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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

SHAWN CLAYBORNE, an individual, on
 behalf of himself, all others similarly
 situated, and all other aggrieved employees;
 DAVID POOL, an individual, on behalf of
 himself and all others similarly situated,

PLAINTIFFS,

vs.

CHEVRON U.S.A. INC., NEWTRON,
 L.L.C., PERFORMANCE MECHANICAL,
 INC., SPECIALTY WELDING AND
 TURNAROUNDS, L.L.C., and DOES 1-
 100, Inclusive,

DEFENDANTS.

CASE NO. 4:19-cv-07624-JSW (JCS)

**STIPULATION OF SETTLEMENT AND
 RELEASE**

Action Filed: November 14, 2019

Action Removed: November 19, 2019

1 This Stipulation of Settlement (“Settlement Stipulation” or “Stipulation”) is made by and
2 between Plaintiff Shawn Clayborne, on behalf of himself, his agents, representatives, assigns, heirs,
3 executors, beneficiaries, and trustees, and in his capacity as a private attorney general acting on
4 behalf of the State of California, (Clayborne is referred to as the “Plaintiff” or “Named Plaintiff”);
5 and Defendants Chevron U.S.A. Inc. (“Chevron”) and Newtron, L.L.C. (“Newtron”), on behalf of
6 themselves, their parent(s), divisions, affiliates, subsidiaries, predecessors and successors, and their
7 directors, partners, principals, officers, members, fiduciaries, trustees, insurers, employees, attorneys,
8 and agents (collectively, Chevron and Newtron are referred to as “Defendants”). Named Plaintiffs
9 and Defendants are referred to herein as the “Parties.” This Settlement Stipulation is intended to
10 fully, finally, and forever compromise, release, resolve, discharge, and settle the Released Claims
11 subject to the terms and conditions set forth in this Settlement Stipulation. Upon final approval of
12 this Settlement Stipulation by the Court, this Action shall be dismissed with prejudice.

13 **I. DESCRIPTION OF THE LITIGATION**

14 **A. Background and Procedural History**

15 On September 20, 2019, Named Plaintiff Shawn Clayborne filed this putative class and
16 representative action under the California Private Attorneys General Act, California Labor Code
17 § 2698, *et seq.* (“PAGA”) in the Contra Costa Superior Court against Defendants Chevron, Newtron
18 and Cherne Contracting Corporation (“Cherne”). Plaintiff Clayborne alleged that Defendants failed
19 to pay wages for all time worked by Newtron and other workers employed by Chevron’s Third-Party
20 Contractors at Chevron’s Richmond, California and El Segundo, California refineries, and stated
21 claims under California Labor Code §§ 201, 202, 203, 204, 204b, 210, 218, 218.5, 226, 226.3, 226.6,
22 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, and 1199, Business and Professions
23 Code §§ 17200, *et seq.*, California Industrial Welfare Commission Wage Order No. 16.

24 On November 19, 2019, Chevron removed the action to this Court pursuant to the Class
25 Action Fairness Act of 2005. *See* Dkt. 1. In December 2019, Clayborne sought to remand the action,
26 and on February 5, 2020, the Court denied his motion to remand. *See* Dkt. 20.

27 The Complaint has been amended several times. On November 14, 2019, Clayborne filed a
28 First Amended Complaint dismissing Cherne as a defendant and excluding its employees from the

1 proposed class definition. *See* Dkt. No. 1, at p. 2. Clayborne amended the complaint a second time
2 on December 2, 2020 to add David Pool as a named plaintiff and his employers as defendants:
3 Performance Mechanical, Inc. (“PMI”), SWAT, Harder Mechanical Construction (“Harder”), and
4 Construction Turnaround & Services (“CT&S”). *See* Dkt. 68. On March 19, 2021, Clayborne and
5 Pool amended the complaint for a third time, dismissing Harder and CT&S. *See* Dkt. 105. Chevron
6 moved to strike portions of the Third Amended Complaint on April 2, 2021 (Dkt. 111), which the
7 Court denied on June 15, 2021 (Dkt. 133).

8 Defendants deny the Named Plaintiff’s allegations and have asserted several affirmative
9 defenses to their claims. Defendants expressly deny any and all charges of wrongdoing or liability
10 arising out of any of the acts, omissions, facts, matters, transactions, or occurrences alleged, or that
11 could have been alleged, in the Action. Defendants contend that they have complied with their
12 obligations under federal and state laws and that Plaintiff’s claims for unpaid wages are meritless.
13 Defendants also deny that the asserted claims are appropriate for class treatment or representative
14 action treatment under Federal Rule of Civil Procedure 23 or California state law.

15 On July 27, 2021, the Parties attended a settlement conference with Magistrate Judge Spero,
16 which did not result in a settlement. Dkt. 136. However, on February 15, 2022, the Parties attended
17 a second settlement conference with Magistrate Judge Spero, during which the Parties reached an
18 agreement to resolve all claims in this Action. Dkt. 158.

19 **B. Parties’ Statements and Recognition of the Benefits of Settlement**

20 Class Counsel has conducted an extensive investigation into the facts of this Action as well as
21 the Settlement Group Members’¹ claims, including through formal discovery, informal disclosures
22 between the Parties, and other investigations undertaken by counsel for Plaintiff. Furthermore, the
23 Parties engaged in extensive negotiations and exchange of data, documents, and information. The
24 Parties participated in two settlement conferences with Magistrate Judge Spero. As a result, Class
25 Counsel have concluded that the Settlement Stipulation is fair, reasonable, and adequate and is in the
26

27 _____
28 ¹ Capitalized terms are defined in Section II.A and II.B, *infra*.

1 best interest of the Settlement Group in light of all known facts and circumstances, including the risk
2 of protracted litigation, risk that the Action would not proceed on a class action or representative
3 action basis, defenses asserted by Defendants, and many potential appellate issues.

4 Defendants deny each and all of the claims brought in this Action. Nevertheless, Defendants
5 have concluded that further litigation of the Action would be protracted and burdensome.
6 Defendants, therefore, have determined that it is desirable and beneficial that the Action be settled in
7 the manner and upon the terms and conditions set forth in the Settlement Stipulation. Neither this
8 Settlement Stipulation, nor any document referred to or contemplated herein, nor any action taken to
9 carry out this Settlement Stipulation, is, may be construed as, or may be used as, an admission,
10 concession, or indication by or against Defendants or any others of any fault, wrongdoing or liability
11 whatsoever. Defendants agree to the conditional certification of the Class and the appointment of
12 Class Counsel only for the purposes of settlement of this Action.

13 **II. TERMS OF THE SETTLEMENT STIPULATION**

14 IT IS HEREBY STIPULATED AND AGREED by and among the Named Plaintiff (on behalf
15 of himself, the Participating Class Members, and the PAGA Group) and Defendants, that, subject to
16 final approval by the Court, the Action will be finally and fully compromised, released, resolved,
17 discharged, and settled, and will be dismissed with prejudice as to Defendants, subject to the terms
18 and conditions of this Settlement Stipulation, as follows:

19 **A. Summary of Settlement Structure**

20 This Settlement Stipulation will resolve the claims of two separate and distinct groups
21 (collectively referred to as the "Settlement Group"), which are each defined as follows:

22 1. "PAGA Group" means those individuals who performed work from the period
23 of July 17, 2018 through the date of the preliminary approval of the settlement (the "PAGA Liability
24 Period") at Chevron's El Segundo, California and/or Richmond, California refineries as hourly
25 workers employed by Newtron or by any Third-Party Contractors.

26 2. "Participating Class Members" means those individuals in the Class who have
27 not timely and properly opted-out of the Class. "Class" means those individuals who performed
28 work from the period of September 20, 2015 through the date of the preliminary approval of the

1 settlement (the “Class Liability Period”) at Chevron’s El Segundo, California and/or Richmond,
2 California refineries as hourly workers employed by Newtron or by any Third-Party Contractors.

3 **B. Definitions**

4 As used in this Settlement Stipulation, the following definitions shall apply:

5 1. “Action” means *Clayborne, et al. v. Chevron U.S.A. Inc., et al.*, Case No. 4:19-
6 cv-07624-JSW, pending in the United States District Court for the Northern District of California.

