

PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE § 2698 ET SEQ.)
SETTLEMENT AGREEMENT

Crystal Aldana v. Beauty Systems Group, LLC
Los Angeles County Superior Court
Case Number 20TRCV00374

IT IS HEREBY STIPULATED AND AGREED by and among the undersigned Parties, subject to the approval of the Court, that the settlement of this action shall be effectuated upon and subject to the following terms and conditions. Capitalized terms used herein shall have the meanings set forth in Article I or elsewhere herein.

This Agreement is made by and between Defendant Beauty Systems Group LLC (“Defendant”), on one hand, and Plaintiff Crystal Aldana (“Plaintiff”), on behalf of herself, the Aggrieved Employees (defined below), and the State of California, on the other hand (collectively with Defendant and Plaintiff, the “Parties.”)

The Parties agree that all claims, including without limitation representative claims under the California Labor Code Private Attorneys General Act, Labor Code §§ 2698 et seq. (“PAGA”) asserted in *Crystal Aldana v. Beauty Systems Group, LLC*, Los Angeles County Superior Court, case number 20TRCV00374 (the “Litigation” or “Action”) shall be, and hereby are, ended, settled, resolved, and concluded by agreement of Defendant to pay the sum of Nine Hundred Thirty Thousand Dollars (\$930,000.00) for settlement of the Action on the terms outlined in this Agreement, which sum shall be inclusive of Plaintiff’s attorneys’ fees and costs, a general release payment to Plaintiff Aldana, settlement administration fees, and payments to the State of California and the Aggrieved Employees. The Parties further agree that this Agreement is a compromise of disputed claims and that nothing in this Agreement shall be construed as an admission of liability.

Article I.

Definitions.

Section 1.01 Definitions.

Unless otherwise defined herein, the following terms used in this Agreement shall have the meanings ascribed to them as set forth below:

- (a) “Aggrieved Employees” means all individuals who worked for Defendant Beauty Systems Group LLC in California, as hourly and/or non-exempt employees at any time between during the Release Period.
- (b) “Complaint” means all claims, causes of action, and primary rights alleged in the Action.
- (c) “Court” means the Superior Court for the State of California, County of Los Angeles.

- (d) “Defense Counsel” or “Counsel for Defendant” is:

Spencer C. Skeen, Esq.
Marlene M. Moffitt, Esq.
OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
4370 La Jolla Village Drive, Suite 990
La Jolla, California 92122

- (e) “Effective Date” means the date the Court enters an order and judgment approving and incorporating by reference the terms and conditions of this Agreement.

- (f) “Plaintiff’s Counsel” is:

Alex P. Katofsky, Esq.
Daniel F. Gaines, Esq.
GAINES & GAINES, APLC
27200 Agoura Road, Suite 101
Calabasas, California 91301

- (g) “Release Period” means the time period March 9, 2019 through earlier of October 15, 2021 or the Effective Date.

Article II.

Background.

Section 2.01 Background.

- (a) On May 18, 2020, Plaintiff Aldana initiated the Action against Defendant. The Complaint alleges, among other things, Defendant failed to: pay all minimum and overtime wages due; provide all meal and rest periods, or premium compensation in lieu thereof; timely pay wages due during employment and at separation of employment; provide suitable seating; and issue complete and accurate wage statements. The Action seeks relief in the form of civil penalties pursuant to PAGA.
- (b) Defendant denies and disputes all of the allegations in the Complaint and denies it has committed or is liable for any misconduct, statutory or regulatory violation, wrongdoing, or any other actionable conduct of any kind. Defendant further denies that any of its current and former employees is an “aggrieved employee” or that Defendant should be held liable to Plaintiff or any other current or former employee as alleged in the Complaint. Defendant contends that, at all times and in good faith, it properly complied with applicable law. Defendant has vigorously defended against the claims in the Complaint and, but for this Settlement, would continue to do so.

