member” means an individual in the EPA Class and/or the FEHA Class (as
25 defined herein) who has not and does not opt out.
- 26 20. “Class Settlement Fund” means the Total Settlement Amount, transferred by Defendants to
27 the Qualified Settlement Fund set up by the Settlement Administrator pursuant to this
28

1 Settlement Agreement, together with interest subsequently earned thereon.

2 21. "Court" means the Court having jurisdiction over this Litigation, namely the Superior
3 Court of the State of California, County of Los Angeles.

4 22. "Covered Position" means any salaried, full-time, non-union position below the level of
5 Vice President, with a Job Level of B1-B4, T1-T4, TL, P1-P6, P2L-P5L, M1-M3, A1-5,
6 E0, E1, or E1X. Covered Positions do not include (a) individuals working in Hulu,
7 ESPN, Pixar, 21st Century (Fox), FX, National Geographic, Bamtech, and ILM; (b)
8 employees in the HR Compensation job family; (c) in-house employment counsel; and
9 (d) any paralegals and legal assistants involved in assisting with respect to this case.

10 23. "Defendants" means the Disney-Related Companies (as defined herein).

11 24. "Defendants' Counsel" means Paul Hastings LLP.

12 25. "Disney-Related Company" means The Walt Disney Company, Walt Disney Pictures,
13 Hollywood Records, Inc., Walt Disney Direct-to-Consumer & International, Disney
14 Content Sales, LLC, Buena Vista Home Entertainment, Inc., Walt Disney Parks and
15 Resorts U.S., Inc., Walt Disney Imagineering Research & Development, Inc., American
16 Broadcasting Companies, Inc., and TWDC Enterprises 18 Corp.

17 26. "Effective Date" means the date by which all of the following have occurred:

- 18 a. The Court enters the Judgment; and
19 b. The Judgment becomes Final.

20 27. "EPA Class" means the following Class certified by the Court on December 8, 2023,
21 under the California Equal Pay Act:

22 Women who have been or will be employed by a Disney-Related
23 Company in California, between April 1, 2015 and December 28, 2024,
24 below the level of Vice President, and in a salaried, full-time, non-union
25 position with a Job Level of B1-B4, T1-T4, TL, P1-P6, P2L-P5L, M1-
26 M3, A1-5, E0, E1, or E1X assigned to a full job family that is not
27 "other." This class excludes (a) individuals working in Hulu, ESPN,
28 Pixar, 21st Century (Fox), FX, National Geographic, Bamtech, and ILM;
(b) employees in the HR Compensation job family; (c) in-house
employment counsel; (d) any paralegals and legal assistants involved in
assisting with respect to this case; and (e) any judge to whom the case is
assigned and immediate family members of such judge.

28 28. "EPA Class Members" means all individuals in the EPA Class (as defined herein), as

1 approved by the Court, who have not and do not opt out.

2 29. “FEHA Class Members” means all individuals in the FEHA Settlement Class (as
3 defined herein), as approved by the Court, who have not and do not opt out.

4 30. “FEHA Settlement Class” means:

5 Women who have been or will be employed by a Disney-Related
6 Company in California, between April 1, 2015 and December 28, 2024,
7 below the level of Vice President, and in a salaried, full-time, non-union
8 position with a Job Level of B1-B4, T1-T4, TL, P1-P6, P2L-P5L, M1-
9 M3, A1-5, E0, E1, or E1X. This class excludes (a) individuals working
10 in Hulu, ESPN, Pixar, 21st Century (Fox), FX, National Geographic,
11 Bamtech, and ILM; (b) employees in the HR Compensation job family;
12 (c) in-house employment counsel; (d) any paralegals and legal assistants
13 involved in assisting with respect to this case; and (e) any judge to whom
14 the case is assigned and immediate family members of such judge.

15 31. “Final” means the last of the following dates, as applicable: (1) the California Court of
16 Appeal has rendered a final judgment affirming the Court’s final approval without
17 material modification and the date for further appeal or review has passed without
18 further appeal or review; (2) the California Court of Appeal has rendered a final
19 judgment affirming the Court’s final approval without material modification and the
20 further appeals have been resolved without material modification of the final approval
21 order; (3) the applicable date for seeking appellate review of the Court’s final approval
22 of the Settlement Agreement has passed without a timely appeal or request for review
23 having been made, the sixty-first day after entry of Judgment; or (4) upon the date the
24 Court grants final approval if no Class Member objections to the Settlement Agreement
25 have been filed or all Class Member objections are withdrawn.

26 32. “Final Approval Hearing” means the hearing at which the Court will determine whether
27 to grant final approval of the Settlement Agreement.

28 33. “Judgment” means the judgment entered by the Court based upon the Final Approval. There
will be an amended judgment pursuant to CCP § 384 once a final accounting is approved.

34. “Named Plaintiffs” means LaRonda Rasmussen, Karen Moore, Virginia Eady-Marshall,
Enny Joo, Rebecca Train, Nancy Dolan, Anabel Pareja Sinn, Dawn Johnson, and

1 Chelsea Hanke.

- 2 35. “Net Settlement Fund” means the Class Settlement Fund, less all amounts paid for Class
3 Counsel Fees and Expenses, Named Plaintiff Service Award payments, the PAGA
4 Payment, and the costs of the Settlement Administrator, as approved by the Court.
- 5 36. “Notice” means the Notice of Class Action Settlement, substantially in the form attached
6 hereto as Exhibit A, and as approved by the Court. The Notice will be distributed in English
7 because Defendants reasonably believe all Settlement Class members have the ability to
8 read and write in English, given their job duties and responsibilities.
- 9 37. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 10 38. “PAGA Group Member” means all women employed by Defendants in a Covered
11 Position in California at any time from July 15, 2018 (one year and 65 days prior to
12 Plaintiffs’ filing the Second Amended Complaint adding a PAGA claim) through
13 December 28, 2024, regardless of whether or not they have validly opted out.
- 14 39. “PAGA Payment” means Two Hundred Fifty Thousand Dollars (\$250,000) that will be
15 deducted from the Total Settlement Amount, after fees, in recognition of the PAGA Claims.
- 16 40. “Participating Class Member” means a Class Member who has not and does not timely opt
17 out.
- 18 41. “Parties” means, collectively, the Plaintiffs and Defendants as defined herein.
- 19 42. “Plaintiffs” means, collectively, “Named Plaintiffs,” “EPA Class Members,” and
20 “FEHA Class Members.”
- 21 43. “Preliminary Approval” means the Order of the Court preliminarily approving this
22 Settlement Agreement and the form of Notice to be sent to Class Members.
- 23 44. “Qualified Settlement Fund” or “QSF” means the account established by the Settlement
24 Administrator for the Class Settlement Fund.
- 25 45. “Released Parties” means Defendants (as defined herein), and each of their respective
26 affiliates, parents, subsidiaries, successors and all other related entities, including but
27 not limited to all of their incumbent and former officers, directors, owners, members,
28 managers, shareholders, investors, agents, insurers, attorneys, employees, fiduciaries,

1 successors, assigns, and representatives, in their individual and/or representative
2 capacities.

