

Memorandum of Understanding

De Leon and Castro v. Dollar Kings Inc. v. Dollar Kings Inc. - LASC Case No. 20STCV15839

This Memorandum of Understanding (“MOU”) is entered into by and between plaintiffs Nayeli De Leon and Giselle Castro (“Plaintiffs”) and defendants Dollar Kings Inc., Loris Matevosyan and Edward Karibyan (“Defendants”), in the matter entitled *De Leon and Castro v. Dollar Kings Inc., et al.* – Los Angeles Superior Court Case No. 20STCV15839 (Consolidated Complaint filed on or about May 17, 2024). Hereinafter, Plaintiffs and Defendants collectively will be referred to as the “Parties.”

NOW, THEREFORE, the Parties hereto agree as follows:

1. **Gross Settlement Amount:** Defendants shall pay a non-reversionary settlement payment of \$695,000 (hereinafter “Gross Settlement Amount” or “GSA”), subject Defendants providing audited tax returns for Dollar Kings for the last three years, profit and loss statements and balance sheets for Dollar Kings, personal audited tax returns, including but not limited to all schedules, for Loris Matevosyan and Edward Karibyan and any other principals to be review by a forensic accountant retained by Plaintiffs to determine if the \$695,000 is the maximum amount that can be paid and support monthly payments. If the forensic accountant determines that Defendants can pay more than \$695,000 then the CPA will provide a settlement range that will be discussed between counsel, the CPA and Defendants’ CPA.
2. **The GSA** will be inclusive of all attorneys’ fees and litigation costs, settlement administration costs, up to \$10,000.00 class representative enhancement award to each named Plaintiff for a total enhancement of \$20,000, and \$40,000 as PAGA penalties of which 75% will be paid to the California Labor and Workforce Development Agency (“LWDA”) and 25% to be paid to aggrieved employees under the PAGA. Defendants will pay their employer’s share of payroll taxes in addition to the Gross Settlement Amount.
3. **Defendants will also provide a declaration** from an adequate officer or corporate representative attesting to the corporation’s financial hardship, including review of financials referenced herein, the need to sell property, destruction of location in Altadena due to Eaton fire, etc.
4. **Settlement Payment Timing:** The CPA will provide a range of when settlement payments of the GSA can be made. All settlement payments of the GSA shall be deposited into an interest-bearing trust account created by a mutually selected third party administrator.
5. **Fees:** Defendants will not oppose Plaintiffs’ counsel request for attorneys’ fees for up to 35% of the Gross Settlement Amount which will be deducted from the GSA.
6. **Litigation Costs:** Defendants will not oppose Plaintiffs’ counsel request for reasonable reimbursement of litigation costs from the Gross Settlement Amount.

7. **Class Administration Costs:** Administration costs shall be paid from the Gross Settlement Amount.
8. **Enhancement and General Release:** Plaintiffs will request an enhancement up to \$10,000 (for each Plaintiff, i.e., total of \$20,000 for Enhancement Payments) from the Gross Settlement Amount. Plaintiffs will also enter into a general release. The general release will include a Civil Code §1542 waiver.
9. **“Net Settlement Amount”** shall mean the amount remaining of the Gross Settlement Amount after attorneys’ fees, litigation costs, class administration costs, the enhancement to the class representatives, and payment to the LWDA. The allocation or formula to be used to determine individual settlement payment to Class Members and PAGA Group Members shall be based pro-rata share of the workweeks worked during the Class Period. The employer’s share of payroll taxes will be paid by Defendants in addition to the Gross Settlement Amount through the third-party Settlement Administrator.
10. **Taxes:** The individual settlement payment to Class Members shall be allocated as 20% wages and 80% penalties and interest and 100% penalties for settlement payment to PAGA Group Members.
11. **Allocation to LWDA:** \$40,000 shall be allocated for PAGA penalties of which 75% or \$37,500 will be paid to the LWDA and 25% or \$12,500 will be paid to PAGA Group Members.
12. **Class Member:** Class Members are defined as: Plaintiffs and all hourly non-exempt employees who worked for Defendants in California during the period of April 23, 2016 through the date when Defendants reach 34,750 workweeks (“Class Members”).
13. **Class Period:** Class Period is defined as April 23, 2016 through the the date when Defendants reach 34,750 workweeks (“Class Period”).
14. **Class Release:** Means all wage and hour claims, penalties, interest, and causes of action, pled in Plaintiffs’ Operative Complaint (i.e., Consolidated Complaint) or that could have been pled in the Operative Complaint based on the factual allegations pled in Plaintiffs’ Operative Complaint, including all claims for failing to pay overtime and minimum wages, failing to provide meal and rest period or compensation in lieu thereof, failing to pay wages at termination, failing to provide accurate wage statements, failing to preserve and keep requisite records, liability under Labor Code §558.1 based on the Labor Code violations alleged in the Operative Complaint, engaging in unfair competition under California Business & Professions Code §17200, et seq. based on the Labor Code violations alleged in the Operative Complaint, and any penalties, restitution, disgorgement, interest or attorney’s fees during the Class Period (“Class Release”). The Class Release takes effect upon the date the Court enters an order granting final approval of the settlement and Defendants fully fund the GSA and the employer’s share of payroll taxes. Defendants have represented that there are approximately 1,482 Class Members.

