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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF KERN

NATHAN PREISS, individually, and on behalf
of other members of the general public similarly
situated,

Plaintiff,

v.

FIORE MANAGEMENT LLC a/k/a
CANNDESCENT, LLC, a California limited
liability company; and DOES 1 through 100,
inclusive,

Defendants.

CASE NO.: BCV-20-100930

*Assigned for all purposes to the Honorable
David R. Lampe, Department 11*

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

Complaint Filed: April 8, 2020
Trial Date: Not Set

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1 This Joint Stipulation of Class Action and PAGA Settlement and Release (hereinafter
2 “Stipulation of Settlement”) is made and entered into by and between Plaintiffs NATHAN
3 PREISS and CAROLINE VILLASANTI (“Plaintiffs”) on the one hand, on behalf of themselves
4 and all other similarly situated former and current non-exempt employees of Defendant, and
5 Defendant FIORE MANAGEMENT LLC (“Defendant”) (collectively referred to as the
6 “Parties”) on the other hand.

7 Procedurally, the Parties attended a full-day Mediation on August 3, 2020, with mediator
8 Steven Rottman, Esq. via videoconference. With the assistance of Mr. Rottman and through
9 continued negotiations following mediation, the Parties reached the following binding
10 Settlement to globally resolve all class and representative wage and hour claims asserted in the
11 operative Complaint in the Action (on August 27, 2020, a First Amended Complaint was filed
12 alleging PAGA allegations and adding Plaintiff VILLASANTI as the PAGA representative).

13 This Stipulation of Settlement shall be binding on Plaintiffs and those persons they seek
14 to represent, and on Defendant and its past, current and future owners, parent companies,
15 subsidiaries, divisions, related or affiliated companies, including but not limited to, its past,
16 current and future owners, shareholders, officers, directors, fiduciaries, members, supervisory
17 committee members, volunteers, managers, employees, agents, attorneys, insurers, successors
18 and assigns, and any individual or entity who could be jointly and severally liable with any of
19 the foregoing, and their respective counsel, subject to the terms and conditions hereof and the
20 Court’s approval. The Stipulation of Settlement is also sometimes hereinafter referred to as
21 simply the “Settlement.”

22 **THE PARTIES HEREBY STIPULATE AND AGREE AS FOLLOWS FOR
23 SETTLEMENT PURPOSES ONLY:**

- 24 1. Plaintiffs and Defendant are collectively referred to herein as the “Parties.”
- 25 2. On April 1, 2020, Plaintiff Villasanti filed a Private Attorneys’ General Act
26 (“PAGA”) Complaint in the Santa Barbara County Superior Court on behalf of herself and all
27 other hourly California employees who worked for Defendant from January 28, 2019 through
28 the present, Case No. 20-CV01590 (“the Villasanti Action”). The Complaint alleged PAGA
representative claims only under California’s Private Attorneys General Act (Cal. Lab. Code

§2699, *et seq.*) for meal period and rest break violations, minimum wage violations, overtime violations, wage statement violations, failure to reimburse business expenses, failure to pay wages upon separation and related derivative claims. The Action was not filed as a class action because of the existence of legally binding Arbitration Agreements with class action waivers signed by Plaintiff Villasanti the majority of putative class member.

3. Prior to the filing of the original Complaint, on January 20, 2020, Plaintiff Villasanti also sent a notice to the Labor and Workforce Development Agency (“LWDA”) alleged claims for meal and rest period violations, minimum wage violations, overtime violations, wage statement violations, failure to reimburse business expenses, and failure to pay wages upon separation. On or about March 25, 2020, the sixty-five (65) day notice period expired as to all Defendants, and the LWDA did not take any action to investigate or prosecute this matter. Plaintiff Villasanti did not receive a written notice from the LWDA that it intended to investigate any of the claims outlined in the PAGA notice letter and, as a result, Plaintiffs were authorized to act as Private Attorneys General to negotiate and resolve any PAGA claims of the representative class on behalf of the LWDA.

4. On April 8, 2020, Plaintiff Preiss filed a class action complaint in Kern County Superior Court on behalf of himself and all other hourly employees who worked for Defendant from April 8, 2016, through the present, Case No. BCV-20-100930 (“the Preiss Action”). The Complaint alleged class action claims only (i.e., no claims brought under PAGA) for meal period and rest break violations, minimum wage violations, overtime violations, wage statement violations, failure to reimburse business expenses, failure to pay wages upon separation and related derivative claims. The Action was filed as a class action because Plaintiff Preiss was one of a relatively small number of putative class members who did not sign a legally binding Arbitration Agreement with a class action waiver.

5. The Preiss and the Villasanti actions will be collectively referred to as “the entire Action.”

6. On August 21, 2020, prior to the filing of this Stipulation of Settlement and for the sole purpose of facilitating the Settlement of the entire Action, the Parties filed a Joint Stipulation permitting Plaintiffs’ to file a First Amended Complaint alleging PAGA Claims for

1 meal period and rest break violations, minimum wage violations, overtime violations, wage
2 statement violations, failure to reimburse business expenses, failure to pay wages upon
3 separation and related derivative claims, with Plaintiff Villasanti as the PAGA representative.
4 The Court granted Plaintiff Preiss leave to file a First Amended Complaint and Plaintiffs Preiss
5 and Villasanti filed a First Amended Complaint on August 27, 2020, which will be deemed to
6 be the operative Complaint for the purposes of Settlement and approval of such Settlement terms
7 as set forth herein. Concurrently with the filing of the First Amended Complaint, Plaintiff
8 Villasanti requested dismissal without prejudice of the Villasanti action, which Judge Donna D.
9 Geck of the Santa Barbara Superior Court granted on or around August 28, 2020. In effect,
10 Plaintiffs have coordinated the Villasanti action and the Preiss action for the purposes of
11 resolving the entire Action pursuant to the terms of this Stipulation of Settlement.

12 7. It is the intention of the Parties to settle this Action as both a class action and
13 PAGA representative action. If the Court does not approve of any of the terms of the Settlement,
14 the parties expect this Action to proceed as a combined class and PAGA action with both
15 Plaintiffs Villasanti and Preiss for judicial efficiency and fairness. However, Defendant reserves
16 all rights to assert Arbitration Agreements with class action waivers as a defense to any claims
17 of Plaintiffs or the putative class members. Plaintiffs stipulate not to challenge Defendant's
18 raising of Arbitration Agreements as a defense in this matter and to compel binding Arbitration,
19 if needed. Plaintiffs stipulate to not asserting any waiver, delay or other arguments as to the
20 Arbitration Agreements of former and current employees.

21 8. Plaintiffs' First Amended Complaint alleges claims on behalf of the putative
22 class and PAGA representative class for: (1) Violation of California Labor Code §§ 510 and
23 1198 (Unpaid Overtime); (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid
24 Meal Period Premiums); (3) Violation of California Labor Code §§ 226.7 (Unpaid Rest Period
25 Premiums); (4) Violation of California Labor Code §§ 1194 and 1197 (Unpaid Minimum
26 Wages); (5) Violation of California Labor Code § 201 and 202 (Final Wages Not Timely Paid);
27 and (6) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements); (7)
28 Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses); (8)
Violation of California Labor Code §§ 2968 et seq. (Private Attorneys General Act of 2004);

1 and (9) Violation of California Business & Professions Code § 17200, et seq. The First Amended
2 Complaint seeks to recover alleged unpaid wages, meal period and rest break premiums,
3 statutory penalties, civil penalties, interest, and attorneys' fees and costs, on behalf of all hourly
4 California employees of Defendant during the Class Period as defined herein.

5 9. Defendant adamantly denies all material allegations set forth in the original
6 Complaints filed in both the Preiss and Villasanti Actions, the First Amended Complaint filed
7 in the Preiss Action, as well as the January 20, 2020, PAGA notice letter sent to the LWDA.

8 10. The Class Period runs from April 8, 2016 through the date of entry of an Order
9 by this Court granting preliminary approval of a global class action and PAGA representative
10 settlement issued by the Kern County Superior Court and approving of this Stipulation of
11 Settlement ("Class Period"). The Class Period is inclusive of the PAGA period, which runs from
12 January 8, 2018 through the date of entry of an Order by this Court granting preliminary approval
13 of settlement.

14 11. Plaintiffs have not filed a motion for class certification in this action nor has a
15 date been set by the Court for the filing of such a motion. Moreover, no trial dates or related
16 dates have been set by the Court.

17 12. The entire Action was resolved through arms-length negotiations based on
18 informal discovery exchanged for the purposes of mediating this matter before Steve Rottman
19 on August 3, 2020. A representative, statistically significant sample of time and payroll records
20 were exchanged for the purposes of the August 3, 2020 mediation. Likewise, Plaintiffs' counsel
21 requested and obtained approximately 14 employee personnel files of former employees of
22 Defendant prior to the August 3, 2020 mediation. Interviewing these individuals, along with
23 requesting and reviewing their personnel files, resulted in an understanding of the issues likely
24 to be presented in this litigation. Following mediation, there have been on-going investigations
25 and an exchange of additional information.