- 3 46. "Service Award" means the additional amounts paid to the Named Plaintiffs, subject to
4 Court approval, for their service in this Litigation.
- 5 47. "Settlement Administrator" or "Administrator" means an administrator who has been
6 jointly designated by counsel for the Parties, and approved by the Court, to administer
7 the settlement pursuant to the terms of this Agreement and as ordered by the Court.
- 8 48. "Settlement Class" means all Class Members as defined herein.
- 9 49. "Settlement Payment" means the portion of the Net Settlement Fund that each Class Member
10 is eligible to receive, as determined by Plaintiffs' retained labor economist, Dr. David
11 Neumark, pursuant to the methodology set forth in section IX.C. and Exhibit B herein.
12 Defendants contend there is no pay shortfall at all, and dispute that Dr. Neumark's model
13 accurately analyzes and compares the pay of comparable male and female employees, but
14 have agreed to use this model for the calculation of settlement payments only. Any
15 distribution of "Settlement Payments" will not be on a "claims made" basis.
- 16 50. "Total Settlement Amount" means Forty-Three Million Two Hundred Fifty Thousand
17 Dollars (\$43,250,000.00), which consists of all payments to Class Members for Settlement
18 Payments, any Named Plaintiff Service Awards, Settlement Administrator expenses, the
19 PAGA Payment, and Class Counsel Fees and Expenses, as approved by the Court. The
20 Total Settlement Amount is non-reversionary.

21 **B. Cooperation**

- 22 51. The Parties agree that they will cooperate to effectuate and implement all terms and
23 conditions of this Settlement Agreement, and exercise good faith efforts to accomplish
24 the terms and conditions of this Settlement Agreement. The Parties agree to accept non-
25 material and procedural changes to this Settlement Agreement if so required by the
26 Court in connection with Final Approval of the Settlement Agreement, but they are not
27 obligated to accept any changes to the Total Settlement Amount or the substantive non-
28

1 monetary relief provided for herein, or any other substantive change.

2 **V. CERTIFICATION OF FEHA SETTLEMENT CLASS**

3 52. Solely for the purposes of settlement and the proceedings contemplated herein for
4 effectuating the Settlement Agreement, the Parties stipulate and agree that the Court
5 may (i) certify the FEHA Settlement Class in accordance with the definition provided
6 herein; (ii) appoint the Named Plaintiffs as Settlement Class Representatives to
7 represent the FEHA Settlement Class for settlement purposes; and (iii) appoint Class
8 Counsel as counsel for the FEHA Settlement Class. Certification of the FEHA
9 Settlement Class shall be effective and binding only with respect to the Settlement
10 Agreement.

11 53. It is expressly recognized and agreed that this stipulation as to the certification of the
12 FEHA Settlement Class and the appointment of Class Representatives and Class
13 Counsel shall be of no force and effect and has no evidentiary significance outside of or
14 beyond enforcing the terms of this Agreement. By entering into this Agreement,
15 Defendants do not waive their right to challenge or contest the maintenance of any
16 lawsuit against them as a class action or to oppose certification of any class other than
17 the FEHA Settlement Class in connection with the settlement memorialized in this
18 Agreement.

19 **VI. COURT APPROVAL/NOTICE AND FINAL APPROVAL HEARING**

20 **A. Jurisdiction and Venue**

21 54. The Parties agree that the Court has jurisdiction over the Parties and the subject matter
22 of this Action and that venue is proper. The Court shall retain jurisdiction of this Action
23 for the purpose of entering all orders and judgments authorized hereunder that may be
24 necessary to implement and enforce the relief provided herein, including retaining
25 jurisdiction to enforce the non-monetary provisions for the period reflected in the Non-
26 Monetary Relief section of this Agreement.

27 **B. Preliminary Approval**

28 55. By November 25, 2024, Plaintiffs shall file a motion with the Court requesting the

1 Court to enter an order preliminarily approving this Settlement Agreement,
2 provisionally certifying the FEHA Settlement Class, and approving the Notice to be
3 sent to Class Members describing the terms of the Settlement Agreement and informing
4 them of their rights to participate, submit objections, or to opt out. The proposed notice
5 is attached as Exhibit A.

6 56. Plaintiffs will provide Defendants with a draft of the Preliminary Approval motion at
7 least five (5) calendar days before filing, and Defendants shall have the right to review
8 it and provide comments by two (2) business days before filing. Plaintiffs shall consider
9 any such comments in good faith, and they shall not unreasonably reject such
10 comments.

11 **C. Notice**

12 57. Within thirty-five (35) days after the Court grants Preliminary Approval, Defendants
13 shall provide the Settlement Administrator with the Settlement Class List, which shall
14 include the names, employee IDs, Social Security numbers, mailing addresses, and
15 email addresses of each Class Member. Class Counsel shall receive the same list
16 without Social Security numbers.

17 58. Within ten (10) days after receiving the estimated Settlement Payments for individuals
18 on the Settlement Class List from Class Counsel, the Settlement Administrator will send
19 to each Class Member a copy of the Notice of Settlement by first class U.S. mail and
20 email. Each Notice sent by the Settlement Administrator shall contain a unique Notice
21 Identification Number that is associated with the individual Class Member and also
22 shall include that individual Class Member's estimated Settlement Payment. The Notice
23 will include the URL of the settlement website where Class Members may obtain a
24 copy of the notice and other settlement documents.