15. **PAGA Group Members:** PAGA Group Members are defined as: Plaintiffs and all hourly non-exempt employees who worked for Defendants in California during the period of April 23, 2019 through the end date of the Class Period, as defined herein ("PAGA Group Members").
16. **PAGA Period:** PAGA Period is defined as April 21, 2019 through the end date of the Class Period, as defined herein ("PAGA Period").
17. **PAGA Release:** Plaintiffs and aggrieved employees release the claims asserted under the PAGA, as pled in the PAGA Notice, or that could have been pled based on the factual allegations pled in the PAGA Notice, on behalf of all PAGA Group Members during the PAGA Period for the following claims for PAGA civil penalties based on violations of Labor Code §§ 200, 201, 202, 203, 226, 226.7, 510, 512, 558.1, 1174, 1194, 1194.2, 1197 ("PAGA Release"). The PAGA Release takes effect upon the date the Court enters an order granting final approval of the settlement and Defendants fully fund the GSA and the employer's share of payroll taxes.
18. **Uncashed Checks:** Individual settlement checks paid to Class Members and PAGA Group Members will be valid for 180 days. Uncashed checks after 180 will go to California State Controller in the name of the Class Member and PAGA Group Members.
19. **The MOU is Enforceable:** The Parties acknowledge that this MOU will be final, binding and enforceable pursuant to California Code of Civil Procedure section 664.6. The Parties contemplate incorporating all the terms and conditions of this MOU in a long form settlement agreement ("Settlement Agreement"), a draft of which will be prepared by Plaintiffs for Defendants review, and the Settlement Agreement shall, when fully executed and finally approved by the Court, replace this MOU, which shall then be of no further force and effect; however, in the event any party fails to execute the Settlement Agreement, this MOU will be final, binding and enforceable pursuant to California Code of Civil Procedure section 664.6, which can be used in support of a motion for preliminary and final approval orders.
20. **Execution in Counterparts:** This MOU may be executed in one or more counterparts. All executed counterparts, and each of them, will be deemed the same instrument. Facsimile, PDF, DocuSign (or similar e-signature) signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this MOU.

DATED: 10/13/2025, 2025



Nayeli De Leon

DATED: 10/15/2025, 2025

DocuSigned by:

 DE409FAA9BD34F1

Giselle Castro

DATED: Oct, 13, 2025



Representative for Dollar Kings Inc.

Name: Edward Karibyan

DATED: _____, 2025

Loris Matevosyan, an individual

DATED: Oct 13, 2025

Edward Karibyan, an individual

Approved as to form:

DATED: Oct 13, 2025

James A. De Sario, Esq.
THE NOURMAND LAW FIRM, APC
Counsel for Plaintiff, Nayeli De Leon

DATED: October 15, 2025

Sam Kim, Esq.
Yoonis Han, Esq.
VERUM LAW GROUP, APC
Counsel for Plaintiff, Giselle Castro

DATED: Oct 13, 2025

Arno H. Keshishian, Esq.
M&K ATTORNEYS, APC
Counsel for Defendants, Dollar Kings Inc.,
Loris Matevosyan and Edward Karibyan

DATED: 10/13/25, 2025

DATED: _____, 2025

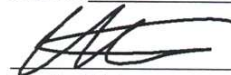
Approved as to form:

DATED: _____, 2025

DATED: _____, 2025

DATED: _____, 2025

Name: _____



Loris Matevosyan, an individual

Edward Karibyan, an individual

James A. De Sario, Esq.
THE NOURMAND LAW FIRM, APC
Counsel for Plaintiff, Nayeli De Leon

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and all others similarly situated

[Additional counsel listed on next page]

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

NAYELI DE LEON, an individual, and
GISELLE CASTRO, an individual, on behalf of
themselves and all others similarly situated,

Plaintiffs,

v.

DOLLAR KINGS INC., a California corporation;
LORIS MATEVOSYAN, an individual;
EDWARD KARIBYAN, an individual; and
DOES 1 through 100, Inclusive,

Defendants.

CASE NO.: 20STCV15839

[Assigned for all purposes to the Hon. Laura A.
Seigle - Dept. 17]

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT AND CLASS
NOTICE**

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8 DOLLAR KINGS INC., LORIS MATEVOSYAN and
9 EDWARD KARIBYAN
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This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiffs NAYELI DE LEON (“De Leon”) and GISELLE CASTRO (“Castro”) (collectively, “Plaintiffs”) and defendants DOLLAR KINGS INC. (“Dollar Kings”), LORIS MATEVOSYAN (“L. Matevosyan”) and EDWARD KARIBYAN (“E. Karibyan”) (collectively, “Defendants”). The Agreement refers to Plaintiffs and Defendants collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

In addition to other terms defined in this Agreement, the terms below have the following meaning in this Agreement:

- 1.1. “Action” means the Plaintiffs’ lawsuit alleging wage and hour violations against Defendants captioned *Nayeli De Leon, et al. v. Dollar Kings Inc., et al.*, Case No. 20STCV15839 initiated on April 23, 2020 and pending in Superior Court of the State of California, County of Los Angeles, Spring Steet Courthouse.
- 1.2. “Administrator” means Phoenix Class Action Administration Solutions (“Phoenix”), the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means all hourly non-exempt employees employed by Dollar Kings in California at any time during the PAGA Period.
- 1.5. “Class” means all hourly non-exempt employees employed by Dollar Kings in California at any time during the Class Period.
- 1.6. “Class Counsel” means Michael Nourmand and James A. De Sario with The Nourmand Law Firm, APC and Yoonis Han and Sam Kim with the Venum Law Group, APC.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

- 1.8. “Class Data” means Class Member identifying information in Defendants possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.
- 1.9. “Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces through Accurant or similar service, and direct contact by the Administrator with Class Members.
- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the period from April 23, 2016 through the date when the workweeks reach 34,750 for Class Members.
- 1.13. “Class Representative” means the named Plaintiffs, De Leon and Castro, in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.14. “Class Representative Service Payment” means the payment to the Class Representatives for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Los Angeles.
- 1.16. “Defendants” means named Defendants, Dollar Kings, L. Matevosyan and E. Karibyan.
- 1.17. “Defense Counsel” means Arno H. Keshishian of M&K Attorneys, APC.

