

SECOND AMENDED JOINT STIPULATION AND SETTLEMENT AGREEMENT

Subject to final approval by the Court, this Settlement Agreement is between Plaintiff Alexandra Pelgrift (“Plaintiff” or “Plaintiff Pelgrift”), on behalf of herself, other members of the general public similarly situated, and other aggrieved employees, and Defendant The 21st Amendment Brewery Cafe, LLC (“Defendant”). Plaintiff and Defendant collectively are referred to in this Agreement as the “Parties.”

I. DEFINITIONS

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

- A. **Administration Costs**: All administrative costs incurred by the Settlement Administrator to administer this Settlement including the cost of notice to the Class Members, settlement administration, and any fees and costs incurred or charged by the Settlement Administrator in connection with the execution of its duties under this Agreement, which shall not exceed \$11,000. All Administration Costs shall be paid from the Qualified Settlement Fund.
- B. **Agreement, Settlement Agreement, Joint Stipulation, or Settlement**: The settlement agreement reflected in this document, titled “Second Amended Joint Stipulation and Settlement Agreement.”
- C. **Attorney Fee Award**: The amount, not to exceed thirty-five percent (35%) of the Maximum Settlement Amount or \$70,000, finally approved by the Court and awarded to Class Counsel. The Attorney Fee Award shall be paid from the Qualified Settlement Fund and will not be opposed by Defendant.
- D. **Case or Action**: The lawsuit originally filed by Alexandra Pelgrift on June 29, 2020 entitled *Pelgrift v. The 21st Amendment Brewery Cafe, LLC*, Case No. CGC-20-585227, in the Superior Court of California, County of San Francisco as well as the First Amended Complaint filed by Plaintiff entitled *Pelgrift v. The 21st Amendment Brewery Cafe, LLC*, in the Superior Court of California, County of San Francisco.
- E. **Class**: Any and all persons who have been employed by Defendant as non-exempt employees in California at any time from October 7, 2018 through October 15, 2021. The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties shall

revert to the respective positions they held prior to entering into the Settlement Agreement.

- F. **Class Counsel:** Douglas Han, Shunt Tatavos-Gharajeh, and Haig Hogdanian of Justice Law Corporation.
- G. **Class Member:** Each person eligible to participate in this Settlement who is a member of the Class as defined above.
- H. **Class Notice or Notice:** The “Notice of Class Action Settlement” or “Notice” shall mean the notice to be provided to all Class Members regarding the terms of this Settlement, substantially like the form attached hereto as **Exhibit A**, subject to Court approval. The Notice shall constitute class notice pursuant to California Rule of Court 3.769 (f) and, once approved by the Court shall be deemed compliant with California Rule of Court 3.766.
- I. **Class Period:** The time period from October 7, 2018 through October 15, 2021.
- J. **Class Representative or Plaintiff:** Alexandra Pelgrift.
- K. **Class Representative Enhancement Payment:** The amount the Court awards to Plaintiff for her services as Class Representative, which will not exceed \$10,000. This payment shall be paid from the Qualified Settlement Fund and will not be opposed by Defendant. This enhancement payment is subject to approval of the Court. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount for distribution to Participating Class Members.
- L. **Complaints:** The complaint originally filed by Alexandra Pelgrift in this case entitled *Pelgrift v. The 21st Amendment Brewery Cafe, LLC*, Case No. CGC-20-585227, in the Superior Court of California, County of San Francisco, on June 29, 2020, and the First Amended Complaint filed by Plaintiff in this case entitled *Pelgrift v. The 21st Amendment Brewery Cafe, LLC* in the Superior Court of California, County of San Francisco.
- M. **Comprehensive Release:** As of the Effective Date, and in light of Plaintiff’s Class Representative Enhancement Award, Plaintiff releases, in exchange for the consideration provided for by this Agreement, a comprehensive release of all known and unknown claims, under federal law or state law, against Defendant and the Released Parties, including a California Civil Code section 1542 waiver arising out of the operative allegations in the Case. The Parties understand and agree that Plaintiff is not, by way of this release, releasing any workers’ compensation claims nor any other claims which cannot be released as a matter of law. Plaintiff and every member of the Participating Class will also fully release and discharge Defendant and the Released Parties as set forth below.

- N. **Cost Award**: The amount that the Court orders Defendant to pay Class Counsel for payment of actual litigation costs, which shall not exceed \$20,000. The Cost Award will be paid from the Qualified Settlement Fund and will not be opposed by Defendant. The Cost Award is subject to Court approval. If the Court awards less than the amount request, any amount not awarded will become part of the Net Settlement Amount for distribution to Participating Class Members.
- O. **Counsel for Defendant**: Attorneys Joshua J. Cliffe and Courtney O. Chambers of Littler Mendelson, P.C.
- P. **Court**: The Superior Court of California, County of San Francisco.
- Q. **Defendant**: The 21st Amendment Brewery Cafe, LLC
- R. **Effective Final Settlement Date**: The Effective Final Settlement Date shall be the later of the following: (i) the date on which time expires to file an appeal of the Court's grant of Final Approval; or (ii) if an appeal of the Court's grant of Final Approval is timely filed, the date the appeal is finally resolved, with the grant of Final Approval unaffected.
- S. **Eligible Aggrieved Employees**: The aggrieved employees eligible to recover the PAGA Payment that consist of all individuals employed by Defendant as non-exempt employees in California at any time from April 15, 2019 through October 15, 2021 ("PAGA Timeframe").
- T. **Exclusion Form**: The Election Not to Participate In ("Opt Out" From) Class Action Settlement, substantially like the form attached hereto as **Exhibit B**, subject to Court approval.
- U. **Judgment or Final Approval**: The "Final Approval Order" means the final order entered by the Court following the Final Fairness and Approval Hearing. The "Final Judgment" means the final judgment entered by the Court following the Final Fairness and Approval Hearing.
- V. **Maximum Settlement Amount or MSA**: The total value of the Settlement is a non-reversionary Two Hundred Thousand Dollars (\$200,000). This is the gross amount Defendant can be required to pay under this Settlement Agreement, which includes without limitation: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) the Attorney Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Enhancement Payment paid to the Class Representative, as approved by the Court; (4) the Administration Costs, as approved by the Court; and (5) the PAGA Payment to the LWDA and to Eligible Aggrieved Employees, as approved by the Court. Defendant's portion of payroll taxes as the Class Members' current or former employer is not

included in the MSA and will be a separate obligation of Defendant. No portion of the Maximum Settlement Amount will revert to Defendant for any reason.

- W. **Individual Settlement Share(s)**: The amount payable to each Participating Class Member under the terms of this Settlement Agreement. Class Members are not required to submit a claim form to receive their Individual Settlement Shares pursuant to this Agreement. Rather, Participating Class Members will receive an Individual Settlement Share automatically, without the return of a claim form. This amount does not include the PAGA Payment to Eligible Aggrieved Employees, which will be paid regardless of whether a Class Member opts out of the Settlement Agreement.
- X. **LWDA**: California Labor and Workforce Development Agency.
- Y. **Net Settlement Amount or NSA**: The total amount of money available for payout to Participating Class Members, which is the MSA less the Attorney Fee Award, the Cost Award, the Class Representative Enhancement Payment, the PAGA Payment paid to the LWDA and Eligible Aggrieved Employees, and Administration Costs. In other words, the NSA is the portion of the MSA that will be distributed to Class Members who do not request exclusion from the Settlement.
- Z. **Notice Packet**: The Class Notice, Exclusion Form, and Objection Form.
- AA. **Objection Form**: The Notice of Objection Form, substantially like the form attached hereto as **Exhibit C**, subject to Court approval.
- BB. **PAGA**: The California Labor Code Private Attorneys General Act of 2004 (Cal. Labor Code §§ 2698 *et seq.*).
- CC. **PAGA Payment**: The PAGA Payment consists of \$20,000 of the Maximum Settlement Amount allocated to satisfy the PAGA penalties claim as alleged in the Action. Seventy-five percent (75%) of which (\$15,000) shall be paid to the LWDA, and twenty-five percent (25%) of which (\$5,000) shall be distributed to Eligible Aggrieved Employees (including those who submit a valid and timely Exclusion Form) proportionate to the number of pay periods that he or she worked during the PAGA Timeframe. The PAGA Payment will be calculated by determining the total number of pay periods the Eligible Aggrieved Employees were employed during the PAGA Timeframe (*i.e.*, the sum of all pay periods of employment for each eligible aggrieved employee) and dividing that number into the \$5,000 amount allocated to Eligible Aggrieved Employees to determine the monetary value assigned to each pay period. That number will then be multiplied by the individual eligible aggrieved employee's total number of pay periods employed during the PAGA Timeframe to determine that individual's proportional share.

- DD. PAGA Released Claims:** As of the Effective Final Settlement Date, in exchange for the consideration provided by this Agreement, Plaintiff, the LWDA, and any other representative, proxy, or agent thereof, including, but not limited to, any and all Eligible Aggrieved Employees shall release the Released Parties from any claims for and are barred from pursuing any action against the Released Parties for civil penalties under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”), Labor Code section 2698, *et seq.*, arising at any time during the PAGA Timeframe and based on or arising out of alleged violations of Labor Code sections alleged in Plaintiff Alexandra Pelgrift’s letter to the LWDA and the Action.
- EE. Participating Class Members:** All Class Members who do not submit a valid and timely request to exclude themselves from this Settlement.
- FF. Parties:** Plaintiff Alexandra Pelgrift individually and as Class Representative, and Defendant The 21st Amendment Brewery Cafe, LLC
- GG. Preliminary Approval or Preliminary Approval Order:** The order entered by the Court following the Preliminary Approval Hearing approving the proposed Settlement.
- HH. Qualified Settlement Fund or OSF:** A fund within the meaning of Treasury Regulation section 1.468B-1, 26 C.F.R. § 1.468B-1 *et seq.*, which is established by the Settlement Administrator for the benefit of Participating Class Members, Plaintiff and Class Counsel.
- II. Released Claims:** As of the Effective Final Settlement Date, in exchange for the consideration provided by this Agreement, Plaintiff and Participating Class Members release the Released Parties, , from all claims, rights, demands, damages, liabilities, causes of action, and legal theories, in law or in equity, arising at any time during the Class Period and alleged in the Action, or that could have been alleged or otherwise raised based on the facts pleaded in the Action, including, but not limited to, violation of all statutes mentioned in the Action and the corresponding provisions of the relevant California Wage Orders, including, but not limited to: (a) failure to pay all wages, including minimum wages, regular wages, overtime, and double time; (b) failure to properly calculate overtime and double time wages, partly due to off-the-clock work and an improper rounding policy; (c) failure to provide meal breaks (including without limitation first and second meal breaks) each day based on the hours worked by each employee, including meal breaks that were short, late, interrupted, and/or missed altogether; (d) failure to authorize and permit legally compliant rest breaks each day based on the hours worked by each employee, including rest breaks that were short, late, interrupted, and/or missed altogether; (e) failure to factor non-discretionary bonuses into employees’ regular rates of pay for overtime compensation purposes; (f) failure to timely pay wages during employment for each pay period for every employee; (g) failure to timely pay

wages upon discharging employees; (h) failure to reimburse employees for all reasonable and necessary business expenses incurred in the discharge of their duties for Defendant; (i) failure to timely pay all wages due or final wages due; (j) failure to furnish accurate and compliant itemized wage statements; (k) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories of relief pled in the Action; and (l) all related claims and associated penalties, damages, interest, costs (including attorneys' fees) and other amounts recoverable under said claims or causes of action alleged or which could have been alleged in the Action. The period of the Released Claims shall extend to the limits of the Class Period. The Released Claims expressly exclude the PAGA Released Claims, and Participating Class Members will not be deemed to have released the PAGA Released Claims unless such Participating Class Members are also Eligible Aggrieved Employees. Participating Class Members who are also Eligible Aggrieved Employees shall release the PAGA Released Claims, in addition to releasing the Released Claims, as of the Effective Final Settlement Date, as described in Sections I(CC) and III(M).

