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**SUPERIOR COURT FOR THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

VANESSA GONZALEZ, individually, and
on behalf of all others similarly situated,

Plaintiff,

vs.

SEVEN FORTY ONE COMPANY, INC.,
MR. STAX, INC., and DOES 1 through
100, inclusive,

Defendants.

Case No.: 20STCV30761

CLASS ACTION

*Assigned for All Purposes to Hon. Maren
Nelson, Department 17*

**NOTICE OF MOTION AND MOTION
FOR: (1) PRELIMINARY APPROVAL
OF CLASS AND REPRESENTATIVE
ACTION SETTLEMENT; (2)
PROVISIONAL CERTIFICATION OF
THE SETTLEMENT CLASS; (3)
APPROVAL OF CLASS NOTICE AND
NOTICE PLAN; (4) APPOINTMENT OF
CLASS COUNSEL AND CLASS
REPRESENTATIVE; (5)
APPOINTMENT OF SETTLEMENT
ADMINISTRATOR; AND (6) SETTING A
FINAL APPROVAL HEARING**

Complaint Filed: August 12, 2020
Motion for Preliminary
Approval Hearing Date: May 23, 2022
Time: 9:00 a.m.

1 TO ALL PARTIES AND TO THEIR ATTORNEYS OF RECORD:

2 PLEASE TAKE NOTICE that on May 23, 2022, at 9:00 a.m. in Department 17 of the Superior
3 Court for Los Angeles County Superior Court, Spring Street Courthouse, located at 312 North Spring
4 Street, Los Angeles, California 90012, Defendants Seven Forty One Company, Inc. and Mr. Stax, Inc.
5 will and hereby do move the Court for an order: (1) Preliminarily Approving Settlement of Plaintiff's
6 Class and Representative Action Claims; (2) Provisionally Certifying the Settlement Class; (3)
7 Approving the Class Notice and Notice Plan; (4) Appointing Class Representative and Class Counsel;
8 (5) Appointing the Settlement Administrator; and (6) Scheduling a Final Approval Hearing.

9 This Motion is unopposed and is supported by the following documents: (1) Memorandum of
10 Points and Authorities in Support of Motion for Preliminary Approval of Class and Representative
11 Action Settlement; (2) Declaration of Scott Cole In Support of Motion for Preliminary Approval of
12 Class and Representative Action Settlement, and the Exhibits attached thereto; (3) [Proposed] Order
13 Granting Preliminary Approval; (4) the Declaration of Ryan C. McKim In Support of Motion for
14 Preliminary Approval of Class and Representative Action Settlement; (5) the Declaration of Plaintiff
15 Vanessa Gonzalez In Support of Motion for Preliminary Approval of Class and Representative Action
16 Settlement; (6) the Declaration of Cody Bolace In Support of Motion for Preliminary Approval of Class
17 and Representative Action Settlement; (7) the Declaration of Settlement Administrator in Support of
18 Motion for Preliminary Approval of Class and Representative Action Settlement; (8) Proof of
19 Submission to the LWDA of Proposed Settlement Agreement and of Motion for Preliminary Approval
20 of Class and Representative Action Settlement; and (9) all records and pleadings filed in this action and
21 such arguments and evidence which may be presented at or before the hearing.

22 DATED: April 29, 2022

CLARK HILL LLP

23
24 By:



Ryan C. McKim

Attorneys for Defendants Seven Forty One
Company, Inc. and Mr. Stax, Inc.

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Los Angeles Superior Court, Case No. 20STCV30761

On April 29, 2022, I served the foregoing document, described as “NOTICE OF MOTION AND MOTION FOR: (1) PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT; (2) PROVISIONAL CERTIFICATION OF THE SETTLEMENT CLASS; (3) APPROVAL OF CLASS NOTICE AND NOTICE PLAN; (4) APPOINTMENT OF CLASS COUNSEL AND CLASS REPRESENTATIVE; (5) APPOINTMENT OF SETTLEMENT ADMINISTRATOR; AND (6) SETTING A FINAL APPROVAL HEARING” on the interested parties in said action by electronic service.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on April 29, 2022, at Los Angeles, California.

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Inc. and Mr. Stax, Inc.

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SEVEN FORTY ONE COMPANY, INC.,
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100, inclusive,

Defendants

Case No.: 20STCV30761

CLASS ACTION

*Assigned for All Purposes to Hon. Maren
Nelson, Department 17*

**MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT OF
MOTION FOR PRELIMINARY
APPROVAL OF CLASS AND
REPRESENTATIVE ACTION
SETTLEMENT**

Hearing Date: May 23, 2022
Time: 9:00 a.m.

Complaint Filed: August 12, 2020
Trial date: None.

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	FACTUAL BACKGROUND AND PROCEDURAL HISTORY	1
A.	Factual Allegations	1
III.	DEFENDANTS STRONGLY DENY PLAINTIFF’S CLAIMS	2
IV.	INVESTIGATION AND MEDIATION	3
V.	THE SETTLEMENT TERMS	5
A.	Class and PAGA Group Members	5
B.	Settlement Amounts	5
C.	Statement Regarding Class Notice	6
E.	Non-Cashed Settlement Checks	8
F.	Scope of Release.....	8
VI.	PRELIMINARY APPROVAL OF THE SETTLEMENT IS APPROPRIATE.....	10
A.	The Settlement is Presumptively Fair.....	13
i.	The Settlement is the Product of Arm’s-Length Negotiations	14
ii.	The Settlement is the Product of Informed Investigation And Discovery.....	15
iii.	Class Counsel are Highly Experienced and Support Preliminary Approval	16
B.	The Settlement Provides Substantial Monetary Relief to The Class.....	16
i.	The Settlement Provides Fair, Reasonable, and Adequate Relief to The Class Members in Light of the Significant Risks and Expense of Further Litigation	16
ii.	The Amount Offered in Settlement Supports the Preliminary Approval of the Settlement.....	18
iii.	The Settlement Has No Obvious Deficiencies and Does Not Grant Improper Preferential Treatment to Part of the Class or the Class Representatives.....	18

C.	The Work Performed by Class Counsel Supports the Fees and Costs Requested	18
D.	Service Awards to the Class Representatives are Routinely Awarded	21
VII.	PROVISIONAL CERTIFICATION OF THE CLASS IS APPROPRIATE	21
A.	There is an Ascertainable and Sufficiently Numerous Class	22
B.	There is a Well-Defined Community of Interest	22
i.	Common Issues of Law and Fact Predominate	22
ii.	Plaintiff's Claims are Typical of the Claims of the Class	23
iii.	The Adequacy Requirement is Met.....	23
VIII.	THE PROPOSED CLASS NOTICE IS APPROPRIATE	24
A.	The Notice is Accurate, Informative, and Satisfies Due Process	24
IX.	CONCLUSION	25

TABLE OF AUTHORITIES

CASES

<i>Amaro v. Anaheim Arena Management, LLC</i> (2021) 69 Cal.App.5th 521	10
<i>Apple Computer, Inc. v. Superior Ct.</i> (2005)126 Cal. App. 4th 1253.....	19
<i>Bell v. Farmers Ins. Exch.</i> (2004) 115 Cal. App. 4th 715.....	19, 21
<i>Blum v. Stenson,</i> 465 U.S. 886, 900 n.16 (1984)	20
<i>Boeing Co. v. Van Gemert,</i> 444 U.S. 472, 100 S.Ct. 745 (1980)	20
<i>Cartt v. Superior Court</i> (1975) 50 Cal.App.3d 960.....	24
<i>Central Railroad & Banking Co. of Georgia v. Pettus,</i> 113 U.S. 116, 5 S.Ct. 387 (1885)	20
<i>Classen v. Weller,</i> (1983) 145 Cal. App. 3d 27, 46-47	23
<i>Clothesrigger, Inc. v. GTE Corp.</i> (1987) 191 Cal. App. 3d 605.....	22
<i>Dunk v. Ford Motor Co.</i> (1996) 48 Cal. App. 4th 1794.....	10, 11, 13, 15, 21
<i>Hanlon v. Chrysler Corp.,</i> 150 F.3d 1011 (9th Cir. 1998).....	20
<i>Hernandez v. Restoration Hardware, Inc.</i> (2018) 4 Cal.5th 260, 270.....	10
<i>In re Cellphone Termination Cases,</i> (2010) 186 Cal. App. 4th 1380.....	21
<i>In re Consumer Privacy Cases,</i> 175 Cal.App.4 th 545 (2009).....	19
<i>In re Sutter Health Uninsured Pricing Cases</i> (2009) 171 Cal. App. 4th 495.....	19