7 2. “Class Counsel” means Jahan Sagafi and Moira Heiges-Goepfert of Outten &
8 Golden LLP, One California Street, 12th Floor, San Francisco, CA 94111, and Steven Elster, Law
9 Office of Steven Elster, 785/E2 Oak Grove Road, No. 201, Concord, CA 94518.

10 3. “Class Fund” shall be the Gross Settlement Fund minus all awarded attorneys’
11 fees and costs; administrative costs; Service Award to Shawn Clayborne; and the PAGA Fund. The
12 Newtron portion of the Class Fund shall be 11.5% of the total, and the Non-Newtron portion of the
13 Class Fund shall be 88.5% of the total.

14 4. “Court” shall mean the United States District Court for the Northern District of
15 California, the Honorable Jeffrey S. White presiding, and any Court-appointed referee or agent of the
16 Court or other judicial entity with jurisdiction over this matter.

17 5. “Effective Date” means thirty (30) days after *all* of the following conditions
18 have been satisfied: (a) execution of this Settlement Stipulation by Named Plaintiff, Defendants, and
19 Class Counsel; (b) execution of a General Release by Named Plaintiff; and (c) entry of an Order of
20 Final Approval by the Court approving this Settlement Stipulation and entering a final disposition
21 with respect to this Action. The occurrence of the Effective Date is a prerequisite to any distributions
22 from the Gross Settlement Fund.

23 In the event there are written objections made prior to the formal fairness hearing, or an
24 appeal of the Court’s approval of the Settlement Stipulation taken, then the Effective Date shall be
25 the later of the following events: when the period for filing any appeal, writ or other appellate
26 proceeding opposing the settlement has elapsed without any appeal, writ or other appellate
27 proceeding having been filed; or any appeal, writ or other appellate proceeding opposing the
28 Settlement Stipulation has been dismissed finally and conclusively with no right to pursue further

1 remedies or relief; or any appeal, writ or other appellate proceeding has upheld the Court's Order of
2 Final Approval with no right to pursue further remedies or relief.

3 In the event that (a) the Court does not execute and file an Order of Final Approval; (b) any
4 such Order of Final Approval does not become final for any reason, or is modified in any material
5 respect; (c) the Effective Date does not occur; or (d) any of the conditions set forth above do not
6 occur, this Settlement Stipulation shall be deemed null and void and shall be of no force or effect
7 whatsoever, and shall only be referred to or utilized for purposes of recounting the procedural history
8 of the litigation.

9 6. "Final Fairness Hearing" means the hearing to be conducted by the Court, or
10 any other court taking jurisdiction of this matter, to determine whether to finally approve the
11 Settlement Stipulation.

12 7. "Gross Settlement Fund" refers to One Million Nine Hundred Twenty-Five
13 Thousand dollars (\$1,925,000.00)—One Million Seven Hundred Thousand dollars (\$1,700,000.00)
14 of which shall be paid by Chevron and Two Hundred Twenty-Five Thousand dollars (\$225,000.00)
15 of which shall be paid by Newtron—which is the total and maximum amount Defendants will be
16 required to pay under this Settlement Stipulation.

17 8. "LWDA" refers to the California Labor and Workforce Development Agency.

18 9. "Motion for Preliminary Approval" refers to the motion for preliminary
19 approval of this settlement and its supporting papers.

20 10. "Mutual General Release" means a release of all claims against Released
21 Parties, in the form attached hereto as **Exhibit A**, which shall be executed by the Named Plaintiff.

22 11. "Named Plaintiff" or "Plaintiff" means Shawn Clayborne.

23 12. "Notice of Settlement" refers to the official notice of settlement of class action,
24 substantially in the form attached hereto as **Exhibit B**.

25 13. "Notice Period" refers to the time period of forty-five (45) days from the
26 mailing date postmarked on the Notice of Settlement mailed by the Settlement Administrator.

27 14. "Settlement Opt-Out Date" refers to the expiration of the Notice Period, by
28 which time Class Members who do not wish to be part of the settlement and who are permitted to opt

1 out of this settlement must have timely and properly opted-out of the Class as described in Section
2 II.F(3)(a) of this Settlement Stipulation.

3 15. "Third Amended Complaint" means the Third Amended Complaint (Dkt. 105)
4 in this Action.

5 16. "Third-Party Contractors" refers to all labor contractors that provided
6 individuals to work at Chevron's Richmond, California and El Segundo, California refineries from
7 September 20, 2015 through the date of the Order Granting Preliminary Approval, with the exception
8 of Newtron. These companies include, without limitation, the companies listed in Appendix A.

9 17. "Order Granting Preliminary Approval" refers to the Court order or statement
10 of decision granting preliminary approval to this Settlement Stipulation.

11 18. "Order of Final Approval" and "Final Approval" means an order that finally
12 and unconditionally grants final approval of the Class for settlement purposes only, authorizes
13 payments to the Settlement Group and Class Counsel, and fully and finally extinguishes the Released
14 Claims of the Settlement Group as set forth herein. A proposed Order of Final Approval is attached
15 hereto as Exhibit C.

16 19. "PAGA Fund" means the funds allocated to the LWDA and the PAGA Group
17 for the settlement and full release of any and all claims that could have been made in this Action by
18 the PAGA Group Members under PAGA, Cal. Labor Code § 2698, *et seq.* The PAGA Fund shall
19 equal six percent (6%) of the Gross Settlement Fund (\$115,500). The Newtron portion of the PAGA
20 Fund shall be 11.5% of the total, and the Non-Newtron portion of the PAGA Fund shall be 88.5% of
21 the total.

22 20. "Released Parties" means Defendants Chevron and Newtron, and each of
23 them, and including each of their respective past and present successors, subsidiaries, investors,
24 parents, holding companies, investors, sister and affiliated companies, divisions and other related
25 entities, as well as the successors, predecessors, shareholders, subsidiaries, investors, parent, sister
26 and affiliated companies, officers, directors, partners, assigns, agents, employees, principals, heirs,
27 administrators, attorneys, accountants, auditors, consultants, fiduciaries, insurers, reinsurers,
28 employee benefit plans, and representatives of each of them, both individually and in their official

capacities, past or present, as well as all persons acting by, through, under, or in concert with any of these persons or entities.

21. "Service Award" means a Court-approved sum to be paid to Shawn Clayborne in accordance with Section II.D(5) of this Settlement Stipulation.

22. "Settlement Administrator" means the firm of JND, which is the entity that has been selected by the Parties to provide the Notice of Settlement to the Settlement Group and to perform other related functions to administer the settlement contemplated by this Settlement Stipulation as described herein.

23. "Settlement Group Members" means the individuals in the Settlement Group.

C. Settlement of the Action

It is agreed by and among the Plaintiff and Defendants that the Action, including any and all allegations in the Third Amended Complaint and any and all claims, damages, remedies sought or causes of action alleged in the Third Amended Complaint or that could have been alleged based on the factual allegations of the Third Amended Complaint, shall be settled and compromised as between the Settlement Group and Defendants, as well as between the California Labor and Workforce Development Agency in connection with the claims asserted under California Labor Code section 2698 *et seq.*, subject to the terms and conditions set forth in this Settlement Stipulation and the approval of the Court, including through any Court-appointed referee or agent of the Court or other judicial entity with jurisdiction over this matter.

D. Settlement Fund Distribution

1. Overview of Payment Structure. In consideration for settlement and dismissal of this Action and the release of all Released Claims of the Settlement Group, Defendants agree to pay a sum not to exceed One Million Nine Hundred Twenty-Five Thousand dollars (\$1,925,000.00), One Million Seven Hundred Thousand dollars (\$1,700,000.00) of which shall be paid by Chevron and Two Hundred Twenty-Five Thousand dollars (\$225,000.00) of which shall be paid by Newtron. The Gross Settlement Fund represents the maximum total amount Defendants are required to pay for any and all purposes under this Settlement Stipulation, and in connection with the termination of this Action. No payment shall be made until after the Effective Date.

