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9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 FOR THE COUNTY OF LOS ANGELES

11 FATIMA GOODARZI, individually, and on behalf
 12 of other members of the general public similarly
 situated,

13 Plaintiff,

14 vs.

15 BELMONT VILLAGE, L.P., a Delaware limited
 partnership; BELMONT VILLAGE ALISO
 16 VIEJO CA LP, a Delaware limited partnership;
 BELMONT VILLAGE BERKELEY, LLC, a
 Delaware limited liability company; BELMONT
 17 VILLAGE THOUSAND OAKS CA LP, a
 Delaware limited partnership; and DOES 1 through
 18 10, inclusive,

19 Defendants.

20 MARIANITA YADAO, individually, and on
 behalf of other members of the general public
 21 similarly situated,

22 Plaintiff,

23 vs.

24 BELMONT VILLAGE, L.P., a Delaware limited
 partnership; BELMONT VILLAGE ALISO
 25 VIEJO CA LP, a Delaware limited partnership;
 BELMONT VILLAGE BERKELEY, LLC, a
 Delaware limited liability company; BELMONT
 26 VILLAGE THOUSAND OAKS CA LP, a
 Delaware limited partnership; and DOES 1 through
 27 10, inclusive,

28 Defendants.

Case No.: 20STCV15572

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

Case No. 20STCV22064

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AMENDED JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE

This Amended Joint Stipulation of Class Action Settlement and Release (“Settlement” or “Settlement Agreement”) is made and entered into by and between Plaintiffs Fatima Goodarzi and Marianita Yadao (“Plaintiffs” or “Class Representatives”), as individuals and on behalf of all others similarly situated, and Defendant Belmont Village, L.P. (“Defendant”) (collectively with Plaintiffs, the “Parties”).

RECITALS

1. On April 22, 2020, Plaintiff Fatima Goodarzi initiated a putative class and Private Attorneys General Act (“PAGA”) action by filing a Complaint in the Los Angeles County Superior Court on behalf of herself and all current and former non-exempt, hourly employees employed by Defendant in the State of California asserting claims for: (1) Unpaid Overtime, (2) Unpaid Minimum Wages, (3) Failure to Provide Meal Periods, (4) Failure to Authorize and Permit Rest Periods, (5) Non-Compliant Wage Statements and Failure to Maintain Payroll Records, (6) Wages Not Timely Paid Upon Termination, (7) Failure to Timely Pay Wages During Employment, (8) Unreimbursed Business Expenses, (9) Unlawful Business Practices, and (10) Unfair Business Practices. On May 29, 2020, Defendant removed this case to federal court.

2. On May 4, 2020, counsel for Ms. Goodarzi sent a PAGA Notice to the California Labor and Workforce Development Agency and Belmont Village. Thereafter, the Parties filed a joint stipulation to allow Plaintiff to file an amended complaint to add a PAGA cause of action, which remained pending before the U.S. District Court. On March 2, 2022, counsel for Ms. Goodarzi sent an amended PAGA Notice to the California Labor and Workforce Development Agency and Belmont Village.

3. On June 8, 2020, Plaintiff Marianita Yadao filed a class action Complaint in the Los Angeles County Superior Court alleging class action claims on behalf of herself and all current and former non-exempt, hourly employees employed by Defendant in the State of California asserting claims for: (1) Failure to Provide Meal Periods, (2) Failure to Authorize and Permit Rest Periods, (3) Failure to Provide Accurate Itemized Wage Statements, (4) Wages Not Timely Paid Upon Termination, (5) Unfair Business Practices, and (6) PAGA. On July 17, 2020, Defendant removed this case to federal court.

1 4. On August 10, 2020, the U.S. District Court to which the Actions (as defined below)
2 were assigned granted the parties' stipulation to consolidate the Actions for all purposes.

3 5. The Parties mediated this case with experienced employment mediator, Jeffrey Ross,
4 Esq. on or about February 23, 2022 and exchanged formal discovery in advance of the mediation. At the
5 conclusion of the mediation, the Parties reached the terms of a class-wide and PAGA settlement, subject
6 to this more comprehensive, long-form settlement agreement.

7 6. Pursuant to the terms of the Agreement, Plaintiffs filed a stipulation to remand the
8 Actions to the Superior Court of California, County of Los Angeles, which the U.S. District Court
9 granted.

10 7. On June 21, 2022, Plaintiffs filed a First Amended Complaint in the Los Angeles
11 County Superior Court in the Goodarzi action. In the First Amended Complaint, Plaintiffs added
12 Marianita Yadao as a plaintiff to the Goodarzi action and asserted claims for (1) Unpaid Overtime, (2)
13 Unpaid Minimum Wages, (3) Failure to Provide Meal Periods, (4) Failure to Authorize and Permit Rest
14 Periods, (5) Non-Compliant Wage Statements and Failure to Maintain Payroll Records, (6) Failure to
15 Pay Vested Vacation Time and Paid Time Off Upon Termination, (7) Wages Not Timely Paid Upon
16 Termination, (8) Failure to Timely Pay Wages During Employment, (9) Unreimbursed Business
17 Expenses, (10) Civil Penalties for Violations of California Labor Code §§ 2698, *et seq.* Pursuant to
18 PAGA, (11) Unlawful Business Practices, and (12) Unfair Business Practices.

19 **DEFENDANT'S DENIAL OF LIABILITY OR WRONGDOING**

20 Defendant denies all of the claims and contentions alleged by the Class Representatives in the
21 Actions. Nonetheless, Defendant has concluded that continued litigation of the Actions could be
22 protracted and expensive, and it is desirable that the Actions be fully and finally settled in the manner and
23 upon the terms and conditions set forth in this Settlement Agreement.

24 In addition, Defendant has taken into account the uncertainty and risks inherent in any litigation,
25 particularly class action litigation, which includes unique and time-consuming procedural requirements.
26 In light of the above, Defendant has determined that it is desirable and beneficial to it that the Actions be
27 settled in the manner and upon the terms and conditions set forth in this Settlement Agreement.

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**CLAIMS OF THE CLASS REPRESENTATIVES AND BENEFITS OF
SETTLEMENT**

The Class Representatives believe that the claims asserted in the Actions have merit and that evidence developed to date supports Plaintiffs' claims. The Class Representatives and Class Counsel recognize and acknowledge, however, that the expense and length of the type of continued proceedings necessary to prosecute the Actions against Defendant through certification, trial, and appeals. The Class Representatives and Class Counsel have also taken into account the uncertain outcome and the risk of any litigation, especially in putative class actions such as the Actions, as well as the difficulties and delays inherent in such litigation. The Class Representatives and Class Counsel are also mindful of the inherent problems of proof in establishing and overcoming potential defenses to the claims asserted in the Actions. In light of these considerations, the Class Representatives and Class Counsel believe that the Settlement confers substantial benefits and is in the best interests of the Class Representatives and the Class.

TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and between the Class Representatives, for themselves and on behalf of all others similarly situated to them and as defined below, on the one hand, and Defendant on the other hand, with the assistance of their respective counsel of record, that, as among the Settlement Class and PAGA Members (as defined below), the Actions, the Released Class Claims, and the Released PAGA Claims shall be finally and fully compromised, settled, and released, subject to the terms and conditions of this Settlement Agreement.

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. "Actions" means *Fatima Goodarzi v. Belmont Village, L.P.* (Los Angeles County Superior Court Case No. 20STCV15572, U.S. District Court Case No. 2:20-cv-04827-GW-AS) and *Marianita Yadao v. Belmont Village, L.P.*, (Los Angeles County Superior Court Case No. 20STCV22064, U.S. District Court Case No. 2:20-cv-06403-GW-AS).

2. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and approved by the Court for Class Counsel’s litigation and resolution of the Actions, and all out-of-pocket costs incurred and to be incurred by Class Counsel in the Actions, including but not limited to expert/consultant fees, investigation costs, and costs associated with documenting the Settlement, providing any notices required as part of the Settlement or Court order, securing the Court’s approval of the Settlement, administering the Settlement, and obtaining entry of a Judgment terminating the Actions. Class Counsel will request attorneys’ fees not in excess of one-third (1/3) of the Gross Settlement Amount, or One Million Eighty-Three Thousand Three Hundred Thirty-Three Dollars (\$1,083,333). The “Attorneys’ Fees and Costs” will also mean and include the additional reimbursement of any costs and expenses associated with Class Counsel’s litigation and settlement of the Actions, up to Thirty Thousand Dollars (\$30,000), subject to the Court’s approval. Defendant has agreed not to oppose Class Counsel’s request for fees and reimbursement of costs as set forth above.

3. “Class Counsel” means Capstone Law APC and Diversity Law Group, APC.

4. “Class List” means a confidential and complete list of all Class Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator within twenty (20) business days after Preliminary Approval of this Settlement. The Class List will be formatted in Microsoft Office Excel and will include each Class Member’s full name; last known mailing address; Social Security number; the start and end dates of active employment as a non-exempt employee of Defendant in California during the Class Period; the respective number of Workweeks that each Class Member worked during the Class Period and PAGA Period; and any other relevant information required by the Settlement Administrator to effectuate the terms of the Settlement.

5. “Class Member(s)” or “Settlement Class” means all current and former non-exempt, hourly employees employed by Defendant in the State of California at any time between April 22, 2016 and the earlier of May 24, 2022 or the date of Preliminary Approval, who do not timely opt-out.

6. “Class Period” means the period from April 22, 2016 and the earlier of May 24, 2022 or the date of Preliminary Approval.

7. “Class Representative Enhancement Payments” means the amounts to be paid to Plaintiffs in recognition of their effort and work in prosecuting the Actions on behalf of Class Members,

1 and for their general release of claims. Subject to the Court granting final approval of this Settlement
2 Agreement and subject to the exhaustion of any and all appeals, Plaintiffs will request Court approval of
3 Class Representative Enhancement Payments of Ten Thousand Dollars (\$10,000) each.

4 8. "Court" means the Los Angeles County Superior Court.

5 9. "Defendant" means Defendant Belmont Village, L.P.

6 10. "Final Effective Date" means the later in time of: (i) thirty (30) calendar days after entry
7 of the order of final approval and Judgment, if no objections to final approval were made and there is no
8 filing of a motion to intervene or a motion to set aside and vacate the Judgment or notice of appeal; (ii) if
9 objections to final approval were made, or a motion to intervene or motion to set aside and vacate the
10 class Judgment is filed, ten (10) calendar days after the expiration of time to appeal the Judgment and
11 rulings on the foregoing motions, with no timely appeal filed; (iii) if an appeal or other effort to obtain
12 review has been initiated, ten (10) calendar days after the date after such appeal or other review has been
13 finally concluded, affirming final approval, and is no longer subject to review.

14 11. "Final Approval" means the date on which the Court enters an order granting final
15 approval of the Settlement Agreement.

16 12. "Gross Settlement Amount" means the Gross Settlement Amount of Three Million Two
17 Hundred Fifty Thousand Dollars (\$3,250,000), to be paid by Defendant in full satisfaction of all
18 Released Class Claims and Released PAGA Claims, which includes all Individual Settlement Payments,
19 Attorneys' Fees and Costs, the Class Representative Enhancement Payments, the PAGA Settlement
20 Amount, and Settlement Administration Costs. In no event will Defendant be liable for more than the
21 Gross Settlement Amount except as otherwise explicitly set forth herein. There will be no reversion of
22 the Gross Settlement Amount to Defendant. Defendant will be separately responsible for any employer
23 payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions, which shall
24 not be paid from the Gross Settlement Amount.

25 13. "Individual Settlement Payment" means each Participating Class Member's and PAGA
26 Member's respective shares of the Net Settlement Fund and PAGA Fund.

27 14. "Net Settlement Fund" means the portion of the Gross Settlement Amount remaining
28 after deducting the Attorneys' Fees and Costs, the Class Representative Enhancement Payments, the

1 PAGA Settlement Amount, and Settlement Administration Costs. The Net Settlement Fund will be
2 distributed to Participating Class Members. There will be no reversion of the Net Settlement Fund to
3 Defendant.

4 15. "Notice of Objection" means a Class Member's valid and timely written objection to the
5 Settlement Agreement. For the Notice of Objection to be valid, it must include: (i) the objector's full
6 name, signature, address, and telephone number, (ii) a written statement of all grounds for the objection
7 accompanied by any legal support for such objection; (iii) copies of any papers, briefs, or other
8 documents upon which the objection is based; and (iv) a statement whether the objector intends to appear
9 at the final fairness hearing. Any Class Member who does not submit a timely written objection to the
10 Settlement, or who fails to otherwise comply with the specific and technical requirements of this section,
11 will be foreclosed from objecting to the Settlement and seeking any adjudication or review of the
12 Settlement, by appeal or otherwise.

13 16. "Notice Packet" means the Notice of Class Action Settlement, substantially in the form
14 attached as Exhibit A.

15 17. "PAGA Members" means all current and former non-exempt, hourly employees
16 employed by Defendant in the State of California at any time between May 4, 2019 and the earlier of
17 May 24, 2022 or the date of Preliminary Approval.

18 18. "PAGA Period" means the period from May 4, 2019 and the earlier of May 24, 2022 or
19 the date of Preliminary Approval.