In light of Plaintiff's Representative Enhancement Award, Plaintiff has agreed to release, as an individual and in addition to the Released Claims described above, all claims, whether known or unknown, under federal law or state law against the Released Parties. The Parties understand and agree that Plaintiff is not, by way of this release, releasing any workers' compensation claims nor any other claims which cannot be released as a matter of law. Notwithstanding the foregoing, Plaintiff understands that this release includes unknown claims and that Plaintiff is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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.

- JJ. Released Parties:** Defendant and any and all of its affiliated companies and its respective parent companies, subsidiaries, affiliates, shareholders, members, agents (including, without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys and any past, present or future officers, directors and employees) predecessors, successors, and assigns.
- KK. Response Deadline:** Sixty (60) calendar days from the initial sending of the Notice Packet.
- LL. Settlement Administration:** The Settlement Administrator will conduct a skip trace for the address of all former employee Class Members. The Settlement Administrator will mail the Notice Packet by first class U.S. mail and email the Notice Packet to all Class Members at the address and email address Defendant

has on file for those Class Members and to all former employee Class Members at the address resulting from the skip trace and any email address Defendant provides for those former employee Class Members. The Notice Packet will inform Class Members that they have until the Response Deadline to either object to the Settlement or to opt-out (exclude themselves) from the Settlement. Any Class Member who does not receive Notice Packet after the steps outlined above have been taken will still be bound by the Settlement and/or Judgment.

MM. Settlement Administrator: The third-party administrator agreed upon by Parties to administer this Settlement is Phoenix Class Action Administration Solutions (“Phoenix”).

NN. Superior Court: The Superior Court of California, County of San Francisco.

II. RECITALS

A. Per the Complaints, the Plaintiff alleges, *inter alia*, on behalf of herself, all other members of the general public similarly situated, and other aggrieved employees, that Defendant violated California state wage and hour laws and PAGA because of Defendant’s wage and hour policies and practices. Specifically, Plaintiff alleges that Defendant: (1) failed to pay all wages, including minimum wages, regular wages, overtime, and double time; (2) failed to properly calculate overtime and double time wages, partly due to off-the-clock work and an improper rounding policy; (3) failed to provide meal breaks (including without limitation first and second meal breaks) each day based on the hours worked by each employee, including meal breaks that were short, late, interrupted, and/or missed altogether; (4) failed to authorize and permit legally compliant rest breaks each day based on the hours worked by each employee, including rest breaks that were short, late, interrupted, and/or missed altogether; (5) failed to factor non-discretionary bonuses into employees’ regular rates of pay for overtime compensation purposes; (6) failed to timely pay wages during employment for each pay period for every employee; (7) failed to timely pay wages upon discharging employees; and (8) failed to reimburse employees for all reasonable and necessary business expenses incurred in the discharge of their duties for Defendant. Plaintiff further alleged that the aforementioned resulted in the Class receiving inaccurate wage statements; the underpayment of wages to employees upon termination and/or resignation; and a violation of PAGA.

B. After Alexandra Pelgrift originally filed the complaint, the Parties agreed to attend mediation. Prior to mediation, the Parties conducted significant investigation and discovery of the facts and law both before and after the Action was filed. Specifically, Defendant produced hundreds of documents relating to its policies, practices, and procedures regarding reimbursement of business expenses, paying non-exempt employees for all hours worked, meal and rest period policies, and payroll and operational policies. As part of Defendant’s production, Plaintiff also reviewed time records, pay records, and information

relating to the size and scope of the Class, as well as data permitting Plaintiff to understand the number of workweeks in the Class Period. Plaintiff also interviewed Class Members who worked for Defendant throughout the Class Period. The Parties agree that the above-described investigation and evaluation, as well as the information exchanged during the settlement negotiations, are more than sufficient to assess the merits of the respective Parties' positions and to compromise the issues on a fair and equitable basis.

- C. **Mediation.** Plaintiff and Class Counsel engaged in good faith, arms-length negotiations with Defendant concerning possible settlement of the claims asserted in the Action. On August 30, 2021, the Parties participated in a mediation before mediator Jeffrey A. Ross. Under the auspices of the mediator, the Parties reached a settlement of the Action.
- D. **Benefits of Settlement to Class Members.** Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to continue the litigation against Defendant through trial and through any possible appeals. Plaintiff and Class Counsel also have considered the uncertainty and risk of further litigation, the potential outcome, the existing arbitration agreements and the difficulties and delays inherent in such litigation as well as Defendant's past and current financial condition confirmed through the opinion of an accounting expert. Plaintiff and Class Counsel conducted extensive settlement negotiations, including formal mediation on August 30, 2021. Based on the foregoing, Plaintiff and Class Counsel believe the Settlement set forth in this Agreement is a fair, adequate, and reasonable settlement, and is in the best interests of the Class Members.
- E. **Defendant's Reasons for Settlement.** Defendant recognizes that the defense of this litigation will be protracted and expensive. Substantial amounts of time, energy, and resources of Defendant have been and, unless this Settlement is made, will continue to be devoted to the defense of the claims asserted by Plaintiff. Defendant, therefore, has agreed to settle in the manner and upon the terms set forth in this Agreement to put to rest the Released Claims.
- F. **Defendant's Denial of Wrongdoing.** Defendant generally and specifically denies any and all liability or wrongdoing of any sort with regard to any of the claims alleged, makes no concessions or admissions of liability of any sort, and contends that for any purpose other than settlement, the Action is not appropriate for PAGA or class treatment. Defendant also asserts several defenses to the claims and has denied any wrongdoing or liability arising out of any of the alleged facts or conduct in the Action. Neither this Agreement, nor any document referred to or contemplated herein, nor any statements, discussions, or communications, nor any action taken to carry out this Agreement, is or may be construed as, or may be used as an admission, concession, or indication by or against Defendant or any of the Released Parties of any fault, wrongdoing, or liability whatsoever. Nor should the Agreement be

construed as an admission that Plaintiff can serve as adequate Class Representative. There has been no final determination by any court as to the merits of the claims asserted by Plaintiff against Defendant or as to whether a class or classes should be certified, other than for settlement purposes only.

- G. Plaintiff's Claims.** Plaintiff asserts that Defendant's defenses are without merit. Neither this Agreement nor any documents referred to or contemplated herein, nor any action taken to carry out this Agreement is, may be construed as, or may be used as an admission, concession or indication by or against Plaintiff, Class Members, or Class Counsel as to the merits of any claims or defenses asserted, or lack thereof, in the Action. However, in the event that this Settlement is finally approved by the Court, none of Plaintiff, Class Members, or Class Counsel will oppose Defendant's efforts to use this Agreement to prove that Plaintiff and Class Members have resolved and are forever barred from re-litigating the Released Claims.

III. SETTLEMENT TERMS AND CONDITIONS

- A. Maximum Settlement Amount.** Subject to the terms and conditions of this Agreement, the Maximum Settlement Amount, excluding payroll taxes, that Defendant are obligated to pay under this Settlement Agreement is Two Hundred Thousand Dollars (\$200,000).
- B. Notice to the Labor and Workforce Development Agency ("LWDA").** On April 15, 2020, Alexandra Pelgrift filed and served her Notice of Labor Code Violations Pursuant to Labor Code Section 2699.3 Thus, Plaintiff has satisfied her notice obligations under the PAGA.
- C. Class Certification.** Solely for the purposes of this Settlement, the Parties stipulate and agree to certification of the claims asserted on behalf of Class Members. As such, the Parties stipulate and agree that for this Settlement to occur, the Court must certify the Class as defined in this Agreement.
- D. Conditional Nature of Stipulation for Certification.** The Parties stipulate and agree to the certification of the claims asserted on behalf of Plaintiff and Class Members for purposes of this Settlement only. This Stipulation is contingent upon the Preliminary and Final approval and certification of the Settlement Class only for purposes of settlement. If the Settlement does not become final, for whatever reason, the fact that the Parties were willing to stipulate provisionally to certification as part of the Settlement shall have no bearing on and shall not be admissible or used in any way in connection with, the question of whether the Court should certify any claims in a non-settlement context in this Action or in any other lawsuit. Defendant expressly reserves the right to oppose class certification and/or to proactively move to deny class certification should this Settlement be modified or reversed on appeal or otherwise not become final.

- E. Appointment of Class Representative.** Solely for the purposes of this Settlement, the Parties stipulate and agree Plaintiff shall be appointed as the representative for the Class.
- F. Appointment of Class Counsel.** Solely for the purpose of this Settlement, the Parties stipulate and agree that the Court appoint Class Counsel to represent the Class.
- G. Individual Settlement Share.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will pay an Individual Settlement Share from the Net Settlement Amount to each Participating Class Member.

1. Calculation.

- a. Individual Settlement Share Calculation.** Each Participating Class Member will receive a proportionate share of the Net Settlement Amount that is equal to: (i) the number of weeks he or she worked during the Class Period based on the Class List provided by Defendant, divided by (ii) the total number of weeks worked by any and all Participating Class Members collectively, during the Class Period based on the same Class List, which is then multiplied by the Net Settlement Amount. One day worked in a given week will be credited as a week for purposes of this calculation. Therefore, the value of each Participating Class Member's Individual Settlement Share ties directly to the amount of weeks that he or she worked.

- H. PAGA Payment.** The PAGA Payment consists of \$20,000 of the Maximum Settlement Amount allocated to satisfy the PAGA penalties claim as alleged in the Action. Seventy-five percent (75%) of which (\$15,000) shall be paid to the LWDA, and twenty-five percent (25%) of which (\$5,000) shall be distributed to Eligible Aggrieved Employees (including those who submit a valid and timely Exclusion Form).

- 1. Calculation.** The PAGA Payment will be paid to each Eligible Aggrieved Employees proportionate to the number of pay periods that he or she worked during the PAGA Timeframe. It will be calculated by determining the total number of pay periods the Eligible Aggrieved Employees were employed during the PAGA Timeframe (*i.e.*, the sum of all pay periods of employment for each eligible aggrieved employee) and dividing that number into the \$5,000 amount allocated to Eligible Aggrieved Employees to determine the monetary value assigned to each pay period. That number will then be multiplied by the individual eligible aggrieved employee's total number of pay periods employed during the PAGA Timeframe to determine that individual's proportional share.

I. Tax Withholdings. Each Participating Class Member's Individual Settlement Share will be apportioned as follows: one-third (1/3) wages, one-third (1/3) interest, and one-third (1/3) penalties. The amounts paid as wages shall be subject to all tax withholdings customarily made from an employee's wages and all other authorized and required withholdings and shall be reported by W-2 forms. The amounts paid as penalties and interest shall be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms. The employees' share of payroll tax withholdings shall be withheld from each persons' Individual Settlement Share. Eligible Aggrieved Employees' portion of the PAGA Payment will be allocated as one hundred percent (100%) penalties and will be issued an IRS form 1099 if it exceeds \$600.