1	<i>In re Vitamin Cases</i>	
2	(2003) 107 Cal. App. 4th 820.....	24
3	<i>Kullar v. Foot Locker Retail, Inc.</i>	
4	(2008) 168 Cal. App. 4th 116.....	11, 14, 16
5	<i>Laffitte v. Robert Half International, Inc.</i>	
6	(2016) 1 Cal. 5th 480.....	18, 19
7	<i>Lazar v. Hertz Corp.</i>	
8	(1983) 143 Cal. App. 3d 128.....	22
9	<i>Lealao v. Beneficial California,</i>	
10	82 Cal.App.4th 19 (2000).....	20
11	<i>Linder v. Thrifty Oil Co.</i>	
12	(2000) 23 Cal.4th 429.....	22
13	<i>McGhee v. Crocker-Citizens Nat. Bank</i>	
14	(1976) 60 Cal. App. 3d 442.....	23
15	<i>Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles</i>	
16	(2010) 186 Cal. App. 4th 399.....	11
17	<i>Nordstrom Com’n Cases</i>	
18	(2010) 186 Cal. App. 4th 576.....	11
19	<i>Phillips Petroleum Co. v. Shutts</i>	
20	(1985) 472 U.S. 797	24
21	<i>Powers v. Eichen,</i>	
22	229 F.3d 1249 (9 th Cir. 2000).....	20
23	<i>Quinn v. State of California</i>	
24	(1975)15 Cal.3d 162, 167.....	20
25	<i>Ryan v. Cal. Interscholastic Fed’n – San Diego Section</i>	
26	(2001) 94 Cal. App. 4th 1048.....	24
27	<i>Serrano v. Priest,</i>	
28	20 Cal.3d 25 (1977).....	19, 20
	<i>Sprague v. Ticonic Nat’l Bank,</i>	
	307 U.S. 161, 59 S.Ct. 777 (1939)	20
	<i>State v. Levi Strauss & Co.</i>	
	(1986) 41 Cal. 3d 460.....	14

1	<i>Staten v. Boeing Co.,</i>	
2	327 F.3d 938 (9th Cir. 2003).....	20
3	<i>Vasquez v. Coast Valley Roofing, Inc.</i>	
4	266 F.R.D. 482, 491 (E.D. Cal. 2010).....	19
5	<i>Vasquez v. Superior Court</i>	
6	(1971) 4 Cal.3d 800.....	21
7	<i>Wal-Mart Stores, Inc. v. Dukes</i>	
8	(2011) 564 U.S. 338.....	20
9	<i>Wershba v. Apple Computer, Inc.</i>	
10	(2001) 9 Cal.App.4th 224.....	10, 16

STATUTES

11	California Business and Professions Code § 17200	2, 12
12	California Business and Professions Code §§ 17200-17208.....	9, 10
13	California Code of Civil Procedure § 1021.5	9
14	California Labor Code § 1174.....	2, 9, 10
15	California Labor Code § 1174(d)	9
16	California Labor Code § 1174.5.....	2, 9
17	California Labor Code § 1182.12.....	2, 9
18	California Labor Code § 1194.....	2, 9
19	California Labor Code § 1197.....	2, 9
20	California Labor Code § 1197.1	2, 9
21	California Labor Code § 1198.....	2, 9
22	California Labor Code § 200	2, 9
23	California Labor Code § 201	2, 9
24	California Labor Code § 202	2, 9
25	California Labor Code § 203	2, 9
26	California Labor Code § 204.....	2, 9
27	California Labor Code § 218.....	2, 9

1	California Labor Code § 218.5	2, 9
2	California Labor Code § 226	2, 9, 12
3	California Labor Code § 226.7	2, 9
4	California Labor Code § 2698	3, 6, 9
5	California Labor Code § 2699	9, 12
6	California Labor Code § 2699.3	9
7	California Labor Code § 510	2, 9
8	California Labor Code § 512	2, 9
9	California Labor Code § 558	2, 9
10	California Labor Code §§ 200-204	9
11	<u>OTHER AUTHORITIES</u>	
12	<i>Manual for Complex Litigation (Fourth)</i> § 21.62 n. 971 (2004)	21
13	<i>Report of the Third Circuit Task Force</i> , 108 F.R.D. 237	20
14	The Judicial Council of California’s Deskbook on the Management of Complex Civil Litigation (Matthew Bender 2007), § 3.74	24
15	<i>William B. Rubenstein, et al., Newberg on Class Actions</i> § 13:45 (5th ed. 2011-2017.)	14, 16, 20, 21
16	<u>RULES</u>	
17	California Rule of Court, rule 3.769(f)	24
18		
19		
20		
21		
22		
23		
24		
25		
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I. INTRODUCTION

The parties, Plaintiff and proposed Class Representative Vanessa Gonzalez (“Class Representative” or “Plaintiff”) and Defendants Seven Forty One Company, Inc. and Mr. Stax, Inc. (collectively “Defendants”) (collectively the “Parties”) seek preliminary approval of a \$190,000.00 Class and Representative Action Settlement (“Settlement”). Plaintiff contends that Defendant Seven Forty One Company, Inc. employed Plaintiff and most of the class members. Plaintiff alleges that Defendant Mr. Stax, Inc. is an employer of Plaintiff and the class members; however, Defendants vehemently deny this allegation. The Class Representative has vigorously prosecuted this case, and Defendants have vigorously contested it including Plaintiff’s allegation that Mr. Stax, Inc. was her employer.

Ultimately, the Settlement was reached after the Parties engaged in a full day mediation with an experienced employment mediator, Eve Wagner. Prior to mediation, the Parties engaged in limited formal discovery and extensive informal discovery to investigate the veracity, strength, and scope of the claims, and to allow analysis and evaluation of the claims and Defendants’ defenses thereto. For instance, they exchanged a large volume of documents and information, which included and was not limited to, a sampling of information/data for the putative class members to allow Plaintiff to perform an analysis and valuation of all claims.

Moreover, the Settlement is strongly supported by experienced counsel, who carefully considered the strength of the claims and Defendants’ defenses, as well as the expense, complexity, risks, and likely duration of continued litigation. In light of the Parties’ support for the Settlement, and because it satisfies all of the criteria for preliminary approval under California law and will provide a substantial monetary recovery to Class Members, preliminary approval of the Settlement is appropriate and should be granted.

II. FACTUAL BACKGROUND AND PROCEDURAL HISTORY

A. Factual Allegations

This Settlement involves the wage and hour claims of approximately 170 non-exempt and/or hourly-paid, current and former employees, who worked for Defendant, Seven Forty One Company, Inc. (hereinafter “Seven Forty One”) at the IHOP restaurant operated at 880 S. Arroyo Pkwy, Pasadena, CA 91105, and/or Mr. Stax, Inc. (“Mr. Stax”) at 25060 Stanford Avenue, Suite 200, Valencia, CA 91355.

1 (Declaration of Scott Cole in Support of Plaintiff’s Motion for Preliminary Approval of Class and
2 Representative Action Settlement (“Cole Decl.”), at ¶ 3, Exh. 1.; Joint Stipulation and Agreement for
3 Class Action Settlement and Release (“Settlement Agreement” “Stipulation” or “SA”), ¶ 6.1.)¹

4 On August 12, 2020, Plaintiff filed this Action against Defendants, alleging that Defendants have,
5 with respect to Plaintiff and the Class Members, allegedly violated multiple provisions of the California
6 Labor Code and wage and hour laws, by failing to properly pay minimum and overtime wages, provide
7 compliant meal and rest periods and associated premiums, timely pay wages during employment and upon
8 termination of employment and to pay associated waiting-time penalties, provide compliant wage
9 statements, maintain requisite payroll records, and thereby, engaged in unfair business practices in
10 violation of California Business and Professions Code §§ 17200, *et seq.* (Cole Decl. ¶ 12.) Plaintiff
11 alleges that both Defendants employed her and the Class Members. (*Id.*) Defendants vehemently deny
12 this allegation and, instead, contend that only Seven Forty One employed Plaintiff and most of the Class
13 Members and that Mr. Stax, Inc. did not employ either Plaintiff or most of the Class Members. (*Id.*)

14 On October 29, 2020, Plaintiff filed her First Amended Class Action Complaint to add a cause of
15 action for civil penalties under PAGA arising from or relating to alleged violations of Labor Code §§ 200,
16 201, 202, 203, 204, 218, *et seq.*, 218.5, 226, *et seq.*, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, *et*
17 *seq.*, 1194.2, 1197, 1197.1, 1198, and 2698, *et seq.*, and additional factual details regarding the claims and
18 theories of the case. (Cole Decl. ¶ 13; SA ¶¶ 2.1-2.2.)

19 **III. DEFENDANTS STRONGLY DENY PLAINTIFF’S CLAIMS**

20 Defendants deny and continue to deny each and all of the allegations, claims, and contentions
21 alleged by Plaintiff in the Action. (Cole Decl., ¶ 14; SA ¶ 2.7(a).) Defendants have expressly denied and
22 continue to deny all charges of wrongdoing or liability against them arising out of any of the conduct,
23 statements, acts or omissions alleged in the Action. (*Id.*) Seven Forty One contends that it complied in
24 good faith with California and federal wage and hour laws and dealt legally and fairly with Plaintiff and
25 Settlement Class Members. (*Id.*) Further, Seven Forty One contends that it appropriately paid its

26
27 ¹ Attached as Exhibit 1 to the Declaration of Ryan C. McKim is a true and correct copy of a redline version
28 of the settlement agreement. It compares the settlement agreement submitted to the Court on September
3, 2021 with the Settlement Agreement submitted to the Court now.