20 19. "PAGA Settlement Amount" means the amount that the Parties have agreed to pay to
21 the Labor and Workforce Development Agency ("LWDA") and PAGA Members in connection with
22 Plaintiffs' claim under the Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*,
23 "PAGA") ("PAGA Settlement"). The Parties have agreed that One Hundred Thousand Dollars
24 (\$100,000) of the Gross Settlement Amount will be allocated to the PAGA Settlement. Pursuant to
25 PAGA, Seventy-Five Percent (75%), or Seventy-Five Thousand Dollars (\$75,000), of the PAGA
26 Settlement Amount will be paid to the LWDA ("Labor and Workforce Development Agency
27 Payment"), and Twenty-Five Percent (25%), or Twenty-Five Thousand Dollars (\$25,000), of the PAGA
28 Settlement will be disbursed to the PAGA Members, regardless of whether they request to be excluded

1 from the Settlement Class.

2 20. "Parties" means Plaintiffs and Defendant collectively.

3 21. "Participating Class Members" means all Class Members who do not submit timely and
4 valid Requests for Exclusion.

5 22. "Plaintiffs" means Plaintiffs Fatima Goodarzi and Marianita Yadao.

6 23. "Preliminary Approval" means the date on which the Court enters an order granting
7 preliminary approval of the Settlement Agreement.

8 24. "Released Class Claims" means all claims alleged in, or reasonably arising out of facts
9 asserted in, the operative First Amended Complaint, including, but not be limited to, all claims for the
10 failure to pay minimum wages, failure to pay overtime wages, failure to provide meal periods and pay
11 meal period premiums, failure to authorize and permit rest periods and failure to pay rest period
12 premiums, failure to pay timely all wages due upon separation of employment (which attaches to all
13 claims for unpaid wages which are known or unknown, under any theory of liability, whether for off-the-
14 clock work, interruptions of meal and rest periods, calculation of the regular rate of pay, and sick pay),
15 failure to pay timely wages during employment, failure to provide accurate itemized wage statements,
16 failure to keep requisite payroll records, failure to reimburse necessary business expenses, violation of
17 Business and Professions Code § 17200, failure to pay sick and vacation pay, and violations of Labor
18 Code §§ 200, 201, 202, 203 (derivative of any known or unknown unpaid wages theory), 204, 218.5,
19 221, 226(a) (derivative of any known or unknown unpaid wages theory), 226.7, 227.3, 246, 246.5,
20 247.5, 248.5, 510, 512, 558, 1174(d), 1194, 1194.2, 1197, 1197.1, 1198, and 2802, Code of Civil
21 Procedure § 1021.5, and applicable IWC Wage Orders.

22 25. "Released PAGA Claims" means all claims for violations of California Labor Code §§
23 2698, *et seq.* (PAGA) that were brought, or reasonably could have been brought, based on the facts
24 alleged in Plaintiffs' letters to the LWDA, including claims for unpaid wages, off-the-clock work,
25 vacation pay, and sick pay.

26 26. "Released Parties" shall include Defendant and: (i) any direct or indirect parents,
27 subsidiaries, divisions, affiliates, and related entities of Defendant; (ii) any predecessors, successors, or
28 assigns of any of the foregoing (i); and (iii) any past, present, or future employees, officers, directors,

1 affiliates, partners, joint venturers, coventurers, licensors, licensees, principals, members, managers,
2 managing agents, agents, attorneys, accountants, insurers, reinsurers, shareholders, investment bankers,
3 trusts, trustees, representatives, administrators, fiduciaries, heirs, subrogees, and executors of any of the
4 foregoing (i)-(ii) in his, her, or its capacity as such.

5 27. "Request for Exclusion" means a timely letter submitted by a Class Member indicating a
6 request to be excluded from the Settlement Class. The Request for Exclusion must: (i) set forth the name,
7 address, telephone number, and last four digits of the Social Security Number of the Class Member
8 requesting exclusion; (ii) be signed by the Class Member; (iii) be returned to the Settlement
9 Administrator; (iv) clearly state that the Class Member does not wish to be included in the Settlement;
10 and (v) be faxed or postmarked on or before the Response Deadline.

11 28. "Response Deadline" means the deadline by which Class Members must postmark or
12 fax to the Settlement Administrator Requests for Exclusion, postmark or fax disputes concerning the
13 calculation of Individual Settlement Payments, or postmark Notices of Objection to the Settlement
14 Administrator. The Response Deadline will be forty-five (45) calendar days from the initial mailing of
15 the Notice Packet by the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a
16 Sunday or State holiday, in which case the Response Deadline will be extended to the next day on which
17 the U.S. Postal Service is open.

18 29. "Settlement Administration Costs" means the costs approved by the Court payable from
19 the Gross Settlement Amount to the Settlement Administrator for administering this Settlement,
20 including, but not limited to, printing, distributing, and tracking documents for this Settlement, tax
21 reporting, distributing the Gross Settlement Amount, and providing necessary reports and declarations,
22 as requested by the Parties. The Settlement Administration Costs will be paid from the Gross Settlement
23 Amount, including, if necessary, any such costs in excess of the amount represented by the Settlement
24 Administrator as being the maximum costs necessary to administer the Settlement. Based on an
25 estimated Settlement Class of approximately Seven Thousand (7,000) Class Members, the Settlement
26 Administration Costs are currently estimated to be Forty-Five Thousand Dollars (\$45,000).

27 30. "Settlement Administrator" means CPT Group, Inc., or any other third-party class action
28 settlement administrator agreed to by the Parties and approved by the Court for the purposes of

1 administering this Settlement. The Parties each represent that they do not have any financial interest in
2 the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that
3 could create a conflict of interest.

4 31. "Workweeks" means the number of weeks worked by Participating Class Members
5 during the Class Period that is established by Defendant and based on a reasonable search of available
6 time and/or pay records. All Class Members will be credited with at least one Workweek during the
7 Class Period, and all PAGA Members will be credited with at least one Workweek during the PAGA
8 Period.

9 TERMS OF AGREEMENT

10 The Plaintiffs, on behalf of themselves and the Settlement Class, and Defendant agree as
11 follows:

12 32. Funding of the Gross Settlement Amount. Defendant will make a one-time deposit of
13 the Gross Settlement Amount of Three Million Two Hundred Fifty Thousand Dollars (\$3,250,000) into
14 a Qualified Settlement Account to be established by the Settlement Administrator. Defendant will pay
15 the employer's share of payroll taxes separately. After the Final Effective Date, the Gross Settlement
16 Amount will be used for: (i) Individual Settlement Payments; (ii) the LWDA Payment; (iii) the Class
17 Representative Enhancement Payments; (iv) Attorneys' Fees and Costs; and (v) Settlement
18 Administration Costs. Defendant will deposit the Gross Settlement Amount within fourteen (14)
19 calendar days after the Final Effective Date ("Funding Date"). Defendant will fund its share of the
20 payroll taxes directly to the Settlement Administrator.