2. Gross Settlement Fund Components. The Gross Settlement Fund is comprised of the following:

(a) An award for attorneys' fees and costs, as described in Section II.D(3), as awarded by the Court;

(b) Administrative costs; as described in Section II.D(4);

(c) Service Award to Shawn Clayborne, as described in Section II.D(5), as awarded by the Court;

(d) The PAGA Fund, as described in Section II.E, which will be allocated to Participating Class Members as described in Section II.D.3; and

(e) The Class Fund, as described in Section II.F, which will be allocated to Participating Class Members as described in Section II.D.3.

3. Settlement Allocation.

(a) Newtron PAGA Portion. This fund is specific to all Class Members directly employed by Newtron and who otherwise meet the criteria for inclusion in the PAGA Group. Each Participating Class Member's share of the PAGA Fund shall be calculated as the number of workweeks the individual worked for Newtron at Chevron's California refineries during the PAGA Liability Period divided by the total aggregate workweeks worked by all Participating Class Members for Newtron at Chevron's California refineries times the Newtron portion of the PAGA Fund.

(b) Newtron Class Portion. This fund is specific to all Class Members directly employed by Newtron who are members of the Settlement Class. Each Participating Class Member's share of the Class Fund shall be calculated as the number of workweeks the individual worked for Newtron at Chevron's California refineries during the Class Liability Period divided by the total aggregate workweeks worked by all Participating Class Members for Newtron at Chevron's California refineries times the Newtron portion of the Class Fund.

(c) Third-Party Contractors PAGA Portion. This fund is specific to all Class Members who were employed by the Third-Party Contractors and who otherwise meet the criteria for inclusion in the PAGA Group. Each Participating Class Member's share of the PAGA Fund shall be calculated as the number of workweeks the individual worked for one or more of

1 Chevron's Third-Party Contractors during the PAGA Liability Period divided by the total aggregate
2 workweeks worked by all Participating Class Members for one or more of Chevron's Third-Party
3 Contractors times the PAGA Fund.

4 (d) Third-Party Contractors Class Portion. This fund is specific to all Class
5 Members who were employed by the Third-Party Contractors who are members of the Settlement
6 Class. Each Participating Class Member's share of the Class Fund shall be calculated as the number
7 of workweeks the individual worked for one or more of Chevron's Third-Party Contractors during
8 the Class Liability Period divided by the total aggregate workweeks worked by all Participating Class
9 Members for one or more of Chevron's Third-Party Contractors times the Class Fund.

10 4. Attorneys' Fees and Costs.

11 (a) Subject to review and final approval by the Court, Class Counsel may
12 apply for a total award not to exceed 35% of the Gross Settlement Fund (\$673,750) for reasonable
13 attorneys' fees and an additional amount to reimburse actual and documented litigation costs to
14 Plaintiffs not to exceed \$45,000. The attorneys' fees and costs awarded by the Court shall be taken
15 solely from the Gross Settlement Fund.

16 (b) The Parties agree that, over and above the Court-approved attorneys'
17 fees and costs awarded, each of the Parties shall bear their own fees and costs, including, but not
18 limited to, those relative to the investigation, filing, prosecution or settlement of the Action; the
19 negotiation, execution, or implementation of this Settlement Stipulation; and/or the process of
20 obtaining, administering or challenging a certification order and/or Order of Final Approval.

21 (c) In the event that the Court denies, modifies or reduces Class Counsel's
22 request for attorneys' fees and costs, Class Counsel and the Settlement Group may not seek
23 modification or cancellation of this Stipulation and will not seek, request, or demand an increase in
24 the Gross Settlement Fund. If Class Counsel appeals the Court's ruling on their request for attorneys'
25 fees and costs, the ruling of the appellate court (regardless of its substance) shall not constitute a
26 material alteration of a term of this Settlement Stipulation. All claims for attorneys' fees and costs or
27 expenses that Class Counsel and the Settlement Group may possess against Defendants have been
28

1 compromised and resolved in this Settlement Stipulation and shall not be affected by any appeal that
2 Class Counsel may file.

3 5. Administrative Costs. Reasonable costs to administer the settlement by the
4 Settlement Administrator shall be taken solely from the Gross Settlement Fund. The Parties agree
5 that there is an expectation that the total administration costs will not exceed \$90,000.00. The Parties
6 understand that unexpected challenges often arise in settlement administration, causing costs to
7 increase as the Settlement Administrator diligently implements the settlement for the benefit of the
8 Class Members. If costs are expected to exceed this estimate, the Parties will notify the Court and
9 explain the circumstances. Costs pertaining to the administration of the settlement include mailing
10 and remailing once the Notice of Settlement, processing requests for exclusion and objections,
11 performing a single skip trace on each Notice of Settlement and each settlement check returned as
12 undeliverable, and administering payment of claims to the Settlement Group, the Named Plaintiff,
13 Class Counsel, and LWDA, and issuing any required tax reporting forms.

14 6. Service Awards to Shawn Clayborne.

15 (a) In further consideration for settling this Action and in exchange for the
16 General Release of all claims against Defendants, and subject to final approval by the Court, Class
17 Counsel may apply for Shawn Clayborne to receive a Service Award in an amount not to exceed
18 \$15,000. Any Service Award approved by the Court shall be taken solely from the Gross Settlement
19 Fund.

20 (b) Any request for a Service Award shall be filed concurrently with Class
21 Counsel's request for attorneys' fees and costs.

22 (c) Any Service Award approved by the Court shall be in addition to the
23 payments that Shawn Clayborne receives as a Settlement Group Member and shall be deducted from
24 the Gross Settlement Fund.

25 (d) *Taxability of Service Awards.* If the Court approves their respective
26 requests for a Service Award, then Shawn Clayborne, in his individual capacity, agrees that he will be
27 solely responsible for correctly characterizing their Service Award for tax purposes and are solely
28 responsible for paying any taxes owing on said amount(s).

(e) The Settlement Administrator shall report any Service Award approved by the Court to state and federal taxing authorities as non-wage income on IRS Form 1099.

E. Settlement of PAGA Group Claims

1. *PAGA Fund.* In consideration for settlement and dismissal of all claims by the PAGA Group and in exchange for the release of all PAGA claims within the scope of the Released Claims, the Parties agree that the PAGA Fund will be paid to resolve claims pursued by Shawn Clayborne under PAGA.

2. *Payment to LWDA.* Pursuant to California Labor Code § 2699(i), seventy-five percent (75%) of the PAGA Fund, which equals \$86,625, shall be paid to the LWDA.

3. *Payment to Members of the PAGA Group.* The remaining twenty-five percent (25%) of the PAGA Fund, which equals \$28,875 ("Remaining PAGA Fund"), shall be distributed to the PAGA Group Members. Each PAGA Group Member's PAGA payment shall be based on the allocation set forth in Section II.D(3).

4. *Taxability of PAGA Group Payments.*

(a) For tax purposes, individual payments to the PAGA Group will be treated by the Parties as non-wage civil penalties and interest, not subject to payroll withholdings, and shall be reported on an IRS Form 1099, which is to be provided by the Settlement Administrator.

(b) PAGA Group Members shall be solely and exclusively responsible for remitting to state and/or federal taxing authorities any applicable other taxes due as a result of their respective PAGA settlement payments. If the IRS or other taxing authority subsequently determines that payments under this Agreement were mischaracterized, and that additional taxes are due, Defendants will be responsible for any employer-side taxes found due (including, but not limited to, FICA, FUTA, and all other state and federal payroll taxes), and PAGA Group Members will be responsible for any employee-side taxes found due (including, but not limited to, FICA, FUTA, and all other employment related taxes).

(c) Neither this Stipulation, nor any of its attachments, should be interpreted to contain or constitute representations or advice regarding any U.S. federal or state tax issue. PAGA Group Members will be specifically informed that neither Defendants nor Class

1 Counsel make any representations regarding the tax implications of any amounts paid under this
2 Stipulation of Settlement and that if PAGA Group Members have any questions regarding those
3 implications, they can and should consult a tax expert.

4 **F. Settlement of Participating Class Members' Claims**

5 1. *Class Fund.* The Class Fund is defined in § II.B.3. above. After deductions
6 are made from the Gross Settlement Fund for attorneys' fees and costs, administrative costs, Service
7 Award to Shawn Clayborne, and PAGA Fund payments, the Class Fund shall be individually
8 apportioned to Participating Class Members according to the allocation set forth in Section II.D.3.

