

DAVID YEREMIAN & ASSOCIATES, INC.
David Yeremian, Esq. (State Bar No. 226337)
David@yeremianlaw.com
Alvin B. Lindsay, Esq. (State Bar No. 220236)
alvin@yeremianlaw.com
535 N. Brand Blvd., Suite 705
Glendale, California 91203
Telephone: (818) 230-8380
Facsimile: (818) 230-0308

Attorneys for Plaintiff
GESEL MALDONADO

Matthew C. Sgnilek, Esq. (State Bar No. 235299)
msgnilek@ohaganmeyer.com
Andrea Rosenkranz, Esq. (State Bar No. 301559)
arosenkranz@ohaganmeyer.com
O'HAGAN MEYER LLC
4695 MacArthur Court, Suite 210
Newport Beach, CA 92660
Telephone: (949) 942-8500
Facsimile: (949) 942-8510

Attorneys for Defendant
K & R CORPORATION

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

GESEL MALDONADO, an individual, on
behalf of herself and others similarly situated,

Plaintiff,

vs.

K & R CORPORATION, a California
corporation; and DOES 1 through 50, inclusive,

Defendants.

Case No.: 20STCV27934

CLASS ACTION

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

*[Assigned for All Purposes to the Hon. Elihu
M. Berle, Dept. SS6]*

Complaint Filed: July 21, 2020
FAC Filed: September 23, 2020
Trial Date: Not Yet Set

This Joint Stipulation of Class Action Settlement and Release of Claims ("Settlement" or
"Agreement") is made and entered into by and between Plaintiff GESEL MALDONADO

1 (“Plaintiff” or “Class Representative”), individually and on behalf of all putative class members,
2 and Defendant K & R CORPORATION (“Defendant”). Plaintiff and Defendant are collectively
3 referred to herein as “the Parties.”

4 **I. DEFINITIONS**

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

7 1. “Superior Court” shall mean the Superior Court of California for the County of Los
8 Angeles.

9 2. The “Action” shall mean the operative Complaint of the civil action commenced on
10 July 21, 2020, filed and maintained by Plaintiff against Defendant in the Superior Court of
11 California, County of Los Angeles, Case No. 20STCV27934.

12 3. The “Class Period” shall mean the period of time from July 21, 2016, through
13 October 22, 2021 (i.e., 60 days from the Parties’ mediation on August 23, 2021).

14 4. “Class” shall mean (a) all persons who, during the Class Period, have previously
15 been or currently are employed in California by Defendant, as an hourly-paid, non-exempt
16 employee and (b) all persons who between April 1, 2021, and October 22, 2021, have previously
17 been or currently are employed in California by Piazza Management Corporation, as an hourly-paid,
18 non-exempt employee and who between July 21, 2016, and March 31, 2021, were employed in
19 California by Defendant, as an hourly-paid, non-exempt employee. “Class Member” shall mean an
20 individual who is a member of the Class (or if any such person is incompetent, deceased, or
21 unavailable due to military service, the person’s legal representative or successor in interest
22 evidenced by reasonable verification). Those persons who are currently employed in California by
23 Piazza Management Corporation, as an hourly-paid, non-exempt employee who were never
24 previously employed by Defendant are specifically excluded as Class Members.

25 5. “Class Counsel” shall mean the attorneys representing Plaintiff in the Action, David
26 Yeremian, Esq. and Alvin B. Lindsay, Esq. of David Yeremian & Associates, Inc. and Walter
27 Haines, Esq. of United Employees Law Group, PC.

28 6. “Defense Counsel” shall mean the attorneys representing Defendant in the Action,

Matthew C. Sgnilek, Esq. and Andrea Rosenkranz, Esq. of O'Hagan Meyer.

7. "Non-Participating Class Member" shall mean a Class Member who submits a complete, valid, and timely request to be excluded from the Settlement pursuant to the instructions provided in the Class Notice.

8. The "PAGA Period" shall mean the period of time from July 21, 2019 through October 22, 2021 (i.e., 60 days from the Parties' mediation on August 23, 2021).

9. The "PAGA Group" shall mean (a) all persons who, during the PAGA Period, have previously been or currently are employed in California by Defendant, as an hourly-paid, non-exempt employee and (b) all persons who between April 1, 2021, and October 22, 2021, have previously been or currently are employed in California by Piazza Management Corporation, as an hourly-paid, non-exempt employee and who between July 21, 2019, and March 31, 2021, were employed in California by Defendant, as an hourly-paid, non-exempt. "PAGA Group Member" shall mean an individual who is a member of the PAGA Group (or if any such person is incompetent, deceased, or unavailable due to military service, the person's legal representative or successor in interest evidenced by reasonable verification). Those persons who are currently employed in California by Piazza Management Corporation, as an hourly-paid, non-exempt employee who were never previously employed by Defendant are specifically excluded as PAGA Group Members.

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

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

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

13. "Class Counsel Fees Payment" shall mean one-third of the Maximum Settlement Amount (currently estimated to be One Hundred and Sixty-Six Thousand, Six Hundred and Sixty-

1 Seven Dollars and Zero Cents (\$166,667.00)) subject to approval by the Superior Court as Class
2 Counsel's attorneys' fees incurred in connection with the Action, including fees incurred in pre-
3 filing investigation, filing of the Action, and all related litigation activities, this Settlement, and all
4 post-Settlement compliance procedures.

5 14. "Class Counsel Litigation Expenses Payment" shall mean the actual litigation
6 expenses and/or costs expended by Class Counsel subject to approval by the Superior Court
7 incurred in connection with the Action, including pre-filing investigation, filing of the Action, and
8 all related litigation activities, this Settlement, and all post-Settlement compliance procedures. Class
9 Counsel's expenses are not to exceed Fifteen Thousand Dollars and Zero Cents (\$15,000.00).

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

14 16. "LWDA Payment" shall mean the payment to the California Labor and Workforce
15 Development Agency ("LWDA") constituting seventy-five percent (75%) of the value assigned to
16 the claim for penalties under the California Labor Code Private Attorneys General Act, California
17 Labor Code Section 2698, *et seq.* ("PAGA"). Specifically, Twenty-One Thousand Dollars and Zero
18 Cents (\$21,000.00), which shall constitute the LWDA's seventy-five percent (75%) share of
19 Twenty-Eight Thousand Dollars and Zero Cents (\$28,000.00) in civil penalties paid under this
20 Settlement. The remaining Seven Thousand Dollars and Zero Cents (\$7,000.00) in civil penalties
21 shall be distributed on a *pro rata* basis based upon the number of pay periods worked by each
22 PAGA Group Member ("PAGA Payment").

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

25 18. "Workweek" shall mean any week in which a Class Member actually performed paid
26 work for Defendant during the Class Period as an hourly-paid, non-exempt employee.

27 19. "Individual Workweeks" shall mean the number of Workweeks for an individual
28 Class Member.

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

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

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

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

24. "Maximum Settlement Amount" shall mean the maximum settlement amount of Five Hundred Thousand Dollars and Zero Cents (\$500,000.00) payable by Defendant as provided by this Agreement, unless that amount is increased pursuant to Paragraph 25 below, exclusive of the normal employer's share of any payroll taxes attributable to the Settlement Share payments allocated to wages. Defendant's payment of the normal employer's share of payroll taxes will be made separately and shall not come from the Maximum Settlement Amount.

25. Defendant represent that as of August 23, 2021, the number of Workweeks in the Class Period is approximately 27,941. Should the number of Workweeks as of October 22, 2021 (i.e., 60 days from the Parties' mediation on August 23, 2021) increase by 10% or more (i.e., to more than 30,736 Workweeks), the Maximum Settlement Amount shall increase by the same number of percentage points above 10% as the actual number of Workweeks above 27,941. For example, if as of the earlier of the date of Preliminary Approval or October 22, 2021 (i.e., 60 days from the Parties' mediation on August 23, 2021) the number of Workweeks during the Class Period is 31,294 (i.e., 12% above 27,941), then the Maximum Settlement Amount shall increase by 2% (i.e., to \$510,000.00).