26 13. For purposes of this Settlement, the "Settlement Class" or "Class Members" shall
27 consist of all non-exempt, hourly employees who were employed by Defendant Fiore
28 Management LLC in the State of California, at any time, during the Class Period. The

1 Settlement Class, however, shall not include any person who submits a timely and valid Request
2 for Exclusion as provided for in this Stipulation of Settlement below.

3 14. For the sole purpose of settling the Action, the Parties stipulate and agree that the
4 requisites for establishing class certification with respect to the Settlement Class have been met
5 and are met. More specifically, the Parties stipulate and agree for the purpose of settling the
6 Action only that:

7 a. The Settlement Class is ascertainable and so numerous as to make it
8 impracticable to join all Class Members.

9 b. There are common questions of law and fact including, but not limited to, the
10 following:

11 i. Whether Defendant complied with applicable laws affecting Plaintiffs
12 and the Settlement Class under the California Labor Code and the Wage Orders of the California
13 Industrial Welfare Commission; and

14 ii. Whether Plaintiffs and the Settlement Class are entitled to alleged wages,
15 premiums, penalties, interest, and attorneys' fees and costs.

16 c. Plaintiffs believe their claims are typical of the claims of the members of the
17 Settlement Class.

18 d. Plaintiffs believe they will fairly and adequately protect the interests of the
19 Settlement Class, and that Douglas Han, Shunt Tatavos-Gharajeh, and Phillip Song of Justice
20 Law Corporation should be "Class Counsel," and will fairly and adequately protect the interests
21 of the Settlement Class.

22 e. The prosecution of separate actions by individual members of the Settlement
23 Class would create the risk of inconsistent or varying adjudications, which would establish
24 incompatible standards of conduct.

25 f. With respect to the Settlement Class, Plaintiffs believe that questions of law and
26 fact common to the members of the Settlement Class predominate over any questions affecting
27 any individual member in such Class, and a class action is superior to other available means for
28 the fair and efficient adjudication of the controversy.

1 15. Defendant adamantly denies any liability or wrongdoing of any kind whatsoever
2 associated with the claims alleged in the Action, the First Amended Complaint or the LWDA
3 notice letter, that Plaintiffs are adequate representatives to allege class and/or representative
4 claims, including possessing standing under PAGA, and further denies that, for any purpose
5 other than settlement, this Action is appropriate for class or representative treatment. With
6 respect to Plaintiffs' claims, Defendant contends, among other things, that it has complied with
7 all applicable state, federal and local laws affecting Plaintiffs and the Settlement Class.

8 16. It is the desire of the Parties to fully, finally and forever settle, compromise and
9 discharge all disputes and claims arising from the allegations and causes of action stated in the
10 entire Action. To achieve a full and complete release of Defendant and the specific additional
11 entities/persons identified herein, each Class Member acknowledges that this Stipulation of
12 Settlement is intended to include in its effect all claims contained in the Complaint in the
13 Villasanti action, the original Complaint in the Preiss action, the First Amended Complaint, the
14 LWDA notice letter and any additional wage and hour claims that could have been brought
15 based on the facts alleged in the Complaint, through the date of entry of an Order granting
16 preliminary approval of class action and PAGA settlement and granting a full release of the
Released Parties (as those entities are defined herein).

17 17. Counsel for the Settlement Class have conducted a thorough investigation into
18 the facts of this Action and have diligently pursued an investigation of Class Members' claims
19 against Defendant. Based on their own independent investigation and evaluation, Class Counsel
20 are of the opinion that the Settlement with Defendant for the consideration and on the terms set
21 forth in this Stipulation of Settlement is fair, reasonable and adequate and is in the best interest
22 of the Settlement Class in light of all known facts and circumstances, including the risk of
23 significant delay, the presence of legally enforceable Arbitration Agreements with class action
24 waivers, the risk the Settlement Class will not be certified by the Court, defenses asserted by
25 Defendant and numerous potential appellate issues. Defendant and its counsel also agree that
26 the Settlement is fair and in the best interest of the Parties.

18. The Parties will cooperate and take all steps necessary as appropriate to consummate this Settlement and for entry of judgment in accordance with this Joint Stipulation of Class Action and PAGA Settlement and Release.

19. This Settlement provides for a claims process requiring Defendant to pay Settlement Awards (defined below) according to a specified formula on each timely and valid claim submitted. The “Maximum Settlement Amount” (“MSA”) under the Settlement is up to Six Hundred Thousand Dollars and No Cents (\$600,000.00) on a claims-made, reversionary basis, including the Settlement Awards, the attorneys’ fees and litigation costs to Class Counsel, costs and expenses directly or indirectly related to the Action (which includes all such fees, costs, expenses incurred to date, as well as such fees, costs, expenses incurred in documenting the Settlement, securing approval of the Settlement, administering and obtaining a judgment and dismissal of the Action before the Court), the Enhancement Awards to the two Class and PAGA Representatives, the claims administration costs, the PAGA award to the LWDA, penalties, and attorneys’ fees and costs, and any taxes or portions of taxes including the employer’s share of payroll taxes, and any other payments provided by the Settlement. It is understood and agreed that Defendant’s maximum total liability under the Settlement shall not exceed the MSA (i.e., \$600,000.00) for any reason whatsoever. It is further understood and agreed that the Settlement includes a minimum payout to Class Members (or settlement floor) which is forty percent (40%) of the Net Settlement Amount (defined below). It is further understood and agreed that Defendant shall have no obligation to pay any person, entity or organization in excess of the Maximum Settlement Amount above, for any cause or reason and the Court cannot increase the MSA.

TERMS OF SETTLEMENT

20. NOW THEREFORE, in consideration of the mutual covenants, promises and agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

a. It is agreed by and among Plaintiffs and Defendant that this Action and any claims, damages or causes of action arising out of the Complaint in the Villasanti Action, the Complaint in the Preiss Action, the First Amended Complaint or Notice to the LWDA (letter notice) which are the subject of this Action, be settled and compromised as between the

1 Settlement Class and Defendant, subject to the terms and conditions set forth in this Stipulation
2 of Settlement and the approval of the Court.

3 b. Effective Date: The Settlement embodied in this Stipulation of Settlement shall
4 become “Effective” when all of the following events have occurred: (i) this Stipulation of
5 Settlement has been executed by all Parties and by counsel for the Class and Defendant; (ii) the
6 Court has given and entered preliminary approval of the Settlement; (iii) the Class Notice has
7 been given to the Settlement Class, providing them with an opportunity to submit a claim form
8 to participate in the Settlement, object or to opt-out of the Settlement; (iv) the Court has held a
9 formal final fairness hearing and entered an order of final approval and a judgment certifying
10 the Settlement Class and finally approving of this Stipulation of Settlement and the terms; and
11 (v) in the event there are written objections filed prior to the formal fairness hearing which are
12 not later withdrawn, the later of the following events: when the period for filing any appeal, writ
13 or other appellate proceeding opposing the Settlement has elapsed without any appeal, writ or
14 other appellate proceeding having been filed; or any appeal, writ or other appellate proceeding
15 opposing the Settlement has been dismissed finally and conclusively with no right to pursue
16 further remedies or relief; or any appeal, writ or other appellate proceeding has upheld the
17 Court’s final order with no right to pursue further remedies or relief (no more appeals).

18 In this regard, it is the intention of the Parties that the Settlement shall not become
19 Effective until the Court’s entry of an order approving the Settlement as completely final, and
20 there is no further recourse by a Class Member, an appellant or objector who seeks to contest
21 the Settlement. It is further agreed by the Parties that this Settlement will not become Effective
22 if Defendant, contrary to Paragraph 19 above, is required to pay more than the total amount of
23 its maximum total liability under the Settlement as set forth in Paragraph 19 under any
24 circumstances. It is further agreed by and between the Parties that this Settlement shall not
25 become Effective, and Defendant shall not have any obligation (monetary or otherwise) under
26 the terms of this Settlement, unless and until any objections, writs and/or appeals, and any rights
27 of appeal with respect to any objections or the judgment, have been finally exhausted and
28 resolved upholding the terms of this Settlement.

 c. Maximum Settlement Amount and Net Settlement Amount: To implement the

1 terms of this Settlement, Defendant Fiore Management LLC agrees to pay up to Six Hundred
2 Thousand Dollars and No Cents (\$600,000.00) (“MSA” or “Maximum Settlement Amount”) on
3 a claims-made, reversionary basis, with a forty percent (40%) floor (i.e., in no event shall
4 Defendant pay less than forty percent (40%) of the Net Settlement Amount allocated to Class
5 Member payments). Any amount not claimed by Class Members beyond the forty percent (40%)
6 settlement floor shall remain Defendant’s sole and exclusive property and will revert back to
7 Defendant automatically. This Maximum Settlement Amount will include all Class Member
8 payments, the PAGA penalty payment to the LWDA, the Class and PAGA Representative
9 Enhancements, attorneys’ fees, costs, third-party administration costs, and the employer’s share
10 of the payroll taxes. Defendant’s obligation to pay the Maximum Settlement Amount shall bind
11 its successors and assigns and they cannot sell their business without ensuring that the payment
12 obligation identified herein will be assumed by the new purchaser or, alternatively, that full
13 payment of the Maximum Settlement Amount shall occur as part of the sale notwithstanding
14 any payment schedule identified in this Stipulation of Settlement.