1 employees at all times, that it always provided employees with the opportunity to take timely and
2 compliant meal and rest breaks, that it complied with all applicable wage-and-hour laws, and all other
3 laws, at all times, and that, if this matter were to be further litigated, it would have strong defenses on the
4 merits and as to class certification. (*Id.*) Additionally, Mr. Stax, Inc. denies that it employed either Plaintiff
5 or most of the Class Members for purposes of the claims alleged in the Action. (Cole Decl., ¶ 34; SA ¶
6 2.7(a).)

7 Further, Defendants deny that, for any purpose other than settling this Action, these claims are
8 appropriate for class or representative treatment. (Cole Decl., ¶ 15; SA ¶ 2.7 (b).) Nonetheless, Defendants
9 have concluded that further proceedings in the Action would be protracted and expensive and agree to the
10 Action being fully and finally settled in the manner and upon the terms and conditions set forth in the Joint
11 Stipulation and Agreement for Class Action Settlement and Release (“Stipulation”) in order to dispose of
12 burdensome and protracted litigation, to permit the operation of Defendants’ respective businesses without
13 further expensive litigation and the distraction and diversion of their personnel with respect to matters at
14 issue in the Action. (*Id.*) In entering into the Stipulation, Defendants have also taken into account the
15 uncertainty and risks inherent in any litigation, especially in complex cases such as the Action. (*Id.*)

16 Defendants do not waive, but rather expressly reserve, all rights to challenge all such claims and
17 allegations in the Action upon all procedural and factual grounds, including without limitation the ability
18 to challenge class treatment or representative adjudication on any grounds or to assert any and all defenses
19 or privileges if the Stipulation is deemed void or does not take effect. (Cole Decl., ¶ 3; SA ¶ 2.7 (c).)

20 **IV. INVESTIGATION AND MEDIATION**

21 Class Counsel has conducted a thorough investigation into the facts of the Action, including
22 limited formal discovery, extensive informal discovery and exchange of a volume of documents and
23 information, which included and was not limited to, Seven Forty One’s production of a sampling of
24 information/data for the putative class members to allow Plaintiff to perform an analysis and valuation of
25 all claims. (Cole Decl., ¶ 18; SA ¶ 2.3). Prior to mediation the Parties exchanged information and
26 documents to investigate the veracity, strength, and scope of the claims, and to allow analysis and
27 evaluation of the claims and Defendants’ defenses thereto. (*Id.*) The Class Representative has vigorously
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1 prosecuted this case, and Defendants have vigorously contested it including Plaintiff's allegation that Mr.
2 Stax, Inc. was her employer. (*Id.*)

3 On March 5, 2021, the Parties participated in a mediation before experienced employment
4 mediator Eve Wagner. (Cole Decl., ¶ 16; SA ¶ 2.4). At mediation, the Parties engaged in intensive
5 discussions regarding their evaluations of the litigation and various aspects of the litigation, including the
6 risks and delays of further litigation, the risks to the Parties of proceeding with class certification, the law
7 relating to the allegations, the evidence produced and analyzed, and the possibility of appeals, among other
8 things. (*Id.*) Following mediation, on April 7, 2021, with the assistance of the mediator's evaluation, the
9 Parties reached a settlement of the Action. (*Id.*)

10 Based on the information, data, and documents exchanged, and their own independent
11 investigation and evaluation, Class Counsel is of the opinion that the settlement with Defendants for the
12 consideration and on the terms set forth in the Stipulation is fair, reasonable, and adequate and is in the
13 best interest of the Class Members in light of all known facts and circumstances. (Cole Decl., ¶ 19.)
14 Further, the Class Representative has carefully evaluated the terms of the Settlement, and, based upon that
15 review, has determined that it is fair, reasonable, and adequate. (*Id.*)

16 Based on the exchange of information and documents, the mediation session, and discussions
17 between counsel, Class Representative and Class Counsel have assessed the Parties' positions and
18 evaluated the value of the claims of the Class. (Cole Decl., ¶ 20; SA ¶ 2.5(a)). The information and
19 documents exchanged by the Parties and settlement discussions are sufficient to reliably assess the merits
20 of the Parties' respective positions and to compromise the issues on a fair and equitable basis. (*Id.*)

21 Plaintiff and Class Counsel believe that the claims, causes of action, allegations and contentions
22 asserted in the Action have merit. (Cole Decl., ¶ 21; SA ¶ 2.5(b)). However, Plaintiff and Class Counsel
23 recognize and acknowledge the expense and delay of continued lengthy proceedings necessary to
24 prosecute the Action against Defendants through trial and through appeals. (*Id.*) Class Counsel has taken
25 into account the uncertain outcome of the litigation, the risk of continued litigation in complex actions
26 such as this, as well as the difficulties and delays inherent in such litigation, and the potential difficulty of
27 obtaining certification of the Action as well as trying the claims of the Class Members. (*Id.*) Class Counsel
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1 is mindful of the potential problems of proof under, and possible defenses to, the claims alleged in the
2 Action. (*Id.*) Class Counsel has also taken into account Defendant’s potential defenses to Plaintiff’s
3 allegations. (*Id.*) Class Counsel believes that the Settlement set forth in the Stipulation confers substantial
4 benefits upon Plaintiff and the Class Members and that an independent review of the Stipulation by the
5 Court in the approval process will confirm this conclusion. (*Id.*) Based on their own independent
6 investigation and evaluation, Class Counsel has determined that the Settlement set forth in the Stipulation
7 is in the best interests of Plaintiff and the Class Members. (*Id.*)

8 **V. THE SETTLEMENT TERMS**

9 **A. Class and PAGA Group Members**

10 For settlement purposes only, the Parties agree to define the “Class” or “Class Members” as non-
11 exempt and/or hourly-paid, current and former employees of Defendants, who performed worked at 880
12 S. Arroyo Pkwy, Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355, at
13 any time during the period of August 12, 2016 up to and including August 23, 2021 (the “Class Period”).
14 (Cole Decl., ¶ 22; SA ¶ 1.7).

15 “PAGA Group Member(s)” is defined as all allegedly aggrieved non-exempt and/or hourly-paid,
16 current and former employees of Defendants, who performed work at 880 S. Arroyo Pkwy, Pasadena, CA
17 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355, at any time during the period of
18 June 9, 2019 through August 23, 2021 (the “PAGA Period”). (Cole Decl., ¶ 22; SA ¶ 1.8).

19 **B. Settlement Amounts**

20 The “Gross Settlement Amount” refers to a fund in the sum of One Hundred Ninety Thousand
21 Dollars and Zero Cents (\$190,000.00). This Gross Settlement Amount shall be used to pay all:

22 (a) Attorneys’ fees and expenses, not to exceed \$66,500 in fees and not to exceed \$20,000 in
23 reasonable litigation costs and expenses actually incurred, to Class Counsel;

24 (b) Administration expenses to the settlement administrator, Simpluris (“Settlement
25 Administrator”);

26 (c) A service award to the Class Representative, not to exceed \$7,500;

27 (d) Civil penalties in the amount of \$5,000 under the Private Attorneys General Act of 2004, as
28

1 codified at California Labor Code §§ 2698, *et seq.* (“PAGA Payment”); and

2 (e) Net Settlement Amount (which is inclusive of 25% of the PAGA Payment and Employment
3 and Payroll Taxes²). (Cole Decl., ¶ 23; SA ¶ 6.1(a)-(e)).

4 The parties have specifically agreed that the employer-side payroll taxes will be paid from the
5 Gross Settlement Amount. (Cole Decl., ¶ 24; SA ¶¶ 1.28, 6.2(d).)

6 The “Net Settlement Amount” means the net amount that Defendants will pay to all Class
7 Members who did not opt out of the Settlement (“Settlement Class Members” or “Settlement Class”), that
8 shall be paid out of the Gross Settlement Amount. (Cole Decl., ¶ 25; SA ¶¶ 1, 24, 6.1).

9 “Administration Expenses” are all costs and expenses due the Settlement Administrator in
10 connection with its administration of the Class Settlement, including, but not limited to, providing the
11 Notice of Proposed Class Action Settlement and Hearing Date for Court Approval (“Class Notice”),
12 locating Class Members, processing requests for exclusion and objections, and calculating, administering
13 and distributing individual settlement payments to Settlement Class Members and related tax forms, shall
14 be paid from the Gross Settlement Amount. (Cole Decl., ¶ 26; SA ¶¶ 1.2, 4.5).

15 “Service Award” means any additional monetary payment provided to the Class Representative
16 for her efforts and risks on behalf of the Class Members in this Action, not to exceed Seven Thousand,
17 Five Hundred Dollars (\$7,500), subject to Court approval. (Cole Decl., ¶ 27; SA ¶ 4.1).

18 Each Settlement Class Member shall be eligible to receive payment of a share of the Net Settlement
19 Amount based on the pro rata number of work-weeks allocated to the Settlement Class Member as a
20 proportion of all work-weeks allocated to all Settlement Class Members. (Cole Decl., ¶ 28; SA ¶¶ 4.2,
21 6.2). Each Settlement Class Member’s share of the Net Settlement Amount will be determined by the
22 Settlement Administrator.

23 **C. Statement Regarding Class Notice**

24 In compliance with California Rules of Court 3.766(b), the Parties provide the following
25 statement regarding the Class Notice that will be sent to Class Members:

26
27 ² As set forth in the Settlement Agreement, “Employment and Payroll Taxes” means the employee’s and
28 employer’s share of state and federal employment and payroll taxes and withholdings with respect to the
wage-portion of individual settlement payments, which is included in the Gross Settlement Amount.