25 59. Prior to sending the Notice of Settlement, the Settlement Administrator will update
26 Class Member mailing addresses through the United States Postal Service National
27 Change of Address (NCOA) service. In the event of returned or non-deliverable mailed
28 notices, the Settlement Administrator will make reasonable efforts to locate Class

- 1 Members and re-send the notices, including using Social Security numbers to skip trace.
- 2 60. Within fifteen (15) days after Notice of Settlement is initially distributed, the Settlement
- 3 Administrator shall provide to Class Counsel and counsel for Defendants a list of those
- 4 Class Members for whom mail notices were returned as undeliverable and for whom the
- 5 Settlement Administrator has not been able to determine a better address, and will
- 6 update the list weekly thereafter.
- 7 61. The Settlement Administrator shall take reasonable steps to locate such Class Members,
- 8 and it may engage third-party vendors to assist in that effort, if appropriate, and re-send
- 9 Notice to updated addresses provided by Class Counsel or the third-party vendor. The
- 10 Settlement Administrator will maintain a log of its activities undertaken pursuant to this
- 11 section. The expenses of the Settlement Administrator shall be paid by the Class
- 12 Settlement Fund described at Section IX.B below. For any Notices remailed more than
- 13 thirty (30) days after Notice is initially distributed, the Notice deadline for responding
- 14 (60 days after initial distribution of Notice) shall be extended by ten (10) additional
- 15 days.
- 16 62. Subject to review and approval by Class Counsel and Defendants' Counsel, the
- 17 Settlement Administrator shall also set up a website containing information about the
- 18 case, including at least the Fourth Amended Complaint, Court ruling on class
- 19 certification, Settlement Agreement, and the Notice of Settlement. The website will also
- 20 contain contact information for the Settlement Administrator, instructions for
- 21 submitting objections and opting out, and provide notice of the date and location of the
- 22 final approval hearing, including any changes, as well as of final judgment, if any. The
- 23 website shall go live on the date that the Settlement Administrator distributes Notice
- 24 and shall remain active at least thirty (30) days after the Settlement Administrator has
- 25 completed all of its duties under this Settlement Agreement. Assuming it is available
- 26 for use, the URL of the settlement website shall be:
- 27 www.RasmussenVTWDCSettlement.com.
- 28 63. Any individual who did not receive Notice of Settlement and believes she should have

1 should contact the Settlement Administrator, and if the Settlement Administrator is able
2 to confirm the individual is on the Class List, then Notice of Settlement will be
3 provided. If the individual is not on the Class List, the Settlement Administrator will
4 provide the individual's information to counsel for Defendants to review Defendants'
5 personnel records to verify whether the individual should have been included on the
6 Class List. Counsel for Defendants will explain their findings to the Settlement
7 Administrator and Class Counsel. If a dispute remains, the Settlement Administrator
8 will make a final, binding determination, which is not subject to appeal.

- 9 64. If a Class Member is deceased, then next of kin may receive their settlement payment if
10 they present to the Settlement Administrator documentation sufficient to show that the
11 Class Member is deceased (such as a death certificate) and proof of their relationship to
12 the deceased (such as birth certificate or marriage certificate).

13 **D. Objections and Opt Outs**

- 14 65. Class Members who wish to object to this Settlement Agreement may submit an
15 objection in writing. Written objections must be signed by the objecting Class Member,
16 submitted in writing, and must include the basis of the objection and information
17 sufficient to identify the Class Member, such as the Class Member's name, address,
18 phone number and the unique Notice Identification Number contained in the Notice
19 received by the Class Member. Written objections must be submitted to the Settlement
20 Administrator, postmarked or submitted to the website set up by the Settlement
21 Administrator, on or before sixty (60) days after the initial Notice of Settlement is
22 distributed to Class Members. Class Members may also appear at the Final Approval
23 Hearing to raise an objection to this Settlement Agreement in person, with or without
24 separate counsel. The Settlement Administrator shall provide to all counsel on a weekly
25 basis all written objections that are timely received, including the Administrator's
26 assessment of whether the written objection complies with the requirements of the
27 Settlement Agreement. If the Parties agree that the written objection is deficient, the
28 Administrator will contact the objector to attempt to cure the deficiency. Any written

1 objection that is not timely filed or that omits information required by this Agreement
2 shall be invalid. Class Counsel shall file with the Court all Class Member written
3 objections along with their motion for final approval of the settlement.

4 66. Any Class Member who wishes to opt out of the settlement must submit to the
5 Settlement Administrator a written, signed statement that they are opting out,
6 postmarked or submitted to the website set up by the Settlement Administrator on or
7 before sixty (60) days after the initial Notice of Settlement is distributed to Class
8 Members. To be effective, the statement must include a written statement confirming
9 that the individual is aware that by opting out they will forego the opportunity to receive
10 monetary benefits from this Settlement Agreement. The statement must be signed by
11 the Class Member and include the Class Member's name, address, phone number and
12 the unique Notice Identification Number contained in the Notice received by the Class
13 Member.

14 67. The Settlement Administrator shall provide to all counsel on a weekly basis all opt-out
15 statements that are timely received, including the Administrator's assessment of
16 whether the opt-out statement complies with the requirements of the Settlement
17 Agreement. If the Parties agree that the opt-out is deficient, the Administrator will
18 contact the class member seeking to opt-out to attempt to cure the deficiency. Class
19 Counsel shall file with the Court all valid Class Member Opt-Out Statements along with
20 their motion for final approval of the settlement. The Settlement Class will not include
21 those individuals who submit a timely and valid opt out statement, and individuals who
22 opt out are not entitled to any monetary award under this Settlement Agreement other
23 than pursuant to PAGA. Individuals who file opt outs may rescind their opt outs. To be
24 effective, such rescissions must be submitted in writing to the Settlement Administrator
25 and must be postmarked, or submitted to the website, no later than fourteen (14) days
26 prior to the final approval hearing.

27 68. Neither the Parties nor their respective counsel have or will solicit or otherwise
28 encourage directly or indirectly any Class Member to object to the Settlement

1 Agreement, appeal from the Judgment, or opt out of the Settlement Agreement.

2 **E. Motion for Final Approval**

3 69. Plaintiffs will move for final approval within thirty (30) days after the Settlement
4 Administrator sends to each Class Member a copy of the Notice of Settlement. Plaintiffs
5 will request a Final Approval hearing date from the Court for twenty-one (21) days after
6 the deadline for opt-outs and written objections, or as soon thereafter as possible. Prior
7 to Class Counsel's filing of the Motion for Final Approval, the Settlement
8 Administrator shall provide the Parties with a declaration confirming the extent of the
9 Settlement Administrator's performance of its Administration duties described herein
10 regarding the dissemination of Notice of Settlement.

11 70. Plaintiffs will provide Defendants with a draft of the Final Approval motion at least
12 seven (7) calendar days before filing, and Defendants shall have the right to review it
13 and provide comments by two (2) business days before filing. Plaintiffs shall consider
14 any such comments in good faith, and they shall not unreasonably reject such
15 comments.