- 1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day that the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment or if a timely appeal from the Judgment is filed, the day after the appellate court confirms the Judgment and issues a remittitur.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.22. “Gross Settlement Amount” means \$695,000 which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator’s Expenses. This Gross Settlement Amount is an all-in amount without any reversion to Defendants, and excludes any employer payroll taxes due on the portion of the Individual Class Payments allocated to wages, which shall not be paid from the Gross Settlement, and shall be the separate additional obligation of Defendants.
- 1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

- 1.25. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.29. “Non-Participating Class Member” means any Class Member who opts out of the Class Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.30. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.31. “PAGA Period” means the period from April 21, 2019 through the end date of the Class Period.
- 1.32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.33. “PAGA Notice” means Plaintiffs’ April 21, 2020 and April 20, 2022 letters to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.34. “PAGA Penalties” means the total amount of PAGA civil penalties in the amount of \$20,000 to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$5,000) and 75% to the LWDA (\$15,000) in settlement of PAGA claims.
- 1.35. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

- 1.36. “Plaintiffs” means De Leon and Castro, the named plaintiffs in the Action.
- 1.37. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.38. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.39. “Released Class Claims” means all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Consolidated Class Action Complaint for Damages and Restitution filed on May 17, 2024 (“Complaint”), for unpaid wages (including premiums) or other compensation allegedly owed, or for damages, penalties, restitution, interest, liquidated damages, attorneys’ fees, or costs, or any other recovery including under the California Labor Code and corresponding provisions of Wage Orders, for failure to pay overtime, failure to pay minimum wages, failure to provide meal periods, failure to provide rest periods, failure to pay all wages upon termination, failure to provide accurate wage statements and unfair competition based on the alleged Labor Code claims, including claims under Labor Code sections 200-203, 218, 218.5, 226, 226.7, 510, 512, 558.1, 1194, 1194.2, 1197, 1197.1, Business and Professions Code sections 17200-17208, and all other applicable California regulations and IWC Wage Orders, that accrued at any time during the Class Period. Except as set forth in Plaintiffs’ Release, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.
- 1.40. “Released PAGA Claims” means all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Complaint and/or the PAGA Notices including Labor Code sections 200-204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 2699, and all other applicable California regulations and IWC Wage Orders, that accrued at any time

1 during the PAGA Period. The Released PAGA Claims do not include other PAGA
2 claims, underlying wage and hour claims, claims for wrongful termination,
3 discrimination, unemployment insurance, disability and worker's compensation, and
4 claims outside of the PAGA Period.

5 1.41. "Released Parties" means: Defendants and each of their former and present directors,
6 officers, shareholders, owners, members, attorneys, insurers, predecessors,
7 successors, assigns, subsidiaries, and affiliates.

8 1.42. "Request for Exclusion" means a Class Member's submission of a written request to
9 be excluded from the Class Settlement signed by the Class Member.

10 1.43. "Response Deadline" means 45 calendar days after the Administrator mails Notice to
11 Class Members and Aggrieved Employees, and shall be the last date on which Class
12 Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or
13 (b) fax, email, or mail his or her Objection to the Settlement. Class Members to
14 whom a Class Notice is resent after having been returned undeliverable to the
15 Administrator shall have an additional 14 calendar days beyond the Response
16 Deadline has expired.

17 1.44. "Settlement" means the disposition of the Action and all related claims affected by
18 this Agreement and the Judgment.

19 1.45. "Workweek" means any week during which a Class Member worked for Dollar
20 Kings for at least one day, during the Class Period.

21 **2. RECITALS.**

22 2.1. On April 23, 2020, Plaintiff De Leon commenced this Action by filing a class action
23 lawsuit against Dollar Kings for failure to pay overtime, failure to pay minimum
24 wages, failure to provide meal periods, failure to provide rest periods, failure to pay
25 all wages upon termination, failure to provide accurate wage statements, and unfair
26 competition ("De Leon Lawsuit"). On November 10, 2020, Plaintiff De Leon filed a
27 First Amended Complaint adding an additional cause of action for civil penalties
28 under the PAGA. On July 22, 2022, Plaintiff De Leon filed a Second Amended

Complaint to add the officers/directors L. Matevosyan and E. Karibyan as individual defendants under Labor Code § 558.1. On January 31, 2023 Plaintiff De Leon filed a Third Amended Complaint to add a cause of action for Defendants' failure to preserve and keep requisite time and payroll records.

2.2. On April 18, 2022, Plaintiff Castro filed a separate class action lawsuit against Dollar Kings for failure to pay all wages, failure to pay overtime wages, failure to provide meal periods, failure to provide rest periods, failure to pay all wages upon termination, failure to provide accurate wage statements, and unfair competition ("Castro Lawsuit"). On May 11, 2023, Plaintiff Castro filed a First Amended Complaint to add a cause of action under the PAGA.