26. "Net Settlement Amount" shall mean the Maximum Settlement Amount, less (i) the Class Representative Payment approved by the Superior Court; (ii) the Class Counsel Fees Payment approved by the Superior Court; (iii) the Class Counsel Litigation Expenses Payment approved by the Superior Court; (iv) the LWDA Payment approved by the Superior Court; (v) the PAGA Payment approved by the Superior Court; (vi) the Settlement Administrator Payment approved by

1 the Superior Court; and (vii) any other fees or expenses (other than Class Counsel Fees Payment
2 and Class Counsel Litigation Expenses Payment) incurred in implementing the terms and conditions
3 of this Agreement as approved by the Superior Court.

4 27. "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) last
7 known address, (iii) employee identification number, if applicable, (iv) the Class Member's
8 Individual Workweeks, (v) the PAGA Group Member's Individual Pay Periods, if applicable; (vi)
9 the Class Member's estimated amount of the Settlement Share; and (vii) the PAGA Group
10 Member's estimated PAGA Payment Share, if applicable. The Class Notice shall also provide the
11 Class Members with instructions on how to opt-out of and/or object to the Settlement.

12 28. "Effective Date" shall mean the following occurrences: (i) if no Class Member both
13 objects and files either a timely motion to intervene and/or timely motion to vacate the judgment,
14 then the date the Court enters an order granting Final Approval of the Settlement; (ii) if a Class
15 Member both objects and either files a timely motion to intervene or timely motion to vacate the
16 judgment, then sixty-one (61) days following the date the Court enters an order granting final
17 approval, assuming no appeal is filed; or (iii) if a Class Member both objects and also files a timely
18 motion to intervene or files a motion to vacate the Judgment and also files a timely appeal, then the
19 date of final resolution of that appeal (including any requests for rehearing and/or petitions for
20 certiorari), resulting in final and complete judicial approval of the Settlement in its entirety, with no
21 further challenge to the Settlement being possible. The occurrence of the Effective Date is a
22 prerequisite to any obligation of Defendant to pay any funds into the Settlement Account.

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

25 30. "Judgment" shall mean the Order of Final Judgment entered by the Superior Court
26 that the Parties anticipate will be entered following a Final Approval Hearing on the Settlement in
27 this Action.

28 31. "Employer's Payroll Taxes" shall mean Defendant's share of all payroll taxes

1 payable to any and all government agencies incurred for any payments of Settlement Shares to
2 Participating Class Members pursuant to this Settlement.

3 **II. RECITALS**

4 32. On July 21, 2020, Plaintiff commenced the Action against Defendant by filing a
5 Complaint in the Superior Court. In the Complaint, Plaintiff, on behalf of herself and all others
6 similarly situated alleged causes of action for: (1) Failure to Pay Minimum Wages; (2) Failure to
7 Pay Overtime Wages; (3) Failure to Keep Required Payroll Records; (4) Failure to Provide Meal
8 Periods or Compensation in Lieu Thereof; (5) Failure to Provide Rest Periods or Compensation in
9 Lieu Thereof; (6) Failure to Provide Accurate Itemized Wage Statements; (7) Unlawful Deductions;
10 (8) Failure to Timely Pay Final Wages; and (9) Violation of Business and Professions Code §
11 17200, *et seq.* On July 22, 2020, Class Counsel counsel, on behalf of Plaintiff and the PAGA
12 Group, gave written notice to the Labor Workforce and Development Agency (“LWDA”) of the
13 Labor Code violations Defendant is alleged to have violated (“LWDA Exhaustion Letter”). On
14 September 23, 2020, Plaintiff amended her Complaint to add a cause of action for (9) Civil
15 Penalties pursuant to Labor Code § 1197.1; and (13) Civil Penalties pursuant to Labor Code § 2699,
16 *et seq.* Based on these allegations, Plaintiff alleged that she and all others similarly situated were
17 entitled to unpaid wages, liquidated damages, statutory penalties, civil penalties, attorneys’ fees, and
18 costs of litigation, among other remedies.

19 33. Defendant denies and continues to deny all of Plaintiff’s material allegations.
20 Specifically, Defendant contend (1) it did not fail to pay the Class the minimum wage or overtime
21 compensation; (2) it provided the Class with all meal periods according to law; (3) it provided the
22 Class with all rest periods according to law; (4) it did not fail to timely pay the Class wages due and
23 owing during employment and/or upon separation; (5) it provided the Class with accurate itemized
24 wage statements, consistent with Labor Code Section 226; (6) it properly maintained all payroll
25 records; (7) it did not make any unlawful deductions from employees’ wages; (8) it did not violate
26 Business & Professions Code Section 17200, *et seq.*; (9) the PAGA Group is not entitled to
27 penalties under PAGA; and (10) Defendant is not liable for damages, including unpaid wages,
28 liquidated damages, statutory penalties, attorneys’ fees, or costs of litigation to the Class.

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

5 35. On August 23, 2021, the Parties in Action participated in a full day of mediation
6 before an experienced employment and class action mediator, Steve Rottman, Esq., which resulted
7 in a settlement of the Action (the "Mediation").

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

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

24 38. Based on the foregoing Recitals, the Parties agree as follows:

25 **III. PROCEDURE FOR APPROVING SETTLEMENT**

26 39. **Motion for Preliminary Approval of Settlement by the Superior Court.** Plaintiff
27 will move the Superior Court for an order granting Preliminary Approval of the Settlement, setting
28 a date for the Final Approval Hearing no earlier than 120 days from the date of the order granting

1 Preliminary Approval of the Settlement, and approving the Class Notice (attached as **Exhibit A** to
2 this Stipulation) (“Motion for Preliminary Approval”). Any unresolved disagreement among the
3 Parties concerning the Class Notice or other documents necessary to implement the Settlement will
4 be referred first to Steve Rottman, Esq., and if no resolution is reached, then to the Superior Court.

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

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

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

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

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

1 Members' Data are unavailable to Defendant, Defendant will so inform Class Counsel prior to the
2 date on which Defendant is required to submit the Class Members' Data to the Settlement
3 Administrator and the Parties will make their best efforts to reconstruct or otherwise agree upon the
4 Class Members' Data prior to when it must be submitted to the Settlement Administrator. If the
5 Parties are unable to agree, the dispute will be resolved by the Settlement Administrator as provided
6 in Paragraph 46. This information will otherwise remain confidential and will not be disclosed to
7 anyone, except as required to applicable taxing authorities, as required to carry out the reasonable
8 efforts to identify Class Member information as described in this Paragraph 43(c), pursuant to
9 Defendant's express written 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 Defendant, 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 ten (10) 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 44. **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 only. Class Members must
21 complete, sign, date, and timely return an Exclusion Request to the Settlement Administrator to
22 exclude themselves from the Settlement, setting forth their (i) name, (ii) address, (iii) last four digits
23 of their Social Security number, and (iv) the following statement or a similar statement: “I wish to
24 exclude myself from the settlement reached in the matter of *Maldonado v. K & R Corporation*. I
25 understand that by excluding myself, I will not receive any money from the Class settlement
26 reached in this matter.” A Class Member who does not complete and submit a valid and timely
27 Exclusion Request in the manner and by the deadline specified above will remain a Participating
28 Class Member 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 44(d). The objection must be served as follows:

Maldonado v. K & R Corporation

c/o _____

(d) The written objection must state the Class Member's (i) name, (ii) address, (iii) last four digits of their Social Security number, and (iv) the dates of the Class Member's

1 employment with Defendant. The written objection must state the basis for each objection in clear
2 and concise terms. The written objection shall also state whether the Class Member intends to
3 appear and object at the Final Approval Hearing. A Class Member who does not serve a written
4 objection in the manner and by the deadline specified may appear at the Final Approval Hearing to
5 state their objection to the Settlement. If a Class Member fails to submit a written objection or to
6 appear at the Final Approval hearing to make an oral objection, the Class Member will be deemed
7 to have waived all objections and will be foreclosed from making any objections – whether by
8 appeal or otherwise – to the Settlement.