- (c) On June 25, 2021, the Parties participated in a full-day mediation with mediator Louis Marlin, an experienced and highly respected PAGA and wage and hour mediator. The Action did not settle at mediation. However, the Parties continued their settlement discussions. With Mr. Marlin's expert guidance, the Parties were eventually able to negotiate a complete settlement of Plaintiff's claims. The terms of the settlement are now set forth in complete and final form in this Settlement Agreement.
- (d) Through the Action, the Parties have engaged in extensive discovery. The Parties reached this settlement only after conducting extensive investigation of the facts and law. The Parties believe and agree this Settlement Agreement provides for a fair, adequate, and reasonable resolution of the Action and have arrived at the settlement after extensive, arms-length negotiations in a full-day private mediation, taking into account all relevant factors, present and potential.
- (e) The Parties and their counsel recognize the expense and length of continued proceedings necessary to litigate the disputes through trial and through any possible appeals. The Parties have also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. The Parties and their counsel are aware of the burdens of proof necessary to establish liability for the claims alleged, and the affirmative and other defenses asserted. Thus, reaching this Settlement now has the potential for having a higher value today than it might have later if the litigation were to continue. Based on the foregoing, Plaintiff has determined that the settlement is fair and promotes PAGA's objectives
- (f) Labor Code section 2699(l)(2) provides that "[t]he superior court shall review and approve any settlement of any civil action filed pursuant to this part." Accordingly, the Parties will seek an order from the Court approving this Agreement pursuant to California Labor Code section 2699(l)(2) and entering judgment incorporating by reference the terms and conditions of this Agreement.

Article III.

Approval and Implementation of Settlement.

Section 3.01 Cooperation.

The Parties will cooperate in obtaining, through a stipulation and order, or an unopposed motion, if required, an Order from the Court approving this Agreement at the earliest possible date. Concurrently with the submission of this Agreement to the Court, Plaintiff shall submit it to the LWDA as required by PAGA. The Parties agree to use their best efforts to expedite the preparation and submission of the settlement documents, within the parameters set by the mediator. The Parties further agree to fully cooperate in the drafting and/or filing of any further documents or filings reasonably necessary to be prepared or filed, shall take all steps that may be

requested by the Court relating to, or that are otherwise necessary to, the approval and implementation of the payments as described in this Agreement.

The Court's approval of this Agreement shall be embodied in a written order and judgment, which shall be transmitted to the LWDA promptly upon entry, as required by PAGA.

Section 3.02 Settlement Payment Procedures.

(a) Payment of PAGA Settlement Sum and Notice to Aggrieved Employees.

- (1) Defendant agrees to pay a total amount of Nine Hundred Thirty Thousand Dollars (\$930,000.00) to settle this matter. This amount, *i.e.*, the PAGA Settlement Sum, is all-inclusive, meaning it shall cover, resolve, and fully satisfy any and all amounts owed to Plaintiff, the Aggrieved Employees, the State of California, the Settlement Administrator, and Plaintiff's Counsel, including all amounts allocated to attorneys' fees and costs, in settlement of all claims asserted in the Complaint, or that could have been asserted in the Complaint, by Plaintiff, on behalf of herself and the Aggrieved Employees. The Parties agree that there are no circumstances that would require Defendant to pay any amount greater than the PAGA Settlement Sum in connection with this Agreement, with the sole exception as provided for in Section 6.14 below. In the event that this Agreement is canceled, rescinded, terminated, voided or nullified, however that may occur as permitted herein, or the settlement is barred by operation of law, invalidated, or ordered not to be carried out by a court of competent jurisdiction, Defendant shall have no obligation to pay any of the PAGA Settlement Sum and the Parties' respective positions shall be restored to positions prior to mediation. Further, in that event, nothing in this Agreement, the negotiations leading to this settlement, nor any papers prepared in connection with this Agreement shall be admissible in any proceeding for any purpose whatsoever.
- (2) The "Net Settlement Fund" shall be calculated by deducting from the PAGA Settlement Sum up to 35% of the PAGA Settlement Sum (projected to be \$325,500) for the payment of Plaintiff's Counsel's fees; up to \$15,000 for the payment of Plaintiff's Counsel's costs; up to \$10,000 to Plaintiff in exchange for her general release of all claims against Defendant; and up to \$20,000 for Settlement Administration Costs, all as approved by the Court. The Net Settlement Fund will be comprised of approximately \$559,500. Seventy-five percent (75%) of the Net Settlement Fund, or approximately \$419,625, shall be distributed to the State of California Labor and Workforce Development Agency ("LWDA"), and the remaining twenty-five percent (25%) of the Net Settlement Fund, or approximately \$139,875, shall be distributed to the Aggrieved Employees. This is a non-reversionary settlement, meaning any amount not approved by the Court for Plaintiff's Counsel's fees or costs, Plaintiff's general release payment, and/or Settlement Administration Costs, shall be added to the Net Settlement Fund for distribution as provided for herein.
- (3) Payments to Aggrieved Employees. The twenty-five percent (25%) of the Net Settlement Fund to be distributed to the Aggrieved Employees will be divided by the total number of pay periods worked by all of them in California during the Release Period to yield the Pay Period Value. Each Aggrieved Employee will be paid an amount equal to their