21 33. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application or
22 motion by Class Counsel for attorneys' fees of not more than One Million Eighty-Three Thousand Three
23 Hundred Thirty-Three Dollars (\$1,083,333), plus the reimbursement of all out-of-pocket costs and
24 expenses associated with Class Counsel's litigation and settlement of the Actions (including
25 expert/consultant fees, investigations costs, etc.), not to exceed Thirty Thousand Dollars (\$30,000), both
26 of which will be paid from the Gross Settlement Amount. Class Counsel will divide the award of
27 attorneys' fees as follows: 75% to Capstone Law APC and 25% to Diversity Law Group, APC.

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1 34. Class Representative Enhancement Payment. In exchange for a general release of all
2 claims, and in recognition of their effort and work in prosecuting the Actions on behalf of Class
3 Members, Defendant agrees not to oppose or impede any application or motion for Class Representative
4 Enhancement Payments of Ten Thousand Dollars (\$10,000) each, subject to Court Approval. The Class
5 Representative Enhancement Payments will be paid from the Gross Settlement Amount and will be in
6 addition to Plaintiffs' Individual Settlement Payments paid pursuant to the Settlement. Plaintiffs will be
7 solely and legally responsible for paying any and all applicable taxes on the Class Representative
8 Enhancement Payments.

9 35. Settlement Administration Costs. The Settlement Administrator will be paid for the
10 reasonable costs of administration of the Settlement and distribution of payments from the Gross
11 Settlement Amount, which is currently estimated to be Forty-Five Thousand Dollars (\$45,000). These
12 costs, which will be paid from the Gross Settlement Amount, will include, *inter alia*, the required tax
13 reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing
14 Notice Packets in English and Spanish, calculating and distributing the Gross Settlement Amount, and
15 providing necessary reports and declarations.

16 36. PAGA Settlement Amount. Subject to Court approval, the Parties agree that the amount
17 of One Hundred Thousand Dollars (\$100,000) from the Gross Settlement Amount will be designated for
18 satisfaction of Plaintiffs' PAGA claim. Pursuant to PAGA, Seventy-Five Percent (75%), or Seventy-
19 Five Thousand Dollars (\$75,000), of this sum will be paid to the LWDA and Twenty-Five Percent
20 (25%), or Twenty-Five Thousand Dollars (\$25,000), will be paid to PAGA Members in proportion to
21 the number of Workweeks worked during the PAGA Period.

22 37. No Right to Exclusion or Objections by PAGA Members. Because this settlement
23 resolves claims and actions brought pursuant to PAGA by Plaintiffs acting as proxies and as Private
24 Attorneys General of, and for, the State of California and the LWDA, the Parties agree that no PAGA
25 Member has the right to exclude himself or herself from the Settlement. PAGA Members will be bound
26 by the terms of the Settlement Agreement, upon its approval by the Court, regardless of whether he or
27 she cashes any payment received as a result of this Settlement. The Parties also agree that no PAGA
28 Member has the right to object to the terms of the Settlement Agreement.

1 38. Net Settlement Fund. The entire Net Settlement Fund will be distributed to Participating
2 Class Members. No portion of the Net Settlement Fund will revert to or be retained by Defendant.

3 39. PAGA Fund. The entire PAGA Fund will be distributed to all PAGA Members. No
4 portion of the PAGA Fund will revert to or be retained by Defendant.

5 40. Individual Settlement Payment Calculations. Individual Settlement Payments will be
6 calculated and apportioned from the Net Settlement Fund and PAGA Fund based on the number of
7 Workweeks a Class Member worked during the Class Period and a PAGA Member worked during the
8 PAGA Period. Specific calculations of Individual Settlement Payments will be made as follows:

9 40(a) Payments from the Net Settlement Fund. Defendant will calculate the total
10 number of Workweeks worked by each Class Member during the Class
11 Period and the aggregate total number of Workweeks worked by all Class
12 Members during the Class Period. To determine each Class Member's
13 estimated "Individual Settlement Payment" from the Net Settlement Fund,
14 the Settlement Administrator will use the following formula: The Net
15 Settlement Fund will be divided by the aggregate total number of
16 Workweeks, resulting in the "Workweek Value." Each Class Member's
17 "Individual Settlement Payment" will be calculated by multiplying each
18 individual Class Member's total number of Workweeks by the Workweek
19 Value. The Individual Settlement Payment will be reduced by any required
20 deductions for each Participating Class Member as specifically set forth
21 herein, including employee-side tax withholdings or deductions. The entire
22 Net Settlement Fund will be disbursed to all Class Members who do not
23 submit timely and valid Requests for Exclusion. If there are any valid and
24 timely Requests for Exclusion, the Settlement Administrator shall
25 proportionately increase the Individual Settlement Payment for each
26 Participating Class Member according to the number of Workweeks
27 worked, so that the amount actually distributed to the Settlement Class
28 equals 100% of the Net Settlement Fund.

1 40(b) Payments from the PAGA Fund. Defendant will calculate the total number
2 of Workweeks worked by each PAGA Member during the PAGA Period
3 and the aggregate total number of Workweeks worked by all PAGA
4 Members during the PAGA Period. To determine each PAGA Member's
5 estimated "Individual Settlement Payment," the Settlement Administrator
6 will use the following formula: The PAGA Fund will be divided by the
7 aggregate total number of Workweeks, resulting in the "PAGA Workweek
8 Value." Each PAGA Member's "Individual Settlement Payment" will be
9 calculated by multiplying each individual PAGA Member's total number of
10 Workweeks by the PAGA Workweek Value. The entire PAGA Fund will
11 be disbursed to all PAGA Members.

12 41. No Credit Toward Benefit Plans. The Individual Settlement Payments made to
13 Participating Class Members under this Settlement, as well as any other payments made pursuant to this
14 Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any
15 Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k)
16 plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan.
17 Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions,
18 or amounts to which any Class Members may be entitled under any benefit plans.

19 42. Administration Process. The Parties agree to cooperate in the administration of the
20 settlement in good faith and to make all reasonable efforts to control and minimize the costs and
21 expenses incurred in administration of the Settlement.

22 43. Delivery of the Class List. Within twenty (20) business days of Preliminary Approval,
23 Defendant will provide the confidential Class List to the Settlement Administrator.

24 44. Notice by First-Class U.S. Mail. Within ten (10) business days after receiving the Class
25 List from Defendant, the Settlement Administrator will mail a Notice Packet to all Class Members via
26 regular First-Class U.S. Mail, using the last known mailing addresses identified in the Class List.