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

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

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

26 45. **Report.** Not later than seven (7) days after the deadline for submission of requests
27 to be excluded and/or objections, the Settlement Administrator will provide Defendant, through
28 Defense Counsel, with a complete and accurate list of names for all Participating Class Members,

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

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

26 **47. No Solicitation of Objection; Right to Void.** Neither the Parties, nor their
27 respective counsel, will directly or indirectly solicit or otherwise encourage any Class Member to
28 exclude him or herself from the Settlement, object to the Settlement, and/or appeal from the

Judgment. If ten percent (10%) or more of the Class Members submit a complete, valid, and timely request to be excluded from the Settlement and are deemed to be Non-Participating Class Members, then Defendant shall have the unilateral right to void this Settlement. Defendant may do so by giving notice to Plaintiff and the Court of its election to void the Settlement not later than fourteen (14) days after the Settlement Administrator issues its report identifying the number of Participating Class Members, the number of Non-Participating Class Members, and the number of Class Members who objected to the settlement as described in Paragraph 44(c). Notwithstanding any other provisions in this Settlement, no sums shall be payable by Defendant in the event that this Settlement is voided as provided for herein.

48. Additional Briefing and Final Approval.

(a) Not later than sixteen (16) court days before the Final Approval Hearing, the Plaintiff will prepare and the Parties will jointly file with the Superior Court a Motion for Final Approval of the Settlement, including payment of the Settlement Administrator's Payment, and a memorandum in support of their motion ("Motion for Final Approval"). Not later than sixteen (16) court days before the Final Approval Hearing, Plaintiff and Class Counsel will serve on Defendant and file with the Superior Court a Motion for Awards of the Class Representative Payment, Class Counsel Fees Payment, and the Class Counsel Litigation Expenses Payment, pursuant to this Settlement, and memoranda in support of its motion. Plaintiff will seek fees pursuant to *Laffitte v. Robert Half Intern., Inc.* (2016) 1 Cal. 5th 480, 503. Plaintiff will not seek additional fees from Defendant or an increase in the Maximum Settlement Amount as part of the Motion for awards of the Class Representative Payment, Class Counsel Fees Payment, and the Class Counsel Litigation Expenses Payment.

(b) Not later than five (5) court days before the Final Approval Hearing, the Parties shall be entitled to file and serve a response to any Class Member's objection to the Settlement and/or reply in support of their Motion for Final Approval, to the extent that any opposition to said Motion is filed. Plaintiff and Class Counsel may file a reply in support of their Motion for Awards of the Class Representative Payment, Class Counsel Fees Payment, and the Class Counsel Litigation Expenses Payment, to the extent that any opposition to said Motion is

1 filed.

2 (c) If the Superior Court ultimately does not grant final approval of the
3 Settlement or grants final approval conditioned on any material change to the Settlement that is not
4 agreed to by one of the Parties, then either Party will have the right to void the Settlement. If the
5 Settlement is voided in this manner, the Parties will have no further obligations under the
6 Settlement, including any obligation by Defendant to pay any amounts that otherwise would have
7 been payable under this Settlement, except that the voiding Party will pay the Settlement
8 Administrator's reasonable fees and expenses incurred as of the date that the Party exercises the
9 right to void the Settlement under this paragraph. For the purposes of this paragraph, a "material
10 change" is a change to the terms outlined in the accepted Memorandum of Understanding, a copy of
11 which is attached hereto as **Exhibit B**. However, an award by the Superior Court of a lesser amount
12 than that sought by Plaintiff and Class Counsel for the Class Representative Payment, the Class
13 Counsel Fees Payment, and/or the Class Counsel Litigation Expenses Payment, will not constitute a
14 material change to the Settlement within the meaning of this paragraph.

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

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

26 49. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the terms
27 and conditions of this Settlement, Plaintiff, Participating Class Members, Defendant, and their
28 respective counsel hereby waive any and all rights to appeal from the Judgment, including all rights

1 to any post-judgment proceeding and appellate proceeding, such as a motion to vacate judgment, a
2 motion for new trial, a motion under Code of Civil Procedure Section 473, and any extraordinary
3 writ, and the Judgment therefore will become non-appealable by them at the time it is entered. The
4 waiver of appeal does not include any waiver of the right to oppose any appeal, appellate
5 proceedings, or post-judgment proceedings. If an appeal is taken from the Judgment, the time for
6 consummation of the Settlement (including making payments under the Settlement) will be
7 suspended until such time as the appeal is finally resolved and the Judgment, consistent with the
8 terms of this Settlement, becomes Final.

9 **50. Vacating, Reversal, or Material Modification of Judgment on Appeal or**
10 **Review.** If, after a notice of appeal, a petition for review, or a petition for *certiorari*, or any other
11 motion, petition, writ, or application, the reviewing court vacates, reverses, or modifies the
12 Judgment such that there is a material modification to the Settlement, and that court's decision is
13 not completely reversed and the Judgment is not fully affirmed on review by a higher court, then
14 either Party will have the right to void the Settlement, which the Party must do by giving written
15 notice to the other Parties, the reviewing court, and the Superior Court, not later than fourteen (14)
16 days after the reviewing court's decision vacating, reversing, or materially modifying the Judgment
17 becomes final. For the purposes of this paragraph, a "material change" is a change to the terms
18 outlined in the accepted Memorandum of Understanding, a copy of which is attached hereto as
19 **Exhibit B.** A vacation, reversal, or modification of the Superior Court's award of the Class
20 Representative Payment, the Class Counsel Fees Payment, and/or Class Counsel Litigation
21 Expenses Payment will not constitute a vacation, reversal, or material modification of the Judgment
22 within the meaning of this paragraph.

23 **51. Establishment of Settlement Account.** The Settlement Administrator shall
24 establish a Settlement Account within ten (10) days of the Effective Date and notify the Parties
25 when the Settlement Account has been established. The Settlement Administrator shall also
26 provide Defendant with an itemized statement for the total amount to be deposited into the
27 Settlement Account, which shall equal the Maximum Settlement Amount ("Settlement Account
28 Deposit"). Within ten (10) days after receiving notification of the Settlement Account and

1 statement for the Settlement Account Deposit, Defendant shall pay into the Settlement Account an
2 amount equal to the Settlement Account Deposit. Defendant shall have no obligation to pay any
3 additional funds into the Settlement Account.

4 **52. Payment of Settlement Shares and PAGA Payment Shares.** The Settlement
5 Administrator shall pay to each Participating Class Member his or her Settlement Share and to each
6 PAGA Group Member his or her PAGA Payment Share from the Settlement Account. The
7 Settlement Administrator shall pay each Settlement Share by sending a check in the appropriate
8 amount after withholdings to the Participating Class Member at the address indicated in the Class
9 Member's Data. The Settlement Administrator shall pay each PAGA Payment Share by sending a
10 check in the appropriate amount to the PAGA Group Member at the address indicated in the PAGA
11 Group Member's Data. Such payment shall be sent by the Settlement Administrator via U.S. Mail
12 within fourteen (14) days of its receipt of the Settlement Account Deposit from Defendant.

13 **53. Uncashed Settlement Share and PAGA Payment Share Checks.** Any checks
14 paid to Participating Class Members and/or PAGA Group Members shall be negotiable for one
15 hundred and eighty (180) calendar days from the date of their issuance. A Participating Class
16 Member must cash his or her Settlement Share check within one hundred and eighty (180) calendar
17 days after it is mailed to him or her. A PAGA Group Member must cash his or her PAGA Payment
18 Share check within one hundred and eighty (180) calendar days after it is mailed to him or her. If a
19 check remains uncashed after one hundred and eighty (180) calendar days from the initial mailing,
20 or if a check is returned to the Settlement Administrator as undeliverable during the one hundred
21 eighty-day period, the Settlement Administrator shall take all reasonable efforts to identify the
22 Participating Class Member's and/or PAGA Group Member's correct address, including the
23 performance of a "skip-trace." If an updated address can be identified, the Settlement
24 Administrator shall issue another check to the Participating Class Member and/or PAGA Group
25 Member and mail it to the Participating Class Member and/or PAGA Group Member at his or her
26 updated address. If an updated address for the Participating Class Member and/or PAGA Group
27 Member cannot be identified, if a reissued check is once again returned to the Settlement
28 Administrator as undeliverable, or if the reissued check remains uncashed after one hundred eighty

(180) calendar days, the Settlement Administrator will keep an accounting of such funds and shall give notice to the Parties of the total balance of uncashed Settlement Shares and/or PAGA Payment Shares. A Participating Class Member who fails to negotiate or receive their Settlement Share check despite the procedures described above shall nevertheless remain bound by the Settlement and the releases contained herein. A PAGA Group Member who fails to negotiate or receive their PAGA Payment Share check despite the procedures described above shall nevertheless remain bound by the Settlement and the releases contained herein.