J. Settlement Disbursement. Subject to the terms and conditions of this Agreement, the Settlement Administrator will make the following payments out of the Maximum Settlement Amount:

1. To the Plaintiff, Alexandra Pelgrift. In addition to her Individual Settlement Share, and subject to the Court's approval, Plaintiff Alexandra Pelgrift will receive up to Ten Thousand Dollars (\$10,000) as the Class Representative Enhancement Payment. The Settlement Administrator will pay the Class Representative Enhancement Payment out of the Qualified Settlement Fund. Payroll tax withholdings and deductions will not be taken from the Class Representative Enhancement Payment. An IRS Form 1099 will be issued to Plaintiff with respect to her Class Representative Enhancement Payment. In the event the Court does not approve the entirety of the application for the Class Representative Enhancement Payment, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Plaintiff, the difference shall become part of the NSA and be available for distribution to Participating Class Members.

2. To Class Counsel. Class Counsel will apply to the Court for, and Defendant agree not to oppose, a total Attorney Fee Award not to exceed thirty-five percent (35%) or \$70,000 of the MSA and a Cost Award not to exceed \$20,000. The Settlement Administrator will pay the court-approved amounts for the Attorney Fee Award and Cost Award out of the Maximum Settlement Amount. The Settlement Administrator may purchase an annuity to utilize US treasuries and bonds or other attorney fee deferral vehicles for Class Counsel. Payroll tax withholding and deductions will not be taken from the Attorney Fee Award or the Cost Award. IRS Forms 1099 will be issued to Class Counsel with respect to these payments. In the event the Court does not approve the entirety of the application for the Attorney Fee

Award and/or Cost Award, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Class Counsel for the Attorney Fee Award and/or Cost Award, the difference shall become part of the NSA and be available for distribution to Participating Class Members. Except as provided herein, each side shall bear its own attorneys' fees and costs.

- 3. To the Responsible Tax Authorities.** The Settlement Administrator will pay the amount of the Participating Class Members' portion of normal payroll withholding taxes out of each person's Individual Settlement Share. The Settlement Administrator will calculate the amount of the Participating Class Members' and Defendant's portion of payroll withholding taxes. The Settlement Administrator will submit Defendant's portion of payroll withholding tax calculation to Defendant for additional funding and forward those amounts along with each person's Individual Settlement Share withholdings to the appropriate taxing authorities.
- 4. To the Settlement Administrator.** The Settlement Administrator – Phoenix – will pay to itself Administration Costs (reasonable fees and expenses) approved by the Court not to exceed \$11,000. This will be paid out of the Qualified Settlement Fund. If the actual amount of Administration Costs is less than the amount estimated, the difference shall become part of the NSA and be available for distribution to Participating Class Members. In the event the Court does not approve the entirety of the application for the Administration Costs, the Settlement Administrator shall pay to itself whatever amount the Court awards, and neither Defendant nor the Plaintiff shall be responsible for paying the difference between the amount requested and the amount awarded.
- 5. To Class Members.** The Settlement Administrator will pay Participating Class Members according to the Individual Settlement Share calculations set forth above. All payments to Participating Class Members shall be made from the Qualified Settlement Fund.
- 6. To Eligible Aggrieved Employees.** The Settlement Administrator shall pay each Eligible Aggrieved Employee according to their proportional share, which will be based upon the total number of pay periods he or she was employed during the PAGA Timeframe. Settlement checks issued to the Eligible Aggrieved Employees pursuant to this Agreement shall expire one hundred eighty (180) days from the date they are issued by Defendant. Any unclaimed funds after the one hundred eighty (180) days shall be redistributed per "Uncashed Checks" in Section L(8) below .

K. Appointment of Settlement Administrator. Solely for the purposes of this Settlement, the Parties stipulate and agree that Phoenix shall be retained to serve as Settlement Administrator. The Settlement Administrator shall be responsible for: (a) translating into Spanish, preparing, printing, and mailing and emailing the Notice Packet to the Class Members; (b) creating a static settlement website that will go live on the same date that the Notice Packet is first sent to the Class Members and that will include, among other things, the Complaints, a standalone generic copy of the Class Notice, all papers filed in connection with the preliminary approval motion (including all orders filed by the Court), all papers filed in connection with the Final Approval Hearing (including the fee motion and the final approval motion), and, if the Settlement is approved, the Final Judgment; (c) keeping track of any objections or requests for exclusion from Class Members; (d) performing skip traces and resending Notice Packets and remailing Individual Settlement Shares to Class Members; (d) calculating any and all payroll tax deductions as required by law; (f) calculating each Participating Class Member's Individual Settlement Share and each Eligible Aggrieved Employee's portion of the PAGA Payment; (g) providing weekly status reports to Counsel for Defendant and Class Counsel, which is to include updates on any objections or requests for exclusion that have been received; (h) providing a due diligence declaration for submission to the Court prior to the Final Approval hearing; (i) mailing Individual Settlement Shares and portions of the PAGA Payment to Participating Class Members and Eligible Aggrieved Employees respectively; (j) mailing the portion of the PAGA Payment to the LWDA; (k) distributing the Attorney Fee Award and the Cost Award to Class Counsel; (l) printing and providing Class Members and Plaintiff with W-2s and 1099 forms as required under this Agreement and applicable law; (m) providing a due diligence declaration for submission to the Superior Court upon the completion of the Settlement; (n) providing any funds remaining in the QSF as a result of uncashed checks to the Legal Aid At Work; and (o) performing other tasks as the Parties mutually agree. The Parties each represent that they do not have any financial interest in Phoenix or otherwise have a relationship with Phoenix that could create a conflict of interest.

L. Procedure for Approving Settlement.

1. Motion for Preliminary Approval and Conditional Certification.

- a.** Plaintiff will move for an order conditionally certifying the Class for settlement purposes only, giving Preliminary Approval of the Settlement, setting a date for the Final Approval hearing, and approving the Class Notice, Exclusion Form, and Objection Form.
- b.** At the Preliminary Approval hearing, the Plaintiff will appear, support the granting of the motion, and submit a proposed order granting conditional certification of the Class and Preliminary Approval of the Settlement; appointing the Class Representative,

Class Counsel, and Settlement Administrator; approving the Notice Packet; and setting the Final Approval hearing.

- c. Should the Court decline to conditionally certify the Class or to Preliminarily Approve all material aspects of the Settlement, the Parties will work together to address the Court's concerns to obtain preliminary approval. If the Court does not ultimately approve a settlement consistent with this Settlement Agreement, the Settlement will be null and void, and the Parties will have no further obligations under it. Provided, however, that the amounts of the Attorney Fee Award, the Cost Award, the Administration Costs, and the Class Representative Enhancement Payment shall be determined by the Court, and the Court's determination on these amounts shall be final and binding, and that the Court's approval or denial of any amount requested for these items are not conditions of this Settlement Agreement, and are to be considered separate and apart from the fairness, reasonableness, and adequacy of the Settlement. Any order or proceeding relating to an application for the Attorney Fee Award, the Cost Award, the Administration Costs, and the Class Representative Enhancement Payment shall not operate to terminate or cancel this Agreement. Nothing in this Agreement shall limit Plaintiff's or Class Counsel's ability to appeal any decision by the Court to award less than the requested Attorney Fee Award, the Cost Award, the Administration Costs, and the Class Representative Enhancement Payment.

2. Notice to Class Members. After the Court enters its Preliminary Approval Order, every Class Member will be provided with the Notice Packet in accordance with the following procedure:

- a. Within twenty-one (21) calendar days after entry of the Preliminary Approval Order, Defendant shall deliver to the Settlement Administrator the following information about each Class Member's: (1) first and last name; (2) last known mailing address; (3) social security number; (4) hire and termination dates; (5) the total number of weeks during which the Class Member performed any actual work during the Class Period as a member of the Class; and (6) last known email address (collectively "Class List"). If any or all this information is unavailable to Defendant, Defendant will so inform Class Counsel and the Parties will make their best efforts to reconstruct or otherwise agree upon how to deal with the unavailable information. The Settlement Administrator will conduct a skip trace for the address of all former Defendant employee Class Members. The Settlement Administrator shall maintain the Class List and all data contained

within the Class List as private and confidential. This provision will not impede Class Counsel's ability to discharge fiduciary duties, including effectuating the terms of this settlement.

- b. The Settlement Administrator shall run all the addresses on the Class List through the United States Postal Service NCOA database (which provides updated addresses for any individual who has moved in the previous four years who has notified the U.S. Postal Service of a forwarding address) to obtain current address information. The Settlement Administrator shall mail the Notice Packet to the Class Members via first-class regular U.S. Mail and email the Notice Packet to the Class Members using the most current mailing and email address information available within fourteen (14) calendar days after the receipt of the Class List from Defendant.
- c. If a Notice Packet is returned because of an incorrect address, within ten (10) days from receipt of the returned Notice Packet, the Settlement Administrator will conduct a search for a more current address for the Class Member and re-mail the Notice Packet to the Class Member. The Settlement Administrator will use the National Change of Address Database and skip traces to attempt to find the current address. The Settlement Administrator will be responsible for taking reasonable steps to trace the mailing address of any Class Member for whom a Notice Packet is returned by U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing to Class Members for whom new addresses are found. If the Settlement Administrator is unable to locate a better address, the Notice Packet shall be re-mailed to the original address. If the Notice Packet is re-mailed, the Settlement Administrator will note for its own records the date and address of each re-mailing.
- d. Class Members may dispute the information provided in their Notice Packet, but must do so in writing, via first class mail, and it must be postmarked by the Response Deadline. To the extent Class Members dispute the number of weeks to which they have been credited or the amount of their Individual Settlement Share, Class Members must produce evidence to the Settlement Administrator showing that such information is inaccurate. Class Members shall be permitted to submit copies of any evidence supporting workweek disputes – original versions will not be required. Absent evidence rebutting Defendant's records, Defendant's records will be presumed determinative. However, if

a Class Member produces evidence to the contrary, the Parties will evaluate the evidence submitted by the Class Member and will make the final decision as to the number of eligible weeks that should be applied and/or the Individual Settlement Share to which the Class Member may be entitled. If the Parties cannot agree on a final decision as to the number of eligible workweeks that should be applied and/or the Individual Settlement Share to which the Class Member may be entitled, the decision will be turned over to the Court. In this situation, the Court will evaluate the evidence submitted by the Class Member and will make the final decision as to the number of eligible weeks that should be applied and/or the Individual Settlement Share to which the Class Member may be entitled.

- e. If any Exclusion Form received is incomplete or deficient, the Settlement Administrator shall send a letter informing the Class Member of the deficiency and allow fourteen (14) days to cure the deficiency. However, any cure period will not extend the Response Deadline. If after the cure period the Exclusion Form is not cured, it will be determined that the Class Member did not exclude himself or herself from the Settlement and will be bound by the Settlement.
- f. The Settlement Administrator shall provide a weekly status report to the Parties. As part of its weekly status report, the Settlement Administrator will inform Class Counsel and Counsel for Defendant of the number of Notice Packets mailed and emailed, the number of Notice Packets returned as undeliverable, the number of Notice Packets re-mailed, and the number of Exclusion Forms received.
- g. No later than fourteen (14) calendar days after the Response Deadline, the Settlement Administrator will serve on the Parties a declaration of due diligence setting forth its compliance with its obligations under this Agreement. The declaration from the Settlement Administrator shall also be filed with the Court by Class Counsel no later than ten (10) calendar days before the Final Approval hearing. Before the Final Approval hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.

