

Andrea Rosenkranz, Esq. (State Bar No. 301559)
arosenkranz@ohaganmeyer.com

O'HAGAN MEYER
3200 Park Center Drive, Suite 700
Costa Mesa, CA 92626
Telephone: (949) 942-8500
Facsimile: (949) 942-8510

Attorneys for Defendants,
TCI INVESTMENT GROUP, INC., BRIGHTON-BEST
INTERNATIONAL, INC., and TA CHEN INTERNATIONAL, INC.

SOLOUKI | SAVOY, LLP
SHOHAM J. SOLOUKI (SBN 278538)
GRANT JOSEPH SAVOY (SBN 284077)
316 W. 2nd Street, Suite 1200
Los Angeles, California 90012
Telephone: (213) 814-4940
Facsimile: (213) 814-2550

Attorneys for Plaintiff,
MARISOL HUERTA

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

MARISOL HUERTA, an individual and class
representative on behalf of herself and all other
similarly situated non-exempt former and current
employees,

Plaintiff,

vs.

TCI INVESTMENT GROUP, INC., a California
Corporation; BRIGHTON-BEST
INTERNATIONAL, INC., a California
Corporation; TA CHEN INTERNATIONAL,
INC., a California Corporation; GRACE CHAO,
an individual; JOHNNY HSIEH, an individual;
JUN XU, an individually; and DOES 1 through
100, inclusive,

Defendants.

Case No.: 22STCV14084

**CLASS & REPRESENTATIVE PAGA
ACTION**

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

*[Assigned for All Purposes to the Hon.
Elihu Berle; Dept. SS-6]*

Complaint Filed: April 26, 2022
FAC: July 26, 2022
SAC: July 7, 2023
Trial Date: Not Yet Set

1 This Joint Stipulation of Class Action Settlement and Release of Claims (“Settlement” or
2 “Agreement”) is made and entered into by and between Plaintiff MARISOL HUERTA (“Plaintiff”
3 or “Class Representative”), individually and on behalf of all putative class members, and
4 Defendants TCI INVESTMENT GROUP, INC. (“TIG”), BRIGHT-BEST INTERNATIONAL,
5 INC. (“BBI”), AND TA CHEN INTERNATIONAL, INC. (“TCI”) (TIG, BBI, and TCI are
6 collectively, “Defendants”). Plaintiff and Defendants are collectively referred to herein as “the
7 Parties.”

8 **I. DEFINITIONS**

9 The following definitions are applicable to this Settlement, in addition to other terms defined
10 elsewhere in this Settlement:

11 1. “Action” shall mean the operative Complaint of the civil action initially commenced
12 on April 26, 2022, filed and maintained by Plaintiff against Defendants in the Superior Court of
13 California, County of Los Angeles, Case No. 22STCV1404.

14 2. “Class” shall mean all hourly-paid, non-exempt employees who, during the Class
15 Period, have previously been or currently are employed in California by Defendants, as an hourly-
16 paid, non-exempt employee. “Class Member” shall mean an individual who is a member of the
17 Class (or if any such person is incompetent, deceased, or unavailable due to military service, the
18 person’s legal representative or successor in interest evidenced by reasonable verification).

19 3. “Class Counsel” shall mean the attorneys representing Plaintiff in the Action,
20 Shoham J. Solouki, Esq. and Grant Joseph Savoy, Esq. of Solouki | Savoy, LLP.

21 4. “Class Counsel Fees Payment” shall mean one-third (1/3) of the Maximum
22 Settlement Amount (currently estimated to be Four Hundred and Sixty-Six Thousand, Six Hundred
23 and Sixty-Six Dollars and Zero Cents (\$466,666.00)) subject to approval by the Superior Court as
24 Class Counsel’s attorneys’ fees incurred in connection with the Action, including fees incurred in
25 pre-filing investigation, filing of the Action, and all related litigation activities, this Settlement, and
26 all post-Settlement compliance procedures.

27 5. “Class Counsel Litigation Expenses Payment” shall mean the actual litigation
28 expenses and/or costs expended by Class Counsel subject to approval by the Superior Court

1 incurred in connection with the Action, including pre-filing investigation, filing of the Action, and
2 all related litigation activities, this Settlement, and all post-Settlement compliance procedures. Class
3 Counsel's expenses are not to exceed Forty Thousand Dollars and Zero Cents (\$40,000.00).

4 6. "Class Notice" shall mean the Notice of Proposed Settlement, Preliminary Approval
5 of Settlement, and Hearing Date for Final Court Approval, a sample of which is attached hereto as
6 Exhibit "A". The Class Notice shall further contain (i) a Class Member's first and last name, (ii)
7 last known address, (iii) the Class Member's Individual Workweeks, (iv) the PAGA Group
8 Member's Individual Pay Periods, if applicable; (v) the Class Member's estimated amount of the
9 Settlement Share; and (vi) the PAGA Group Member's estimated PAGA Payment Share, if
10 applicable. The Class Notice shall also provide the Class Members with instructions on how to opt-
11 out of and/or object to the Settlement.

12 7. "Class Period" shall mean the period of time from April 26, 2018, through August
13 10, 2023.

14 8. "Class Representative Payment" shall mean the special payment made to Plaintiff in
15 his capacity as Class Representative to compensate him for prosecuting the Action, and performing
16 work in support of the Action, in the amount of Ten Thousand Dollars and Zero Cents
17 (\$10,000.00), subject to approval by the Superior Court.

18 9. "Defense Counsel" shall mean the attorney representing Defendants in the Action,
19 Andrea Rosenkranz, Esq. of O'Hagan Meyer.

20 10. "Effective Date" shall mean the first business day following the last of the following
21 occurrences: (i) if no Class Member both objects and also files either a timely motion to intervene
22 and/or timely motion to vacate the judgment, then forty-five (45) days following the date the Court
23 enters an order granting Final Approval of the Settlement; (ii) if a Class Member both objects and
24 either files a timely motion to intervene or timely motion to vacate the judgment, then sixty-one
25 (61) days following the date the Court enters an order granting final approval, assuming no appeal is
26 filed; or (iii) if a Class Member both objects and also files a timely motion to intervene or files a
27 motion to vacate the Judgment and also files a timely appeal, then the date of final resolution of that
28 appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final and

1 complete judicial approval of the Settlement in its entirety, with no further challenge to the
2 Settlement being possible. The occurrence of the Effective Date is a prerequisite to any obligation
3 of Defendants to pay any funds into the Settlement Account.

4 11. "Employer's Payroll Taxes" shall mean Defendants' share of all payroll taxes
5 payable to any and all government agencies incurred for any payments of Settlement Shares to
6 Participating Class Members pursuant to this Settlement. Defendants' payment of the normal
7 employer's share of payroll taxes will be made separately and shall not come from the Maximum
8 Settlement Amount.

9 12. "Final Approval Hearing" shall mean the hearing to be conducted by the Superior
10 Court to determine whether to finally approve and implement the terms of this Settlement.

11 13. "Individual Pay Periods" shall mean the number of Pay Periods for an individual
12 PAGA Group Member.

13 14. "Individual Workweeks" shall mean the number of Workweeks for an individual
14 Class Member.

15 15. "Judgment" shall mean the Order of Final Judgment entered by the Superior Court
16 that the Parties anticipate will be entered following a Final Approval Hearing on the Settlement in
17 this Action.

18 16. "LWDA Payment" shall mean the payment to the California Labor and Workforce
19 Development Agency ("LWDA") constituting seventy-five percent (75%) of the value assigned to
20 the claim for penalties under the California Labor Code Private Attorneys General Act, California
21 Labor Code Section 2698, *et seq.* ("PAGA"). Specifically, Thirty-Seven Thousand, Five Hundred
22 Dollars and Zero Cents (\$37,500.00), which shall constitute the LWDA's seventy-five percent
23 (75%) share of Fifty Thousand Dollars and Zero Cents (\$50,000.00) in civil penalties paid under
24 this Settlement. The remaining Twelve Thousand, Five Hundred Dollars and Zero Cents
25 (\$12,500.00) in civil penalties shall be distributed on a *pro rata* basis based upon the number of pay
26 periods worked by each PAGA Group Member ("PAGA Payment").

27 17. "Maximum Settlement Amount" shall mean the maximum settlement amount of One
28 Million, Four Hundred Thousand Dollars and Zero Cents (\$1,400,000.00) payable by Defendants

1 as provided by this Agreement, unless that amount is increased pursuant to Paragraph 18 below,
2 exclusive of the normal employer's share of any payroll taxes attributable to the Settlement Share
3 payments allocated to wages. TIG will responsible for 20% of the Maximum Settlement Amount
4 (currently estimated to be Two Hundred and Eighty Thousand Dollars and Zero Cents (\$280,000.00)),
5 BBI will be responsible for 40% of the Maximum Settlement Amount (currently estimated to be Five
6 Hundred and Sixty Thousand Dollars and Zero Cents (\$560,000.00)), and TCI will be responsible for
7 40% of the Maximum Settlement Amount (currently estimated to be Five Hundred and Sixty Thousand
8 Dollars and Zero Cents (\$560,000.00)). Defendants' payment of the normal employer's share of
9 payroll taxes will be made separately, according to each Defendants' agreed upon proportionate
10 share of the Maximum Settlement Amount, and shall not come from the Maximum Settlement
11 Amount.

12 18. Defendants represents that as of April 6, 2023, the number of workweeks worked
13 by Class Members during the Class Period is approximately 58,752. If it is determined that the
14 workweeks through August 10, 2023, exceeds 64,628 (58,752 plus 10% of 58,752), then
15 Defendants shall have the option of either (i) increasing the Net Settlement Amount by an
16 amount determined by the following formula: $[(\text{Actual Number of Workweeks} - 64,628) \div$
17 $64,628) \times \text{Net Settlement Amount}$; or (ii) changing the end date of the Class Period (and PAGA
18 Period) to a date for which there are no more than 64,628 workweeks. As of August 10, 2023,
19 Defendants represent that there are 61,758 workweeks during the Class Period.

20 19. "Net Settlement Amount" shall mean the Maximum Settlement Amount, less (i) the
21 Class Representative Payment approved by the Superior Court; (ii) the Class Counsel Fees Payment
22 approved by the Superior Court; (iii) the Class Counsel Litigation Expenses Payment approved by
23 the Superior Court; (iv) the LWDA Payment approved by the Superior Court; (v) the PAGA
24 Payment approved by the Superior Court; (vi) the Settlement Administrator Payment approved by
25 the Superior Court; and (vii) any other fees or expenses (other than Class Counsel Fees Payment
26 and Class Counsel Litigation Expenses Payment) incurred in implementing the terms and conditions
27 of this Agreement as approved by the Superior Court.

28 20. "Non-Participating Class Member" shall mean a Class Member who submits a

1 complete, valid, and timely request to be excluded from the Settlement pursuant to the instructions
2 provided in the Class Notice.

3 21. "PAGA Group" mean all hourly-paid, non-exempt employees who, during the
4 PAGA Period, have previously been or currently are employed in California by Defendants.
5 "PAGA Group Member" shall mean an individual who is a member of the PAGA Group (or if any
6 such person is incompetent, deceased, or unavailable due to military service, the person's legal
7 representative or successor in interest evidenced by reasonable verification).

8 22. "PAGA Payment Share" shall mean the value of each PAGA Group Member's share
9 of the PAGA Payment as provided by this Agreement.

10 23. "PAGA Period" shall mean the period of time from July 29, 2019, through August
11 10, 2023.