54. The funds represented by Settlement Share and/or PAGA Payment Share checks remaining uncashed for more than one hundred and eighty (180) calendar days after issuance shall be voided and then shall be transmitted to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code 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. The Parties agree that this disposition results in no “unpaid residue” under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to Participating Class Members, whether or not they all cash their settlement checks.

55. **Final Report by Settlement Administrator to Superior Court.** Within ten (10) days after final disbursement of all funds from the Settlement Account, the Settlement Administrator will serve on the Parties and file with the Superior Court a declaration providing a final summary report on the disbursements of all funds from the Settlement Account. Within ten (10) days after transmission of any remaining unclaimed funds to Controller of the State of California the Settlement Administrator will serve on the Parties and file with the Superior Court a declaration providing a final summary report on the transmission of any remaining unclaimed funds to Controller of the State of California as outlined Paragraph 54.

IV. SETTLEMENT TERMS AND CONDITIONS

56. **Conditional Certification for Settlement Purposes.** Solely for the purposes of effectuating this Settlement, and subject to Court approval, the Parties hereby stipulate to the conditional certification of the following Settlement Class: “all persons who, during the Class Period, have previously been or currently are employed in California by Defendant as an hourly-

1 paid non-exempt employee.” The Parties agree that if for any reason the Settlement is not
2 preliminarily and/or finally approved, the conditional certification of the Settlement Class will be of
3 no force or effect, does not constitute an admission by Defendant that class certification is proper,
4 and will not be deemed admissible in this or any other proceeding, and that the Parties will litigate
5 the issue of class certification.

6 **57. Settlement Shares.** Subject to the terms and conditions of this Settlement, the
7 Settlement Administrator will calculate the Settlement Shares for each Class Member within ten
8 (10) days after Defendant provide the Settlement Administrator with the Class Members’ Data. The
9 Settlement Share for each Class Member will be calculated as follows, understanding that the
10 formulas below do not constitute an admission by either Party, and are intended only to provide a
11 practical means to simplify and administer the claims process:

12 **(a) Number of Class Members and Workweeks.** Defendant shall determine
13 the total number of Class Members and the aggregate number of Workweeks for those Class
14 Members as of the time of Preliminary Approval. This information shall be provided to the
15 Settlement Administrator along with the Class Members’ Data as described in Paragraph 43(a)
16 above.

17 **(b) Calculation of the Workweek Value.** The Settlement Administrator shall
18 determine the value of a Workweek (“Workweek Value”) by taking the Net Settlement Amount and
19 dividing it by the sum of all Class Members’ Workweeks who do not opt out of the Settlement.

20 **(c) Calculation of Settlement Shares.** The Settlement Administrator shall
21 assign to each Participating Class Member a Settlement Share which shall be equal to the
22 Workweek Value multiplied by each Participating Class Member’s Individual Workweeks. Upon
23 calculation of the Participating Class Members’ Settlement Shares, the Settlement Administrator
24 shall furnish to Class Counsel and Defense Counsel a worksheet containing a list of employee
25 identification numbers for the Class Members with their corresponding Individual Workweeks and
26 Settlement Shares.

27 **58. PAGA Payment Shares.** Subject to the terms and conditions of this Settlement, the
28 Settlement Administrator will calculate the PAGA Payment Shares for each PAGA Group Member

1 within ten (10) days after Defendant provide the Settlement Administrator with the PAGA Group
2 Members' Data. The PAGA Payment Share for each PAGA Group Member will be calculated as
3 follows, understanding that the formulas below do not constitute an admission by either Party, and
4 are intended only to provide a practical means to simplify and administer the claims process:

5 (a) **Number of PAGA Group Members and Pay Periods.** Defendant shall
6 determine the total number of PAGA Group Members and the aggregate number of Pay Periods for
7 those PAGA Group Members as of the time of Preliminary Approval. This information shall be
8 provided to the Settlement Administrator along with the Class Members' Data as described in
9 Paragraph 43(a) above.

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

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

20 59. **Taxes and Withholdings.** Each Settlement Share is intended to settle the Class
21 Members' claims for unpaid wages and penalties. Accordingly, twenty percent (20%) of each
22 Settlement Share shall represent unpaid wages and the remaining eighty percent (80%) of each
23 Settlement Share shall represent penalties and interest. The portion of the Settlement Share
24 representing unpaid wages shall be paid to each Participating Class Member subject to any
25 applicable employee-side tax withholdings and deductions, and the Settlement Administrator shall
26 issue an IRS Form W-2 to each Participating Class Member for that amount. The portion of the
27 Settlement Share representing penalties shall be paid to the Participating Class Member in full
28 without deductions or withholdings, and the Settlement Administrator shall issue an IRS Form 1099

1 to each Participating Class Member for that amount. Each Participating Class Member shall be
2 individually responsible for their own share of applicable income tax withholdings and deductions
3 from the Settlement Share attributable to the portion of the settlement for which an IRS Form 1099
4 will be issued. Defendant shall be responsible for payment of the Employer Payroll Tax attributable
5 to the Settlement Share payments constituting wages. The Employer's Payroll Tax shall not be
6 deducted from the Maximum Settlement Amount and shall not be included in any payments of
7 Settlement Shares. The Parties agree and understand that Defendant have not made any
8 representations regarding the tax obligations or consequences, if any, related to this Settlement. The
9 Parties agree that Defendant and each Participating Class Member are solely responsible for
10 determining the tax consequences of payments made pursuant to this Settlement and for paying
11 taxes, if any, which are determined to be owed by each of them on such payments (including
12 penalties and interest related thereto) by any taxing authority, whether state, local, or federal.

13 60. Each PAGA Payment Share is intended to settle the PAGA Group Members' claims
14 for civil penalties. Accordingly, one hundred percent (100%) of each PAGA Payment Share shall
15 represent civil penalties. The PAGA Payment Share shall be paid to the PAGA Group Member in
16 full without deductions or withholdings, and the Settlement Administrator shall issue an IRS Form
17 1099 to each PAGA Group Member for that amount, to the extent the PAGA Group Member's
18 PAGA Payment Share is Six Hundred Dollars and Zero Cents (\$600.00) or more. Each PAGA
19 Group Member shall be individually responsible for their own share of applicable income tax
20 withholdings and deductions for his or her PAGA Payment Share.

21 61. **Total Payment Amount.** In no event will Defendant be required to pay more than
22 the Maximum Settlement Amount for distribution to the Plaintiff, Class Counsel, Participating
23 Class Members, PAGA Group Members, LWDA, Settlement Administrator, or for any other costs
24 or expenses not otherwise enumerated. However, Defendant shall be responsible for paying any
25 Employer Payroll Taxes for the payment of Settlement Shares attributable to wages, which shall not
26 be paid from the Settlement Account and shall not be included in the Maximum Settlement
27 Amount.

28 62. **Payments to Plaintiff and Class Counsel and Others.** Subject to the terms and

1 conditions of this Settlement, the Settlement Administrator will make the following payments out of
2 the Maximum Settlement Amount as follows:

3 (a) **To Plaintiff:** In addition to his Settlement Share, Plaintiff will apply to the
4 Superior Court for a Class Representative Payment in an amount not to exceed Ten Thousand
5 Dollars and Zero Cents (\$10,000.00). Defendant will not oppose this Class Representative Payment.
6 The Settlement Administrator will pay the Class Representative Payment approved by the Superior
7 Court out of the Maximum Settlement Amount. Payroll tax withholding and deductions will not be
8 taken from the Class Representative Payment and an IRS Form 1099 will be issued to Plaintiff for
9 this payment.