15 The “Net Settlement Amount” or “NSA” is the amount available for potential
16 distribution to Class Members, and shall be calculated by deducting from the Maximum
17 Settlement Amount: (i) Class Counsel’s attorneys’ fees and litigation costs through final
18 approval and judgment, (ii) the Class and PAGA Representative Enhancement Awards, (iii) the
19 PAGA penalty payment to the LWDA as described further below, (iv) the fees and expenses of
20 the Claims Administrator and (v) Defendant’s share of payroll taxes. Settlement Awards to the
21 Class Members who file valid and timely claims will be calculated by the Claims Administrator
22 and paid out of the Net Settlement Amount as set forth below. The Net Settlement Amount will
23 include a forty percent (40%) settlement floor for actual distribution to Class Members
(discussed further below).

24 After reviewing Defendant’s pertinent financial records, Plaintiffs agree that a
25 revisionary settlement with a 40% settlement floor is proper manner to calculate the Net
26 Settlement Amount. Defendant’s financial status does not permit for a fair alternative structure
27 without risking Defendant’s viability as a business and endangering the continued employment
28 of the class members. Documents evidencing Defendant’s financial condition may be filed under

1 seal as part of the approval process for this settlement.

2 Any amounts comprising part of the Maximum Settlement Amount that are not approved
3 by the Court, or are unclaimed by Class Members, shall revert to and be the exclusive property
4 of Defendant.

5 i. Settlement Awards to Class Members: Settlement Awards to Class
6 Members will be determined based on the number of weeks worked by all Class Members during
7 the Class Period based on information provided by Defendant. Defendant's records are
8 presumed to be accurate as they are normal business records. The workweeks will be calculated
9 by the Claims Administrator for Class Members by dividing the total days employed as a Class
10 Member during the Class Period by seven. Defendant's workweek data will be presumed to be
11 correct, unless a particular Class Member proves otherwise to the Claims Administrator with
12 credible written evidence. All workweek disputes will be resolved and decided by the Claims
13 Administrator, and the Claims Administrator's decision on all workweek disputes will be final
14 and non-appealable. Prior to distribution of the Claim Form, the Claims Administrator shall
15 calculate the individual Settlement Awards for Class Members by the following formula. The
16 amount to be paid per workweek to eligible Class Members will be calculated by the Claims
17 Administrator by: (1) dividing the Net Settlement Amount by the number of workweeks worked
18 by each Class Member during the Class Period to arrive at each Class Member's estimated
19 individual Settlement Award. As provided by this formula, the sum total of all individual
20 Settlement Awards shall not exceed the Net Settlement Amount. This estimated individual
21 Settlement Award shall be identified on the Claim Form, and Class Members must submit a
22 timely and valid Claim Form to be eligible to collect their individual Settlement Award. For
23 any Class Member who fails to submit a timely and valid Claim Form, the unclaimed amount
24 will remain the property of Defendant and it will automatically revert to the Defendant without
25 any further action. If less than forty percent (40%) of the Net Settlement Amount is claimed by
26 Class Members who submit timely and valid claims, the participating Class Members will have
27 their individual Settlement Awards increased, pro rata, until forty percent (40%) of the Net
28 Settlement Amount is distributed. Any person who opts-out of the Settlement is not a Class
Member and is ineligible to object to the Settlement or to participate in the Settlement.

1 ii. Private Attorneys General Act Allocation: The Parties have agreed to
2 allocate \$10,000.00 to claims under PAGA. Seventy-five percent (75%) of this amount, or in
3 other words \$7,500.00, will be paid out of the Maximum Settlement Amount to the LWDA of
4 the State of California, and the remaining balance of \$2,500.00 will remain included in the Net
5 Settlement Amount for Class Members. Plaintiffs' Counsel will promptly notify the LWDA of
6 the Settlement, seek approval of the Settlement, and perform any and all statutory tasks as
7 required by law in order to fully comply with all PAGA rules and procedures relating to any
8 PAGA settlements.

9 iii. Allocation of Settlement Awards: The Parties have agreed, based on the
10 allegations in Villasanti Action, the Preiss Action, the First Amended Complaint and the Notice
11 to the LWDA (notice letter), that individual Settlement Awards payable to eligible Class
12 Members will be allocated from the Net Settlement Amount as thirty-three and one third percent
13 (33 1/3%) as wages for which IRS Forms W-2 will issue (the "Wage Component"), thirty-three
14 and one third percent (33 1/3%) as alleged penalties and thirty-three and one third percent (33
15 1/3%) as alleged interest for which IRS Forms 1099-MISC will issue from the Claims
16 Administrator. The Wage Component shall be reported on a W-2 Form and will be provided to
17 each participating Settlement Class Member. From each Class Member's Wage Component, the
18 employee's portion of employment taxes shall be made, including payroll deductions for state
19 and federal withholding taxes, and any other applicable payroll deductions, owed by the Class
20 Member as a result of the payment, resulting in a "Net Wage Component." No withholding shall
21 be made on the non-wage components of the Settlement.

22 The Defendant will not offer or provide any tax advice to Class Members concerning
23 their responsibility for taxes, if any, on payments they receive from this Settlement, and
24 Defendant will be held harmless from any liability for failure to pay taxes by any Class Member,
25 Class Counsel or any other party or entity.

26 iv. Settlement Awards Do Not Trigger Additional Benefits: All Settlement
27 Awards to Class Members shall be deemed to be income to such Class Members solely in the
28 year in which such awards are actually received by the Class Members. It is expressly
understood and agreed that the receipt of such Settlement Awards will not entitle any Class

1 Member to additional compensation or benefits under any company retirement, sick, vacation,
2 bonus, contest or other compensation or benefit plan or agreement in place during the period
3 covered by the Settlement, nor will it entitle any Class Member to any increased retirement,
4 401(k) benefits or matching benefits, or deferred compensation benefits. It is the intent of this
5 Settlement that the Settlement Awards provided for in this Stipulation of Settlement are the sole
6 payments to be made by Defendant to the Class Members in connection with this Settlement,
7 and that the Class Members are not entitled to any new or additional compensation or benefits
8 as a result of having received the Settlement Awards (notwithstanding any contrary language or
9 agreement in any benefit or compensation plan document that might have been in effect during
10 the period covered by this Settlement).

11 v. Attorneys' Fees and Litigation Costs: Subject to Court approval or
12 modification, Defendant further agrees to pay Class Counsel's attorneys' fees and litigation
13 costs as set forth in Paragraph 21 below. These fees and costs may be paid to Class Counsel as
14 they are received from Defendant provided and Order of Final Approval of this Stipulation of
15 Settlement has been granted and entered by the Court into the record. However, in no event will
16 this occur prior to the date the Settlement becomes Effective as defined in Paragraph 20.b. The
17 Claims Administrator may purchase an annuity to utilize US treasuries and bonds or other
18 attorney fee deferral vehicles for Class Counsel.

19 vi. Class and PAGA Representatives: The Parties agree to the designation
20 of Plaintiff Villasanti as "the PAGA Representative," Plaintiff Preiss as "the Class
21 Representative," (collectively the "Class and PAGA Representatives"). Subject to Court
22 approval, Plaintiffs will receive separate Class and PAGA Representative Enhancement Awards
23 of \$10,000.00 each. Defendant agrees not to challenge the Class and PAGA Representative
24 Enhancement Awards so long as they are within the threshold identified in this subparagraph.
25 The Class and PAGA Representative Enhancement Awards cannot exceed the amount identified
26 herein, and is in addition to any claimed individual Settlement Award to which Plaintiffs are
27 entitled as Class Members. The Class and PAGA Representative Enhancement Awards are to
28 be part of, and to be deducted from, the Maximum Settlement Amount. The Claims
Administrator will issue an IRS Form 1099-MISC for the Class and PAGA Representative

1 Enhancement Awards to Plaintiffs for their service as Class and PAGA Representatives, and
2 Plaintiffs will be responsible for correctly characterizing this compensation for tax purposes and
3 for paying any taxes on the amounts received. Should the Court approve the Class and PAGA
4 Representative Enhancement Awards to the Class and PAGA Representatives in an amount less
5 than the amount set forth above, the difference between the lesser amount approved by the Court
6 and the Class and PAGA Representative Enhancement Awards set forth above shall be added to
7 the Net Settlement Amount for use by Class Members. The Class and PAGA Representative
8 Enhancement Awards may be paid as the funds are received from Defendant provided an Order
9 of Final Approval of this Stipulation of Settlement has been granted and entered by the Court
10 into the record. However, in no event will this occur prior to the date the Settlement becomes
11 Effective as defined in Paragraph 20.b.