9 2. *Conditional Certification of the Class for Settlement Purposes Only.*

10 (a) The Parties seek certification of the Class's claims under Rule 23 and
11 appointment of Class Counsel. The conditional certification of the Class and appointment of Class
12 Counsel by the Court shall be binding *only* for purposes of settlement of this Action.

13 (b) In the event that (a) the Court does not execute and file an Order of
14 Final Approval; (b) any such Order of Final Approval does not become final for any reason, or is
15 modified in any material respect; (c) the Effective Date does not occur; or (d) any of the conditions
16 set forth above do not occur, the certification of the Class shall be vacated, the Action shall proceed
17 as though the Class had never been certified, and this Settlement Stipulation shall be deemed null and
18 void and shall be of no force or effect whatsoever, and shall only be referred to or utilized for
19 purposes of recounting the procedural history of the litigation.

20 3. *Opt-Out/Request for Exclusion Procedure.*

21 (a) Only Members of the Class shall be entitled to "opt out" of the Class.
22 However, any Named Plaintiff who is a Member of the Class may not opt out of the Class. The
23 Notice of Settlement includes instructions to Members of the Class who wish to opt out. To be valid,
24 the request for exclusion must (1) include a clear statement of intention to be excluded from the
25 settlement; (2) include the full name, address, telephone number, and last four digits of the Social
26 Security Number of the Class Member requesting exclusion; (3) be signed by the Class member; (4)
27 be returned by U.S. Mail to the Settlement Administrator at the specified address; and (5) must be
28 postmarked no later than the last day of the Notice Period. The Settlement Administrator will notify

1 any Class Member from whom it receives a request for exclusion that is not timely and/or valid of the
2 untimeliness or invalidity of the request for exclusion. Any disputes regarding the timeliness,
3 validity or effectiveness of a request for exclusion shall be decided by the Settlement Administrator,
4 with the Parties' input, if appropriate. The date of the postmark on the mailing envelope for any
5 request for exclusion shall be the exclusive means used to determine whether the request for
6 exclusion has been timely submitted.

7 (b) Any Class Member who does not properly and timely submit a request
8 for exclusion in the manner required and by the last day of the Notice Period (thereby becoming a
9 Participating Class Member as defined above in section II.A.2, will be bound by all terms and
10 conditions of the settlement and this Settlement Stipulation if the settlement is approved by the Court,
11 and will be bound by the Final Approval Order, regardless of whether he or she has objected to the
12 Settlement.

13 (c) A Class Member who properly and timely submits a request for
14 exclusion in the manner required and by the last day of the Notice Period will not be bound by the
15 Settlement Stipulation, and will remain free to contest any claim as to that individual that would have
16 been barred by this Settlement Stipulation, and nothing in this settlement or Settlement Stipulation
17 will constitute or be construed as a waiver of any defense Defendants or the Released Parties have or
18 could assert against such a claim.

19 4. *Payments to Participating Class Members.* In consideration for settlement and
20 dismissal of all claims by the Class and in exchange for the release of all Released Claims, the Class
21 Fund will be used to pay individually allocated payments to the Participating Class Members, based
22 on the plan of allocation described in Section II.D.3.

23 5. *Taxability of Payments to Participating Class Members.*

24 (a) For tax purposes, individual payments to Participating Class Members
25 from the Class Fund will be treated by the Parties as three-tenths (or 30%) wages, and subject to
26 appropriate withholdings and for which the Settlement Administrator shall issue a W-2 form on
27 behalf of Newtron and Third-Party Contractors (i.e. not on behalf of Chevron) to the Participating
28 Class Members. The remaining seven-tenths (or 70%) shall be treated as non-wage damages and

1 interest, not subject to payroll withholdings, and shall be reported on an IRS Form 1099, divided
2 evenly between Box 3 and Box 7, which is to be provided by the Settlement Administrator.

3 (b) Participating Class Members shall be solely and exclusively
4 responsible for remitting to state and/or federal taxing authorities any applicable other taxes due as a
5 result of their respective settlement payments. If the IRS or other taxing authority subsequently
6 determines that payments under this Agreement were mischaracterized, and that additional taxes are
7 due, Newtron will be responsible for any employer-side taxes found due as to Newtron's employees
8 (including, but not limited to, FICA, FUTA, and all other state and federal payroll taxes), any
9 additional employer-side taxes due to Third-Party employees shall be paid from the Settlement Fund,
10 and Participating Class Members will be responsible for any employee-side taxes found due
11 (including, but not limited to, FICA, FUTA, and all other employment related taxes).

12 (c) Neither this Stipulation, nor any of its attachments, should be
13 interpreted to contain or constitute representations or advice regarding any U.S. federal or state tax
14 issue. Participating Class Members will be specifically informed that neither Defendants nor Class
15 Counsel make any representations regarding the tax implications of any amounts paid under this
16 Stipulation of Settlement and that if Participating Class Members have any questions regarding those
17 implications, they can and should consult a tax expert.

18 6. *Procedures for Objecting to the Settlement.*

19 (a) The Class Notice shall provide that Class members who wish to object
20 to the Settlement Stipulation must file with the Court and serve on counsel for all Parties a written
21 statement objecting to the Settlement Stipulation. Such objection and any supporting briefs or other
22 materials must be filed with the Court and mailed, via first-class U.S. mail, to counsel for the Parties
23 and postmarked no later than the last day of the Notice Period. Class Members who opt-out may not
24 file and serve an objection or otherwise object to this Settlement Stipulation. The postmark date of
25 the filing and service of an objection shall be deemed the exclusive means for determining that the
26 objection is timely. An objection must be signed by the Class Member and state the Class Member's
27 name, current address and telephone number, and the basis for the objection.
28

1 (b) A Class Member shall be entitled to be heard at the Final Approval
2 Hearing (whether individually or through counsel) or to object to the Stipulation, if the individual's
3 objection and supporting materials have been timely filed and served within the Notice Period. Any
4 Class Member who fails to file and serve a timely and complete an objection in the manner specified
5 above may be deemed to have waived any objections and shall be foreclosed from making any
6 objection (whether by appeal or otherwise) to the settlement.

7 (c) Counsel for the Parties shall file any responses to any objections at
8 least seven (7) calendar days before the Final Approval Hearing.

9 (d) Defendants shall not be responsible for the fees, costs, or expenses
10 incurred by the Class or Class Counsel related to Class members who submit objections or otherwise
11 purport to object to the Stipulation or related to any appeals thereof.

12 7. *Preparation and Mailing of Notice to the Class.*

13 (a) Within thirty (30) days of entry of the Order Granting Preliminary
14 Approval of Settlement, but subject to the Settlement Administrator providing adequate and
15 contractual assurances with respect to confidentiality and data security, Defendants shall provide the
16 Settlement Administrator with the following information if reasonably available: names, Social
17 Security numbers, and last-known mailing addresses for all Class Members and Members of the
18 PAGA Group. The data provided to the Settlement Administrator will remain confidential and will
19 not be disclosed to anyone, except as required to applicable tax authorities pursuant to the express
20 written consent of any of the Defendants, or by order of the Court. If individual Class Members
21 require or request assistance from counsel, the Settlement Administrator shall refer them to Class
22 Counsel and provide Class Counsel with the substance of the Class Member's inquiry and their
23 contact information. The data provided shall be used only for the purpose of administering this
24 Settlement Stipulation.

25 (b) The Notice of Settlement as approved by the Court shall be sent by the
26 Settlement Administrator to the Settlement Group Members, in English, by first-class mail to those
27 addresses provided, as soon as practicable but in any event within fourteen (14) days after receipt of
28 their contact information. To the extent that Defendants identify a Settlement Group Member but

1 cannot find a mailing address for them, or to the extent that a mailed Notice is returned undeliverable,
2 Defendants will make reasonable efforts to identify an email address for that Settlement Group
3 Member, and the Settlement Administrator will send the Notice to that individual by email. To the
4 extent that Defendants identify a Settlement Group Member but cannot find a mailing address or
5 email address for them, or to the extent that an emailed Notice is returned undeliverable, Defendants
6 will make reasonable efforts to identify a phone number for that Settlement Group Member, and the
7 Settlement Administrator will send the Notice to that individual by text message. A Spanish version
8 of the Notice of Settlement will be available to Class Members upon request from the Class Member
9 to the Settlement Administrator. The Spanish version of the Notice of Settlement shall reflect the
10 same content as the English version attached hereto and will be subject to the mutual approval of the
11 Parties.