10 (b) **To Class Counsel:** Class Counsel will apply to the Superior Court for the
11 Class Counsel Fees Payment in an amount not to exceed One Hundred and Sixty-Six Thousand, Six
12 Hundred and Sixty-Seven Dollars and Zero Cents (\$166,667.00), or one-third (1/3) of the
13 Maximum Settlement Amount. Class Counsel will also submit to the Superior Court a
14 memorandum of costs for the Class Counsel Litigation Expenses Payment in an amount not to
15 Fifteen Thousand Dollars and Zero Cents (\$15,000.00) as request reasonable costs of suit to be paid
16 from the Maximum Settlement Amount. Defendant will not oppose these requests. The Settlement
17 Administrator will pay the amounts approved by the Superior Court out of the Maximum Settlement
18 Amount. Withholding and deductions will not be taken from the Class Counsel Fees Payment or
19 Class Counsel Litigation Expenses Payment and one or more IRS Forms 1099 will be issued to
20 Class Counsel with respect to those payments.

21 (c) **To the LWDA:** As part of their Motions for Preliminary and Final
22 Approval, the Parties will jointly apply to the Superior Court for approval of the LWDA Payment in
23 the amount of Twenty-One Thousand Dollars and Zero Cents (\$21,000.00), which shall constitute
24 the LWDA's seventy-five percent (75%) share of Twenty-Eight Thousand Dollars and Zero Cents
25 (\$28,000.00) in civil penalties paid under this Settlement. The remaining Seven Thousand Dollars
26 and Zero Cents (\$7,000.00) in civil penalties shall be distributed on a *pro rata* basis based upon the
27 number of pay periods worked by each PAGA Group Member ("PAGA Payment").

28 (d) **To the Settlement Administrator:** The Settlement Administrator will be

1 paid from the Maximum Settlement Amount its reasonable fees and expenses as approved by the
2 Superior Court, which are estimated not to exceed Nine Thousand Dollars and Zero Cents
3 (\$9,000.00).

4 **63. Appointment of Settlement Administrator.** The Parties will ask the Superior
5 Court to appoint Phoenix Class Action Administrators, a qualified and experienced administrator
6 based in California where the Action is venued, to serve as the Settlement Administrator, which, as
7 a condition of appointment, will agree to be bound by this Agreement with respect to the
8 performance of its duties and its compensation. The Settlement Administrator's duties will include
9 (i) calculating Settlement and PAGA Payment Shares; (ii) preparing, printing, and mailing the Class
10 Notice to all Class Members; (iii) using reasonable measures to contact all Class Members,
11 including conducting a National Change of Address search on all Class Members before mailing the
12 Class Notice to each Class Member's address; (iv) re-mailing the Class Notice to the Class
13 Member's new address for those Class Members whose address had changed; (v) setting up a toll-
14 free telephone number to receive calls from Class Members; (vi) receiving requests for exclusion
15 and objections to the Settlement; (vii) providing the Parties with weekly status reports about the
16 delivery of Class Notices and any requests for exclusion and objections; (viii) issuing the checks to
17 effectuate the payments due under the Settlement; (ix) using reasonable measures to deliver issued
18 checks to Participating Class Members, including use of a "skip-trace" for undeliverable checks;
19 and (x) otherwise administering the Settlement pursuant to this Agreement including paying and
20 reporting the employer's share of the payroll taxes to the appropriate taxing agency. The Settlement
21 Administrator will have the final authority to resolve all disputes concerning the calculation of a
22 Participating Class Member's Settlement Share and/or PAGA Group Member's PAGA Payment
23 Share, subject to the terms set forth in this Agreement. The Settlement Administrator's reasonable
24 fees and expenses are estimated to not exceed Nine Thousand Dollars and Zero Cents (\$9,000.00)
25 and will be paid out of the Maximum Settlement Amount, as set forth herein, subject to Court
26 approval.

27 **V. RELEASE OF CLAIMS**

28 **64. Participating Class Members Released Claims.** As of the date of the Judgment,

each Participating Class Member, and without the need to manually sign a release document, shall release the Released Parties from 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, including all of the following claims for relief: (i) failure to pay all regular wages, minimum wages and overtime wages due; (ii) failure to provide compliant meal periods; (iii) failure to provide compliant rest breaks; (iv) failure to timely pay wages during employment; (v) failure to provide complete, accurate wage statements; (vi) unlawful deductions from wages; (vii) failure to pay wages timely at time of termination or resignation; (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; (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 operative Complaint in this Action or in the LWDA Exhaustion Letter Plaintiff served on the LWDA and Defendant; (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 "Released Claims"). Participating Class Members who cash their checks are deemed to have waived all Released Claims inclusive of claims under the Fair Labor Standards Act. Participating Class Members who do not cash their checks shall be deemed to waive all Released Claims except for a claim under the Fair Labor Standards Act. Released Claims for Class Members who worked for Defendant in California during the Class Period shall have their claims released during the Class Period.

65. **PAGA Group Released Claims.** As of the date of the Judgment, each PAGA Group Member, and without the need to manually sign a release document, shall release the Released Parties and the State of California for 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

1 and overtime wages due; (ii) failure to provide compliant meal periods; (iii) failure to provide
2 compliant rest breaks; (iv) failure to timely pay wages during employment; (v) failure to provide
3 complete, accurate wage statements; (vi) unlawful deductions from wages; (vii) failure to pay
4 wages timely at time of termination or resignation; (viii) all claims under the California Labor Code
5 Private Attorneys General Act of 2004 that could have been premised on the claims, causes of
6 action or legal theories described above or any of the claims, causes of action or legal theories of
7 relief pleaded in the Action; (ix) any claim for costs and attorneys' fees and expenses under the
8 PAGA; and (x) any PAGA penalty claim arising from the claims described above under applicable
9 federal, state, local or territorial law as well as applicable regulations, including the IWC Wage
10 Orders (collectively, the "PAGA Released Claims"). PAGA Released Claims for PAGA Group
11 Members who worked for Defendant in California during the PAGA Period shall have their claims
12 released during the PAGA Period.

13 66. Released Parties includes Defendant and its past, present and/or future, direct and/or
14 indirect, officers, directors, members, managers, employees, agents, representatives, attorneys,
15 including but not limited to O'Hagan Meyer, insurers, partners, investors, shareholders,
16 administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors,
17 assigns, and joint venturers. Released Parties shall also include Piazza Management Corporation
18 solely as to those Class Members and PAGA Group Members who between April 1, 2021, and
19 October 22, 2021, have previously been or currently are employed in California by Piazza
20 Management Corporation, as an hourly-paid, non-exempt employee and who between July 21,
21 2016, and March 31, 2021, were employed in California by Defendant, as an hourly-paid, non-
22 exempt employee.

23 67. In light of the binding nature of a PAGA judgment on non-party employees pursuant
24 to *Arias v. Sup. Ct. (Angelo Dairy)* (2009) 46 Cal.4th 969 and *Cardenas v. McLane Foodservice,*
25 *Inc.* (2011) 796 F.Supp.2d 1246, individuals otherwise meeting the definition of a Class Member
26 who exclude themselves from the Settlement shall nonetheless receive a payment for the amount of
27 each such individual's estimated share of the PAGA Payment and shall have released PAGA
28 claims, as outlined in Paragraph 65.

68. The Released Claims and PAGA Released Claims described in Paragraphs 64 & 65 expressly exclude all claims made by a Participating Class Member and/or PAGA Group Member for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, claims while classified as exempt, and claims outside of the Class Period and/or PAGA Period.

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

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

VI. DUTIES OF THE PARTIES

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

72. **Duty to Support and Defend the Class Settlement.** The Parties agree to abide by

1 all of the terms of the Settlement in good faith and to support the Settlement fully and to use their
2 best efforts to defend this Settlement from any legal challenge, whether by appeal or collateral
3 attack.

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

11 74. **Non-Monetary Relief and Catalyzation of Policy Change.** Although Defendant
12 denies any liability of any kind associated with the claims alleged in the Lawsuit, denies any
13 liability or intentional wrongdoing, Defendant revised and updated its meal and rest period policies
14 and practices.

15 **VII. MISCELLANEOUS TERMS**

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

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

27
28 “Execution of release of claim or right on account of wages due.

1 No employer shall require the execution of any release of any
2 claim or right on account of wages due, or to become due, or made,
3 or made as an advance on wages to be earned, unless payment of
4 those wages has been made.”

5
6 77. 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 Defendant or any other beneficiary of the releases granted
10 under this Settlement (the “Released Parties”), including, but not limited to, evidence of a
11 presumption, concession, indication or admission by any of the Released Parties of any liability,
12 fault, wrongdoing, omission, concession or damage; or (ii) disclosed, referred to or offered in
13 evidence against any of the Released Parties, or any other civil, criminal or administrative action or
14 proceeding except for purposes of effectuating this Settlement.