16 71. Provided that the Judgment is consistent with the material terms of this Agreement,
17 Plaintiffs, Class Members who did not timely submit an objection to the Settlement
18 Agreement and intervene in the Action, Defendants, and their respective counsel hereby
19 waive any and all rights to appeal from the Judgment, including all rights to any post-
20 judgment proceeding and appellate proceeding, such as a motion to vacate judgment, a
21 motion for new trial, and any extraordinary writ, and the Judgment therefore will
22 become non-appealable at the time it is entered. The waiver of appeal does not include
23 any waiver of the right to oppose any appeal, appellate proceedings or post-judgment
24 proceedings, or to file a cross-appeal. This paragraph does not preclude Plaintiffs or
25 Class Counsel from appealing from a refusal by the Court to award the full Named
26 Plaintiff Service Awards or the Class Counsel Fees and Expenses sought by them. If an
27 appeal is taken from the Judgment, the time for consummating the Settlement
28 Agreement (including making payments under the Settlement Agreement) will be

1 suspended until such time as their appeal is finally resolved and the Judgment becomes
2 Final, as defined in this Agreement.

- 3 72. If, after a notice of appeal or a petition for certiorari or review, or any other motion,
4 petition, or application, the reviewing court vacates, reverses, or modifies the Judgment
5 such that there is a material change to the Settlement Agreement, and that court's
6 decision is not completely reversed and the Judgment is not fully affirmed on review by
7 a higher court, then either Plaintiffs or Defendants will have the right to void the
8 Settlement Agreement, which a Party must do by giving written notice to the other
9 Parties, the reviewing court, and the Court not later than thirty (30) days after the
10 reviewing court's decision vacating, reversing, or materially modifying the Judgment
11 becomes Final. A vacation, reversal, or modification of the Court's award of the Named
12 Plaintiff Service Awards or the Class Counsel Fees and Expenses Payment will not
13 constitute a vacating, reversal, or material modification of the Judgment within the
14 meaning of this paragraph.

15 **F. Effect of Non-Approval**

- 16 73. In the event that this Settlement Agreement does not become final and binding, this
17 Settlement Agreement will become null and void. No party shall be deemed to have
18 waived any claims, objections, rights or defenses, or legal arguments or positions.
19 Neither this Settlement Agreement nor the Court's Preliminary or Final Approval
20 thereof shall be admissible in any court regarding any issue or subject (except for the
21 purpose of enforcing this Settlement Agreement). Each Party reserves the right to
22 prosecute or defend this Action in the event that the Settlement Agreement does not
23 become final and binding.

- 24 74. If this Settlement Agreement is not approved by the Court or for any other reason is
25 terminated or fails to become effective in accordance with its terms (or, if following
26 approval by this Court, such approval is reversed or substantively modified on appellate
27 review), the Parties shall be restored to their respective positions that existed in this
28 Action prior to entering into this Settlement Agreement; the terms and provisions of this

1 Settlement Agreement shall have no force or effect and shall not be used in this Action
2 or in any proceeding for any purpose; the Class Settlement Fund shall be returned to
3 Defendants, including the interest earned by the Class Settlement Fund through the date
4 of termination (after deducting all costs and expenses, including costs of providing
5 Notice of Settlement to Class Members, paid or incurred by the Settlement
6 Administrator as of the date of termination); any order entered by the Court in
7 accordance with the terms of this Settlement Agreement shall be treated as vacated,
8 *nunc pro tunc*; and the litigation of the Action will resume as if there had been no
9 Settlement Agreement, except that the Five Year deadline for bringing the case to trial
10 will be extended by the number of days between July 12, 2024 and the date when it is
11 determined that this Settlement Agreement will not be approved or become effective.
12 The Parties retain all rights, claims, and defenses as to any of the allegations asserted in
13 this Action. This Settlement Agreement will not be considered an admission of liability
14 by Defendants nor represent a cap on damages available to the Named Plaintiffs or the
15 Classes if the Settlement Agreement fails to be effective in accordance with its terms.
16 An award by the Court of lesser amounts than sought for the Named Plaintiff Service
17 Award Payment or Class Counsel Fees and Expenses Payment will not constitute a
18 material modification of the Settlement Agreement, although Plaintiffs maintain the
19 right to appeal any such reduction.

20 **VII. RELEASE OF CLAIMS**

21 **A. Class Members**

22 75. In consideration for their awarded Settlement Payment, as of the date the Settlement
23 Payments are mailed to Class Members, all Class Members who do not timely opt out
24 will release all claims asserted or that could have been asserted on behalf of the Classes
25 under the provisions of the Amended Complaint, including without limitation claims
26 under the California EPA, gender-based FEHA pay discrimination claims, waiting time
27 claims, PAGA claims, California Labor Code section 232 claims, California Labor
28 Code section 210 claims, and UCL claims, based on the facts alleged in the Amended

1 Complaint that occurred between April 1, 2015 and the date of Preliminary Approval.
2 Such claims include claims for wages, statutory penalties, civil penalties, attorneys' fees
3 and costs, interest, (the "Class Members' Released Claims").¹

4 **B. PAGA Group**

5 76. As of the date the Settlement Payments are mailed to Class Members, the State of
6 California and all PAGA Group Members shall release any and all PAGA Claims for
7 civil penalties against Defendants and the Released Parties that were pled or could have
8 been pled based on the factual allegations contained in the notices dated July 5, 2019,
9 September 18, 2019, and November 21, 2024, submitted by Plaintiffs to the Labor and
10 Workforce Development Agency ("LWDA") pursuant to PAGA, that occurred during
11 the PAGA Period, including but not limited to claims under California Labor Code
12 sections 201-204, 210, 226, 232, 1194.5, 1197.5, and 2698 *et seq.* (the "Released PAGA
13 Claims"). All such persons will release the PAGA Claims described herein and receive
14 a portion of the PAGA Payment, regardless of whether they opt out of the Class.

15 **C. No Bar to Future Claims**

16 77. Nothing in this Settlement Agreement shall be construed to bar any claims of Class
17 Members that arise from conduct occurring after the Preliminary Approval date.
18 Nothing in the Settlement Agreement shall be construed to bar any claims of Named
19 Plaintiffs that arise from conduct occurring after the date that each Named Plaintiff's
20 general release becomes effective.

21 **D. Ownership of Claims**

22 78. Class Members may not assign or transfer their rights to participate in this Settlement
23 Agreement. The Parties and their counsel represent, covenant, and warrant that they
24 have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
25 transfer, or encumber to any person or entity any portion of any liability, claim,
26 demand, action, cause of action or right herein released and discharged. Named
27

28 ¹ The Named Plaintiffs will agree to a general release of claims against Defendants and the Released Parties in separately negotiated settlement agreements that include their non-class promotion claims.

1 Plaintiffs and Class Counsel further represent and warrant that there are not any liens or
2 claims against any amount that Defendants are to pay the Named Plaintiffs or Class
3 Counsel under this Agreement.