- 1 1. Notice to Class Members is necessary;³
- 2 2. Upon receiving the Class Notice and Opt Out Form, Class members may exclude
- 3 themselves from the Action;
- 4 3. Class Notices will be mailed to Class Members no later than 20 days after the Court
- 5 grants preliminary approval of the Settlement Agreement;
- 6 4. The Notice procedures will be paid for out of the Gross Settlement Amount; and
- 7 5. The estimated cost of the Settlement Administrator’s administration of the Class Notice
- 8 procedures is \$9,351.

9 The manner of giving notice in this matter complies with California Rules of Court 3.766(e)-(f)
10 because it will protect the interests of the Class by providing the most reliable and efficient method of
11 providing notice to Class Members and informing them of their options related to the Settlement.

12 The Settlement Administrator will be responsible for translating the Class Notice from English to
13 Spanish and Vietnamese. (SA, ¶ 5; Declaration of Settlement Administrator in Support of Motion for
14 Preliminary Approval of Class and Representative Action Settlement, ¶ 13, Exhibit C.)

15 **D. Opt-Out and Exclusion Procedure**

16 Class Members may elect to opt out of the Settlement and, thus, exclude themselves from the
17 Settlement Class. (Cole Decl., ¶ 30; SA, at ¶¶ 1.33, 5.6). Class Members who wish to exercise this option
18 must mail to the Settlement Administrator a written request for exclusion that is postmarked no later than
19 forty-five (45) calendar days after the Class Notice is mailed to the Class (“Response Deadline”). (*Id.*) If
20 a timely and valid request for exclusion is not received by the Settlement Administrator from a Class
21 Member on or before the Response Deadline, then that Class Member will be deemed to have forever

23 ³ The Court’s order file stamped December 15, 2021 states, “If the class data is to be maintained as
24 confidential, explain why this is in the best interest of the Class and why it wouldn’t impede Class
25 Counsel’s ability to discharge their fiduciary duties.” Limiting the dissemination of class data is in the
26 best interest of the Class because it protects the privacy of Class Members and limits the chances that
27 private information will be inadvertently divulged. Moreover, confidentiality will not impede Class
28 Counsel’s ability to discharge their fiduciary duties to the Class because the Class Notice will include
 contact information for Class Counsel and the Settlement Administrator. Therefore, Class Members can
 easily communicate with Class Counsel, if they want to do so, or if the Settlement Administrator is not
 able to answer a Class Member’s questions.

1 waived his or her right to seek exclusion from the Settlement and shall be bound by the Settlement and
2 Judgment. (*Id.*)

3 The Class Notice will advise Class Members of the option to opt out of the Settlement and will
4 contain instructions on how to do so. (Cole Decl., ¶ 30; SA, at ¶¶ 1.33, 5.6). Class Members who do
5 validly request exclusion from the Settlement by submitting a valid and timely Request for Exclusion shall
6 not be bound by the terms of the Settlement, shall not be allowed to object to the Settlement, and shall not
7 be entitled to any benefits as a result of the Settlement. (*Id.*) However, to the extent that a Class Member
8 is also a PAGA Group Member, he or she will be bound by the Released PAGA Claims and will receive
9 a portion of the PAGA settlement, notwithstanding his or her Request for Exclusion.

10 **E. Non-Cashed Settlement Checks**

11 Checks to Class Members shall be valid for a period of one hundred and eighty (180) calendar
12 days after they are mailed, and thereafter, will be cancelled. (Cole Decl., ¶ 31; SA, at ¶ 6.5). Funds
13 associated with cancelled checks will be donated to Bet Tzedek, an organization that provides legal aid to
14 low-income individuals and families including related to employment issues. (*Id.*) Neither the Parties nor
15 their counsel have any interest or involvement with the proposed cy pres recipient, Bet Tzedek. (Cole
16 Decl., ¶ 32.)

17 **F. Scope of Release**

18 **1. Class Action**

19 Upon the Effective Date, as defined below, the Settlement Class Members and Plaintiff, release,
20 discharge, and agree to hold harmless the Released Parties, and each of them, from any and all Released
21 Claims, as defined herein. (SA, at ¶ 9.1).

22 “Released Claims” means any and all federal and California state law wage-and-hour claims,
23 rights, demands, liabilities, and/or causes of action of every nature and description arising from any and
24 all claims that were alleged or could have been alleged in the Complaint based on the facts contained
25 therein, arising during the Class Period, including, without limitation, statutory, constitutional,
26 contractual, and/or common law claims for wages, reimbursements, damages, unpaid costs, penalties
27 (including penalties under the California Labor Code’s Private Attorneys General Act of 2004, as
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1 amended, California Labor Code §§ 2698, et seq.), liquidated damages, punitive damages, interest,
2 attorneys' fees, litigation costs, restitution, or equitable relief, including without limitation, California
3 Labor Code §§ 200, 201, 202, 203, 204, 218, et seq., 218.5, 226, et seq., 226.7, 510, 512, 558, 1174,
4 1174(d), 1174.5, 1182.12, 1194, et. seq., 1197, et seq., 1197.1, 1198, 2698, et seq., 2699, 2699.3, and any
5 federal counterparts, California Business and Professions Code §§ 17200-17208, any IWC Wage Orders,
6 California Code of Civil Procedure § 1021.5, any claims for meal and rest period violations; unpaid
7 minimum wages or overtime wages; untimely pay during and at termination of employment, unreimbursed
8 business expenses, record-keeping violations, and/or inaccurate pay stubs arising under Labor Code
9 section 226; and any unlawful deductions; and causes of action for (i) unlawful failure to pay wages (Labor
10 Code §§ 200-204, 510, 558, 1194; IWC Wage Order); (ii) Failure to provide meal and rest periods (Labor
11 Code §§ 226.7, 512); (iii) Failure to provide itemized wage statements (Labor Code §§ 226, 1174); (iv)
12 Failure to timely pay wages on termination (Labor Code § 203); (v) Unfair business practices under the
13 Unfair Competition Act (Bus. & Prof. Code §§ 17200-17208); and (vi) Private Attorneys General Act of
14 2004 (Labor Code §§ 2698, et seq.). "Released Claims" shall only refer to employment claims (as
15 enumerated above) arising out of labor performed at 880 S. Arroyo Pkwy, Pasadena, CA 91105 and/or
16 25060 Avenue Stanford, Suite 200, Valencia, CA 91355. No release in this Settlement shall be effective
17 until the Gross Settlement Amount is fully funded.

18 The Effective Date shall be the date when all of the following events have occurred: (a) the
19 Stipulation has been executed by all Parties; (b) the Court has given preliminary approval to the
20 Settlement; (c) notice has been given to the Class Members providing them with an opportunity to opt out
21 of the Settlement; (d) the Court has held a Final Approval Hearing and entered the Final Approval order
22 and Judgment; (e) The Gross Settlement Amount is fully funded; and (f) the later of the following events:
23 the expiration of the period for filing any appeal, writ, or other appellate proceeding challenging the Final
24 Approval Order and Judgment has elapsed without any appeal, writ or other appellate proceeding having
25 been filed; or the dismissal of any appeal, writ, or other appellate proceeding opposing the Settlement with
26 no right to pursue further remedies or relief; or any appeal, writ, or the issuance of such other final
27 appellate order upholding the Final Approval Order and Judgment with no right to pursue further remedies
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1 or relief. (*Id.*) In this regard, it is the intention of the Parties that the Settlement shall not become effective
2 until the Final Approval Order and Judgment is completely final and there is no further recourse by an
3 appellant or objector who seeks to contest the Settlement. (*Id.*) In *Amaro v. Anaheim Arena Management,*
4 *LLC* (2021) 69 Cal.App.5th 521, 537, the Court of Appeal explained that “a court cannot release claims
5 that are outside the scope of the allegations of the complaint.” Here, the operative complaint alleges
6 various wage and hour claims. The release language is confined to wage and hour matters. Therefore,
7 the release complies with *Amaro* because the only claims that are being released were alleged in the
8 operative complaint or could have been alleged based on the facts in the operative complaint. Similarly,
9 the release of PAGA claims is limited to claims for penalties that were brought or could have been brought
10 based on the facts alleged in the notice to the LWDA. (A copy of the LWDA letter is attached as Exhibit
11 3 to the SA.)

12 **VI. PRELIMINARY APPROVAL OF THE SETTLEMENT IS APPROPRIATE**

13 Settlement of a class action requires court approval to prevent fraud, collusion, or unfairness to the
14 class. (*Dunk v. Ford Motor Co.* (1996) 48 Cal. App. 4th 1794, 1800-01.) The purpose of the preliminary
15 evaluation of class action settlements is to determine whether the proposed settlement is within the range
16 of possible approval, and whether notice to the class of the settlement terms and conditions and the
17 scheduling of a formal fairness hearing is worthwhile. (*Wershba v. Apple Computer, Inc.* (2001) 9
18 Cal.App.4th 224, 234-35, disapproved on other grounds in *Hernandez v. Restoration Hardware, Inc.*
19 (2018) 4 Cal.5th 260, 270.) To determine whether a class settlement is fair, adequate, and reasonable, a
20 court must be provided with “basic information about the nature and magnitude of the claims in question
21 and the basis for concluding that the consideration being paid for the release of those claims represents a
22 reasonable compromise.” (*Clark v. American Residential Services LLC*, (2009) 175 Cal. App. 4th 785,
23 799.)