- 3. Objections to Settlement.** The Notice Packet will provide that the Class Members who wish to object to the Settlement must mail to the Settlement Administrator an Objection Form, postmarked no later than the Response Deadline. For any Class Member to object to this Settlement, or any term

of it, the Class Member making the objection must not submit a request for exclusion (i.e., must not opt out).

- a. Format.** Any objections should: (a) state the objecting Class Member's full name, address, and telephone number and the name and address of counsel, if any; (b) describe, in clear and concise terms, the reasons for objecting and the legal and factual arguments supporting the objection; (c) identify any evidence supporting the factual basis for the objection; (d) be signed by the objecting Class Member or his or her attorney; and (e) state whether the objecting Class Member (or someone on his or her behalf) intends to appear at the Final Approval Hearing. An objection will be deemed valid if it is postmarked no later than the Response Deadline and provides sufficient information to allow the Settlement Administrator to identify the Class Member and understand that the Class Member objects to the Settlement or some term(s) of the Settlement. Objecting Class Members who choose to submit evidence supporting their objections may submit copies of such evidence – original versions will not be required.
 - b. Appearance at Final Approval and Oral Objection.** Class Members may (though are not required to) appear at the Final Approval Hearing, either in person or through their own counsel, at the Class Member's own expense and orally object to the Settlement. Plaintiff, rather than objecting Class Members and/or their counsel, if any, will be responsible for filing timely objections with the Court.
 - c.** If a Class Member objects to the Settlement, the objecting Class Member will remain a member of the Settlement and if the Court approves the Settlement, the objecting Class Member will be bound by the terms of the Settlement in the same way and to the same extent as a Participating Class Member who does not object. Eligible Aggrieved Employees do not have the right to object to the PAGA portion of the Settlement.
 - d.** Plaintiff and Defendant will be permitted to respond in writing to such objections no later than seven (7) days before the Final Approval hearing. Plaintiff waives any right to object to the Settlement, and hereby endorses the Settlement as fair, reasonable and adequate and in the best interests of the Settlement Class.
- 4. Request for Exclusion from the Settlement ("Opt-Out").** The Notice Packet will provide that Class Members who wish to exclude themselves from the Settlement must mail to the Settlement Administrator an Exclusion Form. The written request for exclusion should: (a) include the Class

Member's name, address, and last four digits of the social security number; (b) be addressed to the Settlement Administrator; (c) be signed by the Class Member or his or her lawful representative; and (d) be postmarked no later than the Response Deadline. A request for exclusion will be deemed valid if it is postmarked no later than the Response Deadline and provides sufficient information to allow the Settlement Administrator to identify the Class Member and understand the Class Member's request.

- a. Confirmation of Authenticity.** The date of the initial sending of the Notice Packet, and the date the signed request to be excluded is postmarked, shall be conclusively determined according to the records of the Settlement Administrator. If there is a question about the authenticity of a signed request for exclusion, the Settlement Administrator may demand additional proof of the Class Member's identity. Any Class Member who returns a timely, valid, and executed Exclusion Form will not participate in or be bound by the Settlement and Judgment, will not receive an Individual Settlement Share, and will not have any right to object, appeal, or comment thereon. A Class Member who does not complete and mail a timely Exclusion Form will automatically be included in the Settlement, will be mailed an Individual Settlement Share, and be bound by all terms and conditions of the Settlement, if the Settlement is approved by the Court, and by the Judgment, regardless of whether he or she has objected to the Settlement.
- b. Report.** No later than seven (7) calendar days after the Response Deadline, the Settlement Administrator will provide the Parties with a complete and accurate accounting of the number of Notice Packets mailed and emailed to Class Members, the number of Notice Packets returned as undeliverable, the number of Notice Packets re-mailed to Class Members, the number of re-mailed Notice Packets returned as undeliverable, the number of Class Members who objected to the Settlement and copies of their submitted objections, the number of Class Members who returned valid requests for exclusion, and the number of Class Members who returned invalid requests for exclusion.
- c. Defendant's Option to Terminate.** Defendant shall retain the right, in the exercise of its sole discretion, to nullify the Settlement if ten percent (10%) or more of the Class Members make a valid request to be excluded from the Settlement. If Defendant exercises this option to nullify the Settlement, Defendant shall pay for all of the third-party administrator's costs incurred up to the point of Defendant's notification of nullification of the Settlement. The Parties agree to an opt-out/objection period of thirty (30) days.

5. No Solicitation of Objection or Requests for Exclusion. Neither the Parties nor their respective counsel will solicit or otherwise encourage directly or indirectly any Class Member to object to the Settlement, request exclusion from the Settlement, or appeal from the Judgment.

6. Motion for Final Approval.

- a.** Upon expiration of the Objection/Exclusion Deadlines, Class Counsel will file unopposed motions and memorandums in support thereof for Final Approval of the Settlement and the following payments in accord with the terms of the Settlement: (1) the Attorney Fee Award; (2) the Cost Award; (3) the Administration Costs; (4) the Class Representative Enhancement Payment; and (5) the PAGA Payment. Class Counsel will also move the Court for an order of Final Approval (and associated entry of Judgment) releasing and barring any Released Claims of the Class Members who do not opt out of the Settlement.
- b.** If the Court does not grant Final Approval of the Settlement, or if the Court's Final Approval of the Settlement is reversed or materially modified on appellate review, then this Settlement will become null and void, but remains protected by California Evidence Code Section 1152. If that occurs, the Parties will have no further obligations under the Settlement, including any obligation by Defendant to pay the Maximum Settlement Amount or any amounts that otherwise would have been owed under this Agreement, except that Defendant shall pay fifty percent (50%) of the Administration Costs, and Plaintiff shall pay the remaining fifty percent (50%) of the Administration Costs. An award by the Court of a lesser amount than sought by Plaintiff and Class Counsel for the Class Representative Enhancement Payment, the Attorney Fee Award, and/or the Cost Award, will not constitute a material modification to the Settlement within the meaning of this paragraph.
- c.** Upon Final Approval of the Settlement, the Parties shall present to the Court a proposed Final Approval Order, approving the Settlement and entering Judgment in accordance therewith. After entry of Judgment, the Court shall have continuing jurisdiction over the Action for purposes of: (1) enforcing this Settlement Agreement; (2) addressing settlement administration matters, and (3) addressing such post-Judgment matters as may be appropriate under Court rules and applicable law. Notice of entry of Final Judgment will be served upon Class Members by the Settlement Administrator posting the Final Judgment on the settlement website.

7. **Disbursement of Settlement Shares and Payments.** Subject to the Court finally approving the Settlement, the Settlement Administrator shall distribute funds pursuant to the terms of this Agreement and the Superior Court's Final Approval Order and Judgment. The maximum amount Defendant can be required to pay under this Settlement for any purpose is the Maximum Settlement Amount. The Settlement Administrator shall keep Counsel for Defendant and Class Counsel apprised of all distributions from the Maximum Settlement Amount. The Settlement Administrator shall respond to questions from Counsel for Defendant and Class Counsel.
- a. **Funding the Settlement:** No later than thirty (30) calendar days after the Effective Final Settlement Date, Defendant shall deposit the Maximum Settlement Amount of Two Hundred Thousand Dollars (\$200,000) needed to pay the entire MSA by wiring the funds to the Settlement Administrator. Defendant shall also at this time provide any tax information that the Settlement Administrator may need to calculate each Participating Class Member's Individual Settlement Share.
 - b. **Disbursement:** Within fourteen (14) calendar days after the funding of the Settlement, the Settlement Administrator shall calculate and pay all payments due under the Settlement Agreement, including all Individual Settlement Shares, the Attorney Fee Award, the Cost Award, the Class Representative Enhancement Payment, the PAGA Payment, and the Administration Costs. The Settlement Administrator will also forward a check for the PAGA Payment to the LWDA for settlement of the PAGA claim.
 - c. **QSF:** The Parties agree that the QSF is intended to be a "Qualified Settlement Fund" under Section 468B of the Code and Treasury Regulations § 1.468B-1, 26 C.F.R. § 1.468B-1 *et seq.* and will be administered by the Settlement Administrator as such. The Parties and Settlement Administrator shall treat the QSF as coming into existence as a Qualified Settlement Fund on the earliest date permitted as set forth in 26 C.F.R. § 1.468B-1, and such election statement shall be attached to the appropriate returns as required by law.
8. **Uncashed Checks.** Participating Class Members must cash or deposit their Individual Settlement Share checks within one hundred eighty (180) calendar days after the checks are mailed to them. If any checks are not redeemed or deposited within ninety (90) calendar days after mailing, the Settlement Administrator will send a reminder postcard indicating that unless the check is redeemed or deposited in the next ninety (90) calendar

days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced. If any checks remain uncashed or not deposited by the expiration of the 90-day period after mailing the reminder notice, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, cancel the checks, and reissue the checks to those Participating Class Members that have cashed their checks. The second round of checks will expire and become non-negotiable after thirty (30) calendar days. The Settlement Administrator will, within forty-five (45) calendar days after the checks are mailed, cancel the checks, and pay the amount of the residual Individual Settlement Share(s) to Legal Aid At Work.

9. Final Report by Settlement Administrator. Within ten (10) calendar days after the disbursement of all funds, the Settlement Administrator will serve on the Parties a declaration providing a final report on the disbursements of all funds.

10. Defendant's Legal Fees. Defendant is responsible for paying for all of Defendant's own legal fees, costs, and expenses incurred in this Action outside of the Maximum Settlement Amount.

M. Release of Claims. As of the Effective Final Settlement Date, Class Members who do not submit a timely and valid request for exclusion ("Participating Class Members") hereby waive, release, promise never to assert in any forum, remise and forever discharge the Released Parties from the Released Claims during the Class Period. This release expressly excludes the PAGA Released Claims.

N. Effect of PAGA Settlement. As of the Effective Final Settlement Date, Plaintiff, the LWDA, and any other representative, proxy, or agent thereof, including, but not limited to, any and all Eligible Aggrieved Employees hereby waive, release, promise never to assert in any forum, remise and forever discharge the Released Parties from the PAGA Released Claims during the PAGA Timeframe. Eligible Aggrieved Employees may not opt out of the PAGA portion of the Settlement and will still be entitled to payment of their portions of the PAGA Amount and shall still release the PAGA Released Claims as of the Effective Final Settlement Date regardless of the submission of a valid and timely Exclusion Form to the Settlement Administrator.

O. Plaintiff's Release of Claims and General Release. Upon Defendant's fulfillment of its payment obligations under Section III(L)(7)(a) of this Agreement, and in exchange for the Class Representative Enhancement Payment to the Plaintiff in an amount not to exceed Ten Thousand Dollars (\$10,000), in recognition of her work and efforts in obtaining the benefits for the Class, and undertaking the risk for the payment of costs in the event this matter had not successfully resolved, Plaintiff hereby provides a general release of claims for herself and her respective spouse, heirs, successors and assigns, and forever release, remise, and discharge the

Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, penalties and expenses of any nature and description whatsoever, known or unknown, suspected or unsuspected, asserted or that might have been asserted, whether in tort, contract, equity, or otherwise, arising out of Plaintiff's employment with Defendant, payment of wages during that employment and the cessation of that employment and/or violation of any federal, state or local statute, rule, ordinance or regulation. With respect to the General Release, Plaintiff stipulates and agrees that, as of the Effective Final Settlement Date, Plaintiff shall be deemed to have, expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which provides:

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.