2.3. On April 5, 2023, the Court related the Castro Lawsuit with the De Leon lawsuit, with the De Leon Lawsuit being designated as the lead case.

2.4. On May 17, 2024, Plaintiffs filed a Consolidated Class Action Complaint ("Complaint"), which consolidated the claims asserted in the De Leon and Castro Lawsuits. The Complaint is the operative complaint in the Action.

2.5. Defendants deny the allegations in the Complaint, deny any failure to comply with the laws identified in in the Complaint, and deny any and all liability for the causes of action alleged.

2.6. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave timely written notice to Defendants and the LWDA by sending the PAGA Notice.

2.7. The Parties participated in two all-day sessions of mediation, the first session with Marc J. Feder, Esq. on October 28, 2021 and a second session on November 21, 2023 with Honorable Peter D. Lichtman (Ret.). The mediators were respected and well versed in wage and hour representative and class actions; however, no settlement was achieved through mediation efforts as Defendants claimed financial hardship. Following the deposition of Dollar Kings' Person Most Knowledgeable and during the deposition of E. Karibyan, the Parties were able to reach a settlement of the claims asserted in the Action provided that a forensic accountant retained by Plaintiffs

performs an audit of Defendants’ financial records to verify Defendants’ claim of financial hardship in relation to the settlement amount. On December 2, 2025, Plaintiffs’ retained forensic accountant, Kenneth L. Creal, CPA of Creal Consulting, Inc. concluded that after reviewing complete copies of Dollar Kings S Corporation Income tax returns for 2022-2024 and complete copies of individual tax returns for L. Matevosyan and E. Karibyan for 2023-2024, the Gross Settlement Amount is the maximum settlement amount that Defendants can pay upon the Court’s final settlement approval, without causing the company to go out of business or unduly harm current employees.

2.8. Throughout the litigation of the Action, the Parties engaged in formal and informal discovery (which necessitated several informal discovery conferences with the Court and Plaintiff De Leon having to file Motions to Compel responses) wherein Plaintiffs obtained documents and information to investigate the claims, such as identification of the size of the Class (i.e., approximately 1,400 Class Members); workweeks for the Class Members (i.e., approximately 34,750 workweeks); PAGA pay periods for Aggrieved Employees; average hourly rate of pay (i.e., \$15/hour); identification of timekeeping system and policies; policies and procedures on payment of wages, including overtime wages; policies and practices for meal and rest periods; and identification of payroll records for Class Members (i.e., over 40,000 of PDF documents). Plaintiffs also retained a consultant and expert to analyze the time and payroll records for Class Members for mediation and in preparation for the filing of a class certification motion, in order to evaluate the alleged claims asserted in the Action. Counsel for Plaintiffs also deposed Dollar Kings’ Person Most Knowledgeable and E. Karibyan to further investigate the claims asserted. Accordingly, Plaintiffs’ investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).

2.9. The Court has not granted class certification.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as provided in Paragraph 9 below, Defendant promises to pay \$695,000 and no more as the Gross Settlement Amount, and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1. To Plaintiffs: Class Representative Service Payment to the Class Representatives of not more than \$10,000 to each named Plaintiff (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as a Participating Class Member). Defendants will not oppose Plaintiffs' request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service

1 Payment. Any denial or modification of the Class Representative Service
2 Payment by the Court to the requested amount of the Class Representative
3 Service Payment will not invalidate this Settlement, and is not grounds for
4 appeal.

5 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than one-third
6 (1/3), which is currently estimated to be \$231,666.67, and a Class Counsel
7 Litigation Expenses Payment of not more than \$95,000.00. Defendants will
8 not oppose requests for these payments provided that do not exceed these
9 amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel
10 Fees Payment and Class Litigation Expenses Payment or as part of the Motion
11 for Final Approval, no later than 16 court days prior to the Final Approval
12 Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class
13 Counsel Litigation Expenses Payment less than the amounts requested, the
14 Administrator will allocate the remainder to the Net Settlement Amount.
15 Released Parties shall have no liability to Class Counsel or any other
16 Plaintiffs' Counsel arising from any claim to any portion any Class Counsel
17 Fee Payment and/or Class Counsel Litigation Expenses Payment. The
18 Administrator will pay the Class Counsel Fees Payment and Class Counsel
19 Expenses Payment using one or more IRS 1099 Forms. Class Counsel
20 assumes full responsibility and liability for taxes owed on the Class Counsel
21 Fees Payment and the Class Counsel Litigation Expenses Payment and holds
22 Defendants harmless, and indemnifies Defendants, from any dispute or
23 controversy regarding any division or sharing of any of these Payments. Any
24 denial or modification of the Class Counsel Fee Payment and/or Class
25 Counsel Litigation Expenses Payment by the Court to the requested amount of
26 the Class Counsel Fee Payment and/or Class Counsel Litigation Expenses
27 Payment will not invalidate this Settlement, and is not grounds for appeal.
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1 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed
2 \$15,000 except for a showing of good cause and as approved by the Court.
3 To the extent the Administration Expenses are less or the Court approves
4 payment less than \$15,000, the Administrator will retain the remainder in the
5 Net Settlement Amount.