4 **VIII. NON-MONETARY RELIEF**

5 79. Defendants will retain a consulting Industrial/Organizational Psychologist (“I/O
6 Psychologist”) who will familiarize him or herself with Defendants’ existing practices
7 with respect to organizing jobs within Defendants’ job architecture. The I/O
8 Psychologist will then provide training to Defendants’ Compensation personnel
9 involved in organizing jobs within Defendants’ job architecture on best practices for
10 benchmarking jobs to external market data and organizing jobs within Defendants’ job
11 architecture. This training will occur in 2025. Defendants’ legal counsel will advise
12 Class Counsel of the identity of the I/O Psychologist selected by Defendants prior to
13 commencing work, and if Class Counsel have objections, the parties will meet and
14 confer before the final selection is made. Defendants’ counsel will also inform Class
15 Counsel when the training has been completed.

16 80. In 2025, 2026 and 2027, Defendants’ legal counsel will retain or continue to retain an
17 outside labor economist to perform a privileged pay equity analysis of all full-time, non-
18 union, California employees below the level of Vice President.² The labor economist
19 will analyze the annual base pay of these employees to identify whether any potential
20 statistically significant pay differences exist. This analysis will use a model that
21 includes the following controls used by Dr. David Neumark to analyze base pay in the
22 Expert Report of David Neumark in the matter of *Rasmussen, et al. v. The Walt Disney*
23 *Company, et al.*, dated June 2023, although Defendants dispute that this is the
24 appropriate way to analyze “pay equity” within Defendants’ workforce. The controls
25 will include: potential experience at hire and square; Company tenure and square;

26
27
28 ² Defendants will assess whether all of the corporate entities that were excluded from Dr. Neumark’s model should remain outside of the analysis. Defendants note that they anticipate that Pixar and ESPN will continue to be excluded through each year of the analysis.

1 exempt status; northern and southern region indicators; technology job indicator;
2 technology job X region indicators; job family X job level; and segment (or similar
3 controls to the extent the controls listed above no longer exist). Defendants will pay all
4 fees and expenses for this expert. If the labor economist identifies a statistically
5 significant pay difference, Defendants will take appropriate steps to address the pay
6 differential. Defendants' legal counsel will advise Class Counsel when the analysis has
7 been completed each year, and that any differential has been addressed.

- 8 81. If Defendants begin using ratings in their annual evaluation process in 2025 or 2026,
9 and if Defendants wish to use these ratings in their pay equity analysis discussed above,
10 Defendants will conduct a privileged analysis of the ratings to ensure there are no
11 statistically significant gender disparities for the relevant population described above.

12 **IX. MONETARY RELIEF**

13 **A. Settlement Administration**

- 14 82. The Settlement Administrator will: deliver the Notice of Settlement to Class Members;
15 distribute Settlement Payments and other payments due under the Settlement
16 Agreement; and otherwise administer the Settlement Agreement. Plaintiffs' retained
17 labor economist, Dr. David Neumark, will calculate the Settlement Payment of each
18 Class Member using the formulas set forth in the Plan of Allocation attached as Exhibit
19 B and will provide the information to the Settlement Administrator. In the event that the
20 Settlement Agreement is not finally approved, Defendants will pay the Settlement
21 Administrator's reasonable fees incurred as of that time.

- 22 83. Defendants will transfer the Total Settlement Amount to the Settlement Administrator
23 via wire transfer within thirty (30) days after the Effective Date.

24 **B. Class Settlement Fund**

- 25 84. Defendants shall pay the Total Settlement Amount of Forty-Three Million Two
26 Hundred Fifty Thousand Dollars (\$43,250,000.00), to the Qualified Settlement Fund (as
27 described in Section 468B of the Internal Revenue Code of 1986, as amended, and
28 Treas. Reg. Section 1.468B-1, *et seq.*) set up by the Settlement Administrator. The

1 monies transferred, together with interest subsequently earned thereon, shall constitute
2 the “Class Settlement Fund.” The Total Settlement Amount shall constitute the total
3 settlement cash outlay by Defendants in connection with the resolution of the Class
4 Claims in this Action. This sum is inclusive of payment for: (1) all payments to Class
5 Members eligible for settlement payments; (2) the PAGA Payment; (3) any Named
6 Plaintiff Service Awards if awarded by the Court; (4) Class Counsel Fees and Expenses
7 as approved by the Court; and (5) all third-party Settlement Administrator expenses.

8 85. The Settlement Payments will be made within twenty (20) days after Defendants
9 transfer the Total Settlement Amount to the Settlement Administrator. The Named
10 Plaintiff Service Award Payments, Class Counsel Fees and Expenses Payment, and the
11 PAGA Payment portion due to the LWDA will be paid within five (5) days after, but
12 not before, the Settlement Payments are mailed to Class Members.

13 86. Nothing in the foregoing provisions of this Section shall release Defendants from
14 expending the resources required to fulfill their responsibilities under this Settlement
15 Agreement.

16 **C. Allocation of Settlement Payments to Participating Class Members**

17 87. All Class Members other than those who timely and properly elect not to participate in
18 the Settlement Agreement will be bound by the Settlement Agreement and its release of
19 claims (hereinafter, “Participating Class Members”). Settlement Payments will be paid
20 to each Participating Class Member, meaning that settlement checks will be sent to all
21 Participating Class Members, and no claim forms will be required. All PAGA Group
22 Members will receive a per capita portion of the PAGA Payment regardless of whether
23 they opt out or previously opted out of the Class(es).

24 88. After deducting the amounts for the PAGA Payment, Plaintiffs’ Named Plaintiff
25 Service Award Payments (if awarded by the Court), Class Counsel Fees and Expenses,
26 and the Settlement Administrator’s fees and expenses, the remainder of the Settlement
27 Amount (the “Net Settlement Fund”) will be allocated to each Participating Class
28 Member pursuant to the Plan of Allocation attached hereto as Exhibit B from the Class

1 Settlement Fund. Plaintiffs' retained labor economist, Dr. David Neumark, will
2 calculate the Settlement Payment of each Class Member using the formulas set forth in
3 the Plan of Allocation attached as Exhibit B and will provide the planned allocation to
4 the Settlement Administrator within twenty-eight (28) days of receiving updated data
5 from Defendants. Within twenty-one (21) days after Preliminary Approval, Defendants
6 shall provide Class Counsel with updated compensation data for all Class Members
7 through December 28, 2024, to allow Dr. Neumark to calculate each Settlement
8 Payment. If Final Approval is granted, Dr. Neumark will update his calculated
9 Settlement Payments as necessary and provide the Settlement Administrator with final
10 Settlement Payment amounts within fourteen (14) days of the grant of Final Approval.
11 The Settlement Administrator shall make the payment of Settlement Payments within
12 twenty (20) days after Defendants transfer the Total Settlement Amount to the
13 Settlement Administrator.