individual number of pay periods worked in California during the Release Period multiplied by the Pay Period Value.

- (4) This Settlement shall not be submitted to the Court any earlier than October 1, 2021. Upon the later of thirty (30) business days after the Effective Date or fourteen (14) business days of the Settlement Administrator establishing a Qualified Settlement Fund pursuant to this Agreement, Defendant shall pay the entire PAGA Settlement Sum into the Qualified Settlement Fund established by the Settlement Administrator. Payment shall be made via wire, bank transfer or other means acceptable to the Settlement Administrator on or before the scheduled due date. The Settlement Administrator will provide to Defendant's attorney a W-9 form for the Qualified Settlement Fund prior to its funding of the Settlement Sum.
- (5) The Settlement Administrator shall disburse the PAGA Settlement Sum to: (a) Aggrieved Employees; (b) the LWDA; (c) Plaintiff; (d) Plaintiff Counsel; and (e) itself, no later than fifteen (15) business days after Defendant's deposit of the PAGA Settlement Sum. The Settlement Administrator shall transmit the Notice of PAGA Settlement (in substantially the same form as Exhibit "A" attached hereto), together with settlement checks containing their individual settlement amounts, with no claims process required, to all Aggrieved Employees by first-class United States mail, postage prepaid, to the last known address of each recipient with directions to the Postmaster to forward the Notice of PAGA Settlement and return all undeliverable Notices. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address or Social Security number of the Aggrieved Employee involved, and will then perform a single re-mailing. Checks will remain negotiable for 180 days after their issuance. After the 180 day-period, the Settlement Administrator shall remit any unclaimed funds to the California Secretary of State's Unclaimed Property Division, to be held in the name of, and for the benefit of, each such Aggrieved Employee.
- (6) All settlement payments to Aggrieved Employees will be treated as miscellaneous income for which an IRS Form 1099 will be issued and no withholdings will be made.

Section 3.03 Settlement Administration Costs.

The Parties will retain ILYM Group, Inc. as the third-party settlement administrator ("Settlement Administrator"). The Settlement Administrator will be responsible for establishing a qualified settlement fund ("QSF") and issuing notices, payments and appropriate tax forms to Aggrieved Employees, the LWDA, Plaintiff, and Plaintiff's Counsel, pursuant to this Settlement Agreement and as approved by the Court. Settlement Administration Costs shall include all costs of administering the settlement, including, but not limited to, all tax document preparation, custodial fees, and accounting fees incurred by the Settlement Administrator; all costs and fees associated with preparing, issuing and mailing any and all notices and other correspondence to

Aggrieved Employees; all costs and fees associated with communicating with Aggrieved Employees, Plaintiff's Counsel, and Defendant's Counsel; all costs and fees associated with computing, processing, reviewing, and paying payments to Aggrieved Employees; costs and fees associated with preparing any tax returns and any other filings required by any governmental taxing authority or agency; and any other cost and fees incurred and/or charged by the Settlement Administrator in connection with the execution of its duties under this Agreement. The Settlement Administration Costs shall be paid from the PAGA Settlement Sum. Settlement Administration Costs are estimated to be \$20,000.

Article IV.

Limitations On Use Of This Settlement.

Section 4.01 No Admission.

This Agreement and compliance with this Agreement shall not be construed as an admission by Defendant of any liability whatsoever, or as an admission by Defendant of any violations of Plaintiff's or Aggrieved Employees' rights, violation of any order, law, statute, duty or contract whatsoever. Defendant specifically disclaims any liability to Plaintiff or any other allegedly aggrieved employee for any alleged violation of his/her rights, or for any alleged violation of any order, law, statute, duty or contract. Defendant further denies that, for any purpose other than settling these matters, that this action is appropriate for representative treatment.