P. Miscellaneous Terms

- 1. No Admission of Liability.** Defendant makes no admission of liability or wrongdoing by virtue of entering into this Agreement. Additionally, Defendant reserves the right to contest any issues relating to class certification and liability if the Settlement is not approved. Defendant denies that it has engaged in any unlawful activity, has failed to comply with the law in any respect, has any liability to anyone under the claims asserted in the Case, or that but for the Settlement, a Class should be certified in the Case. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant of liability or wrongdoing. This Settlement and Plaintiff's and Defendant's willingness to settle the Case will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with this Settlement).
- 2. No Effect on Employee Benefits.** The amounts paid under this Agreement do not represent a modification of any previously credited hours of service under any employee benefit plan, policy or bonus program sponsored by Defendant. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under, benefit plans (self-insured or not) sponsored by Defendant's, policies or bonus programs. Any payments made under the terms of this Settlement shall not be applied retroactively, currently or on a going forward basis as salary, earnings, wages, or any other form of compensation for the purposes of Defendant's benefit plan, policy or bonus program. Defendant retain the

right to modify the language of its benefit plans, policies and bonus programs to effect this intent and to make clear that any amounts paid pursuant to this Settlement are not for “hours worked,” “hours paid,” “hours of service,” or any similar measuring term as defined by applicable plans, policies and bonus programs for purpose of eligibility, vesting, benefit accrual or any other purpose, and that additional contributions or benefits are not required by this Settlement.

3. **Publicity.** Class Counsel and Plaintiff agree to discuss the terms of this Settlement only in declarations submitted to a court to establish Class Counsel’s adequacy to serve as Class Counsel, in declarations submitted to a court in support of motions for preliminary approval, Final Approval, for attorneys’ fees/costs, and any other pleading filed with the Court in conjunction with the Settlement, and in discussions with Class Members in the context of administering this Settlement until the Preliminary Approval Order is issued. Class Counsel and Plaintiff agree to not disclose or publicize the Settlement, including the fact of the Settlement Agreement, its terms or contents, and the negotiations underlying the Settlement Agreement, in any manner or form, directly or indirectly, to any person or entity, except Class Members and as shall be contractually required to effectuate the terms of the Settlement Agreement as set forth herein. Class Counsel and Plaintiff agree that they shall not publish any press releases or press statements regarding the Settlement, identify Defendant or Counsel for Defendant by name in any media including Class Counsel’s website, or have any communications with the press or media about the Case or the Settlement. Plaintiff, in response to inquiries, will state that that “the Case was resolved.” This provision will not impede Class Counsel’s ability to discharge fiduciary duties, including effectuating the terms of this settlement.
4. **Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire Agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any party concerning this Agreement or its exhibits, other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits. Except as expressly provided herein, this Agreement has not been executed in reliance upon any other written or oral representations or terms, and no such extrinsic oral or written representations or terms shall modify, vary, or contradict its terms. In entering into this Agreement, the Parties agree that this Agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence. Nothing in this Agreement in any way limits or negates the enforceability and effect of the underlying arbitration agreements signed by employees of Defendant, obligating them

to arbitrate any and all claims on an individual (and not on a class, collective, or representative) basis.

- 5. Authorization to Enter Into Settlement Agreement.** Class Counsel and Counsel for Defendant warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties under this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement this Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the Court, and in all cases, all such documents, supplemental provisions, and assistance of the Court will be consistent with this Agreement.
- 6. Exhibits and Headings.** The terms of this Agreement include the terms set forth in the attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this Agreement are an integral part of the Settlement and must be approved substantially as written. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.
- 7. Deadlines Falling on Weekends or Holidays.** To the extent that any deadline set forth in this Settlement Agreement falls on a Saturday, Sunday, or legal holiday, that deadline shall be continued until the following business day.
- 8. No Pending Lawsuits By Plaintiff.** Other than this Case, Plaintiff represents that unalleged claims in addition to, or different from, those which are finally and forever settled and released against the Released Parties by this Settlement, and unalleged facts or legal theories upon which any claims or causes of action could be brought against Defendant, except such facts and theories specifically alleged in the operative complaint in this Action. Plaintiff further represents that, other than the instant Case, he has no current intention of asserting any other “Released Claims” against Defendant in any judicial or administrative forum.
- 9. Interim Stay of Proceedings.** The Parties agree to stay and hold all proceedings in the Action in abeyance, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval hearing to be conducted by the Court.

- 10. Amendment or Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by counsel for all Parties or their successors-in-interest.
- 11. Agreement Binding on Successors and Assigns.** This Agreement will be binding upon, and inure to the benefit of, the successors and assigns of the Parties, as previously defined.
- 12. No Prior Assignment.** Plaintiff hereby represents, covenants, and warrants that he has not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged.
- 13. Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of California, without giving effect to any conflict of law principles or choice of law principles.
- 14. Fair, Adequate, and Reasonable Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.
- 15. No Tax or Legal Advice.** The Parties understand and agree that the Parties are neither providing tax or legal advice, nor making representations regarding tax obligations or consequences, if any, related to this Agreement, and that Class Members will assume any such tax obligations or consequences that may arise from this Agreement, and that Class Members shall not seek any indemnification from the Parties or any of the Released Parties in this regard. The Parties agree that, in the event that any taxing body determines that additional taxes are due from any Class Member, such Class Member assumes all responsibility for the payment of such taxes.
- 16. Jurisdiction of the Superior Court.** Pursuant to Code of Civil Procedure section 664.6, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgment entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Superior Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders and judgments in connection therewith.

- 17. Invalidity of Any Provision; Severability.** Before declaring any provision of this Agreement invalid, the Parties request that the Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable. In the event any provision of this Agreement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.
- 18. 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.
- 19. Execution in Counterpart.** This Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile or PDF signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

[SIGNATURES ON NEXT PAGE]

IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel execute this Agreement.

Dated: 03/01/2022, 2022

ALEXANDRA PELGRIFT



Plaintiff

Dated: 3/3/22, 2022

THE 21ST AMENDMENT BREWERY CAFE, LLC



Defendant

Name:

Title:

NICOLAS FRECCIA
Managing Member

Dated: March 1, 2022

JUSTICE LAW CORPORATION



Douglas Han, Esq.

Shunt Tatavos-Gharajeh, Esq.

Haig Hogdanian, Esq.

Attorneys for Plaintiff Alexandra Pelgrift, on behalf
of herself and all others similarly situated

Dated: March 3, 2022

LITTLER MENDELSON, P.C.



Joshua J. Cliffe, Esq.

Courtney O. Chambers, Esq.

Attorneys for Defendant The 21st Amendment
Brewery Cafe, LLC

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

*A court authorized this notice. This is not a solicitation.
This is not a lawsuit against you, and you are not being sued.
However, your legal rights are affected by whether you act or don't act.*

TO: Any and all persons who have been employed by Defendant The 21st Amendment Brewery Cafe, LLC (“Defendant”) as non-exempt employees in California at any time from October 7, 2018 through October 15, 2021.

The California Superior Court, County of San Francisco has granted preliminary approval of a proposed settlement (“Settlement”) of the above-captioned action (the “Action”). Because your rights may be affected by this Settlement, it is important that you read this Notice of Class Action Settlement (“Notice”) carefully. The purpose of this Notice is to provide a brief description of the claims alleged in the Action, the key terms of the Settlement, and your rights and options with respect to the Settlement.

YOU MAY BE ENTITLED TO MONEY UNDER THE PROPOSED CLASS ACTION SETTLEMENT. PLEASE READ THIS NOTICE CAREFULLY; IT INFORMS YOU ABOUT YOUR LEGAL RIGHTS.

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1. What Is This Case About?

On April 15, 2020, Plaintiff Alexandra Pelgrift, a former employee of The 21st Amendment Brewery Cafe, LLC (“Defendant”), gave notice to the California Labor and Workforce Development Agency (“LWDA”) that she believed Defendant was violating the California Labor Code with respect to all of Defendant’s hourly employees in California. Specifically, Plaintiff stated her belief that Defendant was violating Labor Code provisions related to properly paying employees for all hours worked; properly paying minimum and overtime wages; properly compensating employees for missed, interrupted, short, and late meal and rest breaks; paying employees all earned and unpaid wages in a timely manner upon employees’ discharge or termination; paying employees all wages due to them in a timely manner; providing employees with complete and accurate wage statements; keeping complete and accurate payroll records showing the hours worked daily by and the wages paid to employees; and reimbursing employees for all necessary business-related costs and expenses. The relevant Labor Code sections are sections 201, 202, 203, 204, 218.5, 221, 226(a), 226.3, 226.7, 510, 512(a), 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802.

On June 29, 2020, after she sent the letter to the LWDA, Plaintiff initiated a PAGA-only lawsuit against Defendant in the Superior Court of California, County of San Francisco. A PAGA lawsuit is a type of representative lawsuit authorized by the Labor Code Private Attorneys General Act of 2004 (PAGA), which allows aggrieved employees to file lawsuits to recover civil penalties on behalf of themselves, other employees, and the State of California for violations of the California Labor Code. An aggrieved employee is any person who was employed by the alleged Labor Code violator and against whom one or more of the alleged Labor Code violations was committed. An employee who files a PAGA lawsuit is acting as an agent of California’s labor law enforcement agencies, who have the power to initiate an enforcement action directly. Plaintiff’s PAGA-only lawsuit was based on the Labor Code violations Plaintiff believes Defendant committed, described in the paragraph above.

Plaintiff and Defendant (collectively, the “Parties”) attended a mediation with mediator Jeffrey A. Ross on August 30, 2021, to attempt to resolve the claims Plaintiff made against Defendant in the Action without going to trial. With the help of the mediator, the Parties were able to reach the proposed Settlement of the Action, some of the terms of which are described in this Notice.

Though Plaintiff originally filed a PAGA-only lawsuit, the Settlement called for a resolution of both PAGA and class claims. A class action is a procedure by which an employee may resolve the claims of other absent employees on a representative basis. A PAGA action is different from a class action in that an employee filing a PAGA action is not resolving the claims of absent employees but is instead acting as an agent of the State of California to obtain penalties for absent employees for Labor Code violations committed against those employees. Penalties awarded in a PAGA action are measured by the number of Labor Code violations committed by the employer, and a portion of these penalties must be paid to the State of California. In addition, members of a class action have the right to opt out of, or exclude themselves from, the class action. Class members who opt out will not be bound by the terms of any judgment issued by the Court in the class action. Class members who do not opt out will be bound by the terms of any judgment issued and will be precluded from bringing any claims that were or that could have been brought against the employer in the lawsuit in which the individual was a class member. Conversely, aggrieved employees do not have the right to opt out of a PAGA action. However, aggrieved employees retain the right to pursue or recover other remedies available under state or federal law.