27 45. Confirmation of Contact Information in the Class Lists. Prior to mailing, the Settlement
28 Administrator will perform a search based on the National Change of Address Database for information

1 to update and correct for any known or identifiable address changes. Any Notice Packets returned to the
2 Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly
3 via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement
4 Administrator will indicate the date of such re-mailing on the Notice Packet. If no forwarding address is
5 provided, the Settlement Administrator will promptly attempt to determine the correct address using a
6 skip-trace, or other search using the name, address and/or Social Security number of the Class Member
7 involved, and will then perform a single re-mailing. Those Class Members who receive a re-mailed
8 Notice Packet, whether by skip-trace or by request, will have either (i) an additional fifteen (15) calendar
9 days or (ii) until the Response Deadline, whichever is later, to submit a Request for Exclusion or a
10 Notice of Objection to the Settlement.

11 46. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice Packet
12 will provide: (i) information regarding the nature of the Actions; (ii) a summary of the Settlement's
13 principal terms; (iii) the Settlement Class and PAGA Member definitions; (iv) the total number of
14 Workweeks each respective Class Member and PAGA Member worked for Defendant during the Class
15 Period and PAGA Period; (v) each Class Member's and PAGA Member's estimated Individual
16 Settlement Payment and the formula for calculating Individual Settlement Payments; (vi) the dates which
17 comprise the Class Period and PAGA Period; (vii) instructions on how to submit Requests for Exclusion
18 or Notices of Objection; (viii) the deadlines by which the Class Member must postmark or fax Requests
19 for Exclusion, or postmark Notices of Objection to the Settlement; and (ix) the claims to be released.

20 47. Disputed Information on Notice Packets. Class Members will have an opportunity to
21 dispute the information provided in their Notice Packets. To the extent Class Members dispute their
22 employment dates or the number of Workweeks on record, Class Members may produce evidence to the
23 Settlement Administrator showing that such information is inaccurate. Defendant's records will be
24 presumed correct, but the Settlement Administrator shall contact the Parties regarding the dispute and the
25 Parties will work in good faith to resolve it. All disputes must be submitted by the Response Deadline,
26 and will be decided within ten (10) business days after the Response Deadline.

27 48. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the
28 requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The

1 Settlement Administrator will mail the Class Member a cure letter within three (3) business days of
2 receiving the defective submission to advise the Class Member that his or her submission is defective
3 and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have
4 until (i) the Response Deadline or (ii) fifteen (15) calendar days from the date of the cure letter,
5 whichever date is later, to postmark or fax a revised Request for Exclusion. If the revised Request for
6 Exclusion is not postmarked or received by fax within that period, it will be deemed untimely.

7 49. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the
8 Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the Settlement
9 Administrator within the Response Deadline. In the case of Requests for Exclusion that are mailed to the
10 Settlement Administrator, the postmark date will be the exclusive means to determine whether a Request
11 for Exclusion has been timely submitted.

12 50. Escalator Clause. If the number of Workweeks worked by the Settlement Class during
13 the Class Period exceeds Four Hundred Forty-Eight Thousand Five Hundred (448,500) by more than ten
14 percent (10%), the Gross Settlement Amount will increase in the exact proportionate amount as any
15 additional Workweeks beyond ten percent (10%) (e.g., a 12% increase in Workweeks = a 2%
16 proportionate increase in Gross Settlement Amount).

17 51. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class Member
18 who does not affirmatively opt-out of the Settlement Agreement by submitting a timely and valid
19 Request for Exclusion will be bound by all of its terms, including those pertaining to the Released Class
20 Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the
21 Settlement.

22 52. Releases by Participating Class Members. Upon the Funding Date, each Participating
23 Class Member, together and individually, on their behalf and on behalf of their respective heirs,
24 executors, administrators, agents, and attorneys, shall fully and forever release and discharge all of the
25 Released Parties, or any of them, from each of the Released Class Claims arising during the Class
26 Period.

27 53. Releases by PAGA Members. Upon the Funding Date, each PAGA Member, together
28 and individually, on their behalf and on behalf of their respective heirs, executors, administrators, agents,

1 and attorneys, shall fully and forever release and discharge all of the Released Parties, or any of them,
2 from each of the Released PAGA Claims during the PAGA Period.

3 54. Defendant's Right to Rescind. Defendant will have, in its sole discretion, the right to
4 void and withdraw from the Settlement if, at any time prior to Final Approval, Five Percent (5%) or
5 more of Class Members opt out of the settlement. Defendant must exercise this right of rescission in
6 writing to Class Counsel within fourteen (14) calendar days after the Response Deadline. If the option to
7 rescind is exercised, then Defendant will be solely responsible for all Settlement Administration Costs
8 incurred to the date of rescission.

9 55. Objection Procedures. To object to the Settlement Agreement, a Class Member may
10 either postmark a valid Notice of Objection to the Settlement Administrator on or before the Response
11 Deadline, or appear in person at the Final Approval Hearing. Class Members who fail to object either by
12 submitting a valid Notice of Objection or appearing in person at the Final Approval Hearing will be
13 deemed to have waived all objections to the Settlement and will be foreclosed from making any
14 objections, whether by appeal or otherwise, to the Settlement Agreement. At no time will any of the
15 Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written
16 objections to the Settlement Agreement or appeal from the final approval order and judgment. Class
17 Counsel will not represent any Class Members with respect to any such objections to this Settlement. If a
18 Class Member timely submits both a Notice of Objection and a Request for Exclusion, the Request for
19 Exclusion will be given effect and considered valid, the Notice of Objection shall be rejected, and the
20 Class Member shall not participate in or be bound by the Settlement.

21 56. Certification Reports Regarding Individual Settlement Payment Calculations. The
22 Settlement Administrator will provide Defendant's counsel and Class Counsel a weekly report that
23 certifies the number of Class Members who have submitted valid Requests for Exclusion or objections to
24 the Settlement, and whether any Class Member has submitted a challenge to any information contained
25 in their Notice Packet. Additionally, the Settlement Administrator will provide to counsel for both Parties
26 any updated reports regarding the administration of the Settlement Agreement as needed or requested.

27 57. Distribution Timing of Individual Settlement Payments. Within ten (10) calendar days
28 of the Funding Date, the Settlement Administrator will issue payments to: (i) Participating Class

Members and PAGA Members; (ii) the LWDA; (iii) Plaintiffs; and (iv) Class Counsel. The Settlement Administrator will also issue a payment to itself for Court-approved services performed in connection with the Settlement.

58. Un-cashed Settlement Checks. Funds represented by Individual Settlement Payment checks returned as undeliverable and Individual Settlement Payment checks remaining un-cashed for more than one hundred and eighty (180) calendar days after issuance will be tendered to the State Controller's Office, Unclaimed Property Division.

59. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

60. Treatment of Individual Settlement Payments. All Individual Settlement Payments will be allocated as follows: (i) Twenty Percent (20%) of each Individual Settlement Payment will be allocated as wages for which IRS Forms W-2 will be issued; and (ii) Eighty (80%) will be allocated as non-wages for which IRS Forms 1099-MISC will be issued.

61. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiffs, Participating Class Members, PAGA Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes and penalties to the appropriate government authorities.

62. Tax Liability. Defendant makes no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiffs and Participating Class Members are not relying on any statement, representation, or calculation by Defendant or by the Settlement Administrator in this regard.

63. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES

1 OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR
2 WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED
3 OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES
4 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
5 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS
6 OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
7 ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS
8 AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY
9 ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY
10 UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO
11 ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
12 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
13 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF
14 ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER
15 SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
16 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
17 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
18 AGREEMENT.

19 64. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
20 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
21 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of
22 action or right herein released and discharged.

23 65. Nullification of Settlement Agreement. In the event that: (i) the Court does not finally
24 approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other
25 reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null
26 and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will
27 likewise be treated as void from the beginning.

28 66. Preliminary Approval Hearing. Plaintiffs will obtain a hearing before the Court to

request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order for: (i) conditional certification of the Settlement Class for settlement purposes only, (ii) preliminary approval of the proposed Settlement Agreement, (iii) setting a date for a final fairness hearing. The Preliminary Approval Order will provide for the Notice Packet to be sent to all Class Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiffs will submit this Settlement Agreement, which sets forth the terms of this Settlement, and will include the proposed Notice of Class Action Settlement, attached as Exhibit A. Class Counsel will be responsible for drafting the Motion for Preliminary Approval and all documents necessary to obtain preliminary approval and will allow defense counsel a reasonable opportunity to comment and have input on the Motion for Preliminary Approval, particularly as to information that Defendant considers confidential, proprietary, or trade secret.

67. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the Court's permission, a final fairness hearing will be conducted to determine the Final Approval of the Settlement Agreement along with the amounts properly payable for: (i) Attorneys' Fees and Costs; (ii) the Class Representative Enhancement Payments; (iii) Individual Settlement Payments; (iv) the Labor and Workforce Development Agency Payment; (v) all Settlement Administration Costs. The final fairness hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Class Counsel will be responsible for drafting the Motion for Final Approval and all documents necessary to obtain final approval, and will allow defense counsel a reasonable opportunity to comment and have input on said motion, particularly as to information that Defendant considers confidential, proprietary, or trade secret. Class Counsel will also be responsible for drafting the attorneys' fees and costs application to be heard at the final approval hearing.

68. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the Court or after the final fairness hearing, the Parties will present the Judgment to the Court for its approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or

1 as set forth in this Settlement Agreement. A copy of the Judgment will be posted to the Settlement
2 Administrator's website.

3 69. Release by Plaintiffs. Upon the Funding Date, in addition to the claims being released by
4 all Participating Class Members, Plaintiffs will release and forever discharge the Released Parties, to the
5 fullest extent permitted by law, of and from any and all claims, obligations, demands, actions, rights,
6 causes of action, and liabilities of whatever kind and nature, character and description, whether in law or
7 equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation,
8 constitution, common law, or other source of law or contract, whether known and unknown, asserted and
9 not asserted, which Plaintiffs have or may have against the Released Parties as of the date of execution of
10 this Settlement Agreement, including but not limited to all claims which relate in any way to the
11 Plaintiffs' employment with or termination of employment from Defendant or any of the other Released
12 Parties. To the extent the foregoing release is a release to which Section 1542 of the California Civil
13 Code or similar provisions of other applicable law may apply, Plaintiffs expressly waive any and all
14 rights and benefits conferred upon them by the provisions of Section 1542 of the California Civil Code
15 or similar provisions of applicable law which are as follows:

16 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
17 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
18 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE
19 AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY
20 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED
21 PARTY.

22 70. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the
23 terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
24 herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement.

25 71. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the
26 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements
27 may be deemed binding on the Parties. The Parties expressly recognize California Civil Code Section
28 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is

1 to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and
2 the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or
3 contradict the terms of this Settlement Agreement.

4 72. Amendment or Modification. No amendment, change, or modification to this Settlement
5 Agreement will be valid unless in writing and signed, either by the Parties or their counsel.

6 73. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
7 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
8 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
9 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
10 effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each
11 other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to
12 reach agreement on the form or content of any document needed to implement the Settlement, or on any
13 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties
14 may seek the assistance of the Court to resolve such disagreement.

15 74. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
16 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

17 75. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto
18 will be governed by and interpreted according to the laws of the State of California.

19 76. Execution and Counterparts. This Settlement Agreement is subject only to the execution
20 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
21 executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and scanned
22 copies of the signature page, will be deemed to be one and the same instrument.

23 77. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
24 Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions and have arrived at
25 this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into
26 account all relevant factors, present and potential. The Parties further acknowledge that they are each
27 represented by competent counsel and that they have had an opportunity to consult with their counsel
28 regarding the fairness and reasonableness of this Settlement.

1 78. Invalidity of Any Provision. Before declaring any provision of this Settlement
2 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
3 possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement
4 valid and enforceable.

5 79. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
6 certification for purposes of this Settlement only; except, however, that Plaintiffs or Class Counsel may
7 appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court,
8 and either party may appeal any court order that materially alters the Settlement Agreement's terms.

9 80. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to
10 class action certification for purposes of the Settlement only. If, for any reason, the Settlement is not
11 approved, the stipulation to certification will be void. The Parties further agree that certification for
12 purposes of the Settlement is not an admission that class action certification is proper under the standards
13 applied to contested certification motions and that this Settlement Agreement will not be admissible in
14 this or any other proceeding as evidence that either (i) a class action should be certified or (ii) Defendant
15 is liable to Plaintiffs or any Class Member, other than according to the Settlement's terms.

16 81. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute
17 that has arisen between them and to avoid the burden, expense and risk of continued litigation. In
18 entering into this Settlement, Defendant does not admit, and specifically denies, that it violated any
19 federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or
20 any other applicable laws, regulations or legal requirements; breached any contract; violated or breached
21 any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with
22 respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any
23 of the negotiations connected with it, will be construed as an admission or concession by Defendant of
24 any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to
25 enforce the terms of this Settlement, this Settlement Agreement and its terms and provisions will not be
26 offered or received as evidence in any action or proceeding to establish any liability or admission on the
27 part of Defendant or to establish the existence of any condition constituting a violation of, or a non-
28 compliance with, federal, state, local or other applicable law.