Section 4.02 Non-Evidentiary Use.

This Agreement is admissible for purposes of obtaining court approval of the settlement and is intended to be binding on the Parties. It is also admissible in the event that either Party is required to file a motion to enforce any of the terms of the Agreement. Neither this Agreement, nor any of its terms, nor any of the negotiations connected with it or proceedings relating to this Agreement, payouts or anything else associated with it, shall be offered or used as evidence by any of the Parties, or their respective counsel in the Litigation or in any other action or proceeding, including to establish any liability or admission on the part of Defendant or any Released Parties or to establish the existence of any condition constituting a violation of, or noncompliance with, federal, state, local or other applicable law; provided, however, this shall not prevent this Agreement from being used, offered, or received in evidence in any proceeding to enforce, construe, or finalize this Agreement. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it or proceedings relating to this Agreement, payouts or other events associated with it, shall be construed as an admission or concession by Defendant or any Released Parties or establishment of any such violation(s) or failure(s) to comply with any applicable law. Defendant specifically retains the right to defend, on the merits, against any non-settled claims brought by any Aggrieved Employees.

Section 4.03 Nullification.

In the event (i) the Court does not approve this Agreement, or (ii) the Court's order and judgment approving and incorporating this Agreement does not become final, then this Agreement, and any documents generated to bring it into effect, will be null and void in their entirety and the

Parties will return to their original respective positions, unless otherwise agreed upon in writing between the Parties.

Article V.

Release and Waiver of Claims.

Section 5.01 Limited Release By Aggrieved Employees.

Upon the Effective Date and Defendant's payment of the PAGA Settlement Sum, the LWDA and Plaintiff, on behalf of herself, her heirs, executors, and assigns, and the Aggrieved Employees, shall be deemed to have fully, finally, and forever released, relinquished, and discharged Defendant, and each of its present and former affiliates, parent companies, subsidiaries, divisions, successors, predecessors, and assigns, and each of its respective past and present shareholders, officers, partners, directors, current and former employees, agents, attorneys, insurers, successors, assigns, representatives, accountants, and all persons acting under, by, through, or in concert with any of them (collectively, "Released Parties") from any and all claims, rights, demands, liabilities, primary rights, and causes of action of every nature and description, under PAGA, which were asserted in the Complaint and Plaintiff's PAGA notice to the LWDA under Labor Code § 2699.3 ("PAGA Notice"), or which could have been asserted in the Complaint or PAGA Notice based on the facts pled therein ("Released Claims") that accrued during the Release Period.

Section 5.02 General Release By Plaintiff Aldana.

Upon the Effective Date and Defendant's payment of the PAGA Settlement Sum, and the fullest extent permitted by law, Plaintiff Aldana shall be deemed to have fully, finally, and forever released the Released Parties from any and all claims, obligations, demands, actions, rights, causes of action, primary rights, and liabilities against the Released Parties, of whatever kind and nature, character, and description, whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law, whether known or unknown, and whether anticipated or unanticipated, including unknown claims covered by Civil Code Section 1542, arising through the date of her signature hereon, for any type of relief, including, without limitation, claims for wages, damages, unpaid costs, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief. These claims include, but are not limited to: (1) the Released Claims; (2) the Action and any claims arising out of or related to the Action; (3) any claims under federal, state or local law (all as amended) that could have been asserted in any legal action or proceeding against Defendant, including any claims under any provision of the California Labor Code California Industrial Welfare Commission Wage Orders, California Fair Employment and Housing Act; California Government Code; California Corporations Code, California Business and Professions Code; California Civil Code; California Constitution; Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000 *et seq.*; Americans with Disabilities Act, 42 U.S.C. §§ 12101 *et seq.*; Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 *et seq.*; Fair Labor Standards Act; National Labor Relations Act, and all of their implementing regulations and interpretive guidelines; (4) wrongful termination, discrimination, harassment, and/or retaliation, lost wages,

benefits, other employment compensation, emotional distress, medical expenses, other economic and non-economic damages, attorney fees, and costs, including but not limited to violations of the California Fair Employment and Housing Act, Age Discrimination in Employment Act "ADEA;" (5) unlawful or tortious conduct such as assault or battery; background check violations; defamation; detrimental reliance; fiduciary breach; fraud; indemnification; intentional or negligent infliction of emotional distress; interference with contractual or other legal rights; invasion of privacy; loss of consortium; misrepresentation; negligence (including negligent hiring, retention or supervision); personal injury; promissory estoppel; public policy violation; retaliatory discharge; safety violations; posting or records-related violations; wrongful discharge; or other federal, state or local statutory or common law matters; and (6) and any other form of relief or remedy of any kind, nature, or description whatsoever, whether premised on statute, contract, tort, or other theory of liability under state, federal, or local law. Provided, however, this release shall not include any claims for workers' compensation benefits.