In line with the Parties' decision to settle the Action, on November 4, 2021, Plaintiff filed a First Amended Complaint in the Superior Court of California, County of San Francisco. This First Amended Complaint supersedes the original complaint Plaintiff filed on June 29, 2020. The First Amended Complaint is different from Plaintiff's original complaint in that the First Amended Complaint directly asserts class claims based on the same theories of liability for which Plaintiff previously only pursued PAGA penalties. The Labor Code sections relevant to the class claims Plaintiff asserted in her First Amended Complaint are the same Labor Code sections that Plaintiff alleged Defendant violated in her letter to the LWDA, as well as section 17200 of the California Business & Professions Code.

The Court has not made any determination as to whether the claims advanced by Plaintiff have any merit. In other words, the Court has not determined whether any laws have been violated, nor has it decided in favor of Plaintiff or Defendant; instead, both sides agreed to resolve the lawsuit with no decision or admission of who is right or wrong. By agreeing to resolve the lawsuit, all Parties avoid the risks and cost of a trial.

Defendant expressly denies that it did anything wrong or that it violated the law and further denies any liability whatsoever to Plaintiff or to the Class. Accordingly, the Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of Defendant, by whom all liability is expressly denied.

2. *Why Have I Received This Notice?*

Defendant's personnel records indicate that you may be a Class Member. You are a Class Member if you were employed by Defendant as a non-exempt employee in California at any time from October 7, 2018 through October 15, 2021 ("Class Period"). In addition, you are an Eligible Aggrieved Employee if you were employed by Defendant as a non-exempt employee in California at any time from April 15, 2019 through October 15, 2021 ("PAGA Timeframe").

A Preliminary Approval Hearing regarding the proposed Settlement – the terms of which the Parties agreed to pursuant to the mediation on August 30, 2021 – was held on [the date of Preliminary Approval], in the Superior Court of California, County of San Francisco. At the Preliminary Approval Hearing, the Court conditionally certified the Class for settlement purposes only and directed that you receive this Notice. The purpose of this Notice is to inform you of the proposed Settlement and advise you of your rights with respect to the proposed Settlement.

The Court has determined only that there is sufficient evidence to suggest that the proposed Settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the Final Approval Hearing.

The Court will hold a Final Approval Hearing concerning the proposed Settlement on [the date of final approval hearing], at [time a.m./p.m.], before the Honorable Ethan P. Schulman, located at 400 McAllister Street, San Francisco, California 94102, Department 304 (Civic Center Courthouse).

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3. *What Are My Options?*

As a Class Member and/or Eligible Aggrieved Employee, you have options with respect to your involvement in the proposed Settlement. Each option has its consequences, which you should understand before making your decision. The table below summarizes your rights with respect to each option and the steps you must take to select each option. These options are also explained in more detail later in this Notice.

Important Note: *Defendant will not retaliate against you in any way for either participating or not participating in this Settlement.*

OPTIONS	CLASS MEMBERS	ELIGIBLE AGGRIEVED EMPLOYEES
DO NOTHING	If you do nothing and the Court grants final approval of the Settlement, you will become part of the Action, and the Settlement Administrator will mail you a check for your Individual Settlement Share, which will be based on the total number of workweeks you were employed as a non-exempt employee in California during the Class Period, at your address of record. You will give up your right to pursue the Released Claims as defined in Section No. 9 below, meaning you will be unable to sue the Released Parties, including Defendant, for the Released Claims.	If you do nothing and the Court grants final approval of the Settlement, you will become part of the Action, and the Settlement Administrator will mail you a check for your portion of the PAGA Payment, which will be based on the total number of pay periods you were employed as a non-exempt employee in California during the PAGA Timeframe, at your address of record. You will give up your right to pursue the PAGA Released Claims as defined in Section No. 9 below, meaning you will be unable to sue the Released Parties, including Defendant, for the PAGA Released Claims.
UPDATE MAILING ADDRESS	You must keep the Settlement Administrator informed of any change of address. The purpose of doing so is to ensure the Settlement Administrator can contact you for, among other things, the proper mailing of your Individual Settlement Share check. You can contact the Settlement Administrator by calling the Settlement Administrator at [phone number].	You must keep the Settlement Administrator informed of any change of address. The purpose of doing so is to ensure the Settlement Administrator can contact you for, among other things, the proper mailing of a check for your portion of the PAGA Payment. You can contact the Settlement Administrator by calling the Settlement Administrator at [phone number].
DISPUTE WORKWEEKS AND/OR PAY PERIODS	If you believe the number of workweeks with which you have been credited, and thereby the amount of your Individual Settlement Share, as provided in this Notice, is inaccurate, you may dispute this information. The procedure for disputing this information is described in Section No. 6 below.	If you believe the number of pay periods with which you have been credited, and thereby the amount of your portion of the PAGA Payment, as provided in this Notice, is inaccurate, you may dispute this information. The procedure for disputing this information is described in Section No. 6 below.

OBJECT	You may object to the proposed Settlement. If you would like to object, you may not opt out of this Settlement. The procedure for objecting to the proposed Settlement is described in Section No. 7 below. If you object and the Court approves the proposed Settlement, the Settlement Administrator will mail you your Individual Settlement Share check, and you will give up your right to sue the Released Parties, including Defendant, for the Released Claims as defined in Section No. 9 below.	Eligible Aggrieved Employees do not have the right to object to the PAGA portion of the proposed Settlement. If the Court approves the proposed Settlement, the Settlement Administrator will mail you a check for your portion of the PAGA Payment, and you will give up your right to sue the Released Parties, including Defendant, for the PAGA Released Claims as defined in Section No. 9 below.
REQUEST EXCLUSION	If you do not want to participate as a Class Member in the proposed Settlement, you may request exclusion from, or opt out of, the proposed Settlement, which will remove you from the Class and this Action. If the Court grants final approval of the Settlement, the Settlement Administrator will not mail you an Individual Settlement Share, and you will not give up the right to sue the Released Parties, including Defendant, for any of the Released Claims as defined in Section No. 9 below. The procedure for requesting exclusion from the proposed Settlement is described in Section No. 7 below.	Eligible Aggrieved Employees do not have the right to request exclusion from, or opt out of, the PAGA portion of the proposed Settlement. If the Court grants final approval of the Settlement, the Settlement Administrator will mail you a check for your portion of the PAGA Payment, and you will give up the right to sue the Released Parties, including Defendant, for the PAGA Released Claims as defined in Section No. 9 below. Eligible Aggrieved Employees who opt out of the class portion of the proposed Settlement will still be mailed checks for their portions of the PAGA Payment and will give up the right to sue the Released Parties for the PAGA Released Claims.

4. Who Are the Attorneys Representing the Parties?

Attorneys for Plaintiff and the Class	Attorneys for Defendant
JUSTICE LAW CORPORATION Douglas Han Shunt Tatavos-Gharajeh Haig Hogdanian 751 N. Fair Oaks Avenue, Suite 101 Pasadena, California 91103 Telephone: (818) 230-7502 Facsimile: (818) 230-7259	LITTLER MENDELSON, P.C. Joshua J. Cliffe Courtney O. Chambers 333 Bush Street, 34th Floor San Francisco, California 94104 Telephone: (415) 433-1940 Facsimile: (415) 399-8490

The Court has decided that Justice Law Corporation is qualified to represent Plaintiff, on an individual basis, and you and all other Class Members, on a class-wide basis, simultaneously.

Class Counsel is working on behalf of Plaintiff and the Class at large. If you want your own attorney, you may hire one at your own cost.

5. *How Does This Settlement Work?*

In this Action, Plaintiff sued on behalf of herself and all other similarly situated employees who were employed by Defendant as non-exempt employees in California at any time during the Class Period. Plaintiff and these other current and former employees comprise a “Class” and are “Class Members.” Those Class Members employed by Defendant as non-exempt employees in California at any time during the PAGA Timeframe are also “Eligible Aggrieved Employees.” The proposed Settlement of this Action is a class and representative action settlement, meaning the Settlement resolves the Released Claims of all Class Members, except for those Class Members who exclude themselves from the Class by requesting to be excluded in the manner set forth in Section No. 8 below, as well as the PAGA Released Claims of all Eligible Aggrieved Employees. The Released Claims and the PAGA Released Claims are defined in Section No. 9 below. In return for giving up the right to sue the Released Parties for the Released Claims, the Class Members who do not decide to exclude themselves from the class portion of the proposed Settlement will be mailed checks for their Individual Settlement Shares. Similarly, in return for giving up the right to sue the Released Parties for the PAGA Released Claims, the Eligible Aggrieved Employees will be mailed checks for their portions of the PAGA Payment.

Because the proposed Settlement is a class and representative action settlement, it differs from a class-only settlement in several ways. Unlike a class-only settlement, the proposed Settlement includes Eligible Aggrieved Employees, a PAGA Payment, and PAGA Released Claims.

Under the terms of the proposed Settlement, the total maximum amount that Defendant will be required to pay is two hundred thousand dollars (\$200,000) (“Maximum Settlement Amount”). Under the terms of the proposed Settlement, twenty thousand dollars (\$20,000) from the Maximum Settlement Amount will be set aside as the “PAGA Payment.” The PAGA Payment is the total amount of civil penalties collected on behalf of the State of California. Fifteen thousand dollars (\$15,000) from the PAGA Payment, or seventy-five percent (75%) of the PAGA Payment, will be sent to the State of California. Eligible Aggrieved Employees will share the remaining five thousand dollars (\$5,000), or twenty-five percent (25%), based on the number of pay periods they worked.

Because these penalties, i.e., the \$20,000 PAGA Payment, can only be sought by or on behalf of the State of California, Eligible Aggrieved Employees cannot exclude themselves from the PAGA portion of the Settlement. Therefore, if the Court approves the proposed Settlement, all Eligible Aggrieved Employees will give up the right to sue the Released Parties for the PAGA Released Claims, described in greater detail in Section No. 9 below. However, all Eligible Aggrieved Employees are also Class Members and may therefore exclude themselves from the class portion of the proposed Settlement and retain the right to sue the Released Parties for the Released Claims, described in greater detail in Section No. 9 below.

Because Plaintiff is acting on behalf of the State of California with respect to the representative (i.e., PAGA), portion of the proposed Settlement, Plaintiff must also keep the LWDA informed of any legal action taken with respect to the Action and the proposed Settlement. For example, Plaintiff is required to file with the LWDA a copy of the proposed Settlement Agreement as well as any revised versions of the Settlement Agreement and the papers Plaintiff has filed and will file with the Court to obtain both preliminary and final approval of the Settlement. This is not required for class-only settlements.

6. *How Do I Dispute the Information Included in This Notice?*

Section No. 10 below states the number of workweeks with which you have been credited – meaning the number of workweeks you worked during the Class Period, based on Defendant’s records – and the estimated amount of your Individual Settlement Share, based on this number of workweeks. If you are also an Eligible Aggrieved Employee, Section No. 10 below also states the number of pay periods with which you have been credited – meaning the number of pay periods you worked during the PAGA Timeframe, based on Defendant’s records – and the estimated amount of your portion of the PAGA Payment. If you believe the number of workweeks and/or pay periods with which you have been credited, and therefore the estimated amount of your Individual Settlement Share and/or portion of the PAGA Payment, is inaccurate, you may dispute this information.