6 3.2.4. To Each Participating Class Member: An Individual Class Payment
7 calculated by (a) dividing the Net Settlement Amount by the total number of
8 Workweeks worked by all Participating Class Members during the Class
9 Period and (b) multiplying the result by each Participating Class Member's
10 Workweeks.

11 3.2.4.1. Tax Allocation of Individual Class Payments. 20% of each
12 Participating Class Member's Individual Class Payment will be
13 allocated to settlement of wage claims (the "Wage Portion"). The
14 Wage Portions are subject to tax withholding and will be reported on
15 an IRS W-2 Form. The remaining 80% of each Participating Class
16 Member's Individual Class Payment will be allocated to settlement of
17 claims for non-wages, interest, and penalties (the "Non-Wage
18 Portion"). The Non-Wage Portions are not subject to wage
19 withholdings and will be reported on IRS 1099 Forms. Participating
20 Class Members assume full responsibility and liability for any
21 employee taxes owed on their Individual Class Payment.

22 3.2.4.2. Effect of Non-Participating Class Members on Calculation of
23 Individual Class Payments. Non-Participating Class Members will not
24 receive any Individual Class Payments. The Administrator will retain
25 amounts equal to their Individual Class Payments in the Net
26 Settlement Amount for distribution to Participating Class Members on
27 a pro rata basis.
28

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$20,000 to be paid from the Gross Settlement Amount, with 75% (\$15,000) allocated to the LWDA PAGA Payment and 25% (\$5,000) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. The PAGA Payment will be characterized as 100% penalties.

3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on its records, Defendants have represented there are approximately 1,400 Class Members who collectively worked a total of 34,750 Workweeks.

4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendants will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted Class

Member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Administrator no later than 14 days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendants funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (which is 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members. The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees. The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment.

Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member and/or Aggrieved Employee and their social security number thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendants fully fund the entire Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Class Members, Aggrieved Employees, and the State of California will release claims against all Released Parties as follows:

1 5.1 Plaintiffs' Release. Plaintiffs and all persons purporting to act on Plaintiffs' behalf or
2 purporting to assert a claim under or through them shall be deemed to have fully,
3 finally, and forever released, settled, compromised, relinquished and discharged any
4 and all of the Released Parties of and from any and all claims, known or unknown,
5 asserted and unasserted, that they had or may have had against Defendants or any of
6 the other Released Parties from the beginning of time through the date Plaintiffs sign
7 the Settlement Agreement, including, but not limited to, any claims concerning
8 Plaintiffs' employment and/or the termination of their employment with Defendants,
9 any claims based on the California Labor Code (including for wages, bonuses,
10 severance pay, employment benefits, stock options), violation of any personnel
11 policy, any claims based on discrimination, harassment, unlawful retaliation,
12 violation of public policy, wrongful termination, or damages of any kind whatsoever,
13 arising out of any common law torts, contracts, express or implied, any covenant of
14 good faith and fair dealing, any theory of wrongful discharge, any theory of
15 negligence, any theory of retaliation, any legal restriction on any affiliated entity's
16 right to terminate the employment relationship, or any federal, state, local, or other
17 governmental statute, executive order, regulation or ordinance, or common law, or
18 any other basis whatsoever, to the fullest extent provided by law, including but not
19 limited to: (a) all claims that were, or reasonably could have been, alleged, based on
20 the facts contained in the Complaint and (b) all PAGA claims that were, or
21 reasonably could have been, alleged based on the facts contained in the Complaint,
22 Plaintiffs' PAGA Notice, or alleged during the Action and released under 5.2, below.
23 ("Plaintiffs' Release.") Plaintiffs' Release does not extend to any claims or actions to
24 enforce this Agreement, or to any claims for vested benefits, unemployment benefits,
25 disability benefits, social security benefits, or workers' compensation benefits that
26 arose at any time. Plaintiffs acknowledge that Plaintiffs may discover facts or law
27 different from, or in addition to, the facts or law that Plaintiffs now knows or believes
28 to be true but agrees, nonetheless, that Plaintiffs' Release shall be and remain

effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

5.1.1 Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiffs expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

Plaintiffs understands that Section 1542 gives the right not to release existing claims of which they are not now aware, unless Plaintiffs voluntarily choose to waive this right. Having been so apprised, Plaintiffs nevertheless voluntarily waive the rights described in Section 1542 and elect to assume all risks for claims that now exist in his favor, known or unknown.

5.2 Release of Class Claims by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from the Released Class Claims.

5.3 Release of PAGA Claims by Aggrieved Employees: All Aggrieved Employees, the LWDA, and the State of California, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from the Released PAGA Claims.

6. MOTION FOR PRELIMINARY APPROVAL. Class Counsel will prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's procedures and instructions.

1 6.1 Plaintiffs' Responsibilities. Plaintiffs will prepare all documents necessary for
2 obtaining Preliminary Approval, including: (i) the notice, and memorandum in
3 support, of the Motion for Preliminary Approval that includes an analysis of the
4 Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement
5 under Labor Code Section 2699, subd. (f)(2)); (ii) the proposed Order Granting
6 Preliminary Approval and Approval of PAGA Settlement; (iii) the proposed Class
7 Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed"
8 bid for administering the Settlement and attesting to its willingness to serve;
9 competency; operative procedures for protecting the security of Class Data; amounts
10 of insurance coverage for any data breach, defalcation of funds or other misfeasance;
11 all facts relevant to any actual or potential conflicts of interest with Class Members;
12 and the nature and extent of any financial relationship with Plaintiffs, Class Counsel
13 or Defense Counsel; (v) a signed declaration from Plaintiffs confirming willingness
14 and competency to serve and disclosing all facts relevant to any actual or potential
15 conflicts of interest with Class Members, and/or the Administrator; (v) a signed
16 declaration from each Class Counsel firm attesting to its competency to represent the
17 Class Members; its timely transmission to the LWDA of all necessary PAGA
18 documents (initial notice of violations (Labor Code section 2699.3, subd. (a)),
19 Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor
20 Code section 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or potential
21 conflict of interest with Class Members and/or the Administrator.