24 When deciding whether a class action settlement is fair, the trial court must exercise its discretion
25 through the application of several well-recognized factors. (*Clark, supra*, 175 Cal. App. 4th at 799.) The
26 list of factors is not exhaustive and “should be tailored to each case,” and includes “the strength of
27 plaintiff’s case, the risk, expense, complexity and likely duration of further litigation, the risk of
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1 maintaining class action status through trial, the amount offered in settlement, the extent of discovery
2 completed and the stage of the proceedings, the experience and views of counsel, the presence of a
3 governmental participant, and the reaction of the class members to the proposed settlement.” (*Kullar v.*
4 *Foot Locker Retail, Inc.* (2008) 168 Cal. App. 4th 116, 128 (quoting *Dunk*, 48 Cal. App. 4th at 1801.)) In
5 determining whether to approve a class action settlement, the most important factor the trial court should
6 consider is the strength of the case for plaintiff on the merits, balanced against the amount offered in
7 settlement. (*Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles* (2010) 186 Cal. App. 4th 399, 407-08;
8 *Kullar, supra* 168 Cal. App. 4th at 130.) Thus, at the preliminary approval stage, the trial court must
9 determine that the settlement was not the product of fraud, overreaching or collusion, and that the
10 settlement is fair, reasonable, and adequate. (*Nordstrom Com’n Cases* (2010) 186 Cal. App. 4th 576,
11 581.)

12 Here, Class Counsel assesses the potential exposure on the claims asserted in the operative
13 complaint as follows:

- 14 a. Failure to Pay Wages –Class Counsel “assessed the potential exposure for meal and rest period
15 wages at \$30,030.” (Cole Decl., ¶ 34.a.) Class Counsel states: “This is based on the following
16 analysis of Defendant’s data: the class worked a total of 231 weeks, had an average hourly rate
17 of \$13, and assuming five violations per worker, per week (unlikely to actually be the case).”
18 (*Id.*) Defendants maintain that they always provided employees with the opportunity to take
19 timely and compliant meal and rest breaks. (*Id.*) Defendants contend they had compliant
20 policies. Again, Mr. Stax contends that it was not Plaintiff’s employer. (*Id.*)
- 21 b. Failure to Provide Accurate Itemized Wage Statements – Class Counsel “assessed the potential
22 exposure for wage statement penalties at \$110,60 [sic] because Defendants’ data showed a
23 total number of pay periods of 1079.” (Cole Decl., ¶ 34.b.) Class Counsel states: “The initial
24 violations were \$2,750 (number of total class members times the \$50 statutory penalty).” (*Id.*)
25 Class Counsel further states: “The subsequent violations were \$107,900 (1079 pay periods
26 times \$100 statutory penalty capped at \$4,000 per person).” (*Id.*) Class Counsel states: “The
27 combined penalties come out to \$110,650.” (*Id.*) Defendants maintain that their wage
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statements contained all information required by Labor Code § 226. (*Id.*) Again, Mr. Stax contends that it was not Plaintiff’s employer. (*Id.*)

- c. Failure to Pay Wages on Termination – Class Counsel “assessed the potential exposure for waiting time penalties at \$171,600.” (Cole Decl., ¶ 34.c.) Class Counsel states: “This is based on Defendants’ data.” (*Id.*) Class Counsel further states; “Specially [sic], the average hourly rate was \$13. Times 8 hours worked comes out to \$104 dollars per day per class member. The 30-day maximum comes out to \$3,120 per class members. Assuming the maximum penalty for each class member comes out to \$171,600.” (*Id.*) Defendants argue that they accurately and timely paid employees’ wages during the relevant time period. (*Id.*) Again, Mr. Stax contends that it was not Plaintiff’s employer. (*Id.*)
- d. Unfair Business Practices (Business & Professions Code § 17200) – Class Counsel “assessed the potential monetary exposure for the UCL claim to be minimal because the UCL does not provide for money damages, only equitable relief.” (Cole Decl., ¶ 34.d.) Defendants maintain that their business practices were lawful, fair, and not fraudulent. (*Id.*) Again, Mr. Stax contends that it was not Plaintiff’s employer. (*Id.*)
- e. Private Attorneys General Act Claim (Labor Code § 2699) – Paragraph 34.e of the Declaration of Scott Cole in Support of Plaintiff’s Motion for Preliminary Approval of Class and Representative Action Settlement states that Class Counsel “assessed the potential exposure for PAGA civil penalties at \$428,936 because. [sic] The initial statutory penalty is \$50 with a penalty of \$100 for subsequent violations. The total penalties for initial violations were \$2,750 (55 employees times \$50). Penalties for the subsequent violations amount to \$107,900 (1079 subsequent violations times \$100).” Defendants deny that there are any underlying violations of the Labor Code, and as such, an award of civil penalties under PAGA would be inappropriate under these circumstances. (Cole Decl., ¶ 34.e.) Class Counsel states: “Thus, PAGA Payment is fair to PAGA Group Members because this will maximize the amount of the settlement allocated to them.” (*Id.*)

Defendants deny that, for any purpose other than settling this Action, these claims are appropriate

1 for class or representative treatment. (Cole Decl., ¶ 15; SA ¶ 2.7(b).) Nonetheless, Defendants have
2 concluded that further proceedings in the Action would be protracted and expensive and agree to the
3 Settlement.

4 In considering the merits of this Settlement, Class Counsel analyzed the strengths of the case versus
5 the amount offered in settlement; the risk, expense, and complexity and likely duration of further litigation
6 and maintaining class certification through trial. (Cole Decl., ¶ 33.) Defendants and their counsel have
7 also taken into account the uncertainty and risks inherent in any litigation, especially in complex cases
8 such as the Action.

9 Plaintiff and Class Counsel contend that the Settlement provides a substantial benefit to all Class
10 Members. (Cole Decl., ¶ 33; Declaration of Plaintiff Vanessa Gonzalez in Support of Motion for
11 Preliminary Approval of Class and Representative Action Settlement (“Gonzalez Decl.”), ¶ 8.) To that
12 end, Plaintiff and Class Counsel also contend that the Gross Settlement Amount of \$190,000 is an
13 excellent result, given the highly disputed nature of the claims, and warrants preliminary approval. (*Id.*)
14 In reaching this Settlement, Class Counsel carefully considered the strength of the case versus the amount
15 offered in settlement and the risk, expense, and complexity of maintaining class certification through trial;
16 the present state of the law as it applies to wage-and-hour class actions; and the burdens of proof necessary
17 to establish liability against Defendants. (Cole Decl., ¶ 33.) Defendants have concluded that further
18 proceedings in the Action would be protracted and expensive and agree to the Action being fully and
19 finally settled in the manner and upon the terms and conditions set forth in the Stipulation in order to
20 dispose of burdensome and protracted litigation, to permit the operation of Defendants’ respective
21 businesses without further expensive litigation and the distraction and diversion of their personnel with
22 respect to matters at issue in the Action. (Cole Decl., ¶ 15; SA ¶ 2.7 (b).)

23 **A. The Settlement is Presumptively Fair**

24 California courts recognize that a “presumption of fairness exists where (1) the settlement is reach
25 through arm’s-length bargaining; (2) sufficient investigation allows counsel and the court to act
26 intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small.”
27 (*Dunk, supra*, 48 Cal. App. 4th at 1802.) Here, although the percentage of objectors is unknown at this
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1 time, the Settlement objectively meets the other requirements and this Court should give considerable
2 weight to the competency and integrity of the Parties' counsel, who are experienced in wage and hour
3 class action litigation and reached the Settlement with the assistance of mediator Eve Wagner and through
4 arm's-length negotiations without self-dealing or other misconduct. (*See Kullar, supra* 168 Cal. App. 4th
5 at 129.)

6 **i. The Settlement is the Product of Arm's-Length Negotiations**

7 "[W]hat transpires in settlement negotiations is highly relevant to the assessment of a proposed
8 settlement's fairness." (*State v. Levi Strauss & Co.* (1986) 41 Cal. 3d 460, 482.) Courts presume the
9 absence of fraud or collusion in the negotiation of a settlement unless evidence to the contrary is offered.
10 In short, there is a presumption that the negotiations were conducted in good faith. (*William B. Rubenstein,*
11 *et al., Newberg on Class Actions* § 13:45 (5th ed. 2011-2017.))