1 82. No Public Comment: The Parties and their counsel agree that they will not issue any
2 press releases, initiate any contact with the press, respond to any press inquiry, or have any
3 communication with the press about the fact, amount or terms of the Settlement.

4 83. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement
5 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
6 constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

7 84. Enforcement Actions. In the event that one or more of the Parties institutes any legal
8 action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement
9 or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be
10 entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including
11 expert witness fees incurred in connection with any enforcement actions.

12 85. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
13 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
14 more strictly against one party than another merely by virtue of the fact that it may have been prepared
15 by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations
16 between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

17 86. Representation By Counsel. The Parties acknowledge that they have been represented
18 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
19 that this Settlement Agreement has been executed with the consent and advice of counsel. Further,
20 Plaintiffs and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

21 87. All Terms Subject to Final Court Approval. All amounts and procedures described in
22 this Settlement Agreement herein will be subject to final Court approval.

23 88. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good
24 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
25 Settlement Agreement.

26 89. Binding Agreement. The Parties warrant that they understand and have full authority to
27 enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully
28 enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in

any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: 8/18/2022

DocuSigned by:

Fatima Goodarzi

55ADAA312CC44F7...

Fatima Goodarzi

PLAINTIFF

Dated: _____

Marianita Yadao

DEFENDANT

Dated: _____

Leslie White, Esq.
On behalf of Belmont Village, L.P.

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: 8/19/2022

By: _____

Raul Perez
Raul Perez
Attorneys for Plaintiff Fatima Goodarzi

DIVERSITY LAW GROUP, APC

Dated: _____

By: _____

Larry Lee
Attorneys for Plaintiff Marianita Yadao

LEWIS BRISBOIS BISGAARD & SMITH LLP

Dated: _____

By: _____

Jeffrey S. Ranen
Attorneys for Defendant Belmont Village, L.P.

any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: _____

Fatima Goodarzi

PLAINTIFF

Dated: _____

Marianita Yadao

DEFENDANT

Dated: _____

Leslie White, Esq.
On behalf of Belmont Village, L.P.

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: _____

By: _____
Raul Perez
Attorneys for Plaintiff Fatima Goodarzi

DIVERSITY LAW GROUP, APC

Dated: August 19, 2022

By: _____
Larry Lee
Attorneys for Plaintiff Marianita Yadao

LEWIS BRISBOIS BISGAARD & SMITH LLP

Dated: _____

By: _____
Jeffrey S. Ranen
Attorneys for Defendant Belmont Village, L.P.

any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: _____

Fatima Goodarzi

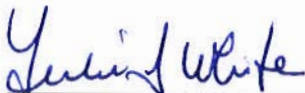
PLAINTIFF

Dated: _____

Marianita Yadao

DEFENDANT

Dated: August 18, 2022



Leslie White, Esq.
On behalf of Belmont Village, L.P.

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: _____

By: _____
Raul Perez
Attorneys for Plaintiff Fatima Goodarzi

DIVERSITY LAW GROUP, APC

Dated: _____

By: _____
Larry Lee
Attorneys for Plaintiff Marianita Yadao

LEWIS BRISBOIS BISGAARD & SMITH LLP

Dated: August 18, 2022


By: _____
Jeffrey S. Ranen
Attorneys for Defendant Belmont Village, L.P.

Exhibit A

SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF LOS ANGELES
NOTICE OF CLASS ACTION SETTLEMENT

You are not being sued. This notice affects your rights. Please read it carefully.

To: All current and former non-exempt, hourly employees employed by Defendant Belmont Village, L.P. (“Defendant”) in the State of California at any time between April 22, 2016 and May 24, 2022, who do not timely opt-out (“Class Members”).

All current and former non-exempt, hourly employees employed by Defendant in the State of California at any time between May 4, 2019 and May 24, 2022 (“PAGA Members”).

On _____, the Honorable Stuart M. Rice of the Los Angeles County Superior Court granted preliminary approval of this class action settlement (“Preliminary Approval”) and ordered the litigants to notify all Class Members of the settlement. **You have received this notice because Defendant’s records indicate that you are a Class Member, and are therefore entitled to a payment from the settlement.** All checks may be cashed for 180 days—checks that are not cashed within 180 days will be tendered to the State Controller’s Office, Unclaimed Property Division in the name of the Class Member.

Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund. The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at __:00 __m. on _____, 2022 in Department 1 of the Los Angeles County Superior Court located at 312 North Spring Street, Los Angeles, CA 90012. Please also note that the Final Fairness Hearing may be rescheduled by the Court to another date and/or time. Please visit [settlement website] for any scheduling changes.

You are not required to attend the hearing, but if you wish to attend, you may attend the hearing in person or remotely, which can be set up through LA Court Connect (www.lacourt.org/lacc/). For in-person appearances, visit http://www.lacourt.org/pdf/recovery_social_distancing.pdf for more information about the Court’s social distancing and mask guidelines. To review the documents filed in this lawsuit, visit <https://www.lacourt.org/casesummary/ui/>.

The purpose of this Notice is to provide you with a brief description of the lawsuits, the investigation of the claims that has been conducted to date, and to inform you of the terms of the proposed settlement and your rights and options in connection with the lawsuits and the settlement.

If you move, you must send the Settlement Administrator your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

Summary of the Litigation

The following recitation does not constitute the findings of the Court. It should not be understood to be an expression of the Court’s views on the merits of any claim or defense raised by the parties.

Plaintiffs Fatima Goodarzi and Marianita Yadao, on their behalf and on behalf of other current and former non-exempt employees, allege that Defendant violated California state labor laws as a result of its alleged failure to, among other things: (1) pay minimum and overtime wages to employees for all hours worked; (2) provide employees with meal and rest breaks; (3) timely pay all wages owed to employees during each pay period and upon termination of their

employment; (4) reimburse employees for necessary business expenses; and (5) provide employees with accurate, itemized wage statements.

After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the lawsuits. On February 23, 2022, the parties participated in a mediation with Mr. Jeffrey Ross, an experienced and well-respected class action mediator. With Mr. Ross's guidance, the parties were able to negotiate the terms of a complete settlement of Plaintiffs' claims.

Counsel for Plaintiffs, and the attorneys appointed by the Court to represent the class, Capstone Law APC and Diversity Law Group, APC ("Class Counsel"), have investigated and researched the facts and circumstances underlying the issues raised in the Plaintiffs' lawsuits and the applicable law. While Class Counsel believe that the claims alleged in the lawsuits have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Defendant has denied, and continues to deny, the factual and legal allegations in the lawsuits and believes that it has valid defenses to Plaintiffs' claims. By agreeing to settle, Defendant is not admitting any liability with respect to any of the factual allegations or claims in the lawsuits or that the lawsuits can or should proceed as a class action. Defendant has agreed to settle the lawsuits as part of a compromise with Plaintiffs.