If you choose to dispute the information included in this Notice, you must do so in writing. You must also produce and submit evidence to the Settlement Administrator showing that the disputed information is inaccurate. You are permitted to submit copies of such evidence – original versions are not required. If the Settlement Administrator does not receive evidence from you rebutting the disputed information, the number of workweeks and/or pay periods contained in Defendant’s records will be presumed correct, and your challenge will be rejected by the Settlement Administrator. However, if you do submit evidence rebutting the disputed information, the Parties will evaluate this evidence and make the final decision as to the number of workweeks and/or pay periods with which you will be credited. If the Parties cannot agree on the number of workweeks and/or pay periods with which you should be credited, the Court will evaluate the evidence and make the final determination.

Your dispute should be signed and dated and must be mailed, along with your supporting evidence, by first-class U.S. mail, **postmarked no later than [Response Deadline]** to: **THE 21ST AMENDMENT BREWERY CAFE, LLC SETTLEMENT ADMINISTRATOR C/O PHOENIX CLASS ACTION ADMINISTRATION SOLUTIONS, [INSERT ADDRESS]**. You are encouraged to keep copies of any and all evidence you submit to the Settlement Administrator.

7. *How Do I Object To The Settlement?*

If you are a Class Member who does not opt out of the Settlement, you may object to the Settlement, personally or through an attorney, by sending a timely objection form to the Settlement Administrator. A form (“NOTICE OF OBJECTION FORM”) (“Objection Form”) has been provided to you along with this Notice, which can be used for this purpose; alternatively, you can submit your own written document that includes this same information. The Objection Form should be signed and dated and must be mailed by first-class U.S. mail, **postmarked no later than [Response Deadline]** to: **THE 21ST AMENDMENT BREWERY CAFE, LLC SETTLEMENT ADMINISTRATOR C/O PHOENIX CLASS ACTION ADMINISTRATION SOLUTIONS, [INSERT ADDRESS]**.

The Objection Form should: (a) state the objecting Class Member’s full name, address, and telephone number and the name and address of counsel, if any; (b) describe, in clear and concise terms, the reasons for objecting and the legal and factual arguments supporting the objection; (c) identify any evidence supporting the factual basis for the objection; (d) be signed by the objecting Class Member or his or her attorney; and (e) state whether the objecting Class Member (or someone on his or her behalf) intends to appear at the Final Approval Hearing. Though you are encouraged to include all the foregoing information in your objection, the inclusion of all such information is not a condition for the submission of a valid objection.

Class Members may appear at the Final Approval Hearing, either in person or through their own counsel and orally object to the Settlement. Class Members' timely and valid objections to the Settlement will still be considered even if the objector does not appear at the Final Approval Hearing.

Settlement Class Members who fail to object in the manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objections to the Settlement.

Again, to be valid and effective, any written objections must be mailed to the Settlement Administrator postmarked on or before **[the Response Deadline]**.

If the Court approves the Settlement, the objecting Class Member will be mailed an Individual Settlement Share and will be bound by the terms of the Settlement, meaning the Class Member will be unable to sue the Released Parties for the Released Claims. Eligible Aggrieved Employees do not have the right to object to the PAGA portion of the proposed Settlement. If the Court approves the Settlement, all Eligible Aggrieved Employees will be mailed payments for their portions of the PAGA Payment and will be bound by the terms of the Settlement, meaning Eligible Aggrieved Employees will be unable to sue the Released Parties for the PAGA Released Claims.

8. *How Do I Opt Out Or Exclude Myself From This Settlement?*

If you do not wish to participate in the class portion of the Settlement, you may be excluded from the class portion of the Settlement (*i.e.*, "opt out") by sending a timely opt out form to the Settlement Administrator. A form ("ELECTION NOT TO PARTICIPATE IN ('OPT OUT' FROM) CLASS ACTION SETTLEMENT") ("Exclusion Form") has been provided to you along with this Notice, which can be used for this purpose; alternatively, you can submit your own written document that includes this same information. If you opt out of the Settlement, you will not be releasing the claims set forth in Section No. 9. The Exclusion Form should be signed and dated and must be mailed by first-class U.S. Mail, **postmarked no later than [Response Deadline]** to: **THE 21ST AMENDMENT BREWERY CAFE, LLC C/O PHOENIX CLASS ACTION ADMINISTRATION SOLUTIONS, [INSERT ADDRESS]**. You cannot exclude yourself by phone.

The Court will exclude any Class Member who submits a timely Exclusion Form as described in the paragraph above. The Exclusion Form should: (a) include the Class Member's name, address, and last four digits of the social security number; (b) be addressed to the Settlement Administrator; (c) be signed by the Class Member or his or her lawful representative; and (d) be postmarked no later than the Response Deadline. Exclusion Forms that are not timely submitted will be deemed null, void, and ineffective.

Class Members may only opt out of the class portion of the Settlement. Class Members who are also Eligible Aggrieved Employees cannot opt out of the PAGA portion of the Settlement. Therefore, a Class Member who submits a valid and timely Exclusion Form will not release the Released Claims, as described in Section No. 9 below. However, if such a Class Member is also an Eligible Aggrieved Employee, the Class Member will still release the PAGA Released Claims, as described in Section No. 9 below.

Any Class Member who fails to submit a valid Exclusion Form on or before **[Response Deadline]** shall be bound by all terms of the Settlement, release, and any Judgment entered in the Action if the Settlement receives final approval from the Court.

You are responsible for ensuring that the Settlement Administrator receives any request for exclusion you submit.

9. How Does This Settlement Affect My Rights? What Are the Released Claims and PAGA Released Claims?

If the proposed Settlement is approved by the Court, a Final Judgment will be entered by the Court. All Class Members who do not opt out of the class portion of the Settlement (“Participating Class Members”) and all Eligible Aggrieved Employees will be bound by the Court’s Final Judgment and will fully release and discharge Defendant and any and all of its affiliated companies and its respective parent companies, subsidiaries, affiliates, shareholders, members, agents (including, without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys and any past, present or future officers, directors and employees) predecessors, successors, and assigns (“Released Parties”). All Participating Class Members will release the Released Parties from the Released Claims, and all Eligible Aggrieved Employees will release the Released Parties from the PAGA Released Claims as of the Effective Final Settlement Date, which will be the later of the following: (i) the date on which time expires to file an appeal of the Court’s grant of Final Approval; or (ii) if an appeal of the Court’s grant of Final Approval is timely filed, the date the appeal is finally resolved, with the grant of Final Approval unaffected. The Released Claims and the PAGA Released Claims are defined below.

A. Released Claims

As of the Effective Final Settlement Date, in exchange for the consideration provided by the Settlement Agreement, Plaintiff and the Participating Class Members shall release Defendant and the Released Parties from all claims arising at any time during the Class Period and alleged in the Action, or that could have been alleged based on the facts pleaded in the Action, including the Labor Code violations Plaintiff alleged in the Action and violation of the corresponding provisions of the California Wage Orders. Specifically, Plaintiff and the Participating Class Members will release all claims for, or claims based upon, failure to pay all wages earned and owed; failure to properly calculate employees’ regular rate of pay; failure to properly calculate and pay overtime and double time wages; failure to provide meal and rest breaks in compliance with the Labor Code; failure to timely pay employees wages during employment and upon termination; failure to reimburse employees for all reasonable and necessary business work-related expenses; and failure to furnish accurate and legally compliant wage statements. The period of the Released Claims shall extend to the limits of the Class Period.

The Released Claims expressly exclude the PAGA Released Claims, defined below, and Participating Class Members will not be deemed to have released the PAGA Released Claims unless such Participating Class Members are also Eligible Aggrieved Employees. Participating Class Members who are also Eligible Aggrieved Employees shall release the PAGA Released Claims, in addition to releasing the Released Claims, as of the Effective Final Settlement Date, as described below.

B. PAGA Released Claims

As of the Effective Final Settlement Date, in exchange for the consideration provided by the Settlement Agreement, Plaintiff, the LWDA, and any other representative or agent thereof, including the Eligible Aggrieved Employees, shall release the Released Parties from any claims for and are barred from pursuing any action against the Released Parties for civil penalties under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”), Labor Code section 2698, *et seq.*, arising at any time during the PAGA Timeframe and based on the Labor Code violations Plaintiff alleged in her letter to the LWDA and the Action.

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As explained earlier in this Notice, Eligible Aggrieved Employees do not have the right to opt out of the PAGA portion of the proposed Settlement. Thus, as of the Effective Final Settlement Date, the Eligible Aggrieved Employees will give up the right to sue the Released Parties for the PAGA Released Claims, as described in the paragraph above.

Important Note: The language included in the definitions of Released Claims and PAGA Released Claims in this Notice has been simplified to facilitate your understanding of the consequences of participating in the proposed Settlement. If you would like to read the exact language included in the definitions of Released Claims and/or PAGA Released Claims, you may obtain a copy of the Settlement Agreement from the Court or Class Counsel, using the procedures described in Section No. 12 below.

10. How Much Can I Expect to Receive From This Settlement?

As stated in Section No. 5 above, the total maximum amount that Defendant will be required to pay under the Settlement Agreement is \$200,000 (“Maximum Settlement Amount” or “MSA”).

The Maximum Settlement Amount will be used to pay the following amounts: (1) a \$10,000 Class Representative Enhancement Payment to Plaintiff, subject to Court approval; (2) \$11,000 in Administration Costs to the Settlement Administrator, subject to Court approval; (3) the \$20,000 PAGA Payment, seventy-five percent (75%) of which (\$15,000) shall be paid to the LWDA, and twenty-five percent (25%) of which (\$5,000) shall be distributed to Eligible Aggrieved Employees, on a pro rata basis, subject to Court approval; (4) a \$70,000 Attorney Fee Award to Class Counsel (35% of the Maximum Settlement Amount), subject to Court approval; and (5) a \$20,000 Cost Award to Class Counsel, subject to Court approval. The amount that remains after all payments are made is the Net Settlement Amount, which is currently estimated to be \$70,000.

A. How Will My Individual Settlement Share Be Calculated?

The Net Settlement Amount will be paid to the Participating Class Members in the form of Individual Settlement Shares. If the Court approves any of the above-referenced payments in smaller amounts, the Net Settlement Amount will be larger. The Settlement Administrator will mail each Participating Class Member an Individual Settlement Share from the Net Settlement Amount that is equal to: (i) the number of weeks the Participating Class Member worked during the Class Period, based on the Class List provided by Defendant; divided by (ii) the total number of weeks worked by any and all Participating Class Members collectively during the Class Period, based on the same Class List; (iii) multiplied by the Net Settlement Amount. One day worked in a given week will be credited as a week for purposes of this calculation. Therefore, the value of each Participating Class Member’s Individual Settlement Share ties directly to the number of weeks the Participating Class Member worked during the Class Period.

Although your exact share of the Net Settlement Amount cannot be precisely calculated until after the time during which Class Members may submit disputes to, objections to, or requests for exclusion from the Settlement concludes, based upon the calculation above, your estimated Individual Settlement Share from the Net Settlement Amount, is \$ [REDACTED], less taxes. This is based on Defendant’s records, which show you worked [REDACTED] workweeks during the Class Period. The amount of your Individual Settlement Share will change if Class Members opt out of the class portion of the proposed Settlement, if workweek estimates change, and/or if the Court does not approve all the above-referenced payments from the Maximum Settlement Amount in full.