14 **D. Tax Treatment of Settlement Payments**

15 89. The Class Member Settlement Payments shall be reported to the taxing authorities as
16 follows. Forty percent (40%) of each Settlement Payment (the "Wage Portion") is
17 intended to settle each Participating Class Member's claims for unpaid wages.
18 Accordingly, the Wage Portion will be reduced by applicable payroll tax withholding
19 and deductions, and the Settlement Administrator will issue to each Participating Class
20 Member a Form W-2 with respect to the Wage Portion. Sixty percent (60%) of each
21 Settlement Payment (the "Non-Wage Portion") is intended to settle each Participating
22 Class Member's claims for other damages and interest. Accordingly, the Non-Wage
23 Portion will not be reduced by payroll tax withholding and deductions, and the
24 Settlement Administrator will issue to each Participating Class Member a Form 1099
25 with respect to the Non-Wage Portion. The Class Administrator shall provide, as
26 appropriate, an IRS Form W-2 and Form 1099, and any other tax documentation
27 required by law, to each Eligible Class Member, Named Plaintiffs, and Class Counsel.

28 **E. Tax Liability**

1 90. The Parties make no representations as to the tax treatment or legal effect of the
2 payments called for by this Agreement, and Plaintiffs, Settlement Class Members,
3 PAGA Group Members, and the Parties are not relying on any statement or
4 representation by any of the other Parties in this regard. Plaintiffs and Settlement Class
5 Members understand and agree that they will be responsible for payment of their
6 respective portions of any taxes and penalties assessed on the Settlement Payments and
7 PAGA Payment described in this agreement and will be solely responsible for any such
8 penalties or other obligations resulting from their personal tax reporting of all such
9 payments.

10 **F. Circular 230 Disclaimer**

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

27 **G. PAGA Payment**

28 92. From the Total Settlement Amount, after fees are deducted, a PAGA Payment of Two

1 Hundred and Fifty Thousand Dollars (\$250,000) will be deducted to resolve the PAGA
2 Claims of the PAGA Group Members, regardless of whether or not they opt out or
3 previously opted out. The \$250,000 will be divided with 75% (\$187,500) paid to the
4 Labor and Workforce Development Agency (“LWDA”) as its share of the settlement
5 attributable to civil penalties under PAGA (the “LWDA Payment”), and 25% (\$62,500)
6 to all PAGA Group Members who worked for Defendants during the PAGA Period,
7 whether or not those employees opt out or have opted out of the Action. PAGA Group
8 Members will receive equal portions of the funds allocated per capita to the PAGA
9 Group. The Settlement Administrator shall add the PAGA Payment to each Class
10 Member’s Settlement Payment and issue a single check for each Class Member twenty
11 (20) days after Defendants transfer the Total Settlement Amount to the Settlement
12 Administrator. The Settlement Administrator shall include the PAGA Payment in the
13 Form 1099 issued to each Class Member.

14 **H. Named Plaintiff Service Award Payments**

- 15 93. In addition to each Named Plaintiff’s Class Member Settlement Payment, the Parties
16 agree that Plaintiffs may seek a total payment of up to Ninety Thousand Dollars
17 (\$90,000) from the Total Settlement Amount for Named Plaintiff Service Award
18 Payments of \$10,000 each for Plaintiffs LaRonda Rasmussen, Karen Moore, Virginia
19 Eady-Marshall, Enny Joo, Rebecca Train, Nancy Dolan, Anabel Pareja Sinn, Dawn
20 Johnson, and Chelsea Hanke. The Service Award Payments are intended to compensate
21 the Class Representatives for the risks they took to bring this case, including but not
22 limited to their active and time-intensive participation in the prosecution and settlement
23 of this case. This case participation included each Plaintiff assisting in factual
24 investigation, the development of the theories of the case, preparing for and then being
25 deposed by Defendants, responding to discovery requests, assisting counsel in
26 developing discovery strategy, attending mediations, and providing input into
27 settlement discussions and the ultimate Settlement Agreement.
- 28 94. The Settlement Administrator will issue to each Named Plaintiff a Form 1099 with

1 respect to their awarded Named Plaintiff Service Award Payment. The Settlement
2 Administrator will pay the Service Award Payments approved by the Court to the
3 Named Plaintiffs within five (5) days after, but not before, the Settlement Payments are
4 mailed to Class Members.

5 **I. Non-Admissibility of Fact of Award (or Non-Award)**

6 95. Except to the extent that it would constitute a set-off in an action for damages claimed
7 for any period covered by this Settlement Agreement, neither the fact nor the amount of
8 an award, nor the fact of any non-award, shall be admissible in any other proceeding for
9 any purpose other than to enforce a Named Plaintiff Release or a Class Member Release
10 executed in accordance with claims process, nor shall it be deemed to be a finding as to
11 the merits any claim.

12 **J. Tax Treatment**

13 **1. Qualified Tax Status and Tax Responsibilities**

14 96. The Settlement Administrator shall serve as Trustee of the Class Settlement Fund and
15 shall act as a fiduciary with respect to the handling, management and distribution of the
16 Settlement Fund. The Settlement Administrator shall act in a manner necessary to
17 qualify the Class Settlement Fund as a “Qualified Settlement Fund” under Section 468B
18 of the Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.468B-1,
19 et seq., and to maintain that qualification. The Parties shall cooperate to ensure such
20 treatment and shall not take a position in any filing or before any tax authority
21 inconsistent with such treatment.

22 **2. Payment of Federal, State, and Local Taxes**

23 97. The Parties recognize that the awards to eligible Class Members will be subject to
24 applicable tax withholding and reporting, which will be handled as follows: The
25 Settlement Administrator shall act as a fiduciary with respect to the handling,
26 management, and distribution of the settlement, including the handling of tax-related
27 issues and payments. Specifically, the Settlement Administrator shall be responsible for
28 withholding, remitting and reporting both the employer and the employees’ share of

1 payroll taxes.

2 98. The Settlement Administrator shall be responsible for satisfying from the Settlement
3 Fund the employees' share of any and all federal, state and local employment and
4 withholding taxes, including, without limitation, federal and state income tax
5 withholding, FICA, FUTA, SUTA, Medicare and any state employment taxes. The
6 Settlement Administrator will calculate the employer's share of any and all federal,
7 state and local employment and withholding taxes, including, without limitation, federal
8 and state income tax withholding, FICA, FUTA, SUTA, Medicare and any state
9 employment taxes, provide the total to Defendants, and Defendants will pay into the
10 QSF an additional amount equal to the employer's share of taxes thirty (30) days after
11 the Effective Date. The Settlement Administrator shall satisfy all federal, state, local,
12 and other reporting requirements (including any applicable reporting with respect to
13 attorneys' fees and other costs subject to reporting), and any and all taxes, penalties and
14 other obligations with respect to the payments or distributions from the Settlement Fund
15 not otherwise addressed herein.