12 vii. Claims Administrator: The “Claims Administrator” will be Simpluris or
13 such other claims administrator as may be mutually agreeable to the Parties and approved by the
14 Court. The fees of the Claims Administrator for work done shall be paid by Defendant out of
15 the Maximum Settlement Amount. These costs may be paid as the funds are received from
16 Defendant provided an Order of Final Approval of this Stipulation of Settlement has been
17 granted and entered by the Court on the record and shall not exceed ten thousand dollars
18 (\$10,000.00). However, in no event will this occur prior to the date the Settlement becomes
19 Effective as defined in Paragraph 20.b.

20 viii. Mailing of Settlement Awards: The Claims Administrator will cause the
21 Settlement Awards to be mailed to the Class Members within 14 calendar days after the Claims
22 Administrator receives the final funds from Defendant as outlined in Paragraph 20.c.x, but in no
23 event will this occur prior to the date the Settlement becomes Effective as defined in Paragraph
24 20.b.

25 ix. Claim Forms: For each Class Member, there will be pre-printed
26 information on a Claim Form mailed to Class Members, based on Defendant’s business records,
27 stating the number of weeks worked as a Class Member during the Class Period, along with each
28 Class Member’s estimated Settlement Award amount. The pre-printed information based on
Defendant’s records shall be presumed to be correct, unless credible written evidence to the

contrary is provided to the Claims Administrator (i.e. verbal claims alone are invalid). Former and current non-exempt, hourly California employees are required to submit a written, valid, timely and signed Claim Form to the Claims Administrator which must include the last four (4) digits of the Class Member's Social Security Number entered by the Class Member (for identification and verification purposes) in order to receive their share of the Net Settlement Amount. However, Plaintiffs, by virtue of signing this Stipulation of Settlement, will be deemed to have submitted a valid and timely claim and need to take no further action. A Class Member may challenge the pre-printed information on the Claim Form as to the number of weeks worked during the Class Period by submitting credible written evidence to the Claims Administrator along with the Claim Form. All disputes regarding weeks worked will be resolved and decided by the Claims Administrator, and the Claims Administrator's decision on all disputes will be final and binding. All Claim Forms must be completed in their entirety to be considered valid, including signing under penalty of perjury and providing the last four (4) digits of their Social Security Number for identification and confirmation purposes. Any missing information will make the Claim Form invalid.

x. Payment Schedule: Payment shall be separated into two separate and equal payments. The first of those payments comprising one half of the NSA (calculated after claims are made and known), one half of Class Counsel's attorneys' fees and litigation costs through final approval and judgment, one half of the Class and PAGA Representative Enhancement Awards, one half of the PAGA penalty payment to the LWDA as described further below, one half of the fees and expenses of the Claims Administrator, and one half Defendant's share of payroll taxes will be due and funded no sooner and no later than June 1, 2021. The second of those payments comprising the second half of the NSA (calculated after claims are made and known), the second half of Class Counsel's attorneys' fees and litigation costs through final approval and judgment, the second half of the Class and PAGA Representative Enhancement Awards, the second half of the PAGA penalty payment to the LWDA as described further below, the second half of the fees and expenses of the Claims Administrator, and the second half Defendant's share of payroll taxes shall be paid no sooner and no later than December 1, 2021. In any event, Defendant is not required to make the initial payment for this

1 Settlement until after June 1, 2021 even if the Effective Date or final approval of the Settlement
2 is granted and entered by the Court into the record. Likewise, in any event, Defendant is not
3 required to make the second payment for this Settlement until after December 1, 2021 even if
4 the Effective Date or final approval of Settlement is granted and entered by the Court into the
5 record.

6 d. Right to Rescission: If ten percent (10%) or more of the Settlement Class opts-
7 out of the Settlement Class by submitting valid and timely Requests for Exclusion as set forth
8 in the Notice of Pendency of Class Action Settlement, Defendant shall have the right (but need
9 not) in its sole discretion to rescind and void the entire Settlement, before Final Approval by the
10 Court, by providing written notice to Class Counsel at least twenty-one (21) calendar days after
11 the end of the Claims Period, provided the Claims Administrator has previously furnished
12 Defendant with the final number and percentage of valid and timely Requests for Exclusion. If
13 Defendant exercises this option, Defendant shall pay only costs of Settlement administration
14 incurred up to that date. Defendant shall not be responsible for paying any of the attorneys' fees
15 or costs set forth in this Stipulation of Settlement, or any other fees and/or costs incurred by
16 Class Counsel to effectuate this Stipulation of Settlement. Defendant's termination of this
17 Settlement shall have the same effect as would non-approval of the Settlement by the Court: the
18 Parties shall revert to their previous positions, with all parties to this Settlement to stand in their
19 same position, without prejudice, as if the Stipulation of Settlement had been neither entered
20 into nor filed with the Court, and Defendant will not stipulate to class certification and will
21 contend that a PAGA representative action is not appropriate. Defendant does not stipulate this
22 action may proceed as a class action as to each Class Member that has signed an Arbitration
23 Agreement with a class action waiver. Plaintiffs stipulate they will not assert any waiver, delay
24 or any other theories regarding the class action allegations or the enforcement of the Arbitration
25 Agreements with class action waivers.

26 CLAIMS ADMINISTRATION

27 21. The Parties have agreed to the appointment of Simpluris to perform the
28 customary duties of Claims Administrator; provided, however, the Parties shall have the right
to select or substitute a different Claims Administrator by mutual agreement and approval by

1 the Court. Former and current non-exempt, hourly California employees are required to submit
2 a written, valid, timely, signed and complete Claim Form under penalty of perjury which
3 includes the last four (4) digits of the Class Member's Social Security Number written on the
4 actual Claim Form sent to the Claims Administrator in order to receive their share of the Net
5 Settlement Amount. The Claims Administrator will mail the Notice of Pendency of Class Action
6 Settlement and Claim Form to all Class Members. The Claims Administrator will independently
7 review the Claim Forms and Defendant's data, based on Defendant's records, as to the number
8 of weeks worked during the Class Period and will calculate the amounts due to Class Members
9 in accordance with this Stipulation of Settlement. The Claims Administrator shall report, in
10 summary or narrative form, the substance of its findings. At the request of Defendant, and upon
11 receipt of funds from Defendant, the Claims Administrator will issue and send out Settlement
12 Award checks to Class Members who filed valid and timely claims. Defendant will make its
13 second and final payment on the later date of December 1, 2021 or as set forth herein should
14 judgment be entered on a later date. The Parties shall be able to review proposed distributions
15 (with names and identifying information redacted) and class workweek data in order to ensure
16 correct and accurate representations are made to Class Members through the Class Notice. Tax
17 treatment of the Settlement Awards will be as set forth herein, and in accordance with state,
18 federal and local tax laws. All disputes relating to the Claims Administrator's performance of
19 its duties shall be referred to the Court, if necessary, which will have continuing jurisdiction
20 over the terms and conditions of this Stipulation of Settlement until all payments and obligations
21 contemplated by this Stipulation of Settlement have been fully carried out.

ATTORNEYS' FEES AND LITIGATION COSTS

22 22. In consideration for settling this Action, in exchange for the release of claims by
23 the Settlement Class, and subject to final approval or modification by the Court, Defendant
24 agrees to pay Class Counsel attorneys' fees not to exceed thirty-three and one-third (33 1/3) of
25 the Maximum Settlement Amount, or in other words up to \$200,000.00 of the Maximum
26 Settlement Amount, and attorneys' costs not to exceed \$15,000.00 from the Maximum
27 Settlement Amount. Defendant will not object to Class Counsel's application for attorneys' fees
28 and litigation costs up to these amounts. The amounts set forth above will cover all work

1 performed and all fees and costs incurred to date, and all work to be performed and all fees and
2 costs to be incurred in connection with the approval by the Court of this Stipulation of
3 Settlement, the administration of the Settlement, and obtaining the Final Approval and
4 judgment. Class Counsel certifies that no liens for attorneys' fees or any further claims for
5 attorneys' fees based on referrals to Class Counsel's firm exist and agrees to indemnify
6 Defendant against any claim for attorneys' fees by any third-party beyond the amount provided
7 for in this Settlement. Should the Court approve lesser amounts for attorneys' fees and litigation
8 costs, the difference between the lesser amounts and the maximum amounts set forth above shall
9 be added to the Net Settlement Amount for Class Members.

10 **NOTICE TO THE CLASS**

11 23. A Notice of Pendency of Class Action Settlement and Hearing Date for Final
12 Court Approval ("Class Notice") shall be jointly drafted by the Parties, and as approved by the
13 Court, shall be sent by the Claims Administrator to the Class Members by first class mail.
14 Accompanying the Class Notice will be a Claim Form that shall be jointly drafted by the Parties
15 and as approved by the Court. Any returned envelopes from this mailing with forwarding
16 addresses will be used by the Claims Administrator to forward the Class Notice and the Claim
17 Form to Class Members. Former and current non-exempt, hourly California employees are
18 required to submit a written, valid, timely and signed Claim Form under penalty of perjury which
19 includes the last four (4) digits of their Social Security Number written on the Claim Form by
20 the Class Member to the Claims Administrator in order to receive their share of the Net
21 Settlement Amount. Any Claim Forms that are not completed, signed under penalty of perjury
22 and/or have the last four digits of the Social Security Number missing or not entered by the Class
23 Member shall be deemed defective and void.

