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14 Attorneys for Defendants
STELLAR MANAGEMENT GROUP VII, LLC;
15 STELLAR MANAGEMENT GROUP, INC.
d/b/a QSI QUALITY SERVICE INTEGRITY;
16 and THE VINCIT COMPANY, LLC d/b/a THE
VINCIT GROUP and VINCIT ENTERPRISES

17 **UNITED STATES DISTRICT COURT**
18 **NORTHERN DISTRICT OF CALIFORNIA**

19 DAVID CHAVEZ and VINCENT
20 SLAUGHTER, on behalf of themselves and all
others similarly situated,

21 Plaintiffs,

22 vs.

23 STELLAR MANAGEMENT GROUP VII,
24 LLC; STELLAR MANAGEMENT GROUP,
INC. d/b/a QSI QUALITY SERVICE
25 INTEGRITY; THE VINCIT COMPANY, LLC
d/b/a THE VINCIT GROUP and VINCIT
26 ENTERPRISES,

27 Defendants.
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Case No.: 3:19-cv-01353-JCS

**STIPULATION REGARDING
AMENDMENT TO SETTLEMENT AND
ORDER GRANTING PRELIMINARY
APPROVAL OF SETTLEMENT**

1 Plaintiffs David Chavez and Vincent Slaughter (“Plaintiffs”) and Defendants Stellar
2 Management Group VII, LLC; Stellar Management Group, Inc.; and The Vincit Company, LLC
3 (“Defendants”) (together, the “Parties”), by and through their attorneys of record, hereby stipulate
4 as follows:

- 5 1. WHEREAS, on March 14, 2019, David Chavez filed a complaint pursuant to the Labor Code
6 Private Attorneys General Act of 2004 (“PAGA”) in the California Superior Court of
7 Sonoma County (“PAGA Action”) against Defendants, *see* ECF 54-5, at pp. 7-28;
- 8 2. WHEREAS, on March 13, 2019, Plaintiff Chavez filed this Action against Defendants in the
9 United States District Court, District of California, asserting claims under the California
10 Labor Code and under the Fair Labor Standards Act, 29 U.S.C. §§ 201, *et seq. Chavez, et al.*
11 *v. Stellar Management Group VII, LLC, et al.*, Case. No. 3:19-cv-01353-JCS (“this Action”),
12 *see* ECF 1;
- 13 3. WHEREAS, on May 21, 2020, Plaintiff Chavez filed a First Amended Class and Collective
14 Action Complaint (“FAC”) to add Plaintiff Slaughter as a named Plaintiff and to clarify the
15 putative Class and Collective definitions, ECF 83;
- 16 4. WHEREAS, on September 24, 2020, the Parties conducted a full day, remotely-held
17 mediation session before mediator Mark S. Rudy;
- 18 5. WHEREAS, the Parties did not reach a settlement at mediation, but continued to engage in
19 arms’ length negotiations with the assistance of mediator Rudy over the course of the
20 following months;
- 21 6. WHEREAS, following extensive arm’s length negotiations, the Parties eventually accepted
22 the mediator’s proposal on October 30, 2020, and finalized the long-form settlement
23 agreement (“Settlement”) on March 12, 2021, which was executed on that same day, *see*
24 ECF 134-2;
- 25 7. WHEREAS, in response to guidance from the Court, the Parties subsequently amended the
26 Settlement to, among other things, revise the Class and Collective member definitions, *see*
27 ECF 138, 147-1;

- 1 8. WHEREAS, on August 25, 2021, the Court granted preliminary approval of the Settlement,
2 including the Class, Collective, and Aggrieved Employee definitions therein, which included
3 individuals employed by Defendants in Covered Positions through the date of preliminary
4 approval of the Settlement, see ECF 151;
- 5 9. WHEREAS, Defendants have deposited the Gross Settlement Amount into the Qualified
6 Settlement Fund, within the timeframe required by the Court’s preliminary approval order;
- 7 10. WHEREAS, pursuant to the terms of the Settlement and the Court’s preliminary approval
8 order, Defendants were allowed 15 business days following the date of preliminary approval
9 (i.e. until September 16, 2021) to provide the Class Data to the Settlement Administrator;
- 10 11. WHEREAS, during the process of compiling the Class Data, defense counsel first became
11 aware and promptly apprised Plaintiffs’ counsel that the Vincit network of companies had
12 undergone a significant restructuring effective January 1, 2021, in connection with which the
13 non-exempt employees of two of the Defendants in this matter, Stellar Management Group,
14 Inc. and Stellar Management Group VII LLC, along with the non-exempt employees of
15 various other entities within the Vincit network who are not defendants in this matter, became
16 employees of Stellar Management Group VII LLC (operating from January 1, 2021 forward
17 under the name “QSI LLC”) as of January 1, 2021;
- 18 12. WHEREAS, to avoid significant dilution of the settlement fund through the inclusion of
19 individuals in the Class and Collective who were never intended to be a part of or to
20 participate in the Settlement, and whose work experiences were not the subject of discovery
21 or discussion at mediation, the Parties have agreed that the Class, Collective, and Aggrieved
22 Employee definitions should be revised to encompass Defendants’ employees in Covered
23 Positions only through and including December 31, 2020 (instead of through the date of
24 preliminary approval of the Settlement) and that the applicable release periods should extend
25 only through and including December 31, 2020;
- 26 13. WHEREAS, consistent with the foregoing, the Parties have entered into a Third Amendment
27 of Class Action Settlement Agreement and Release, a true and correct copy of which is
28