12 24. "Participating Class Member" shall mean all Class Members who have not submitted
13 a complete, valid, and timely request to be excluded from the Settlement pursuant to the instructions
14 provided in the Class Notice.

15 25. "Pay Period" shall mean any pay period in which a Class Member actually received
16 payment from Defendants as an hourly-paid, non-exempt employee.

17 26. "Preliminary Approval" shall mean the Superior Court's preliminary approval of the
18 Settlement without material change that the Parties anticipate will be made following submission of
19 this Agreement to the Court.

20 27. "Settlement Administrator" shall mean Phoenix Settlement Administrators proposed
21 by the Parties and appointed by the Superior Court to administer the Settlement.

22 28. "Settlement Administrator Payment" shall mean the payment to the Settlement
23 Administrator for its fees and expenses in administering this Settlement.

24 29. "Settlement Share" shall mean the value of each Participating Class Member's share
25 of the Net Settlement Amount as provided by this Agreement.

26 30. "Superior Court" shall mean the Superior Court of California for the County of Los
27 Angeles.

28 31. "Workweek" shall mean any week in which a Class Member actually performed paid

1 work for Defendants during the Class Period as an hourly-paid, non-exempt employee.

2 **II. RECITALS**

3 32. On July 29, 2020, Class Counsel, on behalf of Plaintiff and the PAGA Group, gave
4 written notice to the Labor Workforce and Development Agency ("LWDA") of the Labor Code
5 violations Defendants are alleged to have violated ("LWDA Exhaustion Letter").

6 33. On April 26, 2022, Plaintiff filed a Class Action Complaint against Defendants in the
7 Los Angeles County Superior Court, Case No. 22STCV1404. In her Complaint, Plaintiff pled
8 causes of action for: (1) Failure to Provide Meal Periods or Pay Meal Period Premiums; (2) Failure
9 to Provide Rest Breaks or Pay Rest Break Premiums; (3) Failure to Pay Overtime Wages; (4)
10 Failure to Pay Minimum Wages; (5) Failure to Timely Pay Wages; (6) Failure to Timely Pay Final
11 Wages; (7) Failure to Maintain Required Records; (8) Failure to Provide Accurate Itemized Wage
12 Statements; (9) Failure to Indemnify Necessary Business Expenses; (10) Unfair Business Practices;
13 and (11) Civil Penalties pursuant to the Private Attorneys' General Act of 2004 ("PAGA").

14 34. On July 26, 2022, Plaintiff amended her Complaint to dismiss her fifth cause of
15 action for Failure to Timely Pay Wages, her seventh cause of action for Failure to Maintain
16 Required Records, and eleventh cause of action for Civil Penalties pursuant to PAGA.

17 35. On July 7, 2023, Plaintiff amended her Complaint to reallege causes of action for
18 Failure to Timely Pay Wages and Civil Penalties pursuant to PAGA.

19 36. Defendants deny and continue to deny all of Plaintiff's material allegations.
20 Specifically, Defendants contend (1) they did not fail to pay the Class the minimum, straight time,
21 regular rate, and/or overtime wages; (2) they paid the Class for all hours worked; (3) they provided
22 the Class with all meal periods according to law; (4) they provided the Class with all rest periods
23 according to law; (5) they did not fail to timely pay the Class wages due and owing during
24 employment and/or upon separation; (6) they provided the Class with accurate itemized wage
25 statements, consistent with Labor Code Section 226; (7) they properly maintained all payroll
26 records; (8) they reimbursed employees for all necessary business expenses; (9) they did not violate
27 Business & Professions Code Section 17200, *et seq.*; (10) the PAGA Group is not entitled to
28 penalties under PAGA; and (11) Defendants are not liable for damages, including unpaid wages,

1 liquidated damages, statutory penalties, attorneys' fees, or costs of litigation to the Class.

2 37. In connection with the Action, and in order to work toward a mediated resolution
3 without the time and expense of formal discovery, the Parties produced voluminous documents and
4 data (including, by Defendants, human resources documents and policies, time records, and payroll
5 data during the Class Period) which were reviewed, investigated, and analyzed by Class Counsel.

6 38. On April 12, 2023, the Parties in Action participated in a full day of mediation before
7 an experienced employment and class action mediator, Todd Smith, Esq. (the "Mediation") and the
8 Parties reached a settlement at the Maximum Settlement Amount.

9 39. The Settlement described in this Agreement represents a compromise and settlement
10 of highly disputed claims. Nothing in this Settlement is intended or will be construed as an
11 admission by Defendants that Plaintiff's claims in the Action have any merit or that they have any
12 liability to Plaintiff, the Class, the PAGA Group or the State on those claims, or as an admission by
13 Plaintiff that Defendants' defenses in Action have any merit. This Settlement is intended to fully,
14 finally, and forever compromise, release, resolve, discharge, and settle the released claims subject to
15 the terms and conditions set forth in this Settlement.

16 40. Based on its own thorough, independent investigation and evaluation of this case,
17 Class Counsel is of the opinion that the Settlement of this Action with Defendants for the
18 consideration and on the terms set forth in this Settlement is fair, reasonable, adequate, and in the
19 best interest of the Class in light of all known facts and circumstances, including the risk of
20 significant costs and delay, the risk of non-certification of the Class, the defenses asserted by
21 Defendants including the risks of adverse determinations on the merits and numerous potential
22 appellate issues. Although Defendants contend that they have no liability in the Action, Defense
23 Counsel shares Class Counsel's belief that the Settlement represents a fair and adequate settlement
24 given the respective risks associated with the case.

25 41. Based on the foregoing Recitals, the Parties agree as follows:

26 **III. PROCEDURE FOR APPROVING SETTLEMENT**

27 42. **Motion for Preliminary Approval of Settlement by the Superior Court.** Plaintiff
28 will move the Superior Court for an order granting Preliminary Approval of the Settlement, setting

1 a date for the Final Approval Hearing no earlier than 120 days from the date of the order granting
2 Preliminary Approval of the Settlement, and approving the Class Notice (attached as Exhibit “A” to
3 this Stipulation) (“Motion for Preliminary Approval”). Any unresolved disagreement among the
4 Parties concerning the Class Notice or other documents necessary to implement the Settlement will
5 be referred first to Todd Smith, Esq., and if no resolution is reached, then to the Superior Court.

6 43. At the hearing on the Motion for Preliminary Approval, the Parties anticipate that
7 they will jointly appear, support the granting of the Motion for Preliminary Approval, and obtain an
8 order granting Preliminary Approval, granting approval of the Class Notice, and setting a date for
9 the Final Approval Hearing no earlier than 120 days from the date of the order granting Preliminary
10 Approval.

11 44. Should the Superior Court require any amendments to this Agreement or the Motion
12 for Preliminary Approval, the Parties agree to work jointly to resolve any issues in order to secure
13 the Superior Court’s Preliminary Approval.

14 45. Should the Superior Court decline to preliminarily approve any material aspects of
15 the Settlement, the Settlement will be null and void and the Parties will have no further obligations
16 under it. In such event, the Parties shall be returned to their respective positions as of the date and
17 time immediately prior to the execution of this Agreement, and the Parties shall proceed in all
18 respects as if this Agreement had not been executed.

19 46. **Class Notice.** After the Superior Court enters its order granting Preliminary
20 Approval, every Class Member will be provided with the Class Notice (in English and Spanish)
21 which will include the Class Notice completed to reflect the order granting Preliminary Approval of
22 the Settlement and the Class Member’s information as follows:

23 (a) Within twenty-one (21) days after the Motion for Preliminary Approval is
24 granted, Defendants will provide to the Settlement Administrator the “Class Members’ Data,”
25 which shall consist of an electronic database containing (i) each Class Member’s first and last name,
26 (ii) last known mailing address, (iii) the Class Member’s Social Security number or Tax ID, (iv) the
27 Class Member’s total number of Individual Workweeks, and (v) the Class/PAGA Group Members’
28 total number of Individual Pay Periods, if applicable. If any or all of the Class Members’ Data are

1 unavailable to Defendants, Defendants will so inform Class Counsel prior to the date on which
2 Defendants are required to submit the Class Members' Data to the Settlement Administrator and the
3 Parties will make their best efforts to reconstruct or otherwise agree upon the Class Members' Data
4 prior to when it must be submitted to the Settlement Administrator. If the Parties are unable to
5 agree, the dispute will be resolved by the Settlement Administrator as provided in Paragraph 49.
6 This information will otherwise remain confidential and will not be disclosed to anyone, except as
7 required to applicable taxing authorities, as required to carry out the reasonable efforts to identify
8 Class Member information as described in Paragraph 46(c), pursuant to Defendants' express written
9 authorization, or by order of the Superior Court.

10 (b) Within seven (7) days after receiving the Class Members' Data, or as soon
11 thereafter as it is able to do so, the Settlement Administrator will mail the Class Notice to all
12 identified Class Members via first-class U.S. Mail using the mailing address information provided
13 by Defendants, unless modified by any updated address information that the Settlement
14 Administrator obtains in the course of administration of the Settlement.

15 (c) If a Class Notice is returned by the U.S. Postal Service because of an
16 incorrect address, the Settlement Administrator will promptly, and not later than five (5) days from
17 receipt of the returned packet, search for a more current address for the Class Member and re-mail
18 the Class Notice to the Class Member. The Settlement Administrator will use the Class Members'
19 Data and otherwise work with Defense Counsel or utilize its own resources such as skip traces to
20 find a more current address. The Settlement Administrator will be responsible for taking reasonable
21 steps, consistent with its agreed-upon job parameters, court orders, and fee, to trace the mailing
22 address of any Class Member for whom a Class Notice is returned by the U.S. Postal Service.
23 These reasonable steps shall include the tracking of all undelivered mail; performing address
24 searches for all mail returned without a forwarding address; and promptly re-mailing to Class
25 Members for whom new addresses are found. Any such Class Members who failed to receive a
26 Class Notice, or who were subject to a re-mailing of the Class Notice as described herein shall be
27 given an additional fourteen (14) days to opt out or object to the Settlement.

28 (d) The Settlement Administrator will inform Class Counsel and Defense

1 Counsel of the number of returned Class Notices it receives and Class Notices re-mailed in a
2 weekly status report.

3 (e) Not later than sixteen (16) court days prior to the Final Approval Hearing, the
4 Settlement Administrator will serve on the Parties a declaration of due diligence setting forth its
5 compliance with its obligations under this Settlement. The declaration will be filed with the papers
6 submitted with the Motion for Final Approval. Prior to the Final Approval Hearing, the Settlement
7 Administrator will supplement its declaration of due diligence if any material changes occur from
8 the date of the filing of its prior declaration.

9 47. **Participating Class Members; Requests for Exclusion from Class Settlement;**
10 **and Objections to Settlement.** Class Members may submit requests to be excluded from the effect
11 of the Settlement; or objections to the Settlement, pursuant to the following procedures:

12 (a) **Participating Class Members.** Each Class Member shall be deemed to be a
13 Participating Class Member unless they submit a complete, timely, and valid request to be excluded
14 from the effect of the Settlement as provided below. All Participating Class Members shall be
15 bound by the provisions and releases contained in this Settlement.