22 6.2 Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing
23 and filing the Motion for Preliminary Approval no later than 30 days after the full
24 execution of this Agreement; obtaining a prompt hearing date for the Motion for
25 Preliminary Approval; and for appearing in Court to advocate in favor of the Motion
26 for Preliminary Approval. Class Counsel is responsible for delivering the Court's
27 Preliminary Approval to the Administrator.
28

6.3 Duty to Cooperate. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected Phoenix to serve as the Administrator and verified that, as a condition of appointment, Phoenix agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Notice to Class Members.

7.4.1 No later than 14 days after the Court grants Preliminary Approval, Defendants will deliver the Class Data to the Administrator in the form of a Microsoft Excel spreadsheet. No later than 3 business days after receipt of Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class

Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3 Not later than 3 business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members’ written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the Response Deadline provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendants, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties

1 agree, such persons will be Class Members entitled to the same rights as other
2 Class Members, and the Administrator will send, via email or overnight
3 delivery, a Class Notice requiring them to exercise options under this
4 Agreement not later than 14 days after receipt of Class Notice, or the deadline
5 dates in the Class Notice, which ever are later.

6 7.5 Requests for Exclusion (Opt-Outs).

7 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class
8 Settlement must send the Administrator, by fax, email, or mail, a signed
9 written Request for Exclusion not later than the Response Deadline (plus an
10 additional 14 days for Class Members whose Class Notice is re-mailed). A
11 Request for Exclusion is a letter from a Class Member or his/her
12 representative that reasonably communicates the Class Member's election to
13 be excluded from the Settlement and includes the Class Member's name,
14 address and email address or telephone number. To be valid, a Request for
15 Exclusion must be timely faxed, emailed, or postmarked by the Response
16 Deadline.

17 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because
18 it fails to contain all the information specified in the Class Notice. The
19 Administrator shall accept any Request for Exclusion as valid if the
20 Administrator can reasonably ascertain the identity of the person as a Class
21 Member and the Class Member's desire to be excluded. The Administrator's
22 determination shall be final and not appealable or otherwise susceptible to
23 challenge. If the Administrator has reason to question the authenticity of a
24 Request for Exclusion, the Administrator may demand additional proof of the
25 Class Member's identity. The Administrator's determination of authenticity
26 shall be final and not appealable or otherwise susceptible to challenge.

27 7.5.3 Every Class Member who does not submit a timely and valid Request for
28 Exclusion is deemed to be a Participating Class Member under this

1 Agreement, entitled to all benefits and bound by all terms and conditions of
2 the Settlement, including the Participating Class Members' Releases under
3 Paragraph 5.2 of this Agreement, regardless of whether the Participating Class
4 Member actually receives the Class Notice or objects to the Settlement.

5 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is
6 a Non-Participating Class Member and shall not receive an Individual Class
7 Payment or have the right to object to the class action components of the
8 Settlement. Because future PAGA claims are subject to claim preclusion
9 upon entry of the Judgment, Non-Participating Class Members who are
10 Aggrieved Employees are deemed to release the claims identified in
11 Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA
12 Payment. If a Class Member submits both a Request for Exclusion and an
13 objection, only the Request for Exclusion will be accepted and the objection
14 will be void.

15 7.6 Challenges to Calculation of Workweeks. Each Class Member shall have until the
16 Response Deadline (plus an additional 14 days for Class Members whose Class
17 Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay
18 Periods (if any) allocated to the Class Member in the Class Notice. The Class
19 Member may challenge the allocation by communicating with the Administrator via
20 fax, email or mail. The Administrator must encourage the challenging Class Member
21 to submit supporting documentation. In the absence of any contrary documentation,
22 the Administrator is entitled to presume that the Workweeks contained in the Class
23 Notice are correct so long as they are consistent with the Class Data. The
24 Administrator's determination of each Class Member's allocation of Workweeks
25 and/or Pay Periods shall be final and not appealable or otherwise susceptible to
26 challenge. The Administrator shall promptly provide copies of all challenges to
27 calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel
28 and the Administrator's determination the challenges.

1 7.7 Objections to Settlement.

2 7.7.1 Only Participating Class Members may object to the class action components
3 of the Settlement and/or this Agreement, including contesting the fairness of
4 the Settlement.

5 7.7.2 Participating Class Members may send written objections to the
6 Administrator, by fax, email, or mail. In the alternative, Participating Class
7 Members may appear in Court (or hire an attorney to appear in Court) to
8 present verbal objections at the Final Approval Hearing. A Participating Class
9 Member who elects to send a written objection to the Administrator must do
10 so not later than the Response Deadline (plus an additional 14 days for Class
11 Members whose Class Notice was re-mailed). If the Participating Class
12 Member elects to fax, email or mail a written objection to the Administrator,
13 the Administrator shall email a copy of the objection, forthwith but in no
14 event later than 3 business days from the date of receipt, to Class Counsel and
15 Defense Counsel. Class Counsel shall lodge a copy of the objection with the
16 Court.