12 (c) The Settlement Administrator will attempt to locate any Class Members
13 by performing a National Change of Address (NCOA) search on the entire Settlement Group
14 Member list before mailing out the Notice of Settlement and if needed, conducting one skip trace
15 search regarding any returned Notice of Settlement. Class Counsel may separately perform any
16 additional work needed to locate any Class Members; the costs of such services will be borne entirely
17 by Class Counsel and will not be included in the costs awarded as part of this settlement. If an
18 envelope has not been returned within thirty (30) days of the mailing, it shall be conclusively
19 presumed that the Class Member received the Notice of Settlement.

20 8. *Supplemental Notice to the Class and Verification.*

21 (a) **Collection of information.** The Settlement Administrator will collect
22 the full names; date of birth, Social Security number or employee ID number; mailing address; and
23 dates of employment for all individuals who contact the Settlement Administrator regarding the
24 Settlement.

25 (b) **Publication.** The Settlement Administrator will provide supplemental
26 notice to Class Members and Members of the PAGA Group during the Notice Period by publication.
27 Publication of the Notice of Settlement shall include contact information for the Settlement
28

1 Administrator and shall direct individuals who believe themselves to be covered by the settlement but
2 did not receive notice (“Omitted Individuals”) to contact the Settlement Administrator.

3 (c) **Posting.** Chevron will provide supplemental notice by posting the
4 Notice of Settlement at its Richmond, California and El Segundo, California refineries for the
5 duration of the Notice Period. The posting shall include contact information for the Settlement
6 Administrator and shall direct Omitted Individuals to contact the Settlement Administrator. Promptly
7 after posting these notices, Chevron will certify to Class Counsel its compliance with this
8 subparagraph. Chevron will promptly inform Class Counsel of any difficulties, errors, or failures in
9 the posting process.

10 (d) **Data correction.** Any Omitted Individual seeking to be included shall
11 provide the Settlement Administrator with their full name, date of birth, Social Security number, and
12 written proof of employment by either Newtron or a Third-Party Contractor at Chevron’s Richmond
13 and/or El Segundo refinery during the liability period, with as much detail as feasible, such as dates
14 of work, to assist the Parties with establishing the Omitted Individual’s status as a Class Member or
15 Member of the PAGA Group. Upon receipt of the written proof from an Omitted Individual,
16 Defendants will make a good-faith effort to promptly confirm the Omitted Individual’s dates of
17 employment for work performed at Chevron’s Richmond and/or El Segundo refineries, and (2)
18 provide such information to the Settlement Administrator. To the extent necessary to resolve
19 disputes regarding the validation process, the Parties agree to meet and confer in good faith. the
20 Settlement Administrator will timely share with Class Counsel communications to and from Omitted
21 Individuals, as well as their recommendations regarding whether the Omitted Individual should be
22 considered a Settlement Group Member. The Settlement Administrator, advised by the Parties, will
23 determine whether each Omitted Individual is to be treated as a Settlement Group Member. In the
24 event a dispute arises between the Parties concerning the validation process, the Parties agree to meet
25 and confer in good faith to resolve the concern, including by requesting assistance from Magistrate
26 Judge Spero.

G. Appointment and Duties of Settlement Administrator

1. Subject to the approval of the Court, the Parties have agreed to the appointment of JND as the Settlement Administrator for the purpose of administering the settlement notice and payment process, including preparing and mailing Notice of Settlement, publication of the Notice of Settlement, providing live call agents during business hours and responding to Settlement Group Member inquiries, receiving requests for inclusion and exclusion, if any, reviewing the amounts due to Settlement Group Members, and upon approval by Class Counsel and Defendants' counsel, issuing settlement payments to Settlement Group Members and issuing payment to the LWDA. In the event that the Court does not approve of this Settlement Stipulation, the Parties agree that Plaintiffs and Defendants will each pay half of all Administrative Costs incurred.

2. The duties of the Settlement Administrator shall continue at least until 30 days after the expiration of the check cashing period and shall include, without limitation:

- (a) compiling the class list from information provided by the Parties;
- (b) handling mailing of the Notice of Settlement and sending of the Notice of Settlement electronically to members of the Class;
- (c) conducting one skip trace for returned mailings;
- (d) publication of the Notice of Settlement;
- (e) responding to inquiries from potential Settlement Group Members following publication and posting of the Notice of Settlement;
- (f) corresponding with Defendants to verify employment for all potential Settlement Group Members who respond to the publication or posting of the Notice of Settlement;
- (g) monitoring and maintaining a toll-free number to receive Settlement Group Member questions, establishing and maintaining a website to provide information regarding the settlement and receive questions, and responding to inquiries made by members of the Class;
- (h) promptly providing to Counsel for Chevron, Newtron and Class Counsel copies of all communications from or on behalf of Class members that can be reasonably construed as opt-out requests or objections to the settlement.

- 1 (i) providing regular summary reports regarding settlement
2 implementation to counsel and/or the Court;
- 3 (j) calculating, issuing and mailing settlement payments to the Settlement
4 Group;
- 5 (k) reporting any and all settlement payments to all required taxing and
6 other authorities;
- 7 (l) establishing a Qualified Settlement Fund (QSF) pursuant to Section
8 468B(g) of the Internal Revenue Code, and regulations promulgated thereunder for the purpose of
9 administering this Settlement; serving as Trustee of the settlement fund; acting as a fiduciary with
10 respect to its handling, management, and distribution; and handling tax reporting obligations for the
11 QSF; and
- 12 (m) other related tasks as mutually agreed to by the Parties or ordered by
13 the Court.

14 3. The Settlement Administrator shall keep Defendants' counsel and Class
15 Counsel timely apprised of the performance of all Settlement Administrator responsibilities.

16 4. Any disputes relating to the Settlement Administrator's performance of its
17 duties will be referred to the Court, if necessary, which will have continuing jurisdiction over this
18 Settlement until all payments and obligations contemplated by this Settlement Stipulation have been
19 fully carried out.

20 5. At least twenty-one (21) days before the Final Fairness Hearing, the Settlement
21 Administrator shall prepare a declaration of due diligence and proof of compliance with its notice
22 obligations, and any attempts by the Settlement Administrator to locate Settlement Group Members,
23 its receipt of requests for inclusion and exclusion, its receipt of comments or objections, and its
24 inability to deliver the Notice of Settlement to Settlement Group Members due to invalid addresses
25 ("Due Diligence Declaration"), to Class Counsel and Defendants' counsel for presentation to the
26 Court. Class Counsel shall be responsible for filing the Due Diligence Declaration with the Court.

27 **H. Funding of Settlement Amount and Distribution of Payments**
28

1 1. No later than thirty (30) calendar days after the Effective Date, each Defendant
2 shall remit to the Settlement Administrator payment of their contributions to the Gross Settlement
3 Fund, which the Settlement Administrator shall deposit in Qualified Settlement Fund. No money will
4 be distributed unless and until the Effective Date occurs.

5 2. Within ten (10) calendar days after such payment is received by the Settlement
6 Administrator, the Settlement Administrator shall distribute the funds from the Gross Settlement
7 Fund, including mailing settlement checks to the Settlement Group, remitting attorneys' fees and
8 costs payments to Class Counsel (as approved by the Court), remitting payment to the LWDA, and
9 remitting Service Award payments (as approved by the Court). Class Members who properly opt out
10 of the settlement are not entitled to any Settlement Payments, except that all PAGA Group members
11 shall receive a payment for their portion of the PAGA settlement. The approval and denial of
12 payments by the Settlement Administrator will be conclusive and binding on all Settlement Group
13 Members, subject to the dispute resolution provisions of this Settlement Stipulation as set forth in
14 Section II.O. All payments shall be made solely from the Gross Settlement Fund.