16 (b) **Request for Exclusion from Settlement.** Class Members who wish to
17 exclude themselves from the Settlement (“opt out” of the Settlement) must submit to the Settlement
18 Administrator, not later than forty-five (45) days after the date that the Settlement Administrator
19 first mails the Class Notices, an Exclusion Request (“the Exclusion Period”). Exclusion Requests
20 may be submitted to the Settlement Administrator via U.S. Mail (or similar method), fax, or e-mail.
21 Class Members must complete, sign, date, and timely return an Exclusion Request to the Settlement
22 Administrator to exclude themselves from the Settlement, setting forth their (i) name, (ii) address,
23 and (iii) the following statement or a similar statement: “I wish to exclude myself from the
24 settlement reached in the matter of *Huerta v. TCI Investment Group, Inc., et. al.* I understand that
25 by excluding myself, I will not receive any money from the settlement reached in this matter.” A
26 Class Member who does not complete and submit a valid and timely Exclusion Request in the
27 manner and by the conclusion of the Exclusion Period will remain a Participating Class Member
28 and, if the Court approves the Settlement, will be bound by all terms and conditions of the

Settlement and by the Judgment. A Class Member who timely submits a valid Exclusion Request will not participate in, or be bound by, the Settlement of the Judgment and will not receive any payment pursuant to the Settlement except for a payment from the portion of the PAGA Payment to the PAGA Group if the Class Member is a PAGA Group Member, and will not be bound by the terms of the Settlement, except for the release of the PAGA Group Released Claims if the Class Member is a PAGA Group Member, and will not have any right to object, appeal, or comment thereon. To be valid, Exclusion Requests must be completed in full, signed, and returned to the Settlement Administrator before the expiration of the Exclusion Period. Non-Participating Class Members will not be permitted to file objections to the Settlement and/or appear at the Final Approval Hearing to voice any objections to the Settlement. Members of the PAGA Group cannot seek to exclude themselves from the Settlement of the PAGA claim, but retain all rights to exclude themselves from the Class Settlement as delineated herein. The Settlement Administrator will provide Class Counsel, Defense Counsel, and the Superior Court with only the names of the Non-Participating Class Members.

(c) **Objections to Settlement.** The Class Notice will provide that any Class Member who does not request exclusion from the Settlement and who wishes to object to the Settlement must serve on the Settlement Administrator, not later than forty-five (45) days after the Settlement Administrator initially mails the Class Notice, a written objection to the Settlement which sets forth the grounds for the objection and the other information required by Paragraph 46(d). The objection must be served as follows:

Huerta v. TCI Investment Group, Inc., et al.

c/o _____

(d) The written objection must state the Class Member's (i) name, (ii) address, (iii) the dates of the Class Member's employment with Defendants, (iv) the basis for each objection in clear and concise terms, and (v) whether the Class Member intends to appear and object at the

1 Final Approval Hearing. A Class Member who does not serve a written objection in the manner
2 and by the deadline specified may appear at the Final Approval Hearing to state their objection to
3 the Settlement. If a Class Member fails to submit a written objection or to appear at the Final
4 Approval hearing to make an oral objection, the Class Member will be deemed to have waived all
5 objections and will be foreclosed from making any objections – whether by appeal or otherwise – to
6 the Settlement.

7 (e) If a Class Member submits both a Request for Exclusion and a written
8 objection, the Settlement Administrator shall attempt to contact and determine whether the Class
9 Member would like to withdraw either the Request for Exclusion or the objection. If the Class
10 Member does not withdraw the Request for Exclusion or if the Settlement Administrator cannot
11 contact a Class Member who submits both a Request for Exclusion and an objection, the Request
12 for Exclusion shall be valid and it shall be presumed that the Class Member does not wish to
13 participate in the Settlement.

14 (f) If the Superior Court rejects the Class Member's objection, or if the Superior
15 Court approves the settlement despite any objections, the Class Member will be deemed to be a
16 Participating Class Member and will be bound by the terms of this Settlement.

17 (g) A Class Member who timely submits a valid Exclusion Request will not
18 participate in, or be bound by, the Settlement of the Judgment and will not receive any payment
19 pursuant to the Settlement except for a payment from the portion of the PAGA Payment to the
20 PAGA Group if the Class Member is a PAGA Group Member, and will not be bound by the terms
21 of the Settlement and Judgment, except for the release of the PAGA Group Released Claims if the
22 Class Member is a PAGA Group Member, and will not have any right to object, appeal, or
23 comment thereon.

24 48. **Report.** Not later than seven (7) days after the deadline for submission of requests
25 to be excluded and/or objections, the Settlement Administrator will provide each Defendants,
26 through its respective Defense Counsel, with a complete and accurate list of names for all
27 Participating Class Members, all Non-Participating Class Members, all PAGA Group Members, and
28 all Class Members who objected to the settlement. The report shall also be accompanied by an

1 itemized calculation of the Settlement Shares for each Participating Class Member. The Settlement
2 Administrator shall also provide both Parties with a report identifying the number of Participating
3 Class Members, the number of Non-Participating Class Members, the number of PAGA Group
4 Members, and the number of Class Members who submitted a valid, timely, and complete
5 objection. Class Counsel shall also receive a list of Class Members who object to the Settlement.

6 **49. Resolution of Class Member and PAGA Group Member Disputes.** If a Class
7 Member and/or PAGA Group Member disputes the number of his or her Individual Workweeks
8 and/or Individual Pay Periods stated in their Class Notice, the Class Member and/or PAGA Group
9 Member must, within forty-five (45) days after the Settlement Administrator initially mails the
10 Class Notice, ask the Settlement Administrator to resolve the matter by returning the Class Notice
11 with a statement of the number of Workweeks and/or Pay Periods that he or she contends were
12 worked and include any documentation the Class Member and/or PAGA Group Member has to
13 support their contention. The Settlement Administrator shall notify Defendants of the dispute and
14 provide them with a copy of the Class Notice and any documentation received in support of the
15 dispute within three (3) court days of receipt thereof. Defendants shall review their payroll and
16 personnel records and verify the correct number of Workweeks and/or Pay Periods within five (5)
17 court days of the Settlement Administrator's notification. Defendants' records will have a
18 rebuttable presumption of accuracy. After consultation with Class Counsel, Defense Counsel, and
19 the applicable Class Member and/or PAGA Group Member, the Settlement Administrator will,
20 within three (3) court days of Defendants' verification, make a determination of the Class Member's
21 and/or PAGA Group Member's number of Workweeks and/or Pay Periods and that determination
22 will be final, binding on the Parties and the Class Member and/or PAGA Group Member, and is not
23 appealable.

24 **50. No Solicitation of Objection; Right to Void.** Neither the Parties, nor their
25 respective counsel, will directly or indirectly solicit or otherwise encourage any Class Member to
26 exclude him or herself from the Settlement, object to the Settlement, and/or appeal from the
27 Judgment. If ten percent (10%) or more of the Class Members submit a complete, valid, and timely
28 request to be excluded from the Settlement and are deemed to be Non-Participating Class Members,

1 then Defendants shall have the unilateral right to void this Settlement. Defendants may do so by
2 giving notice to Plaintiff and the Court of its election to void the Settlement not later than fourteen
3 (14) days after the Settlement Administrator issues its report identifying the number of Participating
4 Class Members, the number of Non-Participating Class Members, and the number of Class
5 Members who objected to the settlement as described in Paragraph 46(c). Notwithstanding any
6 other provisions in this Settlement, no sums shall be payable by Defendants in the event that this
7 Settlement is voided as provided for herein.

8 **51. Additional Briefing and Final Approval.**

9 (a) Not later than sixteen (16) court days before the Final Approval Hearing, the
10 Plaintiff will prepare and file with the Superior Court a Motion for Final Approval of the
11 Settlement, including payment of the Class Representative Payment, Class Counsel's Fees Payment,
12 Class Counsel's Litigation Expenses Payment, the Settlement Administrator's Payment, and a
13 memorandum in support of their motion ("Motion for Final Approval"). Absent the escalator
14 provisions outlined in Paragraph 18, if applicable, Plaintiff will not seek additional fees from
15 Defendants or an increase in the Maximum Settlement Amount as part of the Motion for awards of
16 the Class Representative Payment, Class Counsel Fees Payment, and the Class Counsel Litigation
17 Expenses Payment.

18 (b) Not later than five (5) court days before the Final Approval Hearing, the
19 Parties shall be entitled to file and serve a response to any Class Member's objection to the
20 Settlement and/or reply in support of their Motion for Final Approval, to the extent that any
21 opposition to said Motion is filed.

22 (c) If the Superior Court ultimately does not grant final approval of the
23 Settlement or grants final approval conditioned on any material change to the Settlement that is not
24 agreed to by one of the Parties, then any Party will have the right to void the Settlement. If the
25 Settlement is voided in this manner, the Parties will have no further obligations under the
26 Settlement, including any obligation by Defendants to pay any amounts that otherwise would have
27 been payable under this Settlement, except that the voiding Party will pay the Settlement
28 Administrator's reasonable fees and expenses incurred as of the date that the Party exercises the

1 right to void the Settlement under this Paragraph. An award by the Superior Court of a lesser
2 amount than that sought by Plaintiff and Class Counsel for the Class Representative Payment, the
3 Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and/or the
4 Settlement Administrator's Payment, will not constitute a material change to the Settlement within
5 the meaning of this Paragraph.

6 (d) Upon final approval of the Settlement by the Superior Court at or after the
7 Final Approval Hearing, the Parties will present for the Superior Court's approval and entry a
8 Proposed Final Order and Judgment. The entry of the Final Order and Judgment shall permanently
9 bar all Participating Class Members from prosecuting against Defendants any claims or causes of
10 action of any kind up through the date of Final Approval, which were or could have been brought in
11 this Action, whether known or unknown, as well as all claims as set forth in the Release contained
12 in Section V of this Agreement.

13 (e) After entry of the Judgment, the Superior Court will have continuing
14 jurisdiction over the Action and the Settlement solely for purposes of (i) enforcing this Settlement,
15 (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as
16 may be appropriate under court rules or applicable law.

17 52. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the terms
18 and conditions of this Settlement, Plaintiff, Participating Class Members, Defendants, and their
19 respective counsel hereby waive any and all rights to appeal from the Judgment, including all rights
20 to any post-judgment proceeding and appellate proceeding, such as a motion to vacate judgment, a
21 motion for new trial, a motion under Code of Civil Procedure Section 473, and any extraordinary
22 writ, and the Judgment therefore will become non-appealable by them at the time it is entered. The
23 waiver of appeal does not include any waiver of the right to oppose any appeal, appellate
24 proceedings, or post-judgment proceedings. If an appeal is taken from the Judgment, the time for
25 consummation of the Settlement (including making payments under the Settlement) will be
26 suspended until such time as the appeal is finally resolved and the Judgment, consistent with the
27 terms of this Settlement, becomes Final.

28 53. **Vacating, Reversal, or Material Modification of Judgment on Appeal or**

1 **Review.** If, after a notice of appeal, a petition for review, or a petition for *certiorari*, or any other
2 motion, petition, writ, or application, the reviewing court vacates, reverses, or modifies the
3 Judgment such that there is a material modification to the Settlement, and that court's decision is
4 not completely reversed and the Judgment is not fully affirmed on review by a higher court, then
5 either Party will have the right to void the Settlement, which the Party must do by giving written
6 notice to the other Parties, the reviewing court, and the Superior Court, not later than fourteen (14)
7 days after the reviewing court's decision vacating, reversing, or materially modifying the Judgment
8 becomes final. A vacation, reversal, or modification of the Superior Court's award of the Class
9 Representative Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses
10 Payment, and/or the Settlement Administrator's Payment will not constitute a vacation, reversal, or
11 material modification of the Judgment within the meaning of this Paragraph.