17 7.7.3 Non-Participating Class Members have no right to object to any of the class
18 action components of the Settlement.

19 7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to
20 be performed or observed by the Administrator contained in this Agreement or otherwise.

21 7.8.1 Website, Email Address and Toll-Free Number. The Administrator will
22 establish and maintain and use an internet website to post information of
23 interest to Class Members including the date, time and location for the Final
24 Approval Hearing. The Administrator will also maintain and monitor an
25 email address and a toll-free telephone number to receive Class Member calls,
26 faxes and emails.

27 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
28 promptly review on a rolling basis Requests for Exclusion to ascertain their

1 validity. Not later than 7 days after the expiration of the deadline for
2 submitting Requests for Exclusion, the Administrator shall email a list to
3 Class Counsel and Defense Counsel containing (a) the names and other
4 identifying information of Class Members who have timely submitted valid
5 Requests for Exclusion (“Exclusion List”); (b) the names and other identifying
6 information of Class Members who have submitted invalid Requests for
7 Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted
8 (whether valid or invalid).

9 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written
10 reports via email to Class Counsel and Defense Counsel that, among other
11 things, tally the number of: Class Notices mailed or re-mailed, Class Notices
12 returned undelivered, Requests for Exclusion (whether valid or invalid)
13 received, objections received, challenges to Workweeks and/or Pay Periods
14 received and/or resolved, and checks mailed for Individual Class Payments
15 and Individual PAGA Payments (“Weekly Report”). The Weekly Reports
16 must include the Administrator’s assessment of the validity of Requests for
17 Exclusion and attach copies of all Requests for Exclusion and objections
18 received.

19 7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the
20 authority to address and make final decisions consistent with the terms of this
21 Agreement on all Class Member challenges over the calculation of
22 Workweeks and/or Pay Periods. The Administrator’s decision shall be final
23 and not appealable or otherwise susceptible to challenge.

24 7.8.5 Administrator’s Declaration. Not later than 7 days before the date by which
25 Plaintiffs are required to file the Motion for Final Approval of the Settlement,
26 the Administrator will provide to Class Counsel and Defense Counsel, a
27 signed declaration suitable for filing in Court attesting to its due diligence and
28 compliance with all of its obligations under this Agreement, including, but not

1 limited to, its mailing of Class Notice, the Class Notices returned as
2 undelivered, the re-mailing of Class Notices, attempts to locate Class
3 Members, the total number of Requests for Exclusion from Settlement it
4 received (both valid or invalid), the number of written objections and attach
5 the Exclusion List. The Administrator will supplement its declaration as
6 needed or requested by the Parties and/or the Court. Class Counsel is
7 responsible for filing the Administrator's declaration(s) in Court.

8 7.8.6 Final Report by Settlement Administrator. Within 10 days after the
9 Administrator disburses all funds in the Gross Settlement Amount, the
10 Administrator will provide Class Counsel and Defense Counsel with a final
11 report detailing its disbursements by employee identification number only of
12 all payments made under this Agreement. At least 7 days before any deadline
13 set by the Court, the Administrator will prepare, and submit to Class Counsel
14 and Defense Counsel, a signed declaration suitable for filing in Court attesting
15 to its disbursement of all payments required under this Agreement. Class
16 Counsel is responsible for filing the Administrator's declaration in Court. If a
17 second declaration attesting to the distribution of uncashed checks is required,
18 the Administrator shall provide this second declaration at least 7 days before
19 any deadline for a second declaration and Class Counsel shall be responsible
20 for filing the second declaration with the Court.

- 21 **8. CLASS SIZE AND WORKWEEKS.** Based on its records, this settlement is based on
22 Defendants estimate that there are approximately 1,400 Class Members and 34,750
23 workweeks during the Class Period. The Class Period will end on the date when 34,750
24 workweeks is reached.
- 25 **9. MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared
26 Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the
27 Settlement that includes a request for approval of the PAGA settlement under Labor Code
28

1 section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment
2 (collectively “Motion for Final Approval”).

3 9.1 Response to Objections. Each Party retains the right to respond to any objection
4 raised by a Participating Class Member, including the right to file responsive
5 documents in Court no later than 5 court days prior to the Final Approval Hearing, or
6 as otherwise ordered or accepted by the Court.

7 9.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
8 Approval on any material change to the Settlement (including, but not limited to, the
9 scope of release to be granted by Class Members), the Parties will expeditiously work
10 together in good faith to address the Court’s concerns by revising the Agreement as
11 necessary to obtain Final Approval. The Court’s decision to award less than the
12 amounts requested for the Class Representative Service Payment, Class Counsel Fees
13 Payment, Class Counsel Litigation Expenses Payment and/or Administration
14 Expenses Payment shall not constitute a material modification to the Agreement
15 within the meaning of this paragraph.

16 9.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment,
17 the Court will retain jurisdiction over the Parties, Action, and the Settlement under
18 Code of Civil Procedure section 664.6 solely for purposes of (i) enforcing this
19 Agreement and/or Judgment, (ii) addressing settlement administration matters, and
20 (iii) addressing such post-Judgment matters as are permitted by law.