15 3. The Settlement Administrator shall verify that Settlement Payments are made
16 to the Settlement Group Members, and this verification and proof of payment shall be filed with the
17 Court and provided to the Parties. Any checks issued to Settlement Group Members shall remain
18 valid and negotiable for one hundred eighty (180) days from the date of mailing. Approximately
19 ninety (90) days before the conclusion of the 180-day check cashing period, the Settlement
20 Administrator will perform a single skip trace on each settlement check returned as undeliverable,
21 and will re-mail settlement checks where new address information is obtained, or where a member of
22 the Settlement Group requests remailing.

23 4. Approximately ninety (90) days before the conclusion of the 180-day check
24 cashing period, the Settlement Administrator will further advise the Parties of any Plaintiffs or
25 members of the Settlement Group who have not cashed their settlement checks. Within
26 approximately thirty (30) business days of the conclusion of the 180-day check cashing period, the
27 Settlement Administrator shall inform the parties regarding the status of any uncashed checks,
28 including the amount, and will inform the Parties of the identity and contact information of the

1 corresponding Settlement Group Member with an uncashed check. Within (14) days after the
2 expiration of the deadline for Class and PAGA Group Members to negotiate their settlement checks,
3 the Settlement Administrator shall prepare a final accounting of settlement funds remaining in the
4 QSF.

5 5. Within (14) fourteen days of the expiration of the 180-day check cashing
6 period, the Settlement Administrator shall notify Plaintiffs' Counsel of the state of residence and
7 gross award amount for each class and PAGA member who negotiates a settlement check.
8

9 6. Within (30) days of the expiration of the 180-day check cashing period, the
10 Settlement Administrator will correct tax reporting for any Settlement Group Members who do not
11 negotiate or cash their settlement checks (such that any applicable taxes reported shall be corrected
12 with the applicable taxing authorities and requested for remittance).
13

14 7. Uncashed amounts shall be donated to East Bay Community Law Center and
15 Neighborhood Legal Services of Los Angeles County as the *Cy Pres* recipients.

16 **I. Release of Claims by the Settlement Group**

17 1. Upon the Effective Date, all members of the Settlement Group, including their
18 heirs, assigns, and estates, shall be deemed to fully forever, irrevocably and unconditionally release,
19 and discharge the Released Parties from any and all claims, debts, liabilities, demands, obligations,
20 guarantees, penalties, costs, expenses, attorneys' fees, damages, liquidated damages, action or causes
21 of action whatever kind or nature, whether known or unknown, contingent or accrued, against the
22 Released Parties or any of them, arising out of the dispute which is the subject of the Action or which
23 could have been asserted in the Action based on the allegations in the pleadings regarding events that
24 occurred or are alleged to have occurred, including those pertaining to minimum wage, off-the-clock
25 work, overtime, hours of work, wage statements, record-keeping requirements, payment of wages, or
26 payment of final wages, and including without limitation all federal claims (including FLSA), state
27 claims (including any claims under the California Labor Code and PAGA), and local claims that were
28 asserted or could have been asserted in this Action based on the allegations in the pleadings regarding

1 events that occurred or are alleged to have occurred during the PAGA Liability Period as to PAGA
2 claims and the Class Liability Period as to Class claims ("Released Claims"). Released Claims
3 further include any unknown claims that the Settlement Group Members do not know or suspect to
4 exist in his or her favor, which if known by him or her, might have affected this Settlement
5 Stipulation with Defendants and release of Released Parties.

6 2. Upon the Effective Date, the State of California shall be deemed to fully
7 forever, irrevocably, and unconditionally release, and discharge the Released Parties from any and all
8 claims for Civil Penalties for any Released Claims arising under California Labor Code section 2698
9 *et seq.*

10 3. Within thirty (30) days after Preliminary Approval of this Settlement
11 Stipulation by the Court, the Named Plaintiff shall execute and deliver a Mutual General Release of
12 all claims against Released Parties, in the form attached hereto as Exhibit A. Defendants will also
13 execute and deliver the Mutual General Release within thirty (30) days after Preliminary Approval.
14 In the event that the Named Plaintiff does not execute a General Release of all claims against
15 Released Parties, Defendants may elect to rescind the Settlement Stipulation and all actions taken in
16 furtherance will be thereby null and void. Defendants' right of rescission must be exercised in
17 writing within fourteen (14) calendar days after the date that Class Counsel notifies Defendants in
18 writing that Named Plaintiff refuses to execute and deliver a Mutual General Release of all claims
19 against Released Parties. No notice of settlement shall be distributed until after the notice of
20 rescission period has expired.

21 4. With respect to any and all Released Claims, the Parties stipulate and agree
22 that, upon the Effective Date, the Named Plaintiff shall have to the fullest extent allowed by law,
23 waived the provisions, rights, and benefits of any statute or principle of common law similar to
24 California Civil Code § 1542, which provides:

25 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS**
26 **THAT THE CREDITOR OR RELEASING PARTY DOES NOT**
27 **KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT**
28 **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.**

5. The Named Plaintiff acknowledges that Section 1542 gives him the right not to release existing claims of which he is not now aware, unless he voluntarily chooses to waive this right. Having been so apprised, the Named Plaintiff shall nevertheless voluntarily waive the rights described in Section 1542 only as related to the Released Claims set forth herein, and elect to assume all risks as to the Released Claims herein that now exist in his favor, known or unknown.

6. The Parties intend and agree that this Settlement Stipulation shall be binding on all PAGA Group Members and all Participating Class Members. This Settlement Stipulation shall constitute, and may be pleaded as, a complete and total defense to any Released Claims raised in the future against a Released Party.

J. Final Fairness Hearing

The Parties will request that the Court conduct a Fairness Hearing on or about the date set forth in the Order of Preliminary Approval and to determine if the Settlement is fair, reasonable and adequate, and if so, enter an Order of Final Approval, which will (a) approve the Settlement Stipulation, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions; (b) approve in whole or in part Class Counsel's application for an award of attorneys' fees and costs; and (c) approve in whole or in part the Service Award(s).

K. Duties of the Parties Prior to Court Approval

1. Once finalized, the Parties shall promptly submit this Settlement Stipulation to the Court for preliminary approval and determination by the Court as to its fairness, adequacy, and reasonableness. Within (14) days after the execution of this Settlement Stipulation, Class Counsel will file a Motion for Preliminary Approval seeking the following:

- (a) Preliminary approval of the proposed settlement as fair, reasonable, and adequate as to Settlement Group Members;
- (b) Approval as to form and content of the proposed Notice of Settlement;
- (c) Approval of the plan of allocation of the Gross Settlement Fund;

(d) Directing the mailing of the Notice of Settlement by first-class mail to California Class members by the Settlement Administrator;

(e) Conditionally certifying the Class for settlement purposes only;

(f) Appointing Class Counsel, Named Plaintiffs who execute this Settlement Stipulation and who seek to be appointed as class representatives in the Third Amended Complaint as class representatives, and Rust as Settlement Administrator; and

(g) Scheduling a Final Fairness Hearing for a determination as to whether the proposed settlement should be finally approved.

2. At the time Class Counsel files the Motion for Preliminary Approval, Class Counsel will submit this Settlement Stipulation to the LWDA. *See* Cal. Lab. Code § 2699(1)(2). Defendants will ensure that notice of this Settlement Stipulation is timely submitted to the appropriate Federal and State officials pursuant to 28 U.S.C. § 1715.

3. Prior to the Final Fairness Hearing by the Court of the settlement provided for in this Settlement Stipulation, Class Counsel (in conjunction with Defendants' counsel) will submit a proposed Order of Final Approval, which is attached hereto as Exhibit C.

L. Communications

1. Except for disclosures authorized by Defendants, that are required by law (including any applicable securities or accounting laws, regulations or rules) for Defendants to make, or are necessary to prepare the Motion for Preliminary Approval, and except for disclosures by Class Counsel to their clients, the terms of this settlement shall remain confidential until they are presented to the Court in connection the Motion for Preliminary Approval.