24 a. Within 14 calendar days of entry of an Order of Preliminary Approval of this
25 Stipulation of Settlement by the Court, Defendant shall provide to the Claims Administrator a
26 confidential spreadsheet of the Class Members' names, last-known home addresses, last-known
27 home telephone numbers if available, Social Security Numbers or Federal Employment
28 Identification Numbers, and hire and termination dates during the Class Period so weeks worked
can be calculated by the Claims Administrator. The Parties agree the Social Security Numbers

1 will be used only by the Claims Administrator for the sole purpose of identification,
2 confirmation of being a Class Member and effectuating the Settlement and will not be provided
3 to Class Counsel at any time or in any form, except as may be specifically necessary to address
4 any specific issues with the claims process. The Claims Administrator will provide Defendant
5 with a signed Confidentiality Agreement (or similar agreement) confirming it will handle the
6 sensitive Class Member private information in a secure manner with limited access. In the event
7 of Class Member outreach and/or further investigation to locate Class Members is necessary to
8 increase the Class Members' participation rate in the Settlement, or to resolve disputes relating
9 to Class Members' estimated share of the Net Settlement Amount, the Parties will meet and
10 confer regarding provision of the contact information and/or workweek information to Class
11 Counsel for this limited purpose. The spreadsheet provided for above, shall be based on
12 Defendant's payroll and other business records and in a reasonable format acceptable to the
13 Claims Administrator. Defendant agrees to consult with the Claims Administrator prior to the
14 production date to ensure that the format will be acceptable to the Claims Administrator and to
15 agree upon the language in a Confidentiality Agreement. The Claims Administrator will run a
16 check of the Class Members' addresses against those on file with the U.S. Postal Service's
17 National Change of Address ("NCOA") List; this check will be performed only once per Class
18 Member by the Claims Administrator. Within 28 calendar days of Preliminary Approval of this
19 Settlement, the Claims Administrator will mail the Class Notice and the Claim Form to Class
20 Members.

21 b. Class Notices and Claim Forms returned to the Claims Administrator as
22 non-delivered during the forty-five (45) calendar day period for the filing of timely and valid
23 claims shall be re-sent to the forwarding address, if any, on the returned envelope. If there is no
24 forwarding address, the Claims Administrator will do an NCOA check and one skip-trace return
25 mail and re-mail the Class Notice and Claim Form within five (5) calendar days of receipt using
26 the Class Member's Social Security Number; this search will be performed only once per Class
27 Member by the Claims Administrator. Upon completion of these steps by the Claims
28 Administrator, Defendant and the Claims Administrator shall be deemed to have satisfied their
obligations to provide the Notice of Pendency of Class Action Settlement to the affected member

1 of the Settlement Class. The affected member of the Settlement Class shall remain a member
2 of the Settlement Class and shall be bound by all the terms of the Stipulation of Settlement and
3 the Court's Final Approval Order and Final Judgment.

4 c. The Notice of Pendency of Class Action Settlement shall also identify the
5 procedures for opting-out of or objecting to the Settlement.

6 d. Class Counsel shall provide to the Court, at least 16 Court days before the final
7 approval fairness hearing, a declaration from the Claims Administrator of its due diligence and
8 proof of mailing with regard to the mailing of the Notice of Pendency of Class Action Settlement
9 and the Claim Form. It shall also set forth the number of Class Notices and Claim Forms mailed,
10 the number of invalid claims, the percentage of valid claims made and other usual data.

11 **CLAIM PROCESS**

12 24. Class Members will have forty-five (45) calendar days from the mailing of the
13 Claim Forms within which to postmark their Claim Forms for return to the Claims Administrator
14 ("Claims Period"). No Claim Forms will be honored if postmarked after the forty-five (45)
15 calendar-day period for the postmarking of Claims, unless otherwise agreed to by the Parties
16 and their counsel. Class Members are responsible to maintain a photocopy of the fully
17 completed Claim Form and a record or proof of mailing. The Parties will meet and confer on
late claims and may agree to accept claims provided good cause is shown.

18 25. All original Claim Forms shall be sent directly by Class Members to the Claims
19 Administrator at the address indicated on the Claim Form. The Claims Administrator shall
20 review the Claim Forms and calculate the Settlement Awards based upon the number of valid
21 claims submitted. The Claims Administrator will certify jointly to Class Counsel and
22 Defendant's Counsel what claims were valid, complete and timely filed. Settlement Award
23 checks comprising one half of Class Members' Settlement Awards will be mailed by the Claims
24 Administrator no sooner than fourteen (14) calendar days after receipt of the first payment of
25 Settlement Funds from Defendant pursuant to the payment schedule identified above (in other
26 words, no sooner than June 15, 2021) provided the Settlement becomes Effective as defined in
27 Paragraph 20.b. Settlement Award checks comprising the second half of Class Members'
28 Settlement Awards will be mailed by the Claims Administrator no sooner than fourteen (14)

1 calendar days after receipt of the second payment of Settlement funds from defendant pursuant
2 to the payment schedule identified above (in other words, no sooner than December 15, 2021)
3 provided the Settlement becomes Effective as defined in Paragraph 20.b. Settlement Award
4 checks shall remain valid and negotiable for 180 calendar days from the date of their issuance;
5 upon the deadline to cash the Settlement Award checks, the checks will automatically be
6 cancelled by the Claims Administrator if not cashed by the Class Member within that time, at
7 which point the Class Member's claim will be deemed void and of no further force or effect,
8 and the Class Member's claims will remain released by the Settlement. The checks provided to
9 Class Members shall prominently state the expiration date or a statement that the checks will
10 expire in one hundred eighty (180) calendar days, or alternatively, such a statement may be made
11 in a letter accompanying the check. Expired Settlement Award checks will not be reissued,
12 except for good cause and as mutually agreed by the Parties in writing.

13 26. For the purposes of satisfying the 40% floor of the Net Settlement Amount, any
14 residue from uncashed Settlement Award checks after the expiration date will be paid out
15 pursuant to Code of Civil Procedure section 384(b)(3) to Koreatown Immigrant Workers
16 Alliance, with it being allocated this unpaid cash residue under the doctrine of *cypres*. However,
17 if Defendant has paid out 40% of the Net Settlement Amount, any additional unclaimed funds
18 shall not be paid out pursuant to section 384(b)(3), and instead shall revert to Defendant is its
19 sole and exclusive property. Upon completion of its calculation of payments, the Claims
20 Administrator shall provide Defendant with a report listing the amount of all payments to be
21 made to each Class Member (unredacted). The Claims Administrator will be responsible for
22 making appropriate deductions, calculating and reporting the employer's share of payroll taxes
23 on the Settlement Awards, paying to Class Counsel any Court-approved attorneys' fees and
24 litigation costs to the extent any further payment is required, paying to the Class and PAGA
25 Representatives any Court-approved Class and PAGA Representative Enhancement Awards to
26 the extent any further payment is required, paying the LWDA seventy-five percent (75%) of the
27 amount allocated for PAGA penalties above, meeting tax reporting obligations, and for issuing
28 the individual Settlement Awards to Class Members. Proof of compliance with the Court's Final

Approval order, if any, will be filed with the Court within twenty-one (21) calendar days after all payment obligations and the check cashing deadline for Class Members has passed.

OPTING OUT OF / OBJECTING TO THE SETTLEMENT

27. Opting Out of the Settlement. For those Class Members who do not wish to participate in the Settlement, such Class Members may exclude themselves by submitting a timely written request to the Claims Administrator. The written request (“Request for Exclusion”) should state that he/she has received the Notice of Pendency of Class Action Settlement and Claim Form, decided not to participate in the Settlement, and words to the effect that he/she desires to be excluded from the Settlement. The Request for Exclusion must also state the individual’s full name, address, last four (4) digits of their Social Security Number, their date of birth and be signed under penalty of perjury by the Class Member to be considered valid. The Request for Exclusion must be dated and mailed by First Class U.S. Mail, or the equivalent, to the Claims Administrator. All Requests for Exclusion must be postmarked and mailed to the Claims Administrator no later than forty-five (45) calendar days after the Claims Administrator mails the Class Notice and the Claim Form to the Class Members. Any individual who submits a Request for Exclusion will not be allowed to object to the terms of the Settlement. If an individual submits both a Claim Form and a Request for Exclusion, the Request for Exclusion will be deemed invalid, and the individual will be included in the Settlement Class and will be bound by the terms of the Settlement.

Class Members who submit a Request for Exclusion shall be permitted to rescind it by submitting a written request to rescind their Request for Exclusion to the Claims Administrator postmarked no later than twenty (20) calendar days after the Class Member’s Request for Exclusion is postmarked.