With respect to these released claims as described in this Section, Plaintiff Aldana shall be deemed to have expressly acknowledged, waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits she may otherwise have had pursuant to Section 1542 of the California Civil Code, which provides as follows:

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

Plaintiff expressly waives the provisions of Section 1542 with full knowledge and with the specific intent to release all known or unknown, suspected or unsuspected, claims arising on or before the Effective Date of this Agreement, and therefore specifically waives the provisions of any statute, rule, decision, or other source of law of the United States or of any state of the United States or any subdivision of a state which prevents release of unknown claims.

Article VI.

Miscellaneous Provisions.

Section 6.01 Voluntariness.

This Agreement is executed voluntarily and without duress or undue influence on the part of or on behalf of any of the Parties, or of any other person, firm or other entity.

Section 6.02 Amendments.

The terms and provisions of this Agreement may be amended only by a written agreement that is both (a) signed by the Plaintiff, Plaintiff's Counsel, Defendant and Defendant's Counsel, and (b) approved by the Court. Any waiver of any provision of this Agreement shall not constitute a waiver of any other provision of this Agreement unless expressly so indicated otherwise.

Section 6.03 Assignment.

None of the rights, commitments, or obligations recognized under this Agreement may be assigned by any Party, Aggrieved Employee, Plaintiff's Counsel, or Defense Counsel without the express written consent of each other Party and their respective counsel hereto. The representations, warranties, covenants, and agreements contained in this Agreement are for the sole benefit of the Parties under this Agreement, and shall not be construed to confer any right or to avail any remedy to any other person. Plaintiff expressly warrants that she has not transferred to any person or entity any right or cause of action, or claim released by this Agreement.

Section 6.04 Governing Law.

This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California.

Section 6.05 Entire Agreement.

This Agreement contains the entire understanding of the Parties hereto in respect of the subject matter contained herein. This Agreement supersedes all prior agreements and understandings among the Parties hereto with respect to the settlement of the Litigation.

Section 6.06 Waiver of Compliance.

Any failure of any Party, Defense Counsel, and/or Plaintiff's Counsel hereto to comply with any obligation, covenant, agreement, or condition herein may be expressly waived in writing, to the extent permitted under applicable law, by the Party or Parties and their respective counsel hereto entitled to the benefit of such obligation, covenant, agreement, or condition. A waiver or failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

Section 6.07 Counterparts.

This Agreement, and any amendments hereto, may be executed in any number of counterparts and any Party and/or their respective counsel hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. Facsimile, pdf, or other copies of signatures of any Party hereto, including by DocuSign, shall be deemed to be an original signature for all purposes.

Section 6.08 Attorneys' Fees and Costs.

With respect to this Agreement, neither Plaintiff's Counsel nor any other attorneys acting for, or purporting to act for the Aggrieved Employees, or Plaintiff may recover or seek to recover any amounts for fees, costs, or disbursements from the Released Parties or the PAGA Settlement Sum except as expressly provided herein. Defendant shall bear its own attorney's fees and costs, and neither Plaintiff's Counsel, Aggrieved Employees or the Plaintiff shall be responsible for Defendant's attorney's fees and costs. If any party moves the Court to enforce this

Agreement, the prevailing party shall be entitled to recover from the other party all attorneys' fees and costs incurred to enforce this Agreement.

Section 6.09 Dispute(s).

Should any dispute(s) arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, but excluding any dispute related to non-payment or late payment of the PAGA Settlement Sum, the Parties agree to submit any such dispute(s) first to mediation and/or continued negotiations before mediator Louis Marlin, and then, if unsuccessful, to the Los Angeles County Superior Court. To the extent any Party seeks to enforce any of the terms of this Agreement in Court or before the Court, the prevailing party shall be entitled to recover her/its/their reasonable attorneys' fees and costs.