2. Following preliminary approval, the Parties and their counsel will direct inquiries from Settlement Group Members to the Settlement Administrator and/or Class Counsel. Notwithstanding anything to the contrary in this Section L or elsewhere in this Settlement Stipulation, Defendants and Class Counsel shall be permitted to disclose this settlement in order to comply with any state or federal law. Nothing in this Section L shall limit Defendants from communicating with their counsel regarding this Settlement Stipulation or Settlement Group Members from communicating with Class Counsel regarding this Settlement Stipulation.

1 3. Plaintiffs and Class Counsel agree to not to issue any press release or make any
2 oral media statements regarding this Settlement. This Section does not prohibit Class Counsel from
3 making truthful statements regarding its representation of Plaintiffs or about publicly available facts
4 concerning the Settlement. If the any party receives any inquiry or contact about this Action or
5 settlement by the press or other mass media, the parties agree and their counsel agree that they shall
6 neutrally describe the procedural and factual background.

7 **M. Representations of Class Counsel**

8 Class Counsel affirm that, other than Shawn Clayborne, David Pool, and Carlos Diaz, they do
9 not represent any other employees of Defendants or any Third-Party Contractors asserting claims
10 against Chevron. Class Counsel also warrant that they are not currently aware of any claims to be
11 asserted against Defendants or any Third-Party Contractors for work performed at Chevron facilities
12 other than those already in litigation. Class Counsel warrant that they have not been retained by and
13 do not otherwise represent any other individual or entity who has notified Class Counsel of potential
14 claims against Chevron.

15 **N. Continuing Jurisdiction of the Court**

16 The Parties agree that the Court shall retain jurisdiction over the Parties, and over this
17 Settlement Stipulation, in order to: (i) monitor and enforce compliance with this Settlement
18 Stipulation, Final Approval and/or any related order of this Court; and/or (ii) resolve any disputes
19 over this Settlement Stipulation or the administration of the benefits of this Settlement Stipulation,
20 including, disputes over entitlement to payments sought by Class Counsel.

21 **O. Dispute Resolution**

22 Except as authorized herein, all disputes concerning the interpretation, implementation,
23 calculation, or payment of the Gross Settlement Fund or other disputes regarding compliance with
24 this Settlement Stipulation will be resolved by the Court.

25 **P. Parties' Authority**

26 The signatories hereto hereby represent that they are fully authorized to enter into this
27 Settlement Stipulation and bind the Parties hereto to the terms and conditions hereof.

28 **Q. Mutual Full Cooperation**

1 The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement
2 Stipulation, including but not limited to, execution of such documents and to take such other action as
3 may reasonably be necessary to implement the terms of this Settlement Stipulation. The Parties to
4 this Settlement Stipulation shall use their best efforts, including all efforts contemplated by this
5 Settlement Stipulation and any other efforts that may become necessary by order of the Court, or
6 otherwise, to effectuate this Settlement Stipulation and the terms set forth herein. As soon as
7 practicable after execution of this Settlement Stipulation, Class Counsel shall, with the assistance and
8 cooperation of Defendants and their counsel, take all necessary steps to secure the Court's Final
9 Approval of this Settlement Stipulation. Class Counsel will also notify counsel for Defendants if
10 subpoenaed or if Class Counsel receives any other request for documents or information regarding
11 any other action filed or potential action against the Released Parties that covers or includes any
12 members of the Settlement Group.

13 **R. No Prior Assignments**

14 The Parties hereto represent, covenant, and warrant that they have not directly or indirectly,
15 assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or
16 entity any portion of any liability, claim, demand, action, cause of action or rights herein released and
17 discharged except as set forth herein.

18 **S. No Admission**

19 1. Nothing contained herein, nor the consummation of this Settlement
20 Stipulation, is to be construed or deemed an admission of liability, culpability, negligence, or
21 wrongdoing on the part of Defendants and/or any of the Released Parties, and they expressly deny
22 liability or wrongdoing. Defendants further deny, for any purpose other than settling this Action, that
23 this Action is appropriate for collective, class, or representative treatment. This Settlement
24 Stipulation is not, shall not be deemed to be, and may not be used as, an admission or evidence of the
25 appropriateness of this or similar claims for collective or class action certification or administration
26 other than for the purposes of administering this Settlement Stipulation. Each of the Parties hereto
27 has entered into this Settlement Stipulation with the sole purpose and intention to avoid further
28 disputes and litigation with the attendant inconvenience and expenses. In the event this Settlement

1 Stipulation is not approved by the Court or otherwise does not become final, Defendants do not waive
2 any defenses or rights, including without limitation that this case is not suitable for class treatment,
3 and the parties agree that the Class will be decertified. This Settlement Stipulation is a settlement
4 document and shall, pursuant to Federal Rule of Evidence 408 and any and all analogous state laws,
5 be inadmissible in evidence in any proceeding, except an action or proceeding to approve, interpret,
6 or enforce this Settlement Stipulation.

7 2. Whether or not the Settlement is finally approved, neither the Settlement, nor
8 any of its terms, nor any document, statement, proceeding or conduct related to this Settlement
9 Stipulation including without limitation the motions for preliminary and final approval of the
10 settlement and any documents submitted in support of such motions, nor any reports or accounts
11 thereof, shall in any event be disclosed, referred to or offered or received in evidence against any of
12 the Parties, in any further proceeding in this Action, or any other civil, criminal or administrative
13 action or proceeding except for purposes of settling this Action or enforcing the Released Claims
14 contained herein pursuant to the terms of the Settlement Stipulation.

15 **T. Enforcement Actions**

16 In the event that one or more of the Parties to this Settlement Stipulation institutes any legal
17 action, arbitration, or other proceeding against any other party to enforce the provisions of this
18 Settlement Stipulation or to declare rights and/or obligations under this Settlement Stipulation, the
19 successful party shall be entitled to recover from the unsuccessful party reasonable attorneys' fees
20 and costs, including expert witness fees incurred in connection with any enforcement actions to the
21 extent allowed by law.

22 **U. Notices**

23 Unless otherwise specifically provided herein, all notices, demands, or other communications
24 given hereunder shall be in writing and shall be deemed to have been duly given as of the third
25 business day after mailing by United States registered or certified mail, return receipt requested,
26 addressed as follows:

27 To Plaintiffs and the Settlement Group:

28 Jahan Sagafi
Moiria Heiges-Goepfert

1 Outten & Golden LLP
2 One California Street, 12th Floor
3 San Francisco, CA 94111

4 Steven Elster
5 Law Office of Steven Elster
6 785/E2 Oak Grove Road, No. 201
7 Concord, CA 94518

8 To Defendant Chevron:

9 Catherine A. Conway
10 Megan M. Lawson
11 Gibson, Dunn & Crutcher LLP
12 333 South Grand Avenue
13 Los Angeles, CA 90071

14 Michele L. Maryott
15 Gibson, Dunn & Crutcher LLP
16 3161 Michelson Drive
17 Irvine, CA 92612

18 To Defendant Newtron:

19 Mollie M. Burks
20 Sat Sang Khalsa
21 Gordon, Rees, Scully Mansukhani, LLP
22 275 Battery Street, Suite 2000
23 San Francisco, CA 94111

24 **V. Construction**

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

29 **W. Captions and Interpretations**

30 Paragraph titles or captions contained herein are inserted as a matter of convenience and for
31 reference, and in no way define, limit, extend, or describe the scope of this Settlement Stipulation or
32 any provision hereof. Each term of this Settlement Stipulation is contractual and not merely a recital.

33 **X. Modification**

34 This Settlement Stipulation may not be changed, altered, or modified, except in writing and
35 signed by Defendants and Named Plaintiffs hereto. This Settlement Stipulation may not be

1 discharged except by performance in accordance with its terms or by a writing signed by the Parties
2 hereto.

3 **Y. Integration Clause**

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

9 **Z. Binding on Assigns**

10 The provisions of this Stipulation shall run in perpetuity. This Stipulation shall be binding
11 upon the Parties hereto and their respective spouses, heirs, administrators, representatives, executors,
12 successors and assigns, and shall inure to the benefit of Defendants and the Released Parties, and
13 their predecessors, successors, affiliates, subsidiaries, parent companies, partners, current and past
14 employees, insurers, agents, legal representatives, each of which is entitled to enforce this Settlement
15 Stipulation.