28. Objecting to the Settlement. Any individual who does not exclude himself/herself from the Settlement can object to the terms of the Settlement before the deadline to object to the Settlement. To object, the individual must file a written objection and a notice of intention to appear at the Final Approval hearing with the Clerk of the Kern County Superior Court of the State of California and send copies to the Claims Administrator, Class Counsel and counsel for Defendant. Any written objection must state each specific reason in support of the

1 objection and any legal support for each objection. The individual must state his/her full name,
2 address, date of birth, the dates he/she worked as a non-exempt, hourly California employee
3 with Defendant and be signed by the Class Member. To be valid and effective, any objections
4 to approval of the Settlement must be filed with the Clerk of the Kern County Superior Court
5 and delivered to the Claims Administrator, Class Counsel and counsel for Defendant no later
6 than forty-five (45) calendar days after the Claims Administrator mails the Class Notice and the
7 Claim Form to the Class Members. If the Court rejects the objection, the individual will be
8 bound by the terms of the Settlement and will not receive any portion of the Settlement amount
9 unless he/she has submitted a valid and timely Claim Form.

10 **RELEASE BY THE CLASS**

11 29. Effective upon the date of entry of an Order of Final Approval by the Court of
12 this Stipulation of Settlement, condition upon Defendant's payment obligation under this
13 Settlement, and except as to such rights or claims as may be created by this Stipulation of
14 Settlement, the Settlement Class and each member of the Class who has not submitted a valid
15 Request for Exclusion, release Defendant Fiore Management LLC, on behalf of themselves,
16 their heirs, spouses, executors, administrators, attorneys, agents and assigns, fully and finally
17 release and discharge Defendant Fiore Management LLC and its former, present and future
18 owners, parents, subsidiaries and affiliated corporations and entities (including, but not limited
19 to its affiliated California entities: TBP Indoor Facilities, Inc., LMG Indoor Facilities Inc., LMI
20 Indoor Facilities Inc., LMG Processors Inc., LMG Productions Inc., LMG Logistics Inc.,
21 Flagship Retail Inc., Statewide Event Company Inc., LMI Investors LLC, and LMI Property
22 LLC), and all of their current, former and future officers, directors, members, managers,
23 employees, consultants, partners, shareholders, joint venturers, agents, successors, assigns,
24 accountants, insurers, attorneys, and legal representatives ("Released Parties"), from all claims,
25 rights, demands, liabilities and causes of action of any nature or description, including any such
26 claims, whether known or unknown, that were litigated in the Preiss Action against Defendant
27 or could have been litigated based on the facts and circumstances alleged in the entire Action
28 against Defendant, arising under the First Amended Complaint filed in the Kern County Superior
Court including, but not limited to, all claims under the California Labor Code, Wage Orders

1 and related orders of the California Industrial Welfare Commission and Business and
2 Professions Code section 17200, *et seq.* Participating Class Members, on behalf of themselves,
3 their heirs, spouses, executors, administrators, attorneys, agents and assigns, fully and finally
4 release and discharge the Released Parties from all claims, rights, demands, liabilities and causes
5 of action of any nature or description, including any such claims, whether known or unknown,
6 that were litigated in the Action against Defendant or could have been litigated based on the
7 facts and circumstances alleged in the Action against Defendant. The claims released under this
8 paragraph shall include, but not necessarily be limited to, claims for: meal period violations and
9 failure to pay compensation in lieu thereof; rest break violations and failure to pay compensation
10 in lieu thereof; failure to pay minimum wages, regular wages, overtime and double time wages;
11 all theories related to unpaid wages (including but not limited to off-the-clock work, time
12 shaving, time rounding, working through meal periods, unpaid travel time, donning and doffing,
13 on-duty meal period violations, or any other claims giving rise to minimum and/or overtime
14 violations); unpaid meal period penalties; unpaid rest period penalties; wage statement
15 violations; failure to reimburse business expenses; failure to pay wages upon separation from
16 employment; waiting time penalties; any penalties or wages owed, violations of the Unfair
17 Competition Law, California Private Attorneys General Act, the Labor Code, Labor Code
18 section 2699, *et seq.*, as well as any damages, restitution, disgorgement, civil penalties, statutory
19 penalties, taxes, interest or attorneys' fees or costs resulting therefrom. The Claim Form shall
20 refer the reader to the Class Notice for a description of the other releases. The Claim Form shall
21 also include anti-fraud provisions negotiated by the Parties, including requiring the last four (4)
22 digits of the Class Member's Social Security Number to be entered by the Class Member and
23 the signing of the Claim Form under penalty of perjury. This release and waiver, however, shall
24 be conditional on the full payment of the Maximum Settlement Amount necessary to fund all
25 payment obligations as calculated after completion of the Claims Period.

25 30. The Claim Form mailed to the Class Members will state, "My signature below
26 constitutes a full and complete release by me of Fiore Management LLC and its former, present
27 and future owners, parents, subsidiaries and affiliated corporations and entities (including, but
28 not limited to, its affiliated California entities: TBP Indoor Facilities, Inc., LMG Indoor Facilities

1 Inc., LMI Indoor Facilities Inc., LMG Processors Inc., LMG Productions Inc., LMG Logistics
2 Inc., Flagship Retail Inc., Statewide Event Company Inc., LMI Investors LLC, and LMI
3 Property LLC) and all of their current, former and future officers, directors, members, managers,
4 employees, consultants, partners, shareholders, joint venturers, agents, successors, assigns,
5 accountants, insurers, attorneys, and legal representatives (“Released Parties”), from all claims,
6 rights, demands, liabilities and causes of action of any nature or description, including any such
7 claims, whether known or unknown, that were litigated in the Action against Defendant or could
8 have been litigated based on the facts and circumstances alleged in the Action against Defendant,
9 arising under the Complaint and First Amended Complaint filed in the Kern County Superior
10 Court and the LWDA notice letter including, but not limited to, all claims under the California
11 Labor Code, Wage Orders and related orders of the California Industrial Welfare Commission
12 and Business and Professions Code section 17200, *et seq.* I make this release on behalf of
13 myself, my heirs, spouses, executors, administrators, attorneys, agents and assigns, and fully and
14 finally release and discharge the Released Parties from all claims, rights, demands, liabilities
15 and causes of action of any nature or description, including any such claims, whether known or
16 unknown, that were litigated in the Action against Defendant or could have been litigated based
17 on the facts and circumstances alleged in the Action against Defendant. The claims released
18 shall include, but not necessarily be limited to, claims for: meal period violations and failure to
19 pay compensation in lieu thereof; rest break violations and failure to pay compensation in lieu
20 thereof; failure to pay minimum wages, regular wages, overtime and double time wages; all
21 theories related to unpaid wages (including but not limited to off-the-clock work, time shaving,
22 time rounding, working through meal periods, unpaid travel time, donning and doffing, on-duty
23 meal period violations, or any other claims giving rise to minimum and/or overtime violations);
24 wage statement violations; failure to reimburse business expenses; failure to pay wages upon
25 separation from employment; waiting time penalties; any penalties or wages owed, violations of
26 the Unfair Competition Law, California Private Attorneys General Act, the Labor Code, Labor
27 Code section 2699, *et seq.*, as well as any damages, restitution, disgorgement, civil penalties,
28 statutory penalties, taxes, interest or attorneys’ fees or costs resulting therefrom.. I declare under

1 penalty of perjury under the laws of the State of California that I am entitled to a Settlement
2 Award for the Released Claims, and that the foregoing release is voluntary, true and correct.”

3 31. In addition to the releases made above, the Class and PAGA Representatives
4 shall individually make the following additional general release (“General Release”):

5 The Class and PAGA Representatives release the Released Parties
6 from all claims, demands, rights, liabilities and causes of action of
7 every nature and description whatsoever, known or unknown,
8 asserted or that might have been asserted, whether in tort, contract,
9 or for violation of any state or federal statute, rule or regulation
10 arising out of, relating to, or in connection with any act or omission
11 by or on the part of any of the Released Parties committed or
12 omitted prior to the execution hereof.