12 54. **Establishment of Settlement Account.** The Settlement Administrator shall
13 establish a Settlement Account within ten (10) days of the Effective Date and notify the Parties
14 when the Settlement Account has been established. The Settlement Administrator shall also
15 provide Defendants with an itemized statement for the total amount to be deposited into the
16 Settlement Account, which shall equal the Maximum Settlement Amount ("Settlement Account
17 Deposit"). Within ten (10) days after receiving notification of the Settlement Account and
18 statement for the Settlement Account Deposit, Defendants shall pay into the Settlement Account an
19 amount equal to the Settlement Account Deposit. Defendants shall have no obligation to pay any
20 additional funds into the Settlement Account.

21 55. **Payment of Settlement Shares.** The Settlement Administrator shall pay to each
22 Participating Class Member his or her Settlement Share from the Settlement Account. The
23 Settlement Administrator shall pay each Settlement Share by sending a check in the appropriate
24 amount after withholdings to the Participating Class Member at the address indicated in the Class
25 Member's Data. Such payment shall be sent by the Settlement Administrator via U.S. Mail within
26 fourteen (14) days of its receipt of the Settlement Account Deposit from Defendants.

27 56. **Payment of PAGA Payment Shares.** The Settlement Administrator shall pay to
28 each PAGA Group Member his or her PAGA Payment Share from the Settlement Account. The

1 Settlement Administrator shall pay each PAGA Payment Share by sending a check in the
2 appropriate amount to the PAGA Group Member at the address indicated in the PAGA Group
3 Member's Data. Such payment shall be sent by the Settlement Administrator via U.S. Mail within
4 fourteen (14) days of its receipt of the Settlement Account Deposit from Defendants.

5 **57. Uncashed Settlement Share and PAGA Payment Share Checks.** Any checks
6 paid to Participating Class Members and/or PAGA Group Members shall be negotiable for one
7 hundred and eighty (180) calendar days from the date of their issuance. A Participating Class
8 Member must cash his or her Settlement Share check within one hundred and eighty (180) calendar
9 days after it is mailed to him or her. A PAGA Group Member must cash his or her PAGA Payment
10 Share check within one hundred and eighty (180) calendar days after it is mailed to him or her. If a
11 check remains uncashed after one hundred and eighty (180) calendar days from the initial mailing,
12 or if a check is returned to the Settlement Administrator as undeliverable during the one hundred
13 eighty-day period, the Settlement Administrator shall take all reasonable efforts to identify the
14 Participating Class Member's and/or PAGA Group Member's correct address, including the
15 performance of a "skip-trace." If an updated address can be identified, the Settlement
16 Administrator shall issue another check to the Participating Class Member and/or PAGA Group
17 Member and mail it to the Participating Class Member and/or PAGA Group Member at his or her
18 updated address. If an updated address for the Participating Class Member and/or PAGA Group
19 Member cannot be identified, if a reissued check is once again returned to the Settlement
20 Administrator as undeliverable, or if the reissued check remains uncashed after one hundred eighty
21 (180) calendar days, the Settlement Administrator will keep an accounting of such funds and shall
22 give notice to the Parties of the total balance of uncashed Settlement Shares and/or PAGA Payment
23 Shares. A Participating Class Member who fails to negotiate or receive their Settlement Share
24 check despite the procedures described above shall nevertheless remain bound by the Settlement
25 and the releases contained herein. A PAGA Group Member who fails to negotiate or receive their
26 PAGA Payment Share check despite the procedures described above shall nevertheless remain
27 bound by the Settlement and the releases contained herein.

28 **58.** The funds represented by Settlement Share and/or PAGA Payment Share checks

1 remaining uncashed for more than one hundred and eighty (180) calendar days after issuance shall
2 be voided and then shall be transmitted to the Controller of the State of California to be held
3 pursuant to the Unclaimed Property Law, California Civil Code Section 1500, *et seq.*, in the names
4 of those Participating Class Members and/or PAGA Group Members who did not cash their checks
5 until such time they claim their property. The Parties agree that this disposition results in no “unpaid
6 residue” under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be
7 paid out to Participating Class Members, whether or not they all cash their settlement checks.

8 **59. Final Report by Settlement Administrator to Superior Court.** Within ten (10)
9 days after final disbursement of all funds from the Settlement Account, the Settlement
10 Administrator will serve on the Parties and file with the Superior Court a declaration providing a
11 final summary report on the disbursements of all funds from the Settlement Account. Within ten
12 (10) days after transmission of any remaining unclaimed funds to Controller of the State of
13 California the Settlement Administrator will serve on the Parties and file with the Superior Court a
14 declaration providing a final summary report on the transmission of any remaining unclaimed funds
15 to Controller of the State of California as outlined Paragraphs 57 and 58.

16 **IV. SETTLEMENT TERMS AND CONDITIONS**

17 **60. Conditional Certification for Settlement Purposes.** Solely for the purposes of
18 effectuating this Settlement, and subject to Court approval, the Parties hereby stipulate to the
19 conditional certification of the following Settlement Class: “all hourly-paid, non-exempt employees
20 who, during either the Class Period, have previously been or currently are employed in California
21 by Defendants, as an hourly-paid, non-exempt employee.” The Parties agree that if for any reason
22 the Settlement is not preliminarily and/or finally approved, the conditional certification of the
23 Settlement Class will be of no force or effect, does not constitute an admission by Defendants that
24 class certification is proper, and will not be deemed admissible in this or any other proceeding, and
25 that the Parties will litigate the issue of class certification.

26 **61. Settlement Shares.** Subject to the terms and conditions of this Settlement, the
27 Settlement Administrator will calculate the Settlement Shares for each Class Member within ten
28 (10) days after Defendants provide the Settlement Administrator with the Class Members’ Data.

1 The Settlement Share for each Class Member will be calculated as follows, understanding that the
2 formulas below do not constitute an admission by either Party, and are intended only to provide a
3 practical means to simplify and administer the claims process:

4 (a) **Number of Class Members and Workweeks.** Defendants shall determine
5 the total number of Class Members and the aggregate number of Workweeks for those Class
6 Members as of the time of Preliminary Approval. This information shall be provided to the
7 Settlement Administrator along with the Class Members' Data as described in Paragraph 46(a)
8 above.

9 (b) **Calculation of the Workweek Value.** The Settlement Administrator shall
10 determine the value of a Workweek ("Workweek Value") by taking the Net Settlement Amount and
11 dividing it by the sum of all Class Members' Workweeks who do not opt out of the Settlement.

12 (c) **Calculation of Settlement Shares.** The Settlement Administrator shall
13 assign to each Participating Class Member a Settlement Share which shall be equal to the
14 Workweek Value multiplied by each Participating Class Member's Individual Workweeks. Upon
15 calculation of the Participating Class Members' Settlement Shares, the Settlement Administrator
16 shall furnish to Class Counsel and Defense Counsel a worksheet containing a list of employee
17 identification numbers for the Class Members with their corresponding Individual Workweeks and
18 Settlement Shares.

19 62. **PAGA Payment Shares.** Subject to the terms and conditions of this Settlement, the
20 Settlement Administrator will calculate the PAGA Payment Shares for each PAGA Group Member
21 within ten (10) days after Defendants provide the Settlement Administrator with the PAGA Group
22 Members' Data. The PAGA Payment Share for each PAGA Group Member will be calculated as
23 follows, understanding that the formulas below do not constitute an admission by either Party, and
24 are intended only to provide a practical means to simplify and administer the claims process:

25 (a) **Number of PAGA Group Members and Pay Periods.** Defendants shall
26 determine the total number of PAGA Group Members and the aggregate number of Pay Periods for
27 those PAGA Group Members as of the time of Preliminary Approval. This information shall be
28 provided to the Settlement Administrator along with the Class Members' Data as described in

1 Paragraph 46(a) above.

2 (b) **Calculation of the Pay Period Value.** The Settlement Administrator shall
3 determine the value of a Pay Period ("Pay Period Value") by taking the PAGA Payment amount
4 and dividing it by the sum of all PAGA Group Members' Pay Periods.

5 (c) **Calculation of PAGA Payment Shares.** The Settlement Administrator shall
6 assign to each PAGA Group Member a PAGA Payment Share which shall be equal to the Pay
7 Period Value multiplied by each PAGA Group Member's Individual Pay Periods. Upon calculation
8 of the PAGA Group Members' PAGA Payment Shares, the Settlement Administrator shall furnish
9 to Class Counsel and Defense Counsel a worksheet containing a list of employee identification
10 numbers for the PAGA Group Members with their corresponding Individual Pay Periods and
11 PAGA Payment Shares.

12 63. **Taxes and Withholdings.** Each Settlement Share is intended to settle the Class
13 Members' claims for unpaid wages and penalties. Accordingly, ten percent (10%) of each
14 Settlement Share shall represent unpaid wages and the remaining ninety percent (90%) of each
15 Settlement Share shall represent penalties and interest. The portion of the Settlement Share
16 representing unpaid wages shall be paid to each Participating Class Member subject to any
17 applicable employee-side tax withholdings and deductions, and the Settlement Administrator shall
18 issue an IRS Form W-2 to each Participating Class Member for that amount. The portion of the
19 Settlement Share representing penalties shall be paid to the Participating Class Member in full
20 without deductions or withholdings, and the Settlement Administrator shall issue an IRS Form 1099
21 to each Participating Class Member for that amount. Each Participating Class Member shall be
22 individually responsible for their own share of applicable income tax withholdings and deductions
23 from the Settlement Share attributable to the portion of the settlement for which an IRS Form 1099
24 will be issued. Defendants' payment of the Employer Payroll Tax attributable to the Settlement
25 Share payments constituting wages will be made separately, according to each Defendants' agreed
26 upon proportionate share of the Maximum Settlement Amount, and shall not come from the
27 Maximum Settlement Amount. The Parties agree and understand that Defendants have not made
28 any representations regarding the tax obligations or consequences, if any, related to this Settlement.

1 The Parties agree that Defendants and each Participating Class Member are solely responsible for
2 determining the tax consequences of payments made pursuant to this Settlement and for paying
3 taxes, if any, which are determined to be owed by each of them on such payments (including
4 penalties and interest related thereto) by any taxing authority, whether state, local, or federal.

5 64. Each PAGA Payment Share is intended to settle the PAGA Group Members' claims
6 for civil penalties. Accordingly, one hundred percent (100%) of each PAGA Payment Share shall
7 represent civil penalties. The PAGA Payment Share shall be paid to the PAGA Group Member in
8 full without deductions or withholdings, and the Settlement Administrator shall issue an IRS Form
9 1099 to each PAGA Group Member for that amount, to the extent the PAGA Group Member's
10 PAGA Payment Share is Six Hundred Dollars and Zero Cents (\$600.00) or more. Each PAGA
11 Group Member shall be individually responsible for their own share of applicable income tax
12 withholdings and deductions for his or her PAGA Payment Share.

13 65. **Total Payment Amount.** In no event will Defendants be required to pay more than
14 the Maximum Settlement Amount (unless that amount is increased pursuant to Paragraph 18 above)
15 for distribution to the Plaintiff, Class Counsel, Participating Class Members, PAGA Group
16 Members, LWDA, Settlement Administrator, or for any other costs or expenses not otherwise
17 enumerated. However, Defendants' payment of the Employer Payroll Tax attributable to the
18 Settlement Share payments constituting wages will be made separately, according to each
19 Defendants' agreed upon proportionate share of the Maximum Settlement Amount, and shall not
20 come from the Maximum Settlement Amount.