21 9.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
22 conditions of this Agreement, the Parties, their respective counsel, and all
23 Participating Class Members who did not object to the Settlement as provided in this
24 Agreement, waive all rights to appeal from the Judgment, including all rights to post-
25 judgment and appellate proceedings, the right to file motions to vacate judgment,
26 motions for new trial, extraordinary writs, and appeals. The waiver of appeal does
27 not include any waiver of the right to oppose such motions, writs or appeals. If an
28 objector appeals the Judgment, the Parties’ obligations to perform under this

Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

9.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, on an equal basis, any additional Administration Expenses reasonably incurred at the time of remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

10. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

11. ADDITIONAL PROVISIONS.

11.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Action have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendants' defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, pursuant to this Agreement, Defendants reserve the right to contest certification of any class for any reasons, and

Defendants reserve all available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

11.2 Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendants and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendants and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

11.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees have not and will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be

1 construed to restrict Class Counsel's ability to communicate with Class Members in
2 accordance with Class Counsel's ethical obligations owed to Class Members.

3 11.4 Integrated Agreement. Upon execution by all Parties and their counsel, this
4 Agreement together with its attached exhibit shall constitute the entire agreement
5 between the Parties relating to the Settlement, superseding any and all oral
6 representations, warranties, covenants, or inducements made to or by any Party.

7 11.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
8 represent that they are authorized by Plaintiffs and Defendants, respectively, to take
9 all appropriate action required or permitted to be taken by such Parties pursuant to
10 this Agreement to effectuate its terms, and to execute any other documents reasonably
11 required to effectuate the terms of this Agreement including any amendments to this
12 Agreement.

13 11.6 Cooperation. The Parties and their counsel will cooperate with each other and use
14 their best efforts, in good faith, to implement the Settlement by, among other things,
15 modifying the Settlement Agreement, submitting supplemental evidence and
16 supplementing points and authorities as requested by the Court. In the event the
17 Parties are unable to agree upon the form or content of any document necessary to
18 implement the Settlement, or on any modification of the Agreement that may become
19 necessary to implement the Settlement, the Parties will seek the assistance of a
20 mediator and/or the Court for resolution.

21 11.7 No Prior Assignments. The Parties separately represent and warrant that they have
22 not directly or indirectly assigned, transferred, encumbered, or purported to assign,
23 transfer, or encumber to any person or entity and portion of any liability, claim,
24 demand, action, cause of action, or right released and discharged by the Party in this
25 Settlement.

26 11.8 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendants nor Defense Counsel
27 are providing any advice regarding taxes or taxability, nor shall anything in this
28

Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

11.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

11.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

11.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

11.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

11.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

11.14 Use of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court.

11.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

11.16 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this

Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

11.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs:

Michael Nourmand
James A. De Dario
The Nourmand Law Firm, APC
8822 West Olympic Boulevard
Beverly Hills, California 90211
Tel.: (310) 553-3600
Fax: (310) 553-3603
E-Mail:
mnourmand@nourmandlawfirm.com
jdesario@nourmandlawfirm.com

Yoonis Han, Esq.
Sam Kim, Esq.
Verum Law Group, APC
360 North Pacific Coast Highway,
Suite 1025
El Segundo, California 90245
Telephone: (424) 320-2000
E-Mail:
yhan@verumlg.com
skim@verumlg.com

To Defendants:

Arno H. Keshishian, Esq.
M&K Attorney, APC
500 North Brand Boulevard,
Suite 1125
Glendale, California 91203
Telephone: (818) 937-9409
Email:
ahk@mandkattorneys.com

11.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the

Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

11.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process from October 13, 2025 until the earlier of the Effective Date or the date this Agreement shall no longer be of any force or effect.

13. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: 04/02/2026



Plaintiff Nayeli De Leon

Dated: _____

Plaintiff Giselle Castro

Dated: _____

Name/Title:
For Defendant Dollar Kings Inc.

Dated: _____

Defendant Loris Matevosyan

Dated: _____

Defendant Edward Karibyan

Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

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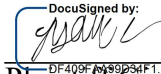
13. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: _____

Plaintiff Nayeli De Leon

Dated: 4/2/2026

DocuSigned by:

 DF-409F-838924F1

Plaintiff Giselle Castro

Dated: _____

Name/Title:
 For Defendant Dollar Kings Inc.

Dated: _____

Defendant Loris Matevosyan

Dated: _____

Defendant Edward Karibyan

1 APPROVED AS TO FORM:

2 Dated: April 4, 2026

James A. De Sario

Michael Nourmand
James A. De Sario
The Nourmand Law Firm, APC
Attorney for Plaintiff, Nayeli De Leon

5 Dated: _____

Yoonis Han
Sam Kim
Verum Law Group, APC
Attorney for Plaintiff, Giselle Castro

9 Dated: _____

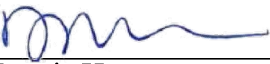
Arno H. Keshishian
M&K Attorneys, APC
Attorneys for Defendants

1 APPROVED AS TO FORM:

2 Dated: _____

3 Michael Nourmand
4 James A. De Sario
5 The Nourmand Law Firm, APC
6 Attorney for Plaintiff, Nayeli De Leon

7 Dated: 4/7/2026

8 
9 Yoonis Han
10 Sam Kim
11 Verum Law Group, APC
12 Attorney for Plaintiff, Giselle Castro

13 Dated: _____

14 Arno H. Keshishian
15 M&K Attorneys, APC
16 Attorneys for Defendants