1 attached hereto as Exhibit 1;

2 NOW THEREFORE, IT IS HEREBY STIPULATED AND AGREED:

- 3 1. The preliminarily approved settlement should be revised consistent with the Parties’ Third
 4 Amendment, attached hereto as Exhibit 1.
- 5 2. The Notices of Settlement should be modified as set forth in Exhibits G and H to the Third
 6 Amendment, with the redlined versions of such forms attached hereto as Exhibit 2 and
 7 Exhibit 3 to reflect the foregoing changes.
- 8 3. The Court’s Order Granting Plaintiffs’ Motion for Preliminary Approval of Settlement,
 9 ECF 151, should be modified as set forth in the redlined form attached hereto as Exhibit
 10 4. The proposed modification also includes a correction in Paragraph 3 to the definition
 11 of the California Class (i.e. that only individuals in Covered Positions are included within
 12 the definition).
- 13 4. The Court should adopt the following revised approval schedule:

15 Deadline for Defendants to provide Heffler with the Class List	Within 2 business days after the date the Court issues an amended order granting preliminary approval of the Settlement
16 Deadline for Heffler to mail the Notice of Settlement to Class Members	Within 10 business days after Heffler receives the Class List
17 Deadline for Rule 23 Class Members to postmark requests to opt-out or file objections to the Settlement (“Notice Deadline”)	65 days after Notice of Settlement are mailed
18 Deadline for Heffler to provide all counsel with a report showing (i) the names of Rule 23 Class Members and Opt In Plaintiffs; (ii) the Individual Settlement Payments owed to each Rule 23 Class Member and Opt In Plaintiff; (iii) the final number of Rule 23 Class Members who have submitted objections or valid letters requesting exclusion from the Settlement; and (iv) the number of undeliverable Notices of Settlement.	Within 30 calendar days after the opt out/objection deadline (the “Notice Deadline”)
19 Deadline for Plaintiffs’ counsel to file a motion for approval of attorneys’ fees and costs and service awards	At least 15 days before the Notice deadline
20 Deadline for filing of Final Approval Motion	At least 35 days before Final Approval Hearing

1 2	Deadline for Heffler to provide the Court and all Parties' counsel with a statement detailing the Settlement Administration Costs and the notice administration process	As soon as practicable
3	Final Approval Hearing	At least 30 days after Notice Deadline
4 5 6 7 8 9 10 11 12 13	Effective Date	The latest of the following dates: (i) if there are one or more objections to the settlement that are not subsequently withdrawn, then the date after the expiration of time for filing a notice of appeal of the Court's Final Approval Order, assuming no appeal or request for review has been filed; (ii) if there is a timely objection and appeal by one or more objectors, then the date after such appeal or appeals are terminated (including any requests for rehearing) resulting in the final judicial approval of the Settlement; or (iii) if there are no timely objections to the settlement, or if one or more objections were filed but subsequently withdrawn before the date of Final Approval, then the first business day after the Court's order granting Final Approval of the Settlement is entered
14	Deadline for Heffler to calculate the employer share of taxes and provide Defendants with the total amount of Defendants' Payroll Taxes	Within 5 business days after final Settlement Award calculations are approved
15 16 17	Deadline for Heffler to make payments under the Settlement to Participating Individuals, the LWDA, Class Representatives, Plaintiffs' counsel, and itself	Within 30 days after the Effective Date or as soon as reasonably practicable
18	Check-cashing deadline	180 days after issuance
19 20	Deadline for Heffler to tender uncashed check funds to cy pres recipient Legal Aid at Work or redistribute such uncashed funds to Participating Individuals who cashed their Settlement Award checks	As soon as practicable after check-cashing deadline
21 22 23	Deadline for Heffler to provide written certification of completion of administration of the Settlement to counsel for all Parties and the Court	Within 21 business days after the distribution of any uncashed funds

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Date: September 24, 2021

Respectfully Submitted,

/s/ Michelle S. Lim
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Date: September 24, 2021

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CERTIFICATE OF SERVICE

I hereby certify that I electronically filed the foregoing document(s) with the Clerk of the Court for the United States District Court, Northern District of California, by using the Court’s CM/ECF system on September 24, 2021.

I certify that all participants in the case are registered CM/ECF users and that service will be accomplished by the Court’s CM/ECF system.

/s/ Stephen L. Taeusch
Stephen L. Taeusch

SIGNATORY ATTESTATION

The e-filing attorney hereby attests that concurrence in the content of the attached documents and authorization to file the attached documents has been obtained from the other signatory indicated by a conformed signature (/s/) within the attached e-filed documents.

/s/ Stephen L. Taeusch
Stephen L. Taeusch