21 66. **Payments to Plaintiff and Class Counsel and Others.** Subject to the terms and
22 conditions of this Settlement, the Settlement Administrator will make the following payments out of
23 the Maximum Settlement Amount as follows:

24 (a) **To Plaintiff:** In addition to her Individual Settlement Share, Plaintiff will
25 apply to the Superior Court for a Class Representative Payment in an amount not to exceed Ten
26 Thousand Dollars and Zero Cents (\$10,000.00). Defendants will not oppose this Class
27 Representative Payment. The Settlement Administrator will pay the Class Representative Payment
28 approved by the Superior Court out of the Maximum Settlement Amount. Payroll tax withholding

1 and deductions will not be taken from the Class Representative Payment and an IRS Form 1099 will
2 be issued to Plaintiff for this payment.

3 (b) **To Class Counsel:** Class Counsel will apply to the Superior Court for the
4 Class Counsel Fees Payment in an amount not to exceed one-third (1/3) of the Maximum
5 Settlement Amount (currently estimated to be Four Hundred and Sixty-Six Thousand, Six Hundred
6 and Sixty-Six Dollars and Zero Cents (\$466,666.00)). Class Counsel will also submit to the
7 Superior Court a memorandum of costs for the Class Counsel Litigation Expenses Payment in an
8 amount not to exceed Forty Thousand Dollars and Zero Cents (\$40,000.00) as request reasonable
9 costs of suit to be paid from the Maximum Settlement Amount. Defendants will not oppose these
10 requests. The Settlement Administrator will pay the amounts approved by the Superior Court out of
11 the Maximum Settlement Amount. Withholding and deductions will not be taken from the Class
12 Counsel Fees Payment or Class Counsel Litigation Expenses Payment and one or more IRS Forms
13 1099 will be issued to Class Counsel with respect to those payments.

14 (c) **To the LWDA:** As part of its Motions for Preliminary and Final Approval,
15 the Plaintiff will apply to the Superior Court for approval of the LWDA Payment in the amount of
16 Thirty-Seven Thousand, Five Hundred Dollars and Zero Cents (\$37,500.00), which shall constitute
17 the LWDA's seventy-five percent (75%) share of Fifty Thousand Dollars and Zero Cents
18 (\$50,000.00) in civil penalties paid under this Settlement. The remaining Ten Thousand Dollars
19 and Zero Cents (\$10,000.00) in civil penalties shall be distributed on a *pro rata* basis based upon
20 the number of pay periods worked by each PAGA Group Member ("PAGA Payment").

21 (d) **To the Settlement Administrator:** The Settlement Administrator will be
22 paid from the Maximum Settlement Amount its reasonable fees and expenses as approved by the
23 Superior Court, which are estimated not to exceed Ten Thousand, Five Hundred Dollars and Zero
24 Cents (\$10,500.00).

25 67. **Appointment of Settlement Administrator.** The Parties will ask the Superior
26 Court to appoint Phoenix Class Action Administrators, a qualified and experienced administrator
27 based in California where the Action is venued, to serve as the Settlement Administrator, which, as
28 a condition of appointment, will agree to be bound by this Agreement with respect to the

1 performance of its duties and its compensation. The Settlement Administrator's duties will include
2 (i) calculating Settlement Shares and PAGA Payment Shares; (ii) preparing, printing, and mailing
3 the Class Notice to all Class Members; (iii) using reasonable measures to contact all Class
4 Members, including conducting a National Change of Address search on all Class Members before
5 mailing the Class Notice to each Class Member's address; (iv) re-mailing the Class Notice to the
6 Class Member's new address for those Class Members whose address had changed; (v) setting up a
7 toll-free telephone number to receive calls from Class Members; (vi) receiving requests for
8 exclusion and objections to the Settlement; (vii) providing the Parties with weekly status reports
9 about the delivery of Class Notices and any requests for exclusion and objections; (viii) issuing the
10 checks to effectuate the payments due under the Settlement; (ix) using reasonable measures to
11 deliver issued checks to Participating Class Members, including use of a "skip-trace" for
12 undeliverable checks; and (x) otherwise administering the Settlement pursuant to this Agreement
13 including paying and reporting the employer's share of the payroll taxes to the appropriate taxing
14 agency. The Settlement Administrator will have the final authority to resolve all disputes
15 concerning the calculation of a Participating Class Member's Settlement Share and/or PAGA Group
16 Member's PAGA Payment Share, subject to the terms set forth in this Agreement. The Settlement
17 Administrator's reasonable fees and expenses are estimated to not exceed Ten Thousand, Five
18 Hundred Dollars and Zero Cents (\$10,500.00) and will be paid out of the Maximum Settlement
19 Amount, as set forth herein, subject to Court approval.

20 **V. RELEASE OF CLAIMS**

21 68. **Plaintiff's Released Claims.** Plaintiff, individually and on behalf of Plaintiff's
22 heirs, executors, administrators, representatives, attorneys, successors and assigns knowingly and
23 voluntarily releases and forever discharges Defendants, including any and all parent corporation,
24 affiliates, subsidiaries, managers, divisions, predecessors, insurers, franchisors, successors and
25 assigns, including but not limited to each of their current and former employees, attorneys, officers,
26 directors and agents thereof, both individually and in their business capacities, and their employee
27 benefit plans and programs and the trustees, administrators, fiduciaries and insurers of such plans
28 and programs (collectively, "Plaintiff's Released Parties"), to the fullest extent permitted by law, of

1 and from any and all claims, known and unknown, asserted and unasserted, which Plaintiff has or
2 may have against the Plaintiff's Released Parties as of the date of execution of this Settlement
3 Agreement. Plaintiff is not waiving any rights Plaintiff may have to: (i) Plaintiff's own vested
4 accrued employee benefits under the Defendants' health, welfare or retirement benefits plans, if
5 any, as of the date of execution of this Settlement Agreement; (ii) benefits or rights to seek benefits
6 under applicable workers' compensation (except as to claims under Labor Code §§ 132a and 4553
7 which are expressly released herein) or unemployment insurance or indemnification statutes; (iii)
8 pursue claims which by law cannot be waived by signing this Settlement Agreement; and (iv)
9 enforce this Settlement Agreement.

10 69. To affect a full and complete general release as described above, Plaintiff expressly
11 waives and relinquishes all rights and benefits of § 1542 of the Civil Code of the State of California
12 and does so understanding and acknowledging the significance and consequence of specifically
13 waiving § 1542. Thus, notwithstanding the provisions of § 1542, and to implement a full and
14 complete release and discharge of all parties, Plaintiff expressly acknowledges this Settlement
15 Agreement is intended to include in its effect, without limitation, all claims Plaintiff does not know
16 or suspect to exist in Plaintiff's favor at the time of signing this Settlement Agreement, and that this
17 Settlement Agreement contemplates the extinguishment of any such claims. Plaintiff warrants
18 Plaintiff has read this Settlement Agreement, including this waiver of California Civil Code § 1542,
19 and that Plaintiff has consulted with or had the opportunity to consult with counsel of Plaintiff's
20 choosing about this Settlement Agreement and specifically about the waiver of § 1542, and that
21 Plaintiff understands this Settlement Agreement and the § 1542 waiver, and so Plaintiff freely and
22 knowingly enters into this Settlement Agreement. Plaintiff further acknowledges that Plaintiff later
23 may discover facts different from or in addition to those Plaintiff now knows or believes to be true
24 regarding the matters released or described in this Settlement Agreement, and even so Plaintiff
25 agrees that the releases and agreements contained in this Settlement Agreement shall remain
26 effective in all respects notwithstanding any later discovery of any different or additional facts.
27 Plaintiff expressly assume any and all risk of any mistake in connection with the true facts involved
28 in the matters, disputes or controversies released or described in this Settlement Agreement or with

1 regard to any facts now unknown to Plaintiff relating thereto.

2 70. **Participating Class Members Released Claims.** Upon the date Defendants fully
3 fund the Settlement, each Participating Class Member, and without the need to manually sign a
4 release document, shall release the Released Parties from all causes of action and claims that were
5 alleged in the Action or reasonably could have been alleged based on the facts and legal theories
6 contained in the Action, including all of the following claims for relief: (i) failure to pay all regular
7 wages, minimum wages and overtime wages due (Lab. Code §§ 510, 558, 1194, 1194.2, 1197,
8 1197.1, & 1198); (ii) failure to provide compliant meal periods (Lab. Code §§ 226.7 & 512); (iii)
9 failure to provide compliant rest breaks (Lab. Code § 226.7); (iv) failure to timely pay wages during
10 employment (Lab. Code §§ 204 & 210); (v) failure to provide complete, accurate wage statements
11 (Lab. Code § 226); (vi) failure to pay wages timely at time of termination or resignation (Lab. Code
12 §§ 201-203); (vii) failure to indemnify all necessary business expenses (Lab. Code §§ 2800, *et*
13 *seq.*); (viii) unfair business practices that could have been premised on the claims, causes of action
14 or legal theories of relief described above or any of the claims, causes of action or legal theories of
15 relief pleaded in the operative complaint (Cal. Bus. & Prof. Code § 17200, *et seq.*); (ix) any claim
16 for costs and attorneys' fees and expenses; and (x) any claim arising from the claims described
17 above under applicable federal, state, local or territorial law as well as applicable regulations and
18 Wage Orders (collectively, the "Released Claims"). Participating Class Members who cash their
19 checks are deemed to have waived all Released Claims inclusive of claims under the Fair Labor
20 Standards Act. Participating Class Members who do not cash their checks shall be deemed to waive
21 all Released Claims except for a claim under the Fair Labor Standards Act. Released Claims for
22 Class Members who worked for Defendants in California during the Class Period shall have their
23 claims released during the Class Period.

24 71. **PAGA Group Released Claims.** Upon the date Defendants fully fund the
25 settlement, each PAGA Group Member, and without the need to manually sign a release document,
26 shall release the Released Parties for claims for civil penalties pursuant to PAGA based upon all
27 causes of action and claims that were alleged in the Action or reasonably could have been alleged
28 based on the facts and legal theories contained in the Action, and/or the LWDA Exhaustion Letter

1 including all of the following claims for relief: (i) failure to pay all regular wages, minimum wages
2 and overtime wages due (Lab. Code §§ 510, 558, 1194, 1194.2, 1197, 1197.1, & 1198); (ii) failure
3 to provide compliant meal periods (Lab. Code §§ 226.7 & 512); (iii) failure to provide compliant
4 rest breaks (Lab. Code § 226.7); (iv) failure to timely pay wages during employment (Lab. Code §§
5 204 & 210); (v) failure to provide complete, accurate wage statements (Lab. Code § 226); (vi)
6 failure to maintain accurate employment and payroll records (Lab. Code §§ 1174 & 1174.5); (vii)
7 failure to pay wages timely at time of termination or resignation (Lab. Code §§ 201-203); (viii)
8 failure to indemnify all necessary business expenses (Lab. Code §§ 2800, *et seq.*); (ix) all claims
9 under the California Labor Code Private Attorneys General Act of 2004 that could have been
10 premised on the claims, causes of action or legal theories described above or any of the claims,
11 causes of action or legal theories of relief pleaded in the Action; (x) any claim for costs and
12 attorneys' fees and expenses; and (xi) any claim arising from the claims described above under
13 applicable federal, state, local or territorial law as well as applicable regulations and Wage Orders
14 (collectively, the "PAGA Released Claims"). PAGA Released Claims for PAGA Group Members
15 who worked for Defendants in California during the PAGA Period shall have their claims released
16 during the PAGA Period.