16 **AA. Incorporation of Exhibits**

17 All exhibits attached hereto are incorporated by reference and are a material part of this
18 Settlement Stipulation. Any notice, order, judgment, or other exhibit that requires approval of the
19 Court must be approved without material alteration from its current form in order for this Settlement
20 Stipulation to become effective.

21 **BB. Reasonableness of Settlement Stipulation**

22 The Parties believe that this is a fair, reasonable, and adequate settlement and have arrived at
23 this Settlement Stipulation through arms-length negotiations, taking into account all relevant factors,
24 present and potential.

25 **CC. California Law and Interpretation**

26 All terms of this Settlement Stipulation and its exhibits will be governed and interpreted by
27 and according to the laws of the State of California, without giving effect to any conflict of law
28 principles or choice of principles. However, if the Court determines that the Release of Claims in

Section J above is unenforceable, for whatever reason, this entire Settlement Stipulation will become null and void *ab initio*.

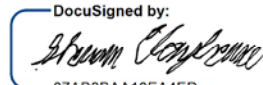
DD. Counterparts

This Settlement Stipulation may be executed in counterparts and/or by facsimile signature ("counterpart"), and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Settlement Stipulation, which shall be binding upon and effective as to all Parties.

IN WITNESS WHEREOF, Named Plaintiffs and Defendants have executed this Settlement Stipulation as of the date(s) indicated below.

12/8/2022
Dated: December __, 2022

SHAWN CLAYBORNE, as PAGA
representative and on behalf of other allegedly
"aggrieved employees," and on behalf of
himself and all others similarly situated

DocuSigned by:

By: 07AB8BAA10FA4ED
Shawn Clayborne

Dated: December 6, 2022

CHEVRON U.S.A. INC.

By: 
Gina K. Lee
Assistant Secretary

Dated: December __, 2022

NEWTRON, L.L.C.

By: _____
Lynette Wagner
Insurance & Claims Manager

Section J above is unenforceable, for whatever reason, this entire Settlement Stipulation will become null and void *ab initio*.

DD. Counterparts

This Settlement Stipulation may be executed in counterparts and/or by facsimile signature (“counterpart”), and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Settlement Stipulation, which shall be binding upon and effective as to all Parties.

IN WITNESS WHEREOF, Named Plaintiffs and Defendants have executed this Settlement Stipulation as of the date(s) indicated below.

Dated: December __, 2022

SHAWN CLAYBORNE, as PAGA
representative and on behalf of other allegedly
“aggrieved employees,” and on behalf of
himself and all others similarly situated

By: _____
Shawn Clayborne


Dated: December __, 2022

CHEVRON U.S.A. INC.

By: _____
[NAME]
[POSITION]

Dated: December 29, 2022

NEWTRON, L.L.C.

By:  _____
Lynette Wagner
Insurance & Claims Manager

1 APPROVED AS TO FORM AND CONTENT ON BEHALF OF NAMED PLAINTIFFS, AND AS
2 A SUBSTANTIVE RECOMMENDATION TO THE COURT ON BEHALF OF THE
3 SETTLEMENT GROUP:

4 Dated: December 9, 2022

OUTTEN & GOLDEN LLP

By: 

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11 Dated: December 8, 2022

LAW OFFICE OF STEVEN ELSTER

By: 

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Attorneys for Plaintiffs

18 APPROVED AS TO FORM AND CONTENT ON BEHALF OF DEFENDANT CHEVRON U.S.A.
19 INC.:

20 Dated: December 6, 2022

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Attorneys for Defendant Chevron U.S.A. Inc.

APPROVED AS TO FORM AND CONTENT ON BEHALF OF DEFENDANT NEWTRON,
L.L.C.:

Dated: December 29, 2022

GORDON REES SCULLY MANSUKHANI, LLP

By:


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Attorneys for Defendant Newtron, L.L.C.

APPENDIX A

- ACUREN INSPECTION INC.
- AERC ACQUISITION CORPORATION
- AERC RECYCLING SOLUTIONS
- ALIMAK HEK INC.
- ALLIANCE COOLING PRODUCTS CO.
- ANCON MARINE INC. DBA ANCON
- AQUILEX LLC DBA
- HYDROCHEMPSC HYDROCHEM LLC
- ARB INC.
- AZZ SPECIALTY REPAIR & OVERHAUL LLC
- AZZ WSI LLC
- BALFOUR BEATTY INFRASTRUCTURE INC. BALFOUR BEATTY RAIL
- BAYSIDE INSULATION & CONSTRUCTION INC.
- BHI ENERGY I SPECIALTY SERVICES LLC
- BRAHMA GROUP INC.
- BRAHMA INDUSTRIAL SERVICES INC.
- BRAND SCAFFOLD RENTAL & ERECTION INC.
- BROADSPECTRUM DOWNSTREAM SERVICES INC.
- COVERAA & CO.
- CAT SPEC LTD.
- CERTIFIED SAFETY INC.
- CLEAN HARBORS ENVIRONMENTAL SERVICES INC.
- CLEAN HARBORS ENVIRONMENTAL SERVICES
- CLEAN HARBORS ES INDUSTRIAL SERVICES INC.
- COKEBUSTERS USA INC.
- COMPRESSOR CONTROLS CORP.
- CONCO SERVICES CORPORATION
- CONSTRUCTION AND TURNAROUND SERVICE FKA CONSTRUCTION TANK SERVICES
- CONTRA COSTA ELECTRIC INC.
- CURRAN INTL INC.
- CUSTOM VALVE SOLUTIONS INC.
- D2 INDUSTRIAL SERVICES LLC
- DELTA TECH SERVICE INC.
- DRESSER RAND CO FIELD SERVICES
- E E GILBERT CONSTRUCTION INC.
- ECO SERVICES OPERATIONS CORP
- ECO SERVICES OPERATIONS LLC
- ECOSERV LLC
- ENVENT CORP.
- GLOBAL ASCENT INC.
- GOEBEL CONSTRUCTION INC.
- GOLDEN RULE INSPECTION & MANAGEMENT SERVICES LLC
- HARDER MECHANICAL CONTRACTORS INC.
- HYDRATIGHT OPERATIONS INC.
- HYDROCHEM LLC AQUILEX LLC
- HYDROPROCESSING ASSOCIATES LLC
- ICOMMUTE INC.
- INNOVATIVE VENTILATION SYSTEMS INC. DBA SMOGBUSTER
- J T THORPE & SONS INC.
- J T THORPE COMPANY
- J V INDUSTRIAL COMPANIES LTD

- 1 • KOCH SPECIALTY PLANT SERVICES
- 2 • LABOR SERVICES INC.
- 3 • LARSEN & TOUBRO INFOTECH LTD
- 4 • MATRIX NORTH AMERICAN
CONSTRUCTION INC.
- 5 • MATRIX SERVICE INC. DBA MATRIX
SERVICE CO.
- 6 • MATRIX SERVICES INC.
- 7 • MISTRAS GROUP INC.
- 8 • MISTRAS GROUP INC. DBA MISTRAS
GROUP INC. SERVICES DIV
- 9 • MISTRAS GROUP INC. MISTRAS
GROUP INC. SERVICES DIV
- 10 • NOOTER CONSTRUCTION CO.
- 11 • OHMSTEDE INDUSTRIAL SERVICES
INC.
- 12 • PERFORMANCE CONTRACTING INC.
- 13 • PERFORMANCE CONTRACTORS
- 14 • PERFORMANCE MECHANICAL INC.
- 15 • PLANT PERFORMANCE SERVICES
LLC
- 16 • REFINED TECHNOLOGIES INC.
- 17 • SAFWAY INTERMEDIATE HOLDING
LLC BRANDSAFWAY SERVICES LLC
- 18 • SPECIALITY WELDING &
TURNAROUNDS LLC ("SWAT")
- 19 • SPX COOLING TECHNOLOGIES INC.
- 20 • SUPERHEAT FGH SERVICES INC.
- 21 • TEAM INDUSTRIAL SERVICES
- 22 • TOTAL SAFETY US INC.
- 23 • TRACER CONSTRUCTION CO.
- 24 • TRACERCO
- 25 • UNIVERSAL PLANT SERVICES INC.
- 26 • USA DEBUSK LLC
- 27 • UST TESTING SERVICES INC.
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