15 78. Notwithstanding Paragraph 77 of this Settlement, any and all provisions of this
16 Settlement may be admitted in evidence and otherwise used in any and all proceedings to enforce
17 any or all terms of this Settlement, or in defense of any claims released or barred by this Settlement.

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

27 80. **Waiver of Reemployment.** Plaintiff acknowledges that she has no intent to re-apply
28 for employment with Defendant. Plaintiff further acknowledges that Defendant or any related,

1 successor, parent, or subsidiary companies has the right to refuse rehire Plaintiff for non-
2 discriminatory and non-retaliatory reasons and Plaintiff acknowledges that Defendant's position is
3 that such legitimate non-discriminatory and non-retaliatory reasons exist.

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

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

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

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

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

1 86. **Cooperation in Drafting.** The Parties have cooperated in the drafting and
2 preparation of this Settlement. This Settlement will not be construed against any Party on the basis
3 that the Party was the drafter or participated in the drafting.

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

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

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

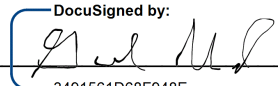
13 *To Class Counsel:* DAVID YEREMIAN & ASSOCIATES, INC.
14 David Yeremian, Esq.
15 Alvin B. Lindsay, Esq.
16 535 N. Brand Blvd., Suite 705
17 Glendale, California 91203

18 *To Defense Counsel:* Matthew C. Sgnilek, Esq.
19 Andrea Rosenkranz, Esq.
20 O'HAGAN MEYER
21 4695 MacArthur Court, Suite 210
22 Newport Beach, CA 92660

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

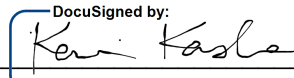
1 DATED: 10/20/2021

GESEL MALDONADO

DocuSigned by:

3491561D68F948E...

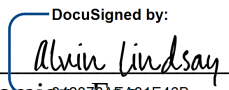
5 DATED: 10/25/2021

K & R CORPORATION

By: 
B2A8031FE009454...
Its: President

10 DATED: 10/22/2021

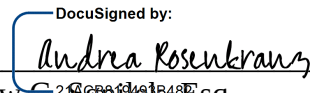
DAVID YEREMIAN & ASSOCIATES, INC.

By: 
David Yeremian, Esq.
Alvin B. Lindsay, Esq.

Attorney for Plaintiff
GESEL MALDONADO

16 DATED: 10/20/2021

O'HAGAN MEYER

By: 
Matthew C. Sginek, Esq.
Andrea Rosenkranz, Esq.

Attorneys for Defendant
K & R CORPORATION

Exhibit “A”

Gesel Maldonado v. K & R Corporation
Los Angeles County Superior Court Case No. 20STCV27934



<<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 K & R Corporation at any time between July 21, 2016, and October 22, 2021, or if you are or were a non-exempt, hourly employee of Piazza Management Corporation who was previously employed by K & R Corporation between July 21, 2016, and March 31, 2021, 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.
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 *Gesel Maldonado v. K & R Corporation* Los Angeles County Superior Court Case No. 20STCV27934 (the "Action" or "Lawsuit"). The Defendant in the Action is K & R Corporation (referred in this Notice as "Defendant.")

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

All persons who, during the Class Period, have previously been or currently are employed in California by Defendant, as an hourly-paid, non-exempt employee and all persons who between April 1, 2021, and October 22, 2021, have previously been or currently are employed in California by Piazza Management Corporation, as an hourly-paid, non-exempt employee and who between July 21, 2016, and March 31, 2021, were employed in California by Defendant, as an hourly-paid, non-exempt employee.

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

All persons who, during the PAGA Period, have previously been or currently are employed in California by Defendant, as an hourly-paid, non-exempt employee and all persons who between April 1, 2021, and October 22, 2021, have previously been or currently are employed in California by Piazza Management Corporation, as an hourly-paid, non-exempt employee and who between July 21, 2019, and March 31, 2021, were employed in California by Defendant, as an hourly-paid, non-exempt

Defendant’s 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 September 23, 2020, Plaintiff Gesel Maldonado filed the operative class action complaint against the Defendant 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 Defendant: (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 and maintain required payroll records; (6) failed to timely pay wages at separation; (7) made unlawful deductions from employees’ wages; (8) violated California’s Unfair Competition Law; and (9) owed civil penalties under California’s Private Attorneys General Act of 2004, California Labor Code §§ 2698-2699.5 (“PAGA”). Defendant vigorously denies all the claims and contentions made in the Lawsuit and maintains it has fully complied with the law. However, Defendant has 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 Defendant. 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 Defendant. The Class Representative 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?

Defendant will pay Five Hundred Thousand Dollars and Zero Cents (\$500,000.00) 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. Defendant 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 up to one-third (1/3) of the Maximum Settlement Amount or up to One Hundred and Sixty-Six Thousand, Six Hundred and Sixty-Seven Dollars and Zero Cents (\$166,667.00) in attorneys’ fees and up to Fifteen Thousand Dollars and Zero Cents (\$15,000.00) in out-of-pocket litigation costs, up to Ten Thousand Dollars and Zero Cents (\$10,000.00) 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 Twenty Eight Thousand Dollars and Zero Cents (\$28,000.00) (the “LWDA Payment”) to resolve PAGA Group Members’ claims under PAGA, of which Seven Thousand Dollars and Zero Cents (\$7,000.00) will be distributed to the PAGA Group Members and Twenty-One Thousand Dollars and Zero Cents (\$21,000.00) will be paid to the California Labor and Workforce Development Agency (“LWDA”). This allocation of the PAGA 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 Defendant.

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 Defendant as a non-exempt, hourly employee during the Class Period, defined as the period of time from July 21, 2016, through October 22, 2021. 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) 20% as wages that will be subject to deductions and withholdings for the employee’s share of state and federal payroll taxes; and (b) 80% 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. Defendant 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 Defendant as a non-exempt, hourly employee during the PAGA Period, defined as the period of time from July 21, 2019, through October 22, 2021. Any pay period in which a Class 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.

Please note that each PAGA Group Member will be responsible for his/her share of taxes attributable to the receipt of an Individual PAGA 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.

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 Defendant's 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, address, telephone number, and last four digits of the Social Security number; and (2) be accompanied by satisfactory evidence of the actual weeks worked as an hourly, non-exempt employee for Defendant 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, to the Settlement Administrator *at the address provided below*, and be postmarked on or before [REDACTED], 2022.

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 Effective Date of the Judgment, all Participating Class Members shall release the Released Parties from the Released Claims for the Class Period, which is defined as the period of time between July 21, 2016, through October 22, 2021.

The 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 and/or LWDA Exhaustion Letter, including but not limited to: (i) claims for unpaid minimum wages (Lab. Code §§ 1194, 1197, 1197.1); (ii) claims for unpaid overtime (Lab. Code §§ 510, 1198); (iii) claims for non-compliant meal periods and/or associated premiums (Lab. Code §§ 226.7, 512(a)); (iv) claims for non-compliant rest periods and/or associated premiums (Lab. Code § 226.7); (v) claims for wage statement violations (Lab. Code § 226(a)); (vi) claims for payroll records violations (Cal. Lab. Code §§ 1174, 1174.5); (vii) claims for failure to timely pay wages upon termination of employment and associated waiting time penalties (Cal. Lab. Code §§ 201-203); (viii) claims for unlawful deductions (Cal. Lab. Code § 221); (ix) claims for violations of California Business & Professions Code, §§ 17200, *et seq.* arising out of the aforementioned claims; (x) claims for civil penalties arising under the Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698-2699.5) (“PAGA”) arising out of the aforementioned claims; (xi) claims that the Class Member is an “aggrieved employee” under PAGA with respect to any of the aforementioned claims released herein; and (xii) claims for attorneys’ fees, costs and expenses for 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 Complaint. The Participating Class Members who cash their Settlement checks further acknowledge that they are releasing any claims they have against Defendant 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.” The Released Parties include Defendant and its past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, including but not limited to O’Hagan Meyer, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers. Released Parties shall also include Piazza Management Corporation solely as to those Class Members who between April 1, 2021, and October 22, 2021, have previously been or currently are employed in California by Piazza Management Corporation, as an hourly-paid, non-exempt employee and who between July 21, 2016, and March 31, 2021, were employed in California by Defendant, as an hourly-paid, non-exempt employee.