Section 6.10 Binding.

This Agreement shall bind and inure to the benefit of the Parties hereto and to their respective successors, assigns, legatees, heirs, and personal representatives.

Section 6.11 Court's Retention of Jurisdiction.

The Court shall retain jurisdiction, pursuant to Code of Civil Procedure section 664.6 and otherwise as permitted by law, to enforce this Settlement.

Section 6.12 Default; Notice; Cure; Acceleration; Time is of the Essence.

If any required payment is not received on the date due, Defendant shall be in default of its obligations under this Settlement. Plaintiff shall e-mail notice of the default to Defendant at spencer.skeen@ogletree.com and marlene.moffitt@ogletree.com. Defendant will then have seven (7) calendar days from the date notice is e-mailed to cure the default. If the default remains uncured for ten (10) calendar days, then all sums remaining unpaid under this Settlement shall be accelerated and become all due and payable and begin to accrue interest at the legal rate. Plaintiff may thereafter move the Court, pursuant to Code of Civil Procedure 664.6, for entry of a judgment against Defendant to reflect this acceleration, the accrual of interest, plus actual attorneys' fees and costs incurred to enforce the judgment and this Settlement. Time is of the essence with respect to all provisions of this Agreement.

Section 6.13 Authority.

Each Party to this Agreement expressly represents and warrants to have the authority necessary to execute this Agreement. Each person signing this Agreement on behalf of a corporation represents that he or she has the authority to agree to the terms hereof and execute this Agreement on behalf of said entity in accordance with the bylaws of such entity and that his or her signature will bind the entity to the terms of this Agreement.

Section 6.14 Escalator Clause.

This settlement is based on Defendant's representation that there were approximately 55,000 pay periods at issue as of June 25, 2021. If the actual number of pay periods as of the

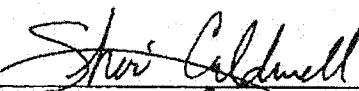
Release Period is 5% higher or more (i.e., over 57,750 pay periods), Defendant shall pay an increased PAGA Settlement Sum proportionate to the increase over the 5% threshold. (For example, if the actual number of pay periods or Aggrieved Employees is 6% greater than the amount represented, the PAGA Settlement Sum will increase by 1%, with the larger percentage controlling any increase).

IN WITNESS WHEREOF, the Parties have executed this Private Attorneys General Act Settlement Agreement on the date set forth.

APPROVED AND ACCEPTED.

Dated: October 1, 2021

BEAUTY SYSTEMS GROUP LLC

By 
Its Deputy General Counsel

Dated: October 1, 2021

By _____
CRYSTAL ALDANA

**APPROVED AS TO FORM AND
ATTORNEY OBLIGATIONS ONLY**

Dated: October 1, 2021

GAINES & GAINES, ALPC

By _____
Daniel F. Gaines, Esq.
Alex P. Katofsky, Esq.
Attorneys for Plaintiff

Effective Date is 5% higher or more (i.e., over 57,750 pay periods), Defendant shall pay an increased PAGA Settlement Sum proportionate to the increase over the 5% threshold. (For example, if the actual number of pay periods or Aggrieved Employees is 6% greater than the amount represented, the PAGA Settlement Sum will increase by 1%, with the larger percentage controlling any increase).

IN WITNESS WHEREOF, the Parties have executed this Private Attorneys General Act Settlement Agreement on the date set forth.

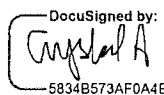
APPROVED AND ACCEPTED.

Dated: October 1, 2021

BEAUTY SYSTEMS GROUP LLC

By _____
Its _____

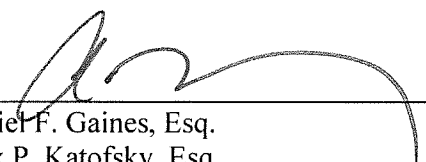
Dated: October 1, 2021

By  _____
CRYSTAL ALDANA

**APPROVED AS TO FORM AND
ATTORNEY OBLIGATIONS ONLY**

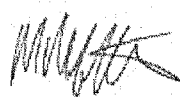
Dated: October 1, 2021

GAINES & GAINES, ALPC

By  _____
Daniel F. Gaines, Esq.
Alex P. Katofsky, Esq.
Attorneys for Plaintiff

Dated: October 1, 2021

OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.