16 99. All (i) taxes (including any estimated taxes, interest or penalties) arising with respect to
17 the income earned by the Settlement Fund, including any taxes or tax detriments that
18 may be imposed on Defendants with respect to income earned for any period during
19 which the Settlement Fund does not qualify as a "Qualified Settlement Fund" for
20 federal and state income tax purposes (hereinafter "Settlement Fund Taxes"), and (ii)
21 expenses and costs incurred in connection with the operation and implementation of this
22 paragraph (including, without limitation, expenses of tax attorneys and/or accountants
23 and mailing and distribution costs and expenses relating to filing (or failing to file) any
24 returns described herein or otherwise required to be filed pursuant to applicable
25 authorities) (hereinafter "Settlement Fund Tax Expenses"), shall be paid out of the
26 Settlement Fund. Further, Settlement Fund Taxes and Settlement Fund Tax Expenses
27 shall be treated as a cost of the administration of the Settlement Fund. The Parties
28 hereto agree to cooperate with the Settlement Administrator, each other, and their tax

1 attorneys and accountants to the extent reasonably necessary to carry out the provisions
2 set forth in this paragraph.

3 **K. Disposition of Uncashed Settlement Checks**

4 100. The Parties will instruct the Settlement Administrator to make efforts by email or U.S.
5 mail to ensure that any Class Members who have not cashed their checks after forty-five
6 (45) days do so. Checks will become void one hundred and eighty (180) days after the
7 initial mailing date. To facilitate Class Members negotiating their checks, the
8 Settlement Administrator shall reissue checks to Class Members upon request.

9 101. Within fourteen (14) days of the initially mailed checks becoming void, the Settlement
10 Administrator shall provide the Parties with a declaration describing the results of its
11 distribution of Settlement Funds, including any residual amount as of that date. No later
12 than ten (10) days after receipt of the Settlement Administrator's declaration, Class
13 Counsel shall file it along with a Compliance Report consistent with the requirements of
14 Code of Civil Procedure section 384.

15 102. If any Settlement Payment check is not timely cashed by a Class Member, that payment
16 will be sent to the California State Controller's Office, Unclaimed Property Fund, in the
17 name of the Class Member, where the Class Member can later claim their funds.

18 **X. ATTORNEYS' FEES, EXPENSES, AND ADMINISTRATIVE EXPENSES**

19 103. This Settlement Agreement authorizes Class Counsel to request that the Court approve
20 an award of attorneys' fees in a total amount up to one-third of the Total Settlement
21 Payment, *i.e.* Fourteen Million Four Hundred Sixteen Thousand Six Hundred Sixty-Six
22 Dollars and Sixty-Seven Cents (\$14,416,666.67) and reimbursement of litigation
23 expenses not to exceed One Million Eight Hundred Thousand Dollars (\$1,800,000).
24 Collectively, these sums will be the Class Counsel Fees and Expenses Payment.

25 104. The Settlement Administrator shall distribute the Class Counsel Fees and Expenses
26 awarded by the Court five (5) days after, but not before, the Settlement Payments are
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1 mailed to Class Members.

2 **XI. GOVERNING LAW**

3 105. The Parties agree that California law shall govern the validity, construction and
4 enforcement of this Settlement Agreement. This Settlement Agreement, including the
5 Exhibits hereto, contains the entire agreement and understanding of the parties with
6 respect to the settlement. This Settlement Agreement does not impose any obligations
7 on the parties beyond the terms and conditions stated herein.

8 **XII. OTHER CONDITIONS OF SETTLEMENT**

9 **A. Exhibits**

10 106. The Exhibits to this Settlement Agreement are material and integral parts hereof and are
11 fully incorporated herein by this reference.

12 **B. Labor & Workforce Development Agency**

13 107. Plaintiffs shall timely submit to the LWDA a copy of this Settlement Agreement, the
14 motions for preliminary and final approval and proposed Judgment in this Action, and a
15 copy of any other order providing for or denying an award of civil penalties, in
16 compliance with sections 2699(1)(2)-(3) of the California Labor Code.

17 **C. Notices to Counsel**

18 108. All notices to counsel required or desired to be given under this Settlement Agreement
19 shall be in writing and by email to lead counsel for the respective Parties. Specifically,
20 such notices shall be emailed to Lori Andrus (lori@andrusanderson.com) of Andrus
21 Anderson LLP, Christine Webber (cwebber@cohenmilstein.com) and Joseph Sellers
22 (jsellers@cohenmilstein.com) of Cohen Milstein Sellers & Toll PLLC, and Byron
23 Goldstein (brgoldstein@gdbhlegal.com) and James Kan (jkan@gdbhlegal.com), for the
24 Plaintiffs, and Felicia Davis (feliciadavis@paulhastings.com) and Carson Sullivan
25 (carsonsullivan@paulhastings.com) of Paul Hastings LLP for Defendants at their
26 respective addresses set forth herein (or to such other address as any such party or
27 counsel may designate in a notice).

28 **D. Failure to Insist on Strict Compliance**

1 109. The failure of any Party to insist in any one or more instances on strict compliance with
2 the terms and conditions hereof shall not be construed to be a waiver of remedies
3 available with respect to any prior or subsequent breach.

4 **E. Modifications to this Agreement**

5 110. No material modifications to this Agreement may be made without written agreement of
6 all Parties and prior Court approval.

7 **F. No Drafting Presumption**

8 111. All Parties hereto have participated, through their respective counsel, in the drafting of
9 this Settlement Agreement and, therefore, this Settlement Agreement shall not be
10 construed more strictly against one Party than another.

11 **G. Dispute As To Meaning of Agreement Terms**

12 112. In the event of any dispute or disagreement with respect to the meaning, effect or
13 interpretation of this Settlement Agreement or any Exhibit hereto, or in the event of a
14 claimed breach of the Settlement Agreement, the Parties agree that such dispute will be
15 resolved and adjudicated only in accordance with the dispute resolution provisions of
16 this Settlement Agreement.

17 **H. Interpretation of Terms**

18 113. Whenever possible, each provision and term of this Settlement Agreement shall be
19 interpreted in such a manner as to be valid and enforceable.

20 **I. Severability**

21 114. If any portion of this Settlement Agreement is judged to be unenforceable, the
22 remainder of the Agreement shall continue to be valid and enforceable unless the
23 portion judged to be unenforceable is a material term to the Settlement Agreement, in
24 which case the Parties will discuss how to address the issue.