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 Released Claims against the Released Parties.

If the Settlement is approved by the Court, a Judgment will be entered by the Court. Upon the Effective Date of the Judgment, all PAGA Group Members shall release the Released Parties from the PAGA Released Claims for the PAGA Period, which is defined as the period of time between July 21, 2019, through October 22, 2021.

The PAGA Released Claims are defined as all claims for civil penalties pursuant to PAGA that were alleged or reasonably 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 operative Complaint and/or facts and theories contained in the operative Complaint and underlying and/or LWDA Exhaustion Letter, including but not limited to: (i) claims for unpaid minimum wages (Lab. Code §§ 1194, 1197, 1197.1); (ii) claims for unpaid overtime (Lab. Code §§ 510, 1198); (iii) claims for non-compliant meal periods and/or associated premiums (Lab. Code §§ 226.7, 512(a)); (iv) claims for non-compliant rest periods and/or associated premiums (Lab. Code § 226.7); (v) claims for wage statement violations (Lab. Code § 226(a)); (vi) claims for payroll records violations (Cal. Lab. Code §§ 1174, 1174.5); (vii) claims for failure to timely pay wages upon termination of employment and associated waiting time penalties (Cal. Lab. Code §§ 201-203); (viii) claims for unlawful deductions (Cal. Lab. Code § 221); (ix) claims for civil penalties arising under the Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698-2699.5); (x) claims that the Class Member is an “aggrieved employee” under PAGA with respect to any of the aforementioned claims released herein; and (xi) claims for attorneys’ fees, costs and expenses for 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 operative Complaint. Other than for Plaintiff, claims of PAGA Group 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 PAGA Period are not encompassed within the definition of “PAGA Released Claims.” The Released Parties include Defendant and its past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, including but not limited to O’Hagan Meyer, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers. Released Parties shall also include Piazza Management Corporation solely as to those PAGA Group Members who between April 1, 2021, and October 22, 2021, have previously been or currently are employed in California by Piazza Management Corporation, as an hourly-paid, non-exempt employee and who between July 21, 2019, and March 31, 2021, were employed in California by Defendant, as an hourly-paid, non-exempt employee.

PAGA Group Members cannot opt out of or object to the foregoing PAGA Release.

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: (1) include your full name, address, and last four digits of the Social Security number; (2) a clear statement that you wish to opt out of, or be excluded from, the Settlement in *Maldonado v. K & R Corporation*, Los Angeles County Superior Court Case No. 20STCV27934; (3) a clear statement that you understand that by opting out, you will not receive any monies from the settlement; and (4) your signature. To be timely, a Request for Exclusion must be mailed by first-class U.S. Mail, or the equivalent, to the Settlement Administrator at the address provided below and be postmarked on or before [REDACTED], 2022.

If applicable, you may not exclude yourself from the PAGA Group and will be bound by the PAGA Released Claims.

b. **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], 2022 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, current address, and last four digits of the Social Security number; (ii) the approximate dates of your employment at Defendant; (iii) the case name and number (e.g., *Maldonado v. K & R Corporation*, Los Angeles County Superior Court Case No. 20STCV27934); (iv) a written statement of all grounds for the objection accompanied by any legal support for such objection; (iv) copies of any papers, briefs, or other documents on which the objection is based, if any; (v) your signature; and (vi) 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 to the Settlement Administrator at the address provided below and be postmarked on or before [REDACTED], 2022.

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 and the Settlement Class and the PAGA Group?

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

DAVID YEREMIAN & ASSOCIATES, INC.
David Yeremian, Esq.
Alvin B. Lindsay, Esq.
535 N. Brand Blvd., Suite 705
Glendale, California 91203
Telephone: (818) 230-8380

UNITED EMPLOYEES LAW GROUP, PC
Walter Haines
5500 Bolsa Ave., Suite 201
Huntington Beach, CA 92649
Telephone: (310) 652-2242

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, or up to One Hundred and Sixty-Six Thousand, Six Hundred and Sixty-Seven Dollars and Zero Cents (\$166,667.00), plus reimbursement of reasonable, actual out-of-pocket costs incurred in the litigation, up to Fifteen Thousand Dollars and Zero Cents (\$15,000.00). Class Counsel has been prosecuting this Action on behalf of Plaintiff, the Settlement Class, and PAGA Group 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 _____, 2022, at _____ a.m., in Department SS6 of the Los Angeles County Superior Court located at 312 North Spring Street, Los Angeles, CA 90012, before the Honorable Elihu M. 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. Defendant 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 Defendant or Defendant's 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 must be mailed to the Settlement Administrator at the following address:

Maldonado v. K & R Corporation
c/o _____

Telephone: _____

15. How Can I Get Additional Information?

If you have questions, you can call the Settlement Administrator at _____ and/or Class Counsel at (818) 230-8380.

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANT'S MANAGERS, SUPERVISORS,
OR ATTORNEYS ABOUT THIS SETTLEMENT
They will not be able to assist you.

Exhibit “B”

K & R CORPORATION CLASS ACTION MEMORANDUM OF UNDERSTANDING

Defendant K & R Corporation (“Defendant”) and Plaintiff Gesel Maldonado (“Plaintiff”) hereby set forth the terms of a Memorandum of Understanding (“MOU”) designed to bind the Parties to the terms of a class action settlement. Defendant and Plaintiff are referred to in this Agreement individually as a “Party” and collectively as the “Parties.” The Parties hereby agree as follows:

1. This MOU confirms the essential terms of the settlement and will assist the Parties in preparing a comprehensive “long form” settlement agreement. This MOU is admissible and enforceable by, binding on, and subject to disclosure by all Parties.

2. The term “Action” means the action entitled *Maldonado v. K & R Corporation*, Los Angeles County Superior Court Case No. 20STCV27934.

3. The term “Defendant” means the Defendant named by Plaintiff in her Complaint in the Action, and their 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.

4. The term “Settlement Class Members” means all current and former non-exempt employees who worked for Defendant in California during the Class Period (or if any such person is incompetent, deceased, or unavailable due to military service, the person’s legal representative or successor in interest evidenced by reasonable verification). The term “Settlement Class Members” shall not include any person who submits a timely and valid request for exclusion.

5. The term “Aggrieved Employees” means all current and former non-exempt employees who worked for Defendant in California during the PAGA Period (or if any such person is incompetent, deceased, or unavailable due to military service, the person’s legal representative or successor in interest evidenced by reasonable verification).

6. The Class Period shall be defined as the time from July 21, 2016, through the date of granting of preliminary approval or 60 days following mediation (i.e., October 22, 2021), whichever is earlier.

7. The PAGA Period shall be defined as the time from July 21, 2019, through the date of granting of preliminary approval or 60 days following mediation (i.e., October 22, 2021), whichever is earlier.

8. The Parties and their counsel agree that the consideration described in the subparagraphs below constitutes their good faith compromise of the Action based upon their assessment of the value of the case, and the mutual risks and costs of further litigation. Specifically, the consideration provided by Defendant consists of the following:

(a) Defendant shall pay a maximum amount (“Maximum Settlement Amount”) of \$500,000.00 (unless increased pursuant to Paragraph 8(i) below) in full and complete settlement of this matter, which sum includes all payments to Settlement Class Members, Aggrieved Employees, Class Counsel’s attorneys’ fees and litigation costs, third-party administration costs, payment to the Labor Workforce Development Agency (“LWDA”), and the enhancement award to Plaintiff.

(b) Defendant will not oppose a request by Plaintiff to be appointed Class Representative and for an enhancement payment of up to \$10,000.00, to be deducted from the Maximum Settlement Amount, in exchange for his service as a Class Representative and a General Release of all claims against Defendant. This enhancement payment is in addition to the payment to which he is entitled as a Settlement Class Member.

(c) The Parties designate that \$28,000.00 of the Maximum Settlement Amount will be allocated for violations of PAGA (“PAGA Payment”). 75% of this amount (or \$21,000.00) will be payable to the Labor Workforce Development Agency (“LWDA”) and the remaining 25% (\$7,000.00) will be payable to the Aggrieved Employees.