17 72. Released Parties includes Defendants and their past, present and/or future, direct
18 and/or indirect, officers, directors, members, managers, employees, agents, representatives,
19 attorneys, including but not limited to O'Hagan Meyer, insurers, partners, investors, shareholders,
20 administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors,
21 assigns, and joint venturers.

22 73. In light of the binding nature of a PAGA judgment on non-party employees pursuant
23 to *Arias v. Sup. Ct. (Angelo Dairy)* (2009) 46 Cal.4th 969 and *Cardenas v. McLane Foodservice,*
24 *Inc.* (2011) 796 F.Supp.2d 1246, individuals otherwise meeting the definition of a Class Member
25 who exclude themselves from the Settlement shall nonetheless receive a payment for the amount of
26 each such individual's estimated share of the PAGA Payment and shall have released PAGA
27 claims, as outlined in Paragraph 71.

28 74. The Participating Class Members Released Claims and PAGA Group Released

1 Claims described in Paragraphs 70 and 71 expressly exclude all claims made by a Participating
2 Class Member and/or PAGA Group Member for vested benefits, wrongful termination,
3 unemployment insurance, disability, social security, workers' compensation, claims while classified
4 as exempt, and claims outside of the Class Period and/or PAGA Period.

5 75. **Class Counsel.** As of the Effective Date, and except as otherwise provided by this
6 Settlement, Class Counsel and any counsel associated with Class Counsel waive any further claims
7 to costs and attorneys' fees and expenses against Defendants or the Released Parties arising from or
8 related to the Action, including but not limited to claims based on the Labor Code, the Code of Civil
9 Procedure, PAGA, the Fair Labor and Standards Act, the Business and Professions Code, or any
10 other contract, statute or law ("Class Counsel Released Claims").

11 76. **No Effect on Other Benefits.** The payment of Settlement Shares and/or PAGA
12 Payment Shares will not result in any additional employee benefit payments (such as 401(k),
13 vacation, or bonus) and shall not have any effect on the eligibility for, or calculation of, any
14 employee benefit.

15 **VI. DUTIES OF THE PARTIES**

16 77. **Mutual Full Cooperation.** The Parties agree to cooperate fully with one another to
17 accomplish and implement the terms of this Stipulation. Such cooperation shall include, but not be
18 limited to, execution of such other documents and the taking of such other actions as may
19 reasonably be necessary to fulfill the terms of this Settlement unless the Court denies the Settlement
20 with prejudice. The Parties shall use their best efforts, including all efforts contemplated by this
21 Stipulation and any other efforts that may become necessary by court order or otherwise, to
22 effectuate this Stipulation and the terms set forth herein. As soon as practicable after execution of
23 this Stipulation, Class Counsel, with the cooperation of Defendants and Defense Counsel, shall take
24 all necessary and reasonable steps to secure the Court's approval of this Stipulation. The Parties will
25 work together to make any non-material modifications of the Settlement requested by the Court to
26 obtain approval of the Parties' Settlement.

27 78. **Duty to Support and Defend the Class Settlement.** The Parties agree to abide by
28 all of the terms of the Settlement in good faith and to support the Settlement fully and to use their

1 best efforts to defend this Settlement from any legal challenge, whether by appeal or collateral
2 attack.

3 79. **Duties Prior to Court Approval.** Class Counsel shall promptly submit this
4 Stipulation to the Court for preliminary approval and determination by the Court as to its fairness,
5 adequacy, and reasonableness. Promptly upon execution of this Stipulation, Class Counsel shall
6 apply to the Court for the entry of a preliminary order, scheduling a hearing on the question of
7 whether the proposed Class Settlement should be approved as fair, reasonable, and adequate as to
8 the Class Members, approving as to form and content the proposed Class Notice attached hereto as
9 Exhibit "A", respectively, and directing the mailing of the Class Notice to Settlement Class
10 Members.

11 80. **Non-Monetary Relief and Catalyzation of Policy Change.** Although Defendants
12 denies any liability of any kind associated with the claims alleged in the Lawsuit, denies any
13 liability or intentional wrongdoing, Defendants revised and updated their wage and hour policies
14 and practices, including but not limited to their timekeeping and meal period and rest break policies
15 and procedures.

16 **VII. MISCELLANEOUS TERMS**

17 81. **No Admission of Liability.** Defendants deny that it has engaged in any unlawful
18 activity, has failed to comply with the law in any respect, or has any liability to anyone under the
19 claims asserted in the Action. This Settlement is entered into solely for the purpose of
20 compromising highly disputed claims. Nothing in this Settlement is intended or will be construed
21 as an admission of liability or wrongdoing by Defendants, an admission by Plaintiff that any of his
22 claims were non-meritorious, or any defense asserted by Defendants was meritorious. This
23 Settlement and the fact that Plaintiff and Defendants were willing to settle the Action will have no
24 bearing on, and will not be admissible in connection with, any litigation (other than solely in
25 connection with the Settlement).

26 82. The Parties also agree that this release constitutes a resolution of a good faith dispute
27 concerning wages and complies with Labor Code Section 206.5, which reads in part:
28

1 “An employer shall not require the execution of a release of a claim
2 or right on account of wages due, or to become due, or made as an
3 advance on wages to be earned, unless payment of those wages has
4 been made.”

5
6 83. Whether or not the Judgment becomes Final, neither the Settlement, any document,
7 statement, proceeding or conduct related to the Settlement, nor any reports or accounting of those
8 matters, will be (i) construed as, offered or admitted in evidence as, received as, or deemed to be
9 evidence for any purpose adverse to Defendants or any of the Released Parties, including, but not
10 limited to, evidence of a presumption, concession, indication or admission by any of the Released
11 Parties of any liability, fault, wrongdoing, omission, concession or damage; or (ii) disclosed,
12 referred to or offered in evidence against any of the Released Parties, or any other civil, criminal or
13 administrative action or proceeding except for purposes of effectuating this Settlement.

14 84. Notwithstanding Paragraph 83 of this Settlement, any and all provisions of this
15 Settlement may be admitted in evidence and otherwise used in any and all proceedings to enforce
16 any or all terms of this Settlement, or in defense of any claims released or barred by this Settlement.

17 85. **Non-Disparagement.** Plaintiff and Class Counsel agree not to make any untruthful,
18 malicious, disparaging or defamatory statements, allegations, comments or communications,
19 regardless of form (whether written, oral, electronic, including but not limited to Glassdoor, Yelp,
20 or otherwise), regarding the Released Parties. Plaintiff and Class Counsel further agree not to
21 encourage authorize or permit any such statements, allegations, comments or communications to be
22 made by others on their behalf. To the extent Plaintiff and/or Class Counsel have posted any
23 negative comments about the Released Parties on Glassdoor, Yelp, or other websites, Plaintiff
24 and/or Class Counsel agree to request that these comments be removed and to provide a copy of
25 such request to Defense Counsel within 30 days of the execution of this Agreement.

26 86. **Waiver of Reemployment.** Plaintiff acknowledges that he has no intent to apply for
27 employment and/or re-employment with Defendants. Plaintiff further acknowledges that
28 Defendants or any related, successor, parent, or subsidiary companies has the right to refuse rehire

1 Plaintiff for non-discriminatory and non-retaliatory reasons and Plaintiff acknowledge that
2 Defendants' position is that such legitimate non-discriminatory and non-retaliatory reasons exist.

3 87. **Integrated Agreement.** After this Settlement is signed and delivered by all Parties
4 and their counsel, this Settlement and its exhibits will constitute the entire agreement between the
5 Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties,
6 covenants, or inducements have been made to any Party concerning this Settlement or its exhibits
7 other than the representations, warranties, covenants, and inducements expressly stated in this
8 Settlement and its exhibits.

9 88. **Attorney Authorization.** Class Counsel and Defense Counsel warrant and represent
10 that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action
11 required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms,
12 and to execute any other documents required to effectuate the terms of this Settlement. The Parties
13 and their counsel will cooperate with each other and use their best efforts to affect the
14 implementation of the Settlement. In the event the Parties are unable to reach agreement on the
15 form or content of any document needed to implement the Settlement, or on any supplemental
16 provisions that may become necessary to effectuate the terms of this Settlement, the Parties will
17 seek the assistance of mediator Todd Smith, Esq., and if no resolution is reached the Superior Court,
18 and in all cases all such documents, supplemental provisions and assistance of the court will be
19 consistent with this Settlement.

20 89. **Modification of Agreement.** This Agreement, and any and all parts of it, may be
21 amended, modified, changed, or waived only by an express written instrument signed by all Parties,
22 their successors-in-interest, and/or the Parties' respective counsel, as authorized.

23 90. **Settlement Binding on Successors.** This Settlement Agreement will be binding
24 upon, and inure to the benefit of, the successors of each of the Parties.

25 91. **Applicable Law.** All terms and conditions of this Settlement and its exhibits will be
26 governed by and interpreted according to the laws of the State of California, without giving effect to
27 any conflict of law principles or choice of law principles.

28 92. **Cooperation in Drafting.** The Parties have cooperated in the drafting and

1 preparation of this Settlement. This Settlement will not be construed against any Party on the basis
2 that the Party was the drafter or participated in the drafting.

3 93. **Fair Settlement.** The Parties and their respective counsel believe and warrant that
4 this Settlement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at
5 this Settlement through arms-length negotiations, taking into account all relevant factors, current
6 and potential.

7 94. **Headings.** The descriptive heading of any section or Paragraph of this Settlement is
8 inserted for convenience of reference only and does not constitute a part of this Settlement.

9 95. **Notice.** All notices, demands or other communications given under this Settlement
10 will be in writing and deemed to have been duly given as of the third business day after mailing by
11 U.S. Mail, addressed as follows:

12 *To Class Counsel:* Shoham J. Solouki, Esq.
13 Grant Joseph Savoy, Esq.
14 316 W. 2nd Street, Suite 1200
Los Angeles, California 90012

15 *To the Defendants' Counsel:* Andrea Rosenkranz, Esq.
16 O'HAGAN MEYER
17 3200 Park Center Drive, Suite 700
Costa Mesa, CA 92626

18 96. **Execution in Counterpart.** This Settlement may be executed in one or more
19 counterparts. All executed counterparts and each of them will be deemed to be one and the same
20 instrument provided that counsel for the Parties will exchange between themselves original signed
21 counterparts. Facsimile signatures, scanned PDF signatures, and electronic signatures will be
22 presumptive evidence of execution of the original, which shall be produced on reasonable request.
23 Any executed counterpart will be admissible to prove the existence and contents of this Settlement.

24 DATED: November 10, 2023

25 **MARISOL HUERTA**

26 Digitally signed by Marisol Huerta
27 DN: cn=Marisol Huerta, o, ou,
28 email=Huertamarisol64@gmail.com
, c=US

1 DATED: 11/9/2023

TCI INVESTMENT GROUP, INC.

2
3 By:

DocuSigned by:

Peggy Hsieh

7A4651D5292143C...

4 Its:

Corporate Secretary

5
6 DATED: 11/9/2023

BRIGHTON-BEST INTERNATIONAL, INC.

7
8 By:

DocuSigned by:

Peggy Hsieh

7A4651D5292143C...

9 Its:

Corporate Secretary

10 DATED: 11/9/2023

TA CHEN INTERNATIONAL, INC.

11
12 By:

DocuSigned by:

Peggy Hsieh

7A4651D5292143C...

13 Its:

Corporate Secretary

14 DATED: 11-9-2023

SOLOUKI | SAVOY, LLP

15
16 By:

Shoham Solouki

Shoham J. Solouki, Esq.