One-third (1/3) of your Individual Settlement Share will be treated as unpaid wages. Applicable taxes will be withheld from the wages portion of your Individual Settlement Share only and reported on an IRS Form W-2. One-third (1/3) of your Individual Settlement Share will be treated as penalties, and one-third (1/3) of your Individual Settlement Share will be treated as interest, both of which will be paid pursuant to an IRS Form 1099.

The Settlement Administrator will mail your Individual Settlement Share check to the address the Settlement Administrator has on record for you. Therefore, it is important that you keep the Settlement Administrator informed of any change of address.

B. How Will My Portion of the PAGA Payment Be Calculated?

The Settlement Administrator will mail each Eligible Aggrieved Employee a check for the Eligible Aggrieved Employee's portion of the PAGA Payment, which will be based upon the total number of pay periods the Eligible Aggrieved Employee was employed during the PAGA Timeframe. Each Eligible Aggrieved Employee's portion of the PAGA Payment will be calculated by: (i) dividing the \$5,000 of the PAGA Payment allocated to the Eligible Aggrieved Employees by (ii) the total number of pay periods the Eligible Aggrieved Employees were collectively employed during the PAGA Timeframe (i.e., the sum of all pay periods of employment for each Eligible Aggrieved Employee), to determine the monetary value assigned to each pay period, and (iii) multiplying by the total number of pay periods the individual Eligible Aggrieved Employee was employed during the PAGA Timeframe.

Based upon the calculation above, your estimated portion of the PAGA Payment is \$[REDACTED]. This is based on Defendant's records, which show you were employed during [REDACTED] pay periods during the PAGA Timeframe. One hundred percent (100%) of this payment will be considered penalties, and you will be issued an IRS Form 1099 if your payment exceeds \$600. You are responsible for paying any federal, state or local taxes owed as a result of this payment.

The Settlement Administrator will mail a check for your portion of the PAGA Payment to the address the Settlement Administrator has on record for you. Therefore, it is important that you keep the Settlement Administrator informed of any change of address.

If you are not an Eligible Aggrieved Employee, this subsection B does not apply to you.

C. When Will My Payment From the Settlement Be Mailed?

No later than thirty (30) calendar days after entry of the order granting final approval of the Settlement, Defendant shall wire the \$200,000 needed to pay the entire Maximum Settlement Amount to the Settlement Administrator. Defendant shall also at this time provide any tax information that the Settlement Administrator may need to calculate each Participating Class Member's Individual Settlement Share.

Within fourteen (14) calendar days after the funding of the Settlement, the Settlement Administrator shall calculate and pay all payments due under the Settlement Agreement, including all Individual Settlement Shares, the Attorney Fee Award, the Cost Award, the Class Representative Enhancement Payment, the PAGA Payment – including the payment to the LWDA and individual Eligible Aggrieved Employees' payments, and the Administration Costs. The Settlement Administrator will also forward a check for seventy-five percent (75%) of the PAGA Payment, or \$15,000, to the LWDA for settlement of the PAGA claim.

It is strongly recommended that upon receipt of your Individual Settlement Share check and, if you are an Eligible Aggrieved Employee, your check for your portion of the PAGA Payment, you cash your check(s) immediately or before the 180-day void date shown on each check. If any checks remain uncashed or not deposited by the expiration of the 180-day period after mailing, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, cancel the checks, and reissue the checks to those Participating Class Members that have cashed their checks. The second round of checks will expire and become non-negotiable after thirty (30) calendar days. The Settlement Administrator will, within forty-five (45) calendar days after the checks are mailed, cancel the checks, and pay the amount of the residual Individual Settlement Share(s) and/or portions of the PAGA Payment to Legal Aid At Work.

11. *How Will the Attorneys for the Class and the Class Representative Be Paid?*

The attorneys for Plaintiff and the Class will be paid from the Maximum Settlement Amount. Subject to Court approval, the attorneys for Plaintiff and the Class shall be paid an amount not to exceed thirty-five percent (35%) of the Maximum Settlement Amount (or \$70,000) for attorneys' fees and up to \$20,000 for litigation costs.

Defendant has paid all its own attorneys' fees and costs.

As set forth in Section No. 10 above, Plaintiff will also be paid a Class Representative Enhancement Payment, subject to Court approval.

12. *Final Approval Hearing*

The Court will hold a Final Fairness Hearing concerning the proposed Settlement on [the date of final approval hearing], at [time a.m./p.m.], before the Honorable Ethan P. Schulman, located at 400 McAllister Street, San Francisco, California 94102, Department 304 (Civic Center Courthouse). You are not required to appear at this hearing. Any changes to the hearing date will be available on the website [INSERT WEBSITE ADDRESS]. This website will also include, among other things, both the complaint Plaintiff originally filed on April 15, 2020, and the First Amended Complaint Plaintiff filed on November 4, 2021, a generic copy of this Notice, all papers filed in connection with the preliminary approval motion (including all orders filed by the Court), all papers filed in connection with the Final Approval Hearing (including the fee motion and the final approval motion), and, if the Settlement is approved, the Final Judgment.

13. *Getting More Information*

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at the telephone number listed below, toll free. Please refer to the "The 21st Amendment Brewery Cafe, LLC class action settlement."

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This Notice does not contain all the terms of the proposed Settlement or all the details of these proceedings. For more detailed information, you may refer to the underlying documents and papers on file with the Civil Records Division of the San Francisco County Superior Court at 400 McAllister Street, Room 103, San Francisco, California 94102 between 8:30 a.m. and 12:30 p.m. You can visit the Court's civil records webpage: <https://www.sfsuperiorcourt.org/divisions/civil/records>. You can also access the Court's file free-of-charge by visiting the Court's website, <https://www.sfsuperiorcourt.org/online-services>; clicking "Access Now" on the right side of the box entitled "Case Query;" checking the box stating, "I'm not a robot;" typing in the case number of the Action (CGC-20-585227) in the box provided for "Case Number," using the "Search by Case Number" tab; and clicking "Search." This will take you to a "Register of Actions," where you can view all documents and papers on file with the Court with respect to the Action. You can also use the "Search by Case Name" tab; type in "Pelgrift" in the box provided for "Party Name;" and click "Search." Only one result, "Pelgrift, Alexandra," will come up. Click on the name "Pelgrift, Alexandra." This will take you to the same "Register of Actions" previously described.

You may also contact Class Counsel with any questions you may have regarding the Action, the proposed Settlement of the Action, or this Notice or any other documents or information you have received pertaining to the Action and the Settlement. You may contact Class Counsel directly by visiting Justice Law Corporation at 751 North Fair Oaks Avenue, Suite 101, Pasadena, California 91103 during regular business hours, from 9:00 a.m. to 6:00 p.m., or by calling (818) 230-7502. Class Counsel's contact information is also included above in Section No. 4 of this Notice. Class Counsel will provide you with an electronic copy of the Settlement documents or case documents free of charge.

PLEASE DO NOT TELEPHONE THE COURT OR COURT'S CLERK FOR INFORMATION ABOUT THIS SETTLEMENT.

EXHIBIT B

ELECTION NOT TO PARTICIPATE IN ("OPT OUT" FROM) CLASS ACTION SETTLEMENT

Superior Court of the State of California, County of San Francisco

Pelgrift v. The 21st Amendment Brewery Cafe, LLC

Case No. CGC-20-585227

DO NOT SIGN OR SEND THIS DOCUMENT UNLESS YOU WISH TO EXCLUDE YOURSELF FROM THE CLASS ACTION SETTLEMENT.

THIS DOCUMENT MUST BE POSTMARKED NO LATER THAN _____, 2022. IT MUST BE SENT VIA REGULAR U.S. MAIL.

PLEASE MAIL THIS EXCLUSION FORM VIA REGULAR U.S. MAIL TO:

THE 21ST AMENDMENT BREWERY CAFE, LLC SETTLEMENT ADMINISTRATOR, C/O PHOENIX CLASS ACTION SETTLEMENT ADMINISTRATION SOLUTIONS [INSERT ADMINISTRATOR ADDRESS]

You are a Class Member if you were employed by The 21st Amendment Brewery Cafe, LLC as a non-exempt employee in California at any time from October 7, 2018, through October 15, 2021 ("Class Period"). You are an Eligible Aggrieved Employee if you were employed by The 21st Amendment Brewery Cafe, LLC as a non-exempt employee in California from April 15, 2019 through October 15, 2021 ("PAGA Timeframe"). By signing and mailing this document to the Settlement Administrator at the address above, you are deciding to exclude yourself from the Class and deciding not to participate in the class portion of the proposed settlement of the action entitled *Pelgrift v. The 21st Amendment Brewery Cafe, LLC*. However, Eligible Aggrieved Employees may not exclude themselves from the PAGA portion of the proposed settlement.

IT IS MY DECISION NOT TO PARTICIPATE IN THE CLASS PORTION OF THE SETTLEMENT, AND NOT TO BE INCLUDED IN THE CLASS OF PLAINTIFFS IN THAT ACTION. I UNDERSTAND THAT BY EXCLUDING MYSELF, I WILL NOT RECEIVE AN INDIVIDUAL SETTLEMENT SHARE AND ANY CLAIMS I HAVE DURING THE CLASS PERIOD WILL NOT BE RELEASED. However, if I am an Eligible Aggrieved Employee and qualify for a payment from the PAGA Payment, I will be mailed a check for that payment regardless of whether or not I exclude myself from the class portion of the proposed settlement, and I will release the PAGA Released Claims.

Dated: _____

(Signature)

(Last Four Digits of Social Security Number)

(Type or print name and former name(s))

(Type or print name of authorized representative, if any)

(Telephone Number)

(Address)

(Address continued)

EXHIBIT C

NOTICE OF OBJECTION FORM

Superior Court of the State of California, County of San Francisco
Pelgrift v. The 21st Amendment Brewery Cafe, LLC
Case No. CGC-20-585227

**TO OBJECT TO THE SETTLEMENT, YOU MAY FILL OUT, SIGN AND RETURN
THIS FORM, POSTMARKED ON OR BEFORE [INSERT DATE], 2022, TO:
THE 21ST AMENDMENT BREWERY CAFE, LLC SETTLEMENT ADMINISTRATOR,
C/O PHOENIX CLASS ACTION SETTLEMENT ADMINISTRATION SOLUTIONS
[INSERT ADMINISTRATOR ADDRESS]**

You do not have the right to object to the PAGA portion of the proposed Settlement.

IDENTIFYING INFORMATION

Please verify and/or complete any missing identifying information:

Dated: _____

(Signature)

(Last Four Digits of Social Security
Number)

(Type or print name and former name(s))

(Type or print name of authorized
representative, if any)

(Telephone Number)

(Address)

(Address continued)

**THIS FORM IS TO BE USED ONLY IF YOU WANT TO OBJECT TO THE PROPOSED
SETTLEMENT.**

I object to the settlement for the following reasons:

(Attach additional pages and copies of any supporting documents, if necessary.)

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PROOF OF SERVICE
1013A(3) CCP

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

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

On March 4, 2022, I served the foregoing document described as

SECOND AMENDED JOINT STIPULATION AND SETTLEMENT AGREEMENT

for the following case: **Pelgrift v. The 21st Amendment Brewery Cafe, LLC**
LWDA/Court Case No.: **LWDA Case No.: CM-783168-20**
Court Case No.: CGC-20-585227
San Francisco County Superior Court

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

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

[X] BY ELECTRONIC SUBMISSION

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

[X] STATE

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

Executed on March 4, 2022, at Pasadena, California.



Anna Okada