13 The Class and PAGA Representatives stipulate and agree that they
14 expressly waive and relinquish, to the fullest extent permitted by
15 law, the provisions, rights and benefits of Section 1542 of the
16 California Civil Code, or any other provision under federal or state
17 law, which provides:

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

23 **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

24 32. Plaintiffs shall promptly submit this Stipulation of Settlement to the Kern County
25 Superior Court in support of their Motion for Preliminary Approval of Class Action and PAGA
26 Settlement and determination by the Court as to its fairness, adequacy and reasonableness;
27 Plaintiffs agree to provide Defendant the opportunity to review, before filing, their Motion for
28 Preliminary Approval of Class Action and PAGA Settlement. Promptly upon execution of this
Stipulation of Settlement, Plaintiffs shall apply to the Court for the entry of an order
preliminarily approving of the Settlement in a form that is mutually agreeable between the
Parties and also provides for the following:

a. Scheduling a fairness hearing on the question of whether the proposed
Settlement, including payment of attorneys’ fees and litigation costs, costs of administration and
the Class and PAGA Representative Enhancement Awards should be finally approved as fair,
reasonable and adequate as to the members of the Settlement Class;

b. Certifying a Settlement Class, Plaintiffs as the Class and PAGA Representatives,
and Douglas Han, Shunt Tatavos-Gharajeh, and Phillip Song of Justice Law Corporation as

1 Class Counsel;

2 c. Approving as to form and content the proposed Notice of Pendency of Class
3 Action Settlement;

4 d. Approving as to form and content the proposed Claim Form;

5 e. Approving of the manner and method for Class Members to request exclusion
6 from the Settlement as contained herein and within the Notice of Pendency of Class Action
7 Settlement;

8 f. Directing the mailing of the Notice of Pendency of Class Action Settlement and
9 the Claim Form by first class mail to the Class Members;

10 g. Preliminarily approving the Settlement subject only to the objections of Class
11 Members and final review by the Court; and

12 h. Enjoining Plaintiffs and all Class Members from filing or prosecuting any other
13 cases, claims, suits or administrative proceedings (including filing claims with the Division of
14 Labor Standards Enforcement of the California Department of Industrial Relations) regarding
15 the Released Claims unless and until such Class Members have filed valid Requests for
16 Exclusion with the Claims Administrator and the time for filing claims with the Claims
Administrator has elapsed.

17 **DUTIES OF THE PARTIES FOR FINAL COURT APPROVAL**

18 33. Plaintiffs agree to provide Defendant the opportunity to review, before filing,
19 their Motion for Final Approval of Class Action and PAGA Settlement. Class Counsel agrees
20 to submit a proposed final order and judgment, in a form that is mutually agreeable between the
21 parties and also provides for the following:

22 a. Approving the Settlement, adjudging the terms thereof to be fair, reasonable and
23 adequate, and directing consummation of its terms and provisions;

24 b. Approving Class Counsel's application for an award of attorneys' fees and
25 litigation costs;

26 c. Approving the Enhancement Awards to the Class and PAGA Representatives;
27 and

28 d. Entering judgment in accordance with California Rules of Court, Rule 3.769(h),

1 and permanently barring and enjoining all members of the Settlement Class from prosecuting
2 claims against Defendant Fiore Management LLC, its past, present and future owners, parent
3 companies, subsidiaries, divisions, related or affiliated companies, including but not limited to
4 their past, present and future owners, shareholders, officers, directors, employees, agents,
5 attorneys, insurers, successors and assigns, and any individual or entity who could be jointly
6 liable with any of the foregoing, any individual or class, collective or representative claims
7 released herein, upon satisfaction of all payments and obligations hereunder.

8 **PARTIES' AUTHORITY**

9 34. The signatories hereto hereby represent that they are fully authorized to enter into
10 this Stipulation of Settlement and bind the Parties hereto to the terms and conditions thereof.

11 **MUTUAL FULL COOPERATION**

12 35. The Parties agree to fully cooperate with each other to accomplish the terms of
13 this Stipulation of Settlement, including, but not limited to, execution of such documents and
14 taking such other action as reasonably may be necessary to implement the terms of this
15 Stipulation of Settlement. The Parties shall use their best efforts, including all efforts
16 contemplated by this Stipulation of Settlement and any other efforts that may become necessary
17 by order of the Court, or otherwise, to effectuate this Stipulation of Settlement and the terms set
18 forth herein. As soon as practicable after execution of this Stipulation of Settlement, Class
19 Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all
20 necessary steps to secure the Court's final approval of this Stipulation of Settlement.

21 36. The Parties and their respective counsel agree that they will not attempt to
22 discourage Class Members from filing Claim Forms. The Parties and their counsel must not
23 encourage Requests for Exclusion. Counsel for the Class Members specifically agrees not to
24 solicit Requests for Exclusion, directly or indirectly, through any means.

25 **NO PRIOR ASSIGNMENTS**

26 37. The Parties and their counsel represent, covenant and warrant that they have not
27 directly or indirectly, assigned, transferred, encumbered or purported to assign, transfer or
28 encumber to any person or entity any portion of any liability, claim, demand, action, cause of
action or right herein released and discharged except as set forth herein.

1 **NO ADMISSION**

2 38. This Agreement is entered into in compromise of disputed claims. Nothing
3 contained herein, nor the consummation of this Stipulation of Settlement, is to be construed or
4 deemed an admission of liability, culpability, negligence or wrongdoing on the part of Defendant
5 Fiore Management LLC, which specifically denies any liability, culpability, negligence, or
6 wrongdoing towards the Class and PAGA Representatives, the Class Members, or any other
7 person. No part of this Agreement shall constitute an admission on behalf of Fiore Management
8 LLC of the accuracy of any fact or allegation against it or that this Action can proceed as a class
9 action. Each of the Parties hereto has entered into this Stipulation of Settlement solely with the
10 intention to avoid further disputes and litigation with the attendant inconvenience and expenses.
11 The Parties agree that this Stipulation of Settlement is not evidence that the Action filed by
12 Plaintiffs has any merit, nor does it constitute an admission of any wrongdoing by Defendant
13 Fiore Management LLC, which does not admit to the suitability of this case for class action
14 litigation other than for purposes of this Settlement. If the Court does not grant either
15 preliminary or final approval of this Settlement, or approval is reversed upon appeal, then the
16 Parties revert to their previous positions, all parties to this Settlement shall stand in the same
17 position, without prejudice, as if the Settlement had been neither entered into nor filed with the
18 Court and Defendant Fiore Management LLC will not stipulate to class certification and will
19 contend that a representative action is not appropriate. Defendant further reserves any and all
20 right to move to strike the class and PAGA representative claims, move to compel individual
21 arbitration, challenge Plaintiffs' adequacy to serve as Class and PAGA Representatives, and/or
22 challenge Plaintiffs' standing to bring representative claims pursuant to PAGA.

23 **ENFORCEMENT ACTIONS**

24 39. The Parties agree that the Kern County Superior Court shall retain jurisdiction to
25 enforce the terms of this Stipulation of Settlement pursuant to California Code of Civil
26 Procedure Section 664.6. In the event one or more of the Parties to this Stipulation of Settlement
27 institutes any legal action or other proceeding against any other Party or Parties to enforce the
28 provisions of this Stipulation of Settlement or to declare the rights or obligations under this
Stipulation of Settlement, the successful Party or Parties shall be entitled to recover from the

1 unsuccessful Party or Parties reasonable attorneys' fees and litigation costs, including expert
2 witness fees incurred in connection with any enforcement actions.

3 **NOTICES**

4 40. Unless otherwise specifically provided herein, all notices, demands or other
5 communications given hereunder shall be in writing and shall be deemed to have been duly
6 given as of the fifth business day after mailing by United States registered or certified mail,
7 return receipt requested, addressed as follows:

8
9 **To Plaintiffs and the Settlement Class:**

10 Douglas Han,
11 Shunt Tatavos-Gharajeh
12 Phillip Song
13 **JUSTICE LAW CORPORATION**
14 751 North Fair Oaks Avenue, Suite 101
15 Pasadena, California 91103

16 **To Defendant:**

17 Danielle H. Moore
18 Christopher H. Conti
19 Christopher M. Jevsevar
20 Brittany M. Wunderlich
21 **FISHER & PHILLIPS LLP**
22 4747 Executive Drive, Suite 1000
23 San Diego, California 92121

24 **NO PUBLIC COMMENT**

25 41. The Class and PAGA Representatives and Class Counsel will not make any
26 public comment about the Action or the Settlement, except by public court and/or administrative
27 filings seeking preliminary and final Court approval of the Settlement, including payment and
28 allocation of PAGA penalties; the Parties will use their best efforts to reach agreement on all
Court and/or administrative filings. Class Counsel will take all steps necessary to ensure the
Class and PAGA Representatives are aware of the restriction against public comment of the
Settlement. Nothing in this paragraph shall prohibit Plaintiffs or their counsel from discussing
the settlement with Class Members.

1 **CONSTRUCTION**

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

7 **CAPTIONS AND INTERPRETATIONS**

8 43. Paragraph titles or captions contained herein are inserted as a matter of
9 convenience and for reference, and in no way define, limit, extend or describe the scope of this
10 Stipulation of Settlement or any provision of it. Each term of this Stipulation of Settlement is
11 contractual and not merely a recital.

12 **MODIFICATION**

13 44. This Stipulation of Settlement may not be changed, altered or modified, except
14 in writing and signed by the Parties hereto and approved by the Court. This Stipulation of
15 Settlement may not be discharged except by performance in accordance with its terms or by a
16 writing signed by the Parties hereto.

17 **INTEGRATION CLAUSE**

18 45. This Stipulation of Settlement contains the entire agreement between the Parties
19 relating to the Settlement and transaction contemplated hereby, and all prior or contemporaneous
20 agreements, understandings, representations and statements, whether oral or written and whether
21 by a party or such party's legal counsel, are merged herein. No rights hereunder may be waived
22 except in writing.

23 **BINDING ON ASSIGNS**

24 46. This Stipulation of Settlement shall be binding upon and inure to the benefit of
25 the Parties and the Released Parties hereto, and their respective heirs, trustees, executors,
26 administrators, successors and assigns.