25 **J. Paragraph and Section Headings**

26 115. Paragraph and section headings are for convenience of reference only and are not
27 intended to create substantive rights or obligations.

28 **K. Counterparts**

1 116. This Settlement Agreement may be executed in counterparts via DocuSign. Each signed
2 counterpart together with the others shall constitute the full Settlement Agreement.

3 **L. Agreement Binding**

4 117. As of the date on which counsel for the parties and the parties execute this Settlement
5 Agreement, this Settlement Agreement will be binding in all respects, unless the Court
6 fails to approve this Settlement Agreement and the Settlement Agreement is thus
7 vacated. This Settlement Agreement shall inure to the benefit of, and be binding upon,
8 the parties hereto and their respective heirs, dependents, executors, administrators,
9 trustees, legal representatives, personal representatives, agents, successors and assigns;
10 provided, however, that this Settlement Agreement shall not inure to the benefit of any
11 third party.

12 **M. Enforcement**

13 118. Enforcement of this Settlement Agreement shall be prosecuted by Class Counsel or
14 counsel for Defendants only, not third parties. Class Counsel shall meet and confer with
15 counsel for Defendants prior to commencement of any enforcement proceedings, as set
16 forth below.

17 119. The Parties will work diligently and in good faith to resolve all disputes that may arise
18 during the term of this Settlement Agreement concerning the rights, obligations and
19 duties of the Parties to the Settlement Agreement, including the non-monetary relief. In
20 the event the parties cannot agree, the Parties will attempt to resolve the dispute in
21 mediation with mediator Hunter R. Hughes, III. If the mediation fails, the Parties
22 reserve their rights to seek recourse with the Court.

23 120. Any enforcement proceedings related to or arising out of this Settlement Agreement
24 will be resolved and adjudicated only by the Honorable Elihu M. Berle of the Superior
25 Court of California, County of Los Angeles, or by any other judge to whom this case
26 subsequently may be assigned, unless otherwise provided in this Settlement Agreement.

27 It is so agreed.
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Dated: 2/7/2025 _____

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Shawna Swanson, On behalf of Defendants The Walt
Disney Company, *et al.*

Dated: _____

LaRonda Rasmussen, Plaintiff

Dated: _____

Karen Moore, Plaintiff

Dated: _____

Virginia Eady-Marshall, Plaintiff

Dated: _____

Enny Joo, Plaintiff

Dated: _____

Rebecca Train, Plaintiff

Dated: _____

Nancy Dolan, Plaintiff

Dated: _____

Anabel Pareja Sinn, Plaintiff

Dated: _____

Dawn Johnson, Plaintiff

Dated: _____

Chelsea Buckley (formerly Hanke), Plaintiff

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Dated: _____

Shawna Swanson, On behalf of Defendants The Walt
Disney Company, *et al.*

02 / 09 / 2025

LaRonda Rasmussen

Dated: _____

LaRonda Rasmussen, Plaintiff

Dated: _____

Karen Moore, Plaintiff

Dated: _____

Virginia Eady-Marshall, Plaintiff

Dated: _____

Enny Joo, Plaintiff

Dated: _____

Rebecca Train, Plaintiff

Dated: _____

Nancy Dolan, Plaintiff

Dated: _____

Anabel Pareja Sinn, Plaintiff

Dated: _____

Dawn Johnson, Plaintiff

Dated: _____

Chelsea Buckley (formerly Hanke), Plaintiff

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Dated: _____

Shawna Swanson, On behalf of Defendants The Walt
Disney Company, *et al.*

Dated: _____

LaRonda Rasmussen, Plaintiff

02 / 07 / 2025

Karen J. Moore

Dated: _____

Karen Moore, Plaintiff

Dated: _____

Virginia Eady-Marshall, Plaintiff

Dated: _____

Enny Joo, Plaintiff

Dated: _____

Rebecca Train, Plaintiff

Dated: _____

Nancy Dolan, Plaintiff

Dated: _____

Anabel Pareja Sinn, Plaintiff

Dated: _____

Dawn Johnson, Plaintiff

Dated: _____

Chelsea Buckley (formerly Hanke), Plaintiff

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Dated: _____

Shawna Swanson, On behalf of Defendants The Walt
Disney Company, *et al.*

Dated: _____

LaRonda Rasmussen, Plaintiff

Dated: _____

Karen Moore, Plaintiff

02 / 06 / 2025



Dated: _____

Virginia Eady-Marshall, Plaintiff

Dated: _____

Enny Joo, Plaintiff

Dated: _____

Rebecca Train, Plaintiff

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02 / 07 / 2025

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02 / 07 / 2025



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Dated: _____

02 / 06 / 2025

Rebecca Train, Plaintiff



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Enny Joo, Plaintiff

Dated: _____

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Dated: _____

Nancy Dolan, Plaintiff

02 / 06 / 2025

Anabel Pareja-Sinn

Dated: _____

Anabel Pareja Sinn, Plaintiff

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Dawn Johnson, Plaintiff

Dated: _____

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Karen Moore, Plaintiff

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Nancy Dolan, Plaintiff

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Anabel Pareja Sinn, Plaintiff

02 / 09 / 2025

Dawn Johnson

Dated: _____

Dawn Johnson, Plaintiff

Dated: _____

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Enny Joo, Plaintiff

Dated: _____

Rebecca Train, Plaintiff

Dated: _____

Nancy Dolan, Plaintiff

Dated: _____

Anabel Pareja Sinn, Plaintiff

Dated: _____

Dawn Johnson, Plaintiff

02 / 06 / 2025

Dated: _____

Chelsea Buckley (formerly Hanke), Plaintiff

1 On behalf of attorneys for Defendants

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3 Dated: 2/7/2025

Paul Hastings LLP

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Felicia Davis

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Felicia Davis

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8 On behalf of attorneys for Plaintiffs, the Class, and Aggrieved Employees

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10 Dated: _____

Andrus Anderson, LLP

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Lori Andrus

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Cohen Milstein Sellers & Toll PLLC

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Christine Webber

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Goldstein Borgen Dardarian & Ho

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James Kan

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1 On behalf of attorneys for Defendants

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3 Dated: _____

Paul Hastings LLP

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6 Felicia Davis

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8 On behalf of attorneys for Plaintiffs, the Class, and Aggrieved Employees

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10 Dated: Feb. 6, 2025

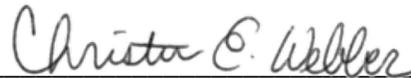
Andrus Anderson, LLP

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13 Lori Andrus

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15 Dated: Feb. 7, 2025

Cohen Milstein Sellers & Toll PLLC

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18 _____
19 Christine Webber

20 Dated: February 6, 2025

Goldstein Borgen Dardarian & Ho

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24 James Kan