12 On March 5, 2021, the Parties participated in a mediation before experienced employment
13 mediator Eve Wagner. (Cole Decl., ¶ 16; SA ¶ 2.4.) At mediation, the Parties engaged in intensive
14 discussions regarding their evaluations of the litigation and various aspects of the litigation, including the
15 risks and delays of further litigation, the risks to the Settling Parties of proceeding with class certification,
16 the law relating to the allegations, the evidence produced and analyzed, and the possibility of appeals,
17 among other things. (*Id.*) Following mediation, on April 7, 2021, with the assistance of the mediator's
18 evaluation, the Parties reached a settlement of the Action. (*Id.*)

19 Based on the information, data, and documents exchanged, and their own independent
20 investigation and evaluation, Class Counsel is of the opinion that the settlement with Defendants for the
21 consideration and on the terms set forth in the Stipulation is fair, reasonable, and adequate and is in the
22 best interest of the Class Members in light of all known facts and circumstances. (Cole Decl., ¶ 19)
23 Further, the Class Representative has carefully evaluated the terms of the Settlement, and, based upon that
24 review, has determined that it is fair, reasonable, and adequate. (*Id.*; Gonzalez Decl., ¶¶ 7-8.)

25 Based on the exchange of information and documents, the mediation session, and the Parties'
26 negotiations and discussions, Class Representative and Class Counsel have assessed the Parties' positions
27 and evaluated the value of the claims of the Class. (Cole Decl., ¶¶ 20, 34; SA ¶ 2.5(a).) The information
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1 and documents exchanged by the Parties and settlement discussions are sufficient to reliably assess the
2 merits of the Parties’ respective positions and to compromise the issues on a fair and equitable basis. (Cole
3 Decl., ¶ 20.)

4 **ii. The Settlement is the Product of Informed Investigation And Discovery**

5 There is a presumption that a proposed settlement is fair and reasonable when there has been
6 sufficient investigation and discovery to permit counsel and the court to act intelligently, and counsel are
7 experienced in similar litigation. (*Dunk, supra*, 48 Cal. App. 4th at 1802.)

8 Class Counsel has “conducted a thorough investigation into the facts of the Action,” including
9 “limited formal discovery, extensive informal discovery and exchange of a volume of documents and
10 information, which included and was not limited to, Seven Forty One’s production of a sampling of
11 information/data for 19% of the putative class members to allow Plaintiff to perform an analysis and
12 valuation of all claims.”⁴ (Cole Decl., ¶ 18; SA ¶ 2.3.) Prior to mediation the Parties exchanged
13 information and documents to investigate the veracity, strength, and scope of the claims, and to allow
14 analysis and evaluation of the claims and Defendants’ defenses thereto. (*Id.*) Class Counsel’s
15 investigation included but was not limited to interviewing Plaintiff, reviewing publicly available
16 information about Defendants, and relying on substantial prior experience with and knowledge of this
17 industry. (Cole Decl., ¶ 18.) The Class Representative has vigorously prosecuted this case, and Defendants
18 have vigorously contested it including Plaintiff’s allegation that Mr. Stax was her employer. (*Id.*)

19 Class Counsel believes that the documents and information exchanged and analyzed in preparation
20 for mediation, as well as the Parties’ discussions during mediation and subsequent negotiations, are
21 sufficient for the Parties to make an informed decision about a fair resolution of this action. (Cole Decl.,
22 ¶ 18.)

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25 ⁴ Defendants provided the number of full-time equivalent employees and total number of workweeks from
26 August 12, 2016 to August 23, 2021, which Class Counsel then used to perform an analysis and valuation
27 of all claims extrapolated to the entire Class. Defendants also produced the number of employees and
28 workweeks in the PAGA Period from August 12, 2019 through August 23, 2021. In addition to this data,
Defendants produced their Employee Handbooks, which contain all relevant employee policies implicated
by Plaintiff’s wage and hour claims.

1 **iii. Class Counsel are Highly Experienced and Support Preliminary Approval**

2 Although the recommendations of counsel proposing the class settlement are not conclusive, the
3 Court can properly consider the recommendations, particularly if counsel have been involved in litigation
4 for some period of time, appear to be competent, have experience with this type of litigation, and
5 significant discovery has been completed. (*Newberg on Class Actions* § 13:53 (5th ed. 2011-2017.))

6 Class Counsel, Cole & Van Note, is a very specialized practice, devoted almost exclusively to the
7 prosecution of wage and hour class action matters such as this Action. (Cole Decl., ¶ 7.) Class Counsel
8 has prosecuted roughly 300 wage and hour class actions. (Cole Decl., ¶ 7; Exh. 3.)

9 **B. The Settlement Provides Substantial Monetary Relief to The Class**

10 **i. The Settlement Provides Fair, Reasonable, and Adequate Relief to The Class**
11 **Members in Light of the Significant Risks and Expense of Further Litigation**

12 In order to determine whether a class settlement is fair, adequate, and reasonable, courts must be
13 provided with “basic information about the nature and magnitude of the claims in question and the basis
14 for concluding that the consideration being paid for the release of those claims represents a reasonable
15 compromise.” (*Kullar, supra*, 168 Cal. App. 4th at 133; *Clark, supra*, 175 Cal. App. 4th at 799.) A
16 settlement is not judged against what might have been recovered had a plaintiff prevailed at trial, nor does
17 the settlement have to provide 100% of the damages sought to be fair and reasonable. (*Wershba, supra*,
18 91 Cal. App. 4th at 246, 250.)

19 Here, the Settlement results in a substantial benefit to all Class Members, and the Gross Settlement
20 Amount of \$190,000.00 is an excellent result by any measure and warrants preliminary approval. (Cole
21 Decl., ¶ 33.) In reaching this Settlement, Class Counsel carefully considered the strength of the case
22 versus the amount offered in settlement; the risk, expense, complexity, and likely duration of further
23 litigation and maintaining class certification through trial; the present state of the law as it applies to wage
24 and hour class actions; and the burdens of proof necessary to establish liability against Defendants. (*Id.*)

25 Plaintiff and Class Counsel recognize and acknowledge the expense and delay of continued
26 lengthy proceedings necessary to prosecute the Action against Defendants through trial and through
27 appeals. (Cole Decl., ¶ 21; SA ¶ 2.5.) Class Counsel has taken into account the uncertain outcome of the
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1 litigation, the risk of continued litigation in complex actions such as this, as well as the difficulties and
2 delays inherent in such litigation, and the potential difficulty of obtaining certification of the Action as
3 well as trying the claims of the Class Members. (*Id.*) Class Counsel is mindful of the potential problems
4 of proof under, and possible defenses to, the claims alleged in the Action. (*Id.*) Class Counsel has also
5 taken into account Defendants' potential defenses to Plaintiff's allegations. (*Id.*) Class Counsel believes
6 that the Settlement set forth in the Stipulation confers substantial benefits upon Plaintiff and the Settlement
7 Class Members and that an independent review of the Stipulation by the Court in the approval process
8 will confirm this conclusion. (*Id.*) Based on their own independent investigation and evaluation, Class
9 Counsel has determined that the Settlement set forth in the Stipulation is in the best interests of Plaintiff
10 and the Class Members. (*Id.*)

11 Defendants deny and continue to deny each and all of the allegations, claims, and contentions
12 alleged by Plaintiff in the Action. (Cole Decl., ¶¶ 14-15; SA, at ¶ 2.7(a).) Defendants have expressly
13 denied and continue to deny all charges of wrongdoing or liability against them arising out of any of the
14 conduct, statements, acts or omissions alleged in the Action. (*Id.*) Seven Forty One contends that it
15 complied in good faith with California and federal wage and hour laws and dealt legally and fairly with
16 Plaintiff and Class Members. (*Id.*) Further, Seven Forty One contends that it appropriately paid its
17 employees at all times, that it always provided employees with the opportunity to take timely and
18 compliant meal and rest breaks, that it complied with all applicable wage-and-hour laws, and all other
19 laws, at all times, and that, if this matter were to be further litigated, it would have strong defenses on the
20 merits and as to class certification. (*Id.*) In evaluating its position at mediation, Seven Forty One agreed
21 to the Gross Settlement Amount with the express understanding that the Gross Settlement Amount
22 included its share of Employment and Payroll Taxes. (*Id.*) Additionally, Mr. Stax denies that it employed
23 either Plaintiff or most of the Class Members for purposes of the claims alleged in the Action. (*Id.*) Mr.
24 Stax contends that it complied in good faith with California and federal wage and hour laws and dealt
25 legally and fairly with Plaintiff and Settlement Class Members. (*Id.*) Further, Mr. Stax contends that it
26 appropriately paid its employees at all times, that it always provided employees with the opportunity to
27 take timely and compliant meal and rest breaks, that it complied with all applicable wage-and-hour laws,
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1 and all other laws, at all times, and that, if this matter were to be further litigated, it would have strong
2 defenses on the merits and as to class certification. (*Id.*)

3 **ii. The Amount Offered in Settlement Supports the Preliminary Approval of the**
4 **Settlement**

5 The Settlement results in a substantial benefit to all Class Members and the Gross Settlement
6 Amount of \$190,000 is an excellent result given the highly disputed nature of the claims and warrants
7 preliminary approval. (Cole Decl., ¶ 33.) In reaching this settlement, Class Counsel carefully considered
8 the strength of the case versus the amount offered in settlement and the risk, expense, and complexity of
9 maintaining class certification through trial. (*Id.*) Class Counsel analyzed the strengths of the case versus
10 the amount offered in settlement; the risk, expense, and complexity and likely duration of further litigation
11 and maintaining class certification through trial; the present state of the law as it applies to wage-and-hour
12 class actions; and the burdens of proof necessary to establish liability against Defendants. (*Id.*)