Grant Joseph Savoy, Esq.

17 Attorneys for Plaintiff

18 MARISOL HUERTA

19 DATED: 11/10/2023

O'HAGAN MEYER

20
21 By:

DocuSigned by:

Andrea Rosenkranz

Andrea Rosenkranz, Esq.

22 Attorneys for Defendants

23 TCI INVESTMENT GROUP, INC., BRIGHTON-

24 BEST INTERNATIONAL, INC., and TA CHEN

25 INTERNATIONAL, INC.

Exhibit “A”

Marisol Huerta v. TCI Investment Group, Inc., et al.
Los Angeles County Superior Court Case No. 22STCV14084

|||||

<<PSA ID>>

<<First Last>>

<<Address>>

<<City, State, Zip, Country>>

Name/Address Changes (if any):

NOTICE OF CLASS ACTION SETTLEMENT

If you are or were a non-exempt, hourly employee of TCI Investment Group, Inc., Brighton-Best International, Inc., and/or Ta Chen International, Inc. at any time between April 26, 2018, and August 10, 2023, you may be able entitled to receive money from a Class Action Settlement.

A court approved this notice. This is not a solicitation from a lawyer. You are not being sued.

PLEASE READ THIS NOTICE.

Your legal rights are affected whether you act or don’t act. Your legal rights and options—and the deadlines to use them—are explained in this notice.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE SETTLEMENT PAYMENT	You are not required to take action to receive a payment. If you do nothing, you will automatically receive a payment from the Settlement if the Court finally approves the Settlement. In exchange, you will be bound by the Settlement including the release of all claims covered by the Settlement.
REQUEST EXCLUSION	Request to be excluded and receive no benefits from the Settlement. If you submit a Request for Exclusion, you will not receive a settlement payment. PAGA Group Members (defined below) cannot opt-out of the PAGA portion of the proposed Settlement, and will receive their PAGA Payments even if they opt out of the class settlement.
OBJECT	If you wish to object to the Settlement, you may submit a written objection and supporting papers to the Settlement Administrator. Any written objections will be provided to the Court. You may also offer your oral comments at the Final Approval Hearing. In order to object, you must not have excluded yourself from the Settlement.

1. Why should you read this Notice?

A proposed settlement (the “Settlement”) has been reached in a class action lawsuit entitled *Marisol Huerta v. TCI Investment Group, Inc., et al.* Los Angeles County Superior Court Case No. 22STCV14084 (the “Action” or “Lawsuit”). The Defendants in the Action are TCI Investment Group, Inc., Brighton-Best International, Inc., and/or Ta Chen International, Inc. (referred in this Notice as “Defendants.”)

The Court has granted preliminary approval of a “Settlement Class” defined as follows:

All persons employed in the State of California as hourly, non-exempt employees by Defendants at any time between April 26, 2018, and August 10, 2023.

The Court has also granted preliminary approval of a “PAGA Group” defined as follows:

All persons employed in the State of California as hourly, non-exempt employees by Defendants at any time between July 29, 2019, and August 10, 2023.

Defendants’ employment records indicate that you meet one or both of these definitions, which makes you a member of the Settlement Class (referred to in this Notice as a “Class Member”) and possibly a member of the PAGA Group (referred to in this Notice as a “PAGA Group Member”). The Court directed that this Notice be sent to all Class Members and PAGA Group Members to inform you about the case and your rights and options before the Court decides to approve the Settlement. If the Court approves the Settlement, and after any appeals are resolved, payments will be made to Class Member who have not opted out of the Settlement and all PAGA Group Members.

This Notice explains the Lawsuit, the Settlement, your legal rights and options, what benefits are available and how to get them.

2. What is this Lawsuit about?

On April 26, 2022, Plaintiff Marisol Huerta filed the operative class action complaint against the Defendants alleging several violations of California wage and hour laws. Plaintiff filed the Action on behalf of herself and on behalf of all current and former non-exempt, hourly employees. By Plaintiff’s Complaint, Plaintiff alleges that the Defendants: (1) failed to pay at least the minimum wage for all hours worked; (2) failed to pay overtime wages; (3) failed to provide compliant meal periods; (4) failed to provide compliant rest periods; (5) failed to provide accurate wage statements; (6) failure to timely pay wages during employment; (7) failed to timely pay wages at separation; (8) failed to indemnify necessary business expenses; (9) violated California’s Unfair Competition Law; and (10) owe civil penalties pursuant to the Private Attorneys’ General Act of 2004 (“PAGA”).

Defendants vigorously deny all the claims and contentions made in the Lawsuit and maintains they have fully complied with the law. However, Defendants have agreed to settle the Lawsuit to avoid the expense of litigation.

3. Why is there a Settlement?

The Court did not decide in favor of Plaintiff or Defendants. Instead, both sides agreed to a Settlement. This allows the Parties to avoid the risk and uncertainty of trial and any subsequent appeal, and all affected employees who have not opted out of the Settlement will receive compensation. The Settlement is not an admission of liability by Defendants. Plaintiff and the attorneys believe the Settlement is fair, reasonable and adequate, and in the best interests of all Class Members.

4. What are the terms of the Settlement?

Defendants will pay One Million, Four Hundred Thousand Dollars and Zero Cents (\$1,400,000.00) to settle the Action (the “Maximum Settlement Amount”). The Maximum Settlement Amount includes: (a) all Settlement Payments to Participating Class Members; (b) the Service Award to the Class Representative; (c) the Class Counsel’s attorneys’ fees and costs; (d) a payment to the California Labor and Workforce Development Agency for civil penalties brought under PAGA; (e) all PAGA Payments to the PAGA Group Members; and (f) the reasonable fees and costs of the Settlement Administrator. Defendants will pay their portion of all payroll taxes resulting from the Settlement in addition to the Maximum Settlement Amount.

The Court has preliminarily approved the following payments from the Maximum Settlement Amount. Class Counsel will request that the Court award Class Counsel one-third (1/3) of the Maximum Settlement Amount (currently estimated to be Four Hundred and Sixty-Six Thousand, Six Hundred and Sixty-Six Dollars and Zero Cents (\$466,666.00)) in attorneys’ fees and up to Forty Thousand Dollars and Zero Cents (\$40,000.00) in out-of-pocket litigation costs; up to Ten Thousand, Five Hundred Dollars and Zero Cents (\$10,5000.00) for Settlement Administration Costs for the third-party Settlement Administrator; and up to Ten Thousand Dollars and Zero Cents (\$10,000.00) for the Service Award for the Class Representative in recognition of her time and service to the Class in pursuing the Action and in fulfilling her obligations as the Class Representative. Additionally, the Settlement provides for a payment of Fifty Thousand Dollars and Zero Cents (\$50,000.00) (the “LWDA Payment”) to resolve PAGA Group Members’ claims under PAGA, of which Twelve Thousand, Five Hundred Dollars and Zero Cents (\$12,500.00) will be distributed to the PAGA Group Members and Thirty-Seven Thousand, Five Hundred Dollars and Zero Cents (\$37,500.00) will be paid to the California Labor and Workforce Development Agency (“LWDA”). This allocation of the LWDA Payment is required by California law. The final amounts of these various payments are all subject to Court approval.

After deductions of the preceding Court-approved payments, the remaining amount—the “Net Settlement Amount”—will be distributed to those Class Members who have not opted out of the Settlement (the “Participating Class Members”). No portion of the Maximum Settlement Amount will be returned to Defendants.

5. How much can I expect to receive?

Each Participating Class Member will receive a *pro rata* share of the Net Settlement Amount based on the number of workweeks the person worked for Defendants as a non-exempt, hourly employee during the Class Period, defined as the period of time from April 26, 2018, and August 10, 2023. Any workweek in which a Class Member worked at least one day shall be counted as a workweek.

To calculate a Class Member’s Individual Settlement Payment, the Net Settlement Amount will be divided by the aggregate total number of workweeks of all Participating Class Members, resulting in the “Workweek Value.” Each Participating Class Member’s Individual Settlement Payment will be calculated by multiplying each individual Participating Class Member’s total number of workweeks by the Workweek Value.

Your Compensable Workweeks are: <<Workweeks>>

Your Estimated Individual Settlement Payment is: \$<<Est.SettlementAmt>>

All settlement payments are subject to taxation. Each Individual Settlement Payment will be allocated as follows: (a) 10% as wages that will be subject to deductions and withholdings for the employee’s share of state and federal payroll taxes; and (b) 90% as penalties and interest that will not be subject to deductions and withholdings. Each Participating Class Member will receive an IRS Form W-2 with respect to the portion of the Settlement Payment allocated to wages and an IRS Form-1099 with respect to the portion of the Settlement

Payment allocated to penalties and interest, unless said payment is less than or equal to \$600.00. Prior to mailing Settlement checks, the Settlement Administrator will calculate and deduct the employee's required withholdings and payroll taxes from the "wage" portion of the Settlement payment. Defendants will separately pay the employer's share of payroll taxes with respect to the "wage" portion of each Settlement payment.

Please note that each Participating Class Members will be responsible for his/her share of taxes attributable to the receipt of an Individual Settlement Payment. The Parties and their attorneys cannot provide and will not provide any advice regarding tax obligations. Class Members should consult with their tax advisors concerning the tax consequences of the payments they receive under the Settlement.

Each PAGA Group Member will receive a *pro rata* share of the PAGA Payment based on the number of pay periods the person worked for Defendants as a non-exempt, hourly employee during the PAGA Period, defined as the period of time from July 29, 2019, and August 10, 2023. Any pay period in which a PAGA Group Member worked at least one day shall be counted as a pay period.

To calculate a PAGA Group Member's Individual PAGA Payment, the PAGA Payment will be divided by the aggregate total number of pay periods of all PAGA Group Members, resulting in the "Pay Period Value." Each PAGA Group Member's Individual Settlement Payment will be calculated by multiplying each individual PAGA Group Member's total number of pay periods by the Pay Period Value.

Your Compensable Pay Periods are: <<PayPeriods>>

Your Estimated Individual PAGA Payment is: \$<<Est.PAGAPaymentAmt>>

All settlement payments are subject to taxation. Each Individual PAGA Payment will be allocated as follows: 100% as penalties that will not be subject to deductions and withholdings. Each PAGA Group Member will receive an IRS Form-1099 for his or her Individual PAGA Payment, unless said payment is less than or equal to \$600.00.

The Parties and their attorneys cannot provide and will not provide any advice regarding tax obligations. Class Members should consult with their tax advisors concerning the tax consequences of the payments they receive under the Settlement.

6. What if I disagree with the number of workweeks and/or pay periods credited to me in this Notice?

The information concerning the number of workweeks and/or pay periods you worked as an hourly, non-exempt employee during the Class Period and/or PAGA Period is based on Defendants' records. To dispute this number of workweeks and/or pay periods credited to you, you must send written notice to the Settlement Administrator. To be valid, your written dispute of weeks worked must: (1) include your full name and address and (2) be accompanied by satisfactory evidence of the actual weeks and/or pay periods worked as an hourly, non-exempt employee for Defendants during the Class Period and/or PAGA Period, including any supporting documentation (e.g., copies of your pay stubs). To be timely, your written dispute of workweeks and/or pay periods worked must be mailed by first-class U.S. Mail (or the equivalent), e-mail, or fax, to the Settlement Administrator at the address, e-mail address, or fax number provided below, and be postmarked or dated on or before [REDACTED], 2023.