Summary of The Proposed Settlement Terms

Plaintiffs and Defendant have agreed to settle the lawsuits in exchange for a Gross Settlement Amount of \$3,250,000. This amount is inclusive of: (1) individual settlement payments to all Participating Class Members;¹ (2) Class Representative Enhancement Payments of \$10,000, each, to Plaintiffs Fatima Goodarzi and Marianita Yadao for their services on behalf of the class, and for a release of all claims, including those arising out of their employment with Defendant; (3) \$1,083,333 in attorneys' fees and up to \$30,000 in litigation costs and expenses; (4) a \$100,000 settlement of claims under the Labor Code Private Attorneys General Act of 2004 ("PAGA"), inclusive of a \$75,000 payment to the California Labor and Workforce Development Agency ("LWDA") in connection with the PAGA, and a \$25,000 payment ("PAGA Fund") to all PAGA Members; and (5) reasonable Settlement Administrator's fees and expenses currently estimated at \$45,000. After deducting the above payments, a total of approximately \$_ will be allocated to Class Members who do not opt out of the Settlement Class ("Net Settlement Fund"). Additionally, all PAGA Members will receive a proportional share of the \$25,000 PAGA Fund, regardless whether they opt out of the Settlement Class.

Payments from Net Settlement Fund. Defendant will calculate the total number of Workweeks worked by each Class Member between April 22, 2016 and May 24, 2022 ("Class Period") and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member's estimated share of the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of Workweeks, resulting in the "Workweek Value." Each Class Member's share of the Net Settlement Fund will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Members as specifically set forth herein, including employee-side tax withholdings or deductions. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase each Participating Class Member's share of the Net Settlement Fund according to the number of Workweeks worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Fund.

¹ "Participating Class Members" means all Class Members who do not submit a timely and valid Requests for Exclusion.

According to Defendant's records, you worked during the Class Period in a non-exempt position for a total of ____ Workweeks. Accordingly, your estimated payment from the Net Settlement Fund is approximately \$ ____.

Payments from PAGA Fund. Defendant will calculate the total number of Workweeks worked by each PAGA Member between May 4, 2019 and May 24, 2022 ("PAGA Period") and the aggregate total number of Workweeks worked by all PAGA Members during the PAGA Period. To determine each PAGA Member's estimated share of the PAGA Fund, the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Workweeks during the PAGA Period, resulting in the "PAGA Workweek Value." Each PAGA Member's share of the PAGA Fund will be calculated by multiplying each individual Participating PAGA Member's total number of Workweeks by the PAGA Workweek Value. A Request for Exclusion does not exclude a PAGA Member from the release of claims under California Labor Code §§ 2698, *et seq.* and the PAGA Member will receive their portion of the PAGA Fund even if he or she submits a valid Request for Exclusion.

According to Defendant's records, you worked during the PAGA Period in a non-exempt position for a total of ____ Workweeks. Accordingly, your estimated payment from the PAGA Fund is approximately \$ ____.

Your Estimated Payment: Based on the above, your estimated payment from the settlement is approximately \$ _____. If you believe the Workweek information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked or faxed on or before [insert date of Response Deadline] and must be sent to:

Settlement Administrator
c/o _____
Fax No. _____

If you dispute the information stated above, Defendant's records will control unless you are able to provide documentation that establishes otherwise.

Taxes on Settlement Payments. IRS Forms W-2 and 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, 20% of each settlement payment will be allocated as wages for which IRS Forms W-2 will be issued, and 80% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued.

Your Options Under the Settlement

Option 1 – Automatically Receive a Payment from the Settlement

If you want to receive your payment from the settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if and when the settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released and waived the Released PAGA Claims and/or the Released Class Claims and :

Released Class Claims: All claims alleged in, or reasonably arising out of facts asserted in, the operative First Amended Complaint, including, but not be limited to, all claims for the failure to pay minimum wages, failure to pay overtime wages, failure to provide meal periods and pay meal period premiums, failure to authorize and permit rest periods and failure to pay rest period premiums, failure to pay timely all wages due upon separation of

employment (which attaches to all claims for unpaid wages which are known or unknown, under any theory of liability, whether for off-the-clock work, interruptions of meal and rest periods, calculation of the regular rate of pay, and sick pay), failure to pay timely wages during employment, failure to provide accurate itemized wage statements, failure to keep requisite payroll records, failure to reimburse necessary business expenses, violation of Business and Professions Code § 17200, failure to pay sick and vacation pay, and violations of Labor Code §§ 200, 201, 202, 203 (derivative of any known or unknown unpaid wages theory), 204, 218.5, 221, 226(a) (derivative of any known or unknown unpaid wages theory), 226.7, 227.3, 246, 246.5, 247.5, 248.5 510, 512, 558, 1174(d), 1194, 1194.2, 1197, 1197.1, 1198, and 2802, Code of Civil Procedure § 1021.5, and applicable IWC Wage Orders.

Released PAGA Claims: All claims for violations of California Labor Code §§ 2698, *et seq.* (PAGA) that were brought, or reasonably could have been brought, based on the facts alleged in Plaintiffs' letters to the LWDA, including claims for unpaid wages, off-the-clock work, vacation pay, and sick pay.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written request for exclusion must include your name, signature, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent, to the address below.

Settlement Administrator

c/o _____

The Request for Exclusion must be postmarked or faxed not later than _____, 2022. If you submit a Request for Exclusion which is not postmarked or faxed by _____, 2022, your Request for Exclusion will be rejected, and you will be included in the settlement class.

If you choose **Option 2**, you will no longer be a Class Member, and you will:

- Not Receive a Payment from the Net Settlement Fund.
- Not release the Released Class Claims.
- You will, however, release the Released PAGA Claims, and will receive a payment from the PAGA Fund if you are a PAGA Member.

Option 3 – Object to the Settlement

If you decide to object to the settlement because you find it unfair or unreasonable, you may submit a written objection stating why you object to the settlement, or you may instead appear at the Final Fairness Hearing to object to the Settlement. Written objections must provide: (1) your full name, signature, address, and telephone number, (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Fairness Hearing. The objection must be mailed to the administrator at [administrator's address].

All written objections must be received by the administrator by not later than _____ 2022. By submitting an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described above. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Fairness Hearing set for _____ at _____ a.m./p.m. in the Superior Court of the State of California, for the County of Los Angeles and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing at your own expense.

If you choose **Option 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Claims.

Additional Information

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the lawsuits and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the lawsuits. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

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PLEASE DO NOT CONTACT THE CLERK OF THE COURT OR THE JUDGE WITH INQUIRIES.