(d) Defendant will not oppose an application for an award to Class Counsel, from the Maximum Settlement Amount, of up to one-third of the Maximum Settlement Amount, or \$166,667.00 in attorneys’ fees, plus reasonable costs and expenses not to exceed \$15,000.00.

(e) In addition to the Maximum Settlement Amount, Defendant shall pay the employers’ portion of any payroll taxes on portions of the settlement allocated to unpaid wages.

(f) The balance after deduction of Class Counsel’s attorneys’ fees and litigation costs, third-party administration costs, the LWDA’s portion of the PAGA Payment, the Aggrieved Employees’ portion of the PAGA Payment, and the enhancement award to Plaintiff will be the “Net Settlement Amount.”

(g) The Net Settlement Amount shall be distributed on a *pro rata* basis to Settlement Class Members, subject to the distribution formula agreed upon by the Parties.

(h) The Aggrieved Employees’ portion of the PAGA Payment shall be distributed on a *pro rata* basis to the Aggrieved Employees, subject to the distribution formula agreed upon by the Parties.

(i) Defendant represents that as of August 23, 2021, the number of workweeks in the Class Period is approximately 27,941. If it is

determined that the workweeks through the earlier of Preliminary Approval or 60 days following mediation (i.e., October 22, 2021) exceeds 30,736 (27,941 plus 10% of 27,941), the Net Settlement Amount, exclusive of the escalator provision found within this Paragraph 8(i), will be increased by the same number of percentage points above 10% by which the actual number of workweeks exceeds 27,941. For example, if the actual number of workweeks is determined to be 12% higher than 27,941, the Net Settlement Amount will be increased by 2%.

(j) All funds represented by uncashed checks remaining in the Net Settlement Amount shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500, *et seq.*, for the benefit of those Settlement Class Members who did not cash their checks until such time that they claim their property. The Parties agree that this disposition results in no “unpaid residue” under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to Settlement Class Members, whether or not they all cash their Settlement Checks. Therefore, Defendant will not be required to pay any interest on such amounts.

9. The Parties will select a Settlement Administrator on the basis of cost and competence, with the best interests of the Settlement Class Members in mind. Fees of the Settlement Administrator shall be paid out of the Maximum Settlement Amount.

10. The settlement payment for each individual Settlement Class Member shall be allocated as follows: (a) 20% as wages; and (b) 80% as penalties and interest. The Settlement Administrator will be responsible for issuing to claimants a form W-2 for amounts deemed “wages” and an IRS Form 1099 for the portions allocated to penalties and interest. The settlement payment for each Aggrieved Employee shall be allocated 100% as penalties. The Settlement Administrator will be responsible for issuing to claimants an IRS Form 1099. The recipients of payments pursuant to this Agreement shall be exclusively responsible for all tax obligations other than the employers’ share of payroll taxes allocated to unpaid wages.

11. The Parties agree that Defendant’s payment of the consideration described in Paragraph 8, above, is entirely dependent upon the Court’s approval of the Parties’ settlement of the Action.

12. The Parties agree that the consideration described in Paragraph 8, above, constitutes adequate consideration for the settlement and releases described immediately below.

a. *Release by Plaintiff:* Plaintiff shall release all claims related to her employment, including all claims alleged in the Action, and be bound by a Civil Code Section 1542 release and waiver of all claims known and unknown, without exception, except as may be prohibited by law. This

specifically excludes claims for unemployment insurance, disability, social security, and workers' compensation (except for claims pursuant to Labor Code Sections 132a and 4553).

b. *Release by Settlement Class Members:* All Settlement Class Members who do not timely opt out of the Settlement will release 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 operative complaint, including all of the following claims for relief: (i) failure to pay all regular wages, minimum wages and overtime wages due; (ii) failure to provide compliant meal periods; (iii) failure to provide compliant rest breaks; (iv) failure to timely pay wages during employment; (v) failure to provide complete, accurate wage statements; (vi) failure to pay wages timely at time of termination or resignation; (vii) 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; and (viii) 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 operative complaint. The Settlement Class members who cash their Settlement Checks further acknowledge they are releasing any claims they have against Defendant under the Fair Labor Standards Act ("FLSA") (collectively, the "Released Claims").

c. The definition of "Released Claims" for the Settlement Class Members shall expressly exclude all claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, claims while classified as exempt, and claims outside of the Class Period.

d. *Release by Aggrieved Employees:* Upon the Effective Date, the Released Parties shall be entitled to a release from the State of California and the Aggrieved Employees only as to all PAGA claims based on the alleged facts and legal claims in the operative complaint in this Action or reasonably could have been alleged based on the facts and legal theories contained in the operative complaint in this Action and in the underlying LWDA exhaustion letter which occurred during the PAGA Period, including PAGA claims for civil penalties based on the following: (i) failure to pay all regular wages, minimum wages and overtime wages due; (ii) failure to provide compliant meal periods; (iii) failure to provide compliant rest breaks; (iv) failure to timely pay wages during employment; (v) failure to provide complete, accurate wage statements; (vi) failure to pay wages timely at time of termination or resignation; and/or (vii) claims, causes of action or legal theories of relief seeking civil penalties under the California Labor Code Private Attorneys General Act of 2004 plead in the operative complaint and

LWDA exhaustion letter.

e. *Released Parties* definition is: “Defendants and their 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.”

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

13. The Class Notice will contain an estimated individual settlement payment, individual number of workweeks, individual number of pay periods (as appropriate), how to opt-out of the settlement, and how to object to the settlement. Settlement Class Members who submit timely requests to opt out of the settlement will not participate in the settlement and will not be bound by the terms of the proposed settlement or the final judgment. All Settlement Class Members who have not validly opted out by the stated time period will be subject to the Release.

14. Defendant maintains the right, in its sole discretion, to revoke the settlement and its stipulation to class certification prior to the final fairness hearing in the event that ten percent (10%) or more of Settlement Class Members opt out of the settlement.

15. The Parties and their counsel agree not to take any action to encourage any Settlement Class Members to opt out of and/or object to the Settlement.

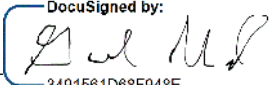
16. Parties and attorneys will keep the settlement confidential through preliminary approval. Thereafter, the Parties will agree to make no comments to the media or otherwise publicize the terms of the settlement.

17. While the Parties intend this MOU to be a precursor to a long form agreement, should that not occur, the Parties agree that this MOU constitutes a written settlement within the provisions of Code of Civil Procedure § 664.6, agree that this MOU shall be admissible pursuant to Evidence Code §§ 1122(a)(1) and 1123(b), and agree and intend that the Los Angeles County Superior Court may enforce this MOU pursuant to Code of Civil Procedure § 664.6.

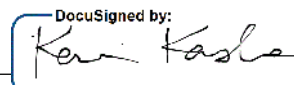
18. Defendant expressly denies any liability. Neither this MOU nor the “long form” Stipulation of Settlement shall constitute an admission of liability or of the accuracy of any allegation made by Plaintiff or her counsel.

ACCEPTED AND AGREED:

Plaintiff Gesel Maldonado:

Signature:  _____
DocuSigned by:
3491561D68F948E...
8/23/2021
Date: _____

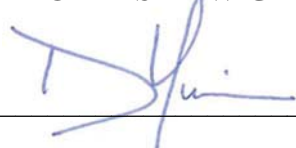
Defendant K & R Corporation:

Signature:  _____
DocuSigned by:
B2A8031FE009454...
Kevin Kasha
Name: _____
Date: 8/23/2021 _____

APPROVED AS TO FORM:

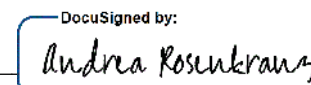
Attorneys for Plaintiff and the Putative Classes:

**DAVID YEREMIAN & ASSOCIATES, INC.
UNITED EMPLOYEES LAW GROUP, PC**

Signature:  _____
Name: David Yeremian, Esq.
Date: August 23, 2021

Attorneys for Defendant:

O'HAGAN MEYER

Signature:  _____
DocuSigned by:
21ACB819493B482...
Andrea Rosenkranz
Name: _____
Date: 8/23/2021 _____