The Parties and the Settlement Administrator will promptly evaluate the evidence submitted and discuss in good faith how many workweeks and/or pay periods should be credited to the Class Member and/or PAGA Group

Member. The Settlement Administrator will make the final decision as to how many workweeks and/or pay periods should be credited to the Class Member and/or PAGA Group Member and report the outcome to the Class Member and/or PAGA Group Member.

7. How and when will I get a payment? How do I update my address?

How do I receive money from the Settlement? You do not need to do anything to receive your Individual Settlement Payment and/or Individual PAGA Payment. Just watch your mail for a check and cash it when you get it. If you do not exclude yourself from the Settlement, you will automatically receive money from the Settlement. You do not need to make a claim or take any other action to receive your share of the Settlement.

When will I receive my Settlement payment? Class Members who do not opt out of the Settlement will receive their payments only after the Court grants final approval to the Settlement and after any appeals are resolved. PAGA Group Members will receive their payments only after the Court grants final approval to the Settlement and after any appeals are resolved. If there are appeals, resolving them can take time. Please be patient.

Settlement payment checks must be cashed soon after receipt. The Settlement checks will be able to be cashed for 180 days after they are issued. After 180 days, the Settlement checks will no longer be able to be cashed. Any funds represented by Settlement checks remaining uncashed for more than 180 days after issuance shall be transmitted to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Code of Civil Procedure Section 1500, *et seq.* in the names of those Participating Class Members and/or PAGA Group Members who did not cash their checks until such time they claim their property.

Change of address. It is your responsibility to keep a current address on file with the Settlement Administrator to ensure that you receive your Settlement payment. If you change your address, or if this notice was not mailed to your correct address, you should immediately provide your current address to the Settlement Administrator. The Settlement Administrator can be reached at (800) ###-####, or at the address provided below.

8. What claims are being released by the Settlement?

If the Settlement is approved by the Court, a Judgment will be entered by the Court. Upon the date Defendants fully fund the Settlement, all Participating Class Members shall release the Released Parties from the Participating Class Members Released Claims for the Class Period, which is defined as the period of time between April 26, 2018, and August 10, 2023.

The Participating Class Members Released Claims are defined as all causes of action and claims that were alleged or could have been alleged under the Labor Code, state or local wage and hour laws and Wage Orders, whether known or unknown, based on the facts and legal theories contained in the Complaint, including but not limited to: (i) failure to pay all regular wages, minimum wages and overtime wages due (Lab. Code §§ 510, 558, 1194, 1194.2, 1197, 1197.1, & 1198); (ii) failure to provide compliant meal periods (Lab. Code §§ 226.7 & 512); (iii) failure to provide compliant rest breaks (Lab. Code § 226.7); (iv) failure to timely pay wages during employment (Lab. Code §§ 204 & 210); (v) failure to provide complete, accurate wage statements (Lab. Code § 226); (vi) failure to pay wages timely at time of termination or resignation (Lab. Code §§ 201-203); (vii) failure to indemnify all necessary business expenses (Lab. Code §§ 2800, *et seq.*); (viii) unfair business practices that could have been premised on the claims, causes of action or legal theories of relief described above or any of the claims, causes of action or legal theories of relief pleaded in the operative complaint (Cal. Bus. & Prof.

Code § 17200, *et seq.*); (ix) any claim for costs and attorneys’ fees and expenses; and (x) any claim arising from the claims described above under applicable federal, state, local or territorial law as well as applicable regulations and Wage Orders. The Participating Class Members who cash their Settlement checks further acknowledge that they are releasing any claims they have against Defendants under the Fair Labor Standards Act (“FLSA”) (collectively, the “Released Claims”). Other than for Plaintiff, claims of Participating Class Members, if any, for vested benefits, wrongful termination, unemployment insurance, disability benefits, social security, workers’ compensation, claims while classified as exempt, and claims outside of the Class Period are not encompassed within the definition of “Released Claims.”

Any Class Member who does not request exclusion by the applicable deadline will be considered to have accepted the release and to have waived any and all of the Participating Class Members Released Claims against the Released Parties.

If the Settlement is approved by the Court, a Judgment will be entered by the Court. Upon the date Defendants fully fund the Settlement, all PAGA Group Members shall release the Released Parties from the PAGA Group Released Claims for the PAGA Period, which is defined as the period of time between July 29, 2019, and August 10, 2023.

The PAGA Group Released Claims are defined as all claims for civil penalties pursuant to PAGA based upon all causes of action and claims that were alleged in the Action or reasonably could have been alleged based on the facts and legal theories contained in the Action, and/or the LWDA Exhaustion Letter including all of the following claims for relief: i) failure to pay all regular wages, minimum wages and overtime wages due (Lab. Code §§ 510, 558, 1194, 1194.2, 1197, 1197.1, & 1198); (ii) failure to provide compliant meal periods (Lab. Code §§ 226.7 & 512); (iii) failure to provide compliant rest breaks (Lab. Code § 226.7); (iv) failure to timely pay wages during employment (Lab. Code §§ 204 & 210); (v) failure to provide complete, accurate wage statements (Lab. Code § 226); (vi) failure to maintain accurate employment and payroll records (Lab. Code §§ 1174 & 1174.5); (vii) failure to pay wages timely at time of termination or resignation (Lab. Code §§ 201-203); (viii) failure to indemnify all necessary business expenses (Lab. Code §§ 2800, *et seq.*); (ix) all claims under the California Labor Code Private Attorneys General Act of 2004 that could have been premised on the claims, causes of action or legal theories described above or any of the claims, causes of action or legal theories of relief pleaded in the Action; (x) any claim for costs and attorneys’ fees and expenses; and (xi) any claim arising from the claims described above under applicable federal, state, local or territorial law as well as applicable regulations and Wage Orders (collectively, the “PAGA Released Claims”). PAGA Group Released Claims for PAGA Group Members who worked for Defendants in California during the PAGA Period shall have their claims released during the PAGA Period.

The Released Parties include Defendants and its past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

9. What are my options?

a. **Participate in the Settlement and Receive a Settlement Payment.** If you want to participate in the Settlement, you do not have to do anything. You will receive your Individual Settlement Payment automatically if the Settlement is finally approved by the Court. If applicable, you will receive your Individual PAGA Payment automatically if the Settlement is finally approved by the Court.

b. **Exclude yourself from the Settlement.** If you do not want to be part of the Settlement, you can request

to be excluded from the Settlement by mailing a written Request for Exclusion to the Settlement Administrator. If you exclude yourself, you will not receive your Individual Settlement Payment, you will not be subject to the terms of the Settlement, and you will retain whatever rights you may currently have. To be valid, your Request for Exclusion must include: (i) include your full name and address; (ii) a clear statement that you wish to opt out of, or be excluded from, the Settlement in *Huerta v. TCI Investment Group, Inc., et al.*, Los Angeles County Superior Court Case No. 22STCV14084; (iii) a clear statement that you understand that by opting out, you will not receive any monies from the settlement; and (iv) your signature. To be timely, a Request for Exclusion must be mailed by first-class U.S. Mail (or the equivalent), e-mail, or fax, to the Settlement Administrator at the address, e-mail address, or fax number provided below, and be postmarked or dated on or before [REDACTED], 2023.

If you are also a member of the PAGA Group, you may not exclude yourself from the PAGA Group and will be bound by the PAGA Released Claims even if you exclude yourself from the Settlement Class.

c. **Object to the Settlement.** If you're a Class Member, you can object to the Settlement if you don't like any part of it. You can give reasons why you think the Court should not approve the Settlement. The Court will consider your views. If the Court rejects your objection and finally approves the Settlement, you will still be bound by the terms of the Settlement, but you will also receive a monetary award.

To object, you may submit a written objection stating why you object to the Settlement, or you may simply appear at the Final Approval Hearing set for [REDACTED], 2023 at [REDACTED] a.m. in the Los Angeles County Superior Court and discuss your objection with the Court and the Parties at your own expense. Written objections must include: (i) your full name and address; (ii) the approximate dates of your employment at Defendants; (iii) the case name and number (*Huerta v. TCI Investment Group, Inc., et al.*, Los Angeles County Superior Court Case No. 22STCV14084); (iv) a written statement of all grounds for the objection accompanied by any legal support for such objection; (v) copies of any papers, briefs, or other documents on which the objection is based, if any; (vi) your signature; and (vii) a statement of whether you intend to appear at the Final Approval Hearing, either in person or by counsel. To be timely, a written objection must be mailed by first-class U.S. Mail (or the equivalent), e-mail, or fax, to the Settlement Administrator at the address, e-mail address, or fax number provided below, and be postmarked or dated on or before [REDACTED], 2023.

Please note that you cannot both exclude yourself and object to the Settlement. In order for you to object to this Settlement, or any term of it, you may not submit a Request for Exclusion.

10. Who are the attorneys representing the Plaintiff, the Settlement Class, and the PAGA Group?

The Court has appointed the following lawyers as "Class Counsel" to represent all Class Members:

Shoham J. Solouki, Esq.
Grant Joseph Savoy, Esq.
316 W. 2nd Street, Suite 1200
Los Angeles, California 90012
Telephone: (213) 814-4940
Email: info@soloukisavoy.com

You will not be charged for these lawyers.

11. How will the attorneys for the Settlement Class and the PAGA Group be paid?

All payments for Class Counsel's attorneys' fees and costs will be made from the Maximum Settlement Amount. Class Counsel intends to request an award of attorneys' fees up to one-third ((1/3) of the Maximum Settlement Amount (currently estimated to be Four Hundred and Sixty-Six Thousand, Six Hundred and Sixty-Six Dollars and Zero Cents (\$466,666.00)), plus reimbursement of reasonable, actual out-of-pocket costs incurred in the litigation, up to Forty Thousand Dollars and Zero Cents (\$40,000.00). Class Counsel has been prosecuting this Action on behalf of Plaintiff and the Settlement Class on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs. The Court will decide the amount of fees and expenses to award at the Final Approval Hearing.

12. When and where will the Court decide to approve the Settlement?

The Court has preliminarily approved the settlement and will hold a hearing, called a Final Approval Hearing, to decide whether to give final approval to the Settlement. The Court will hold the Final Approval Hearing on _____, 2023, at _____ a.m., in Department SS-6 of the Los Angeles County Superior Court located at 312 N. Spring Street, Los Angeles, CA 90012, before the Honorable Elihu Berle. At the Final Approval Hearing, the Court will rule on Class Counsel's request for attorneys' fees and litigation costs, the Class Representative Service Award, and the Settlement Administration Costs.

You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend the hearing. If you did not submit a Request for Exclusion, you or your attorney may appear at the hearing at your own expense and request to be heard. The Final Approval Hearing may be postponed without further notice.

13. Will I be subject to discipline if I participate in the Settlement?

No. Defendants approve the Settlement and will not retaliate in any way against any Class Member for participating in the Settlement. Your decision to participate, not participate, or object to this Settlement will not affect your employment with Defendants or Defendants' treatment of you as a former employee.

14. What is the Settlement Administrator's address?

Any Request for Exclusion, Notice of Objection, address change request, and all other correspondence intended for the Settlement Administrator may be mailed, e-mailed, or faxed, to the Settlement Administrator as follows:

Huerta v. TCI Investment Group, Inc., et al.

c/o _____

E-mail: _____

Facsimile: _____

15. How Can I Get Additional Information?

If you have questions, you can call the Settlement Administrator at _____.

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANT'S MANAGERS, SUPERVISORS,
OR ATTORNEYS ABOUT THIS SETTLEMENT

They will not be able to assist you.