13 **iii. The Settlement Has No Obvious Deficiencies and Does Not Grant Improper**
14 **Preferential Treatment to Part of the Class or the Class Representatives**

15 Each Settlement Class Member shall be eligible to receive payment of the Individual Settlement
16 Amount, which is a share of the Net Settlement Amount based on the pro rata number of Workweeks
17 allocated to a Settlement Class Member as a proportion of all Workweeks allocated to all Settlement Class
18 Members. (Cole Decl., ¶ 28; SA, at ¶ 4.2). As such, all Class Members are therefore treated equitably and
19 fairly, and no Class Member is granted improper preferential treatment, as distribution of the Net
20 Settlement Amount takes into consideration the length of employment for each Class Member and the
21 number of violations suffered. (*Id.*)

22 **C. The Work Performed by Class Counsel Supports the Fees and Costs Requested**

23 The California Supreme Court has unanimously held “that when class action litigation establishes
24 a monetary fund for the benefit of the class members, and the trial court in its equitable powers awards
25 class counsel a fee out of that fund, the court may determine the amount of a reasonable fee by choosing
26 an appropriate percentage of the fund created.” (*Laffitte v. Robert Half International, Inc.* (2016) 1 Cal.
27 5th 480, 503.) The Court further held that although trial courts have discretion to use a lodestar multiplier
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1 cross-check or to forego a lodestar multiplier cross-check if some other means to evaluate the
2 reasonableness of a requested fee percentage exists, “the percentage method is a valuable tool that should
3 not be denied our trial court.” (*Laffitte, supra*, 1 Cal.5th at 503-06.) California courts have awarded
4 common fund fees calculated using a percentage-of-fund method that is not dependent on counsel’s
5 lodestar amount. (*In re Sutter Health Uninsured Pricing Cases* (2009) 171 Cal. App. 4th 495, 512; *Bell*
6 *v. Farmers Ins. Exch.* (2004) 115 Cal. App. 4th 715, 726; *Apple Computer, Inc. v. Superior Ct.* (2005) 126
7 Cal. App. 4th 1253, 1270.)

8 The settlement provides for an attorneys’ fee award of 35% of the settlement amount, a typical
9 percentage in the resolution of common fund cases. (Declaration of Scott Cole in Support of Plaintiff’s
10 Motion for Preliminary Approval of Class and Representative Action Settlement, file stamped September
11 3, 2021, ¶ 44.) Class Counsel has devoted numerous hours to and faced significant risk⁵ in the prosecution
12 of this matter and, more importantly, made an extraordinary fund available given the challenges faced
13 here and the modest claim values—to a large number of otherwise- underrepresented, low paid workers.
14 (*Id.*)

15 The “common fund” method, or “percentage-of-the-benefit” analysis, calculates attorneys’ fees
16 based on a percentage of the common benefit to the class. (*In re Consumer Privacy Cases*, 175 Cal.App.4th
17 545 (2009); *Serrano v. Priest*, 20 Cal.3d 25 (1977).) In cases where a common fund has been created—
18 i.e., where each class member will “receive a mathematically ascertainable payment”⁶—California state
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27 ⁵ Class Counsel undertook this matter solely on a contingent basis, with no guarantee regarding the
28 potential duration of the litigation or even the ultimate reimbursement of fees or costs.

⁶ (*Vasquez v. Coast Valley Roofing, Inc.*, 266 F.R.D. 482 482, 491 (E.D. Cal. 2010).)

1 courts,⁷ the Ninth Circuit⁸ and the United States Supreme Court⁹ agree that awarding attorneys' fees as a
2 percentage of the common fund is the proper method.¹⁰

3 As expressed by the Third Circuit's Task Force on the Selection of Class Counsel¹¹, in Conte and
4 Newberg's treatise on class actions ("*Newberg*")¹² and, *inter alia*, in *Blum v. Stenson*, 465 U.S. 886, 900
5 n.16 (1984), the rationale for this is commonsensical: in common fund cases, fees are not assessed against
6 the unsuccessful litigant (a.k.a. "fee shifting"), but rather, are taken from the fund or damage recovery
7 (a.k.a. "fee spreading"). In contrast to the calculation of a statutory fee, payable by the Defendant
8 depending on the extent of success achieved, a common fund is itself the measure of success and represents
9 the benchmark from which a fee will be awarded. 5 *Newberg* § 15.53 at 183. Consequently, the analysis
10 in a common fund case focuses not on the plaintiffs' position as "prevailing parties," but on a showing
11 that the fund conferring a benefit on the class which resulted from their efforts. *Id.*, § 2.06 at 40.¹³

12 Here, Class Counsel harnessed evidence from all available resources, conducted formal and
13 informal discovery and, thereupon, used its skills and experience to negotiate an outstanding result for

14 ⁷ See, fn. 10; (*Lealao v. Beneficial California*, 82 Cal.App.4th 19 (2000); *Serrano v. Priest*, 20 Cal.3d
15 25 (1977).)

16 ⁸ (*Staten v. Boeing Co.*, 327 F.3d 938, 952 (9th Cir. 2003); *Powers v. Eichen*, 229 F.3d 1249, 1256 (9th
17 Cir. 2000).)

18 ⁹ The United States Supreme Court has always computed common fund fee awards on a percentage of the
19 fund basis. (*Boeing Co. v. Van Gemert*, 444 U.S. 472, 100 S.Ct. 745 (1980); *Central Railroad & Banking*
20 *Co. of Georgia v. Pettus*, 113 U.S. 116, 5 S.Ct. 387 (1885); *Sprague v. Ticonic Nat'l Bank*, 307 U.S. 161,
21 59 S.Ct. 777 (1939).)

22 ¹⁰ A lodestar approach (enhanced by a multiplier) can be used as an alternative to the common fund
23 theory when "there is no way to gauge the net value of the settlement or any percentage thereof."
24 (*Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1029 (9th Cir. 1998) overruled on other grounds by *Wal-*
25 *Mart Stores, Inc. v. Dukes* (2011) 564 U.S. 338.)

26 ¹¹ See, (*Third Circuit Task Force on the Selection of Class Counsel* (Final Report, January 2002), available
27 at
28 [https://www.ca3.uscourts.gov/sites/ca3/files/final%20report%20of%20third%20circuit%20task%20forc](https://www.ca3.uscourts.gov/sites/ca3/files/final%20report%20of%20third%20circuit%20task%20force.pdf)
e.pdf (recommending that all fee awards in common fund cases be awarded as a percentage of the fund,
but that a lodestar analysis continue to be the applicable method for determining statutory fee shifting
awards); *Report of the Third Circuit Task Force*, 108 F.R.D. 237, 255 (hardcopy not exhibited here due
to length of document).)

¹² *Newberg on Class Actions* (5th ed. 2017).

¹³ The common fund doctrine is based on the commonsense notion that the "one who expends attorneys'
fees in winning a suit which creates a fund from which others derive benefits, may require those passive
beneficiaries to bear a fair share of the litigation costs." (*Quinn v. State of California* (1975) 15 Cal.3d
162, 167; *Boeing Co. v. Van Gemert*, 444 U.S. 472, 478 (1980) ["a lawyer who recovers a common fund
for the benefit of persons other than himself or his client is entitled to a reasonable attorney's fee from the
fund as a whole," and class members who benefit from a lawsuit "without contributing to its cost are
unjustly enriched at the successful litigant's expense."].)

1 Class Members. (Declaration of Scott Cole in Support of Plaintiff’s Motion for Preliminary Approval of
2 Class and Representative Action Settlement, file stamped September 3, 2021, ¶ 44.) A common fund
3 doctrine award of fees for that work performed,¹⁴ risks assumed and results achieved is appropriate. (*Id.*)

4 **D. Service Awards to the Class Representatives are Routinely Awarded**

5 Courts routinely approve service awards to compensate named plaintiffs for the services they
6 provide and the risks they incur during the course of the class litigation. (*Bell v. Farmers Ins. Exch.* (2004)
7 115 Cal. App. 4th 715, 726 (upholding “service payments” to plaintiffs for their efforts in bringing a class
8 case); *Manual for Complex Litigation (Fourth)* § 21.62 n. 971 (2004) (noting that service awards are
9 warranted).) In approving service awards, courts frequently approve awards as high as \$10,000 or more.
10 (*In re Cellphone Termination Cases*, (2010) 186 Cal. App. 4th 1380, 1393-95 (upholding \$10,000 service
11 award to each of four class representatives).) The factors the courts use in determining the amount of an
12 award include: (1) a comparison between the service awards and the range of monetary recovery available
13 to the class; (2) time and effort put into the litigation; (3) whether the litigation will further the public
14 policy underlying the statutory scheme; and (4) risks of retaliation. (*See Clark, supra*, 175 Cal. App. 4th
15 at 804-07.)

16 Here, Plaintiff requests a Service Award not to exceed \$7,500.00. (Cole Decl., ¶ 36; Gonzalez
17 Decl., ¶¶ 9-10.)

18 **VII. PROVISIONAL CERTIFICATION OF THE CLASS IS APPROPRIATE**

19 Provisional certification is appropriate at the preliminary approval stage where, as here, the Court
20 has not yet certified the class and the requirements for certification are met.¹⁵ (*Newberg on Class Actions*
21 §§ 13:16-13:18 (5th Ed. 2011-2017); *Dunk, supra*, 48 Cal. App. 4th at 1806; *Vasquez v. Superior Court*
22 (1971) 4 Cal.3d 800, 809-811.)