27 **CLASS MEMBER SIGNATORIES**

28 47. It is agreed that because the members of the Class are so numerous, it is
impossible or impractical to have each member of the Class execute this Stipulation of

Settlement. The Notice of Pendency of Class Action Settlement will advise all Class Members of the binding nature of the release, and the release shall have the same force and effect as if this Stipulation of Settlement were executed by each member of the Class.

COUNTERPARTS

48. This Stipulation of Settlement may be executed in counterparts and by PDF signatures, and when each party has signed and delivered at least one such counterpart, each counterpart, including e-mail and PDF versions, shall be deemed an original and, when taken together with other signed counterparts, shall constitute one Stipulation of Settlement binding upon and effective as to all Parties.

///

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiffs and Defendant as of the date(s) set forth below:

Plaintiffs and Class Representatives

Dated: 09/29/2020 _____



NATHAN PREISS

Dated: _____

CAROLINE VILLASANTI

Defendant FIORE MANAGEMENT LLC

Dated: _____

FIORE MANAGEMENT LLC

By: _____
ADRIAN SEDLIN

1 Settlement. The Notice of Pendency of Class Action Settlement will advise all Class Members
2 of the binding nature of the release, and the release shall have the same force and effect as if this
3 Stipulation of Settlement were executed by each member of the Class.

4 **COUNTERPARTS**

5 48. This Stipulation of Settlement may be executed in counterparts and by PDF
6 signatures, and when each party has signed and delivered at least one such counterpart, each
7 counterpart, including e-mail and PDF versions, shall be deemed an original and, when taken
8 together with other signed counterparts, shall constitute one Stipulation of Settlement binding
9 upon and effective as to all Parties.

10 ///

11 IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this
12 Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiffs and
13 Defendant as of the date(s) set forth below:

14 **Plaintiffs and Class Representatives**

15
16 Dated: _____

NATHAN PREISS

17
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19 Dated: 09/21/2020 _____

Caroline Villasanti

CAROLINE VILLASANTI

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21
22 **Defendant FIORE MANAGEMENT LLC**

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25 Dated: _____

FIORE MANAGEMENT LLC

26
27 By: _____
ADRIAN SEDLIN

1 Settlement. The Notice of Pendency of Class Action Settlement will advise all Class Members
2 of the binding nature of the release, and the release shall have the same force and effect as if this
3 Stipulation of Settlement were executed by each member of the Class.

4 **COUNTERPARTS**

5 48. This Stipulation of Settlement may be executed in counterparts and by PDF
6 signatures, and when each party has signed and delivered at least one such counterpart, each
7 counterpart, including e-mail and PDF versions, shall be deemed an original and, when taken
8 together with other signed counterparts, shall constitute one Stipulation of Settlement binding
9 upon and effective as to all Parties.

10 ///

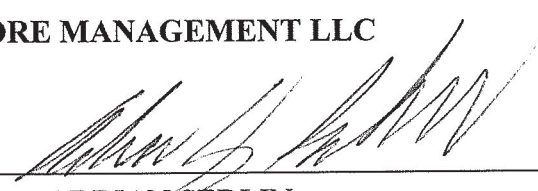
11 IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this
12 Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiffs and
13 Defendant as of the date(s) set forth below:

14 **Plaintiffs and Class Representatives**

15
16 Dated: _____
17 NATHAN PREISS

18
19 Dated: _____
20 CAROLINE VILLASANTI

21
22 **Defendant FIORE MANAGEMENT LLC**

23
24 Dated: 10/14/20
25 FIORE MANAGEMENT LLC
26 By: 
27 ADRIAN SEDLIN
28

1 APPROVED AS TO FORM ONLY:

2
3 Dated: 10/2/20

JUSTICE LAW CORPORATION

4
5 By: 

6 DOUGLASS HAN
7 SHUNT TATAVOS-GHARAJEH
8 PHILLIP SONG
9 Attorneys for Plaintiffs NATHAN PRIESS and
10 CAROLINE VILLASANTI

11 DATE: _____

FISHER & PHILLIPS LLP

12
13 By: _____

14 Danielle Hultenius Moore
15 Christopher H. Conti
16 Christopher M. Jevsevar
17 Brittany M. Wunderlich
18 Attorneys for Fiore Management LLC dba
19 Canndescent, LLC
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APPROVED AS TO FORM ONLY:

Dated: _____

JUSTICE LAW CORPORATION

By: _____

DOUGLASS HAN
SHUNT TATAVOS-GHARAJEH
PHILLIP SONG
Attorneys for Plaintiffs NATHAN PRIESS and
CAROLINE VILLASANTI

DATE: October 14, 2020

FISHER & PHILLIPS LLP



By: _____

Danielle Hultenius Moore
Christopher H. Conti
Christopher M. Jevsevar
Brittany M. Wunderlich
Attorneys for Fiore Management LLC dba
Canndescent, LLC

PROOF OF SERVICE
(CCP §§1013(a) and 2015.5)

I, the undersigned, am at least 18 years old and not a party to this action. I am employed in the County of San Diego with the law offices of Fisher & Phillips LLP and its business address is 4747 Executive Drive, Suite 1000, San Diego, California, 92121.

On September 18, 2020, I served the following document(s) **DOCUMENT** on the person(s) listed below by placing ☐ *the original* ☒ *a true copy* thereof enclosed in sealed envelope(s) addressed as follows:

Douglas Han (SBN 232858) Shunt Tatavos-Gharajeh (SBN 272164) Phillip Song (SBN 326572) JUSTICE LAW CORPORATION 751 North Fair Oaks Avenue, Suite 101 Pasadena, California 91103	Telephone: (818) 230-7502 Facsimile: (818) 230-7259 E-Mail: ghan@justicelawcorp.com ; statavos@justicelawcorp.com ; psong@justicelawcorp.com Attorneys for Nathan Preiss
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- ☐ **[by MAIL]** - I enclosed the document(s) in a sealed envelope or package addressed to the person(s) whose address(es) are listed above and placed the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with this business's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service in San Diego California, in a sealed envelope with postage fully prepaid.
- ☐ **[by FAX]** - Based on an agreement of the parties to accept service by fax transmission, I faxed the document(s) to the person(s) at fax number(s) listed above from fax number (858)597-9601. The fax reported no errors. A copy of the transmission report is attached.
- ☐ **[by OVERNIGHT DELIVERY]** - I enclosed the document(s) in an envelope or package provided by an overnight delivery carrier and addressed to the person(s) at the address(es) listed above. I placed the envelope or package for collection and overnight delivery at an office or a regularly utilized drop box of the overnight carrier.
- ☐ **[by ELECTRONIC SERVICE]** - Based on a court order or an agreement of the parties to accept service by electronic transmission, I electronically served the document(s) to the person(s) at the electronic service address(es) listed above.
- ☐ **[by PERSONAL SERVICE]** - I delivered the document(s) to the person(s) at the address(es) listed above by (1) (a) personal delivery, or (b) by leaving the documents in an envelope/package with an individual in charge of the office, or (c) by leaving them in a conspicuous place in the office between the hours of 9:00 a.m. and 6:00 p.m., or (2) by messenger – a copy of the Messenger Declaration is attached.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct.

Executed September 18, 2020, at San Diego, California.

Print Name

By: _____
Signature

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DECLARATION OF MESSENGER

☐ **By personal service.** I personally delivered the envelope or package received from the declarant above to the persons at the addresses listed in item 5. (1) For a party represented by an attorney, delivery was made to the attorney or at the attorney's office by leaving the documents in an envelope or package, which was clearly labeled to identify the attorney being served, with a receptionist or an individual in charge of the office, between the hours of nine in the morning and five in the evening. (2) For a party, delivery was made to the party or by leaving the documents at the party's residence with some person not younger than 18 years of age between the hours of eight in the morning and six in the evening.

At the time of service, I was over 18 years of age. I am not a party to the above-referenced legal proceeding. I served the envelope or package, as stated above, on September 18, 2020.

Name of person with whom package was left: [Name of Person] Time: [Time]

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date: September 18, 2020

(NAME OF DECLARANT) (SIGNATURE OF DECLARANT)

**PROOF OF SERVICE
1013A(3) CCP**

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 751 N. Fair Oaks Ave., Ste. 101 Pasadena, California 91103. My electronic service address is arivera@justicelawcorp.com

On October 29, 20, I served the foregoing document described as

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

for the following case: **Preiss v. Fiore Management LLC a/k/a Candescant, LLC**
LWDA/Court Case No.: **LWDA-CM-767764-20**
BCV-20-100930-DRL
Kern County Superior Court

on interested parties in this action by electronically submitting as follows:

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

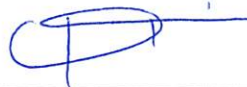
[X] BY ELECTRONIC SUBMISSION

Pursuant to California Senate Bill No. 836, I caused the documents described above to be electronically submitted by and through the procedure stated on the website of the State of California Labor and Workforce Development Agency.

[X] STATE

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on October 29, 2020, at Pasadena, California.



Allana Rivera