By  _____

Spencer C. Skeen, Esq.

Marlene M. Moffitt, Esq.

Attorneys for Defendant

EXHIBIT A

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

CRYSTAL ALDANA, on behalf of herself
and all “aggrieved employees” pursuant to
Labor Code § 2698 *et seq.*,

Plaintiffs,

v.

BEAUTY SYSTEMS GROUP LLC, a
Virginia limited liability company, and
DOES 1 through 10, inclusive,

Defendants.

Case No. 20TRCV00374

**NOTICE OF SETTLEMENT OF PRIVATE
ATTORNEYS GENERAL ACT CLAIM
(CAL. LABOR CODE § 2698 *ET SEQ.*)**

You have been identified as an hourly and/or non-exempt employee of Beauty Systems Group LLC (“Defendant”) who was employed in California at some time between March 9, 2019 and [RELEASE PERIOD END DATE] (“Aggrieved Employee”).

On May 18, 2020, Plaintiff Crystal Aldana (the “Plaintiff”) commenced a lawsuit in the Los Angeles County Superior Court, case number 20TRCV00374 (the “Lawsuit”) to recover civil penalties based on various Labor Code violations. Plaintiff alleges, among other things, Defendant failed to pay all minimum and overtime wages due; provide all meal and rest periods, or premium compensation in lieu thereof; timely pay wages during employment and at separation of employment; provide suitable seating; and issue complete and accurate wage statements. For these alleged violations, Plaintiff seeks penalties pursuant to the California Labor Code’s Private Attorneys General Act of 2004, codified at Labor Code § 2698 *et seq.* (“PAGA”).

Defendant denies Plaintiff’s allegations and disputes all of Plaintiff’s claims. The Lawsuit was litigated extensively. Following an investigation and full-day mediation before a third-party mediator, the Parties reached a settlement which takes into account the uncertainties and risks of proceeding with litigation.

The Court approved the settlement on [insert date of entry of order approving settlement] and has determined that the settlement is fair and reasonable. A portion of the settlement is being paid to the government and a portion is being to each Aggrieved Employee. Aggrieved Employees, including you, are receiving a portion of the settlement based on the number of pay periods actually worked for Defendant in California from March 9, 2019 to -[RELEASE PERIOD END DATE] (the “Release Period”).

The Court-approved settlement contains the following release of claims, to which you are bound:

Upon the Effective Date and Defendant's payment of the PAGA Settlement Sum, the LWDA and Plaintiff, on behalf of herself, her heirs, executors, and assigns, and the Aggrieved Employees, shall be deemed to have fully, finally, and forever released, relinquished, and discharged Defendant, and each of its present and former affiliates, parent companies, subsidiaries, divisions, successors, predecessors, and assigns, and each of its respective past and present shareholders, officers, partners, directors, current and former employees, agents, attorneys, insurers, successors, assigns, representatives, accountants, and all persons acting under, by, through, or in concert with any of them (collectively, "Released Parties") from any and all claims, rights, demands, liabilities, primary rights, and causes of action of every nature and description, under PAGA, which were asserted in the Complaint and Plaintiff's PAGA notice to the LWDA under Labor Code § 2699.3 ("PAGA Notice"), or which could have been asserted in the Complaint or PAGA Notice based on the facts pled therein ("Released Claims") that accrued during the Release Period.

The payment which accompanies this notice is made to you pursuant to the terms of the Settlement. You will not be retaliated against for cashing the check. It is entirely up to you if you cash your check or not. Checks that are not cashed within 180 days of issuance will be transmitted to the California Secretary of State's Unclaimed Property Division, to be held on your behalf. Regardless of what you do with the check issued to you, by law and Court order, you will be deemed to have released the Released Parties from the Released Claims described above.

Your payment under this settlement is considered penalties and will be reported to the IRS and state tax authorities. You will receive an IRS Form 1099 pertaining to your payment if required by law. You are responsible for payment of any and all taxes that are due as a result of this payment.

Do not call or write the Court or Office of the Clerk to ask questions about the settlement.

If you have any questions, you may call or write the Settlement Administrator, at the following number or address: [insert address and telephone number for Settlement Administrator].