23 ¹⁴ Attorney fee awards in common funds cases are intended to compensate class counsel for work
24 performed both before and after the date of judgment. In nearly every class action, the efforts during
25 litigation and in pursuing approval of the settlement are only part of the overall work picture. Post
26 judgment, class counsel is required to stay in close contact with the claims administrator to ensure payment
27 of the settlement proceeds, to communicate with class members, their CPAs, even other attorneys
28 regarding the tax treatment of settlement proceeds, and report compliance with the terms of the Court’s
final approval order thereto.

¹⁵ Defendants do not oppose certification for settlement purposes only and deny that the class would
satisfy certification requirements if the issue were to be fully litigated.

1 **A. There is an Ascertainable and Sufficiently Numerous Class**

2 Whether a class is ascertainable is determined by examining the class definition, the size of the
3 class, and the means available for identifying the class members. (*See Vasquez, supra*, 4 Cal.3d at 810-
4 811.) Here, documents and information exchanged during the litigation reflect a class size of
5 approximately 170 Class Members and 10,424 Workweeks for the period of August 12, 2016 to August
6 23, 2021. (Cole Decl., ¶ 37.) The class definition is precise, objective, and presently ascertainable, and it
7 makes abundantly clear who is a Class Member. (*Id.*) In addition, Class Members can be identified easily
8 by way of Defendant’s records. Seven Forty One maintained records containing relevant information
9 about Plaintiff and Class Members. (*Id.*) Additionally, Mr. Stax denies that it employed either Plaintiff
10 or most of the Class Members for purposes of the claims alleged in the Action. (*Id.*)

11 **B. There is a Well-Defined Community of Interest**

12 A community of interest is established by the preponderance of common issues of law and fact.
13 “The community of interest requirement involves three factors: (1) predominant common questions of law
14 or fact; (2) class representatives with claims or defenses typical of the class; and (3) class representatives
15 who can adequately represent the class.” (*Linder v. Thrifty Oil Co.* (2000) 23 Cal.4th 429, 435.) For the
16 reasons set forth below, a well-defined community of interest exists in this case.

17 **i. Common Issues of Law and Fact Predominate**

18 The predominance inquiry tests whether proposed classes are sufficiently cohesive to warrant
19 adjudication by representation. (*See, e.g., Clothesrigger, Inc. v. GTE Corp.* (1987) 191 Cal. App. 3d 605;
20 *Lazar v. Hertz Corp.* (1983) 143 Cal. App. 3d 128.) Here, Plaintiff contends that common issues of fact
21 and law predominate as to “each of the claims alleged by Plaintiff on behalf of the Class, because the issue
22 of the legality of Defendant’s policies and practices is an issue that predominates the claims of all Class
23 Members.” (Cole Decl., ¶ 38.) For example, Plaintiff contends that “an issue of law common to all Class
24 Members is Defendants’ policies in effect during the claims period.” (*Id.*) In addition, Plaintiff contends
25 that “an issue of fact common to all Class Members is Defendants’ staffing practices during the claims
26 period.” (*Id.*)
27
28

1 **ii. Plaintiff's Claims are Typical of the Claims of the Class**

2 The typicality requirement does not focus on the individual characteristics or circumstances of the
3 representative plaintiff compared to those of the remainder of the class, but rather upon the typicality of
4 the proposed representative's claims as they relate to the defendant's conduct and activities. (*Classen v.*
5 *Weller*, (1983) 145 Cal. App. 3d 27, 46-47.) Here, Plaintiff asserts that her claims are typical of the Class:
6 "At all times during her employment with Seven Forty One, Plaintiff performed the same or similar duties
7 as other Class Members and contend that she was a non-exempt employee, just like other Class Members."
8 (Cole Decl., ¶ 39.) Plaintiff further contends that she "was subject to the same handbooks and policies
9 and procedures during the Class Period, which she contends was similarly applicable to all other Class
10 Members." (*Id.*)

11 Additionally, Mr. Stax denies that it employed either Plaintiff or most of the Class Members for
12 purposes of the claims alleged in the Action. (Cole Decl., ¶ 40.)

13 **iii. The Adequacy Requirement is Met**

14 The adequacy or representation requirement is met by fulfilling two conditions: first, a named
15 plaintiff must be represented by counsel qualified to conduct the pending litigation; second, a named
16 plaintiff's interests cannot be antagonistic to those of the class. (*McGhee v. Crocker-Citizens Nat. Bank*
17 (1976) 60 Cal. App. 3d 442, 450.) Here, Plaintiff contends that both adequacy requirements are met.
18 First, Plaintiff contends that she "retained counsel with extensive experience in prosecuting complex wage
19 and hour class actions who have worked diligently to obtain this Settlement for the Class." (Cole Decl.,
20 ¶ 41.) Second, Plaintiff contends that she "has no conflict of interest with the Class and has, along with
21 Class Counsel, worked toward a positive resolution of this case, demonstrating her interest in prosecuting
22 this Action and dedication to obtaining the best possible recovery for the Class." (Cole Decl., ¶ 41; see
23 *Gonzalez Decl.*, ¶ 6-8.) In addition, Plaintiff contends that her "interest is co-extensive with those of the
24 Class, and Plaintiff seeks relief identical to that sought by every other Class Member." (*Id.*) Thus, Plaintiff
25 asserts that she is "an adequate class representative because she has claims common to the class and has
26 no conflict of interest or any other interest adverse to the class." (Cole Decl., ¶ 42.)
27
28

1 **VIII. THE PROPOSED CLASS NOTICE IS APPROPRIATE**

2 In order to protect the rights of absent class members, California Rule of Court , rule 3.769(f)
3 requires that Class Members be provided with notice of the final approval hearing and an explanation of
4 the proposed settlement and objection procedures. Procedural due process does not guarantee any
5 particular procedure, but requires only notice reasonably calculated to apprise interested parties of the
6 pendency of the action affecting their interests and an opportunity to present their objections. (*Ryan v.*
7 *Cal. Interscholastic Fed’n – San Diego Section* (2001) 94 Cal. App. 4th 1048, 1072.) Notice that meets
8 this standard and is neutrally worded satisfies due process. (*Phillips Petroleum Co. v. Shutts* (1985) 472
9 U.S. 797, 812).

10 **A. The Notice is Accurate, Informative, and Satisfies Due Process**

11 There is no statutory or due process requirement that all class members in a case receive actual
12 notice, and as the Court of Appeal has explained, “[t]he notice given should have a reasonable chance of
13 reaching a substantial percentage of the class members.” (*Cartt v. Superior Court* (1975) 50 Cal.App.3d
14 960, 973-74.) The Judicial Council of California’s Deskbook on the Management of Complex Civil
15 Litigation (Matthew Bender 2007), § 3.74, notes that individual notice by mail is preferred when possible
16 and dissemination of a combined certification/settlement notice is a common and accepted practice. (*In*
17 *re Vitamin Cases* (2003) 107 Cal. App. 4th 820, 828-29.) Here, the proposed notice plan, calling for first-
18 class mailed notice to all Class Members, as well as in-depth skip tracing at the outset, is consistent with
19 class notice practices approved by state and federal courts, and under the circumstances here, Class
20 Counsel believes it to be the best notice practicable and the method most likely to reach the greatest
21 number of Class Members. (Cole Decl., ¶ 43; SA ¶ 5.2.)

22 The proposed Class Notice provides all the information a reasonable person would need to make
23 a fully informed decision about the Settlement. (Cole Decl., ¶ 45.) The Class Notice summarizes the
24 lawsuit and the terms and conditions of the Settlement in plain language in an informative and coherent
25 manner. (*Id.*) The Class Notice also fully informs Class Members of the terms of the Settlement, of its
26 effect on their rights, of their options as Class Members (*i.e.*, to object, opt out, and/or do nothing), and of
27 the consequences of exercising those options. (*Id.*) The Class Notice also outlines the procedure and
28

1 deadlines for opting out of the Settlement, for submitting objections to the Settlement, and how to receive
2 a settlement payment. (*Id.*)

3 The Class Notice also states the amounts to be paid out of the Gross Settlement Amount, including
4 the the Class Member's share of the Net Settlement Amount, the Settlement Administration Fees, the
5 Class Representative Service Award, and Class Counsel's fees and costs. (Cole Decl., ¶ 45.) The Class
6 Notice states the date, time, and location of the Final Approval Hearing, and explains how Class Members
7 can obtain additional information. (*Id.*)

8 Furthermore, the Class Notice also makes clear that the Settlement does not constitute an
9 admission of liability by Defendants, that the Court has not ruled on the merits of the action, and that the
10 final settlement approval decision has yet to be made. (Cole Decl., ¶ 46.)

11 The notice will be in English, Spanish, and Vietnamese. (SA, ¶ 5.1; Declaration of Settlement
12 Administrator in Support of Motion for Preliminary Approval of Class and Representative Action
13 Settlement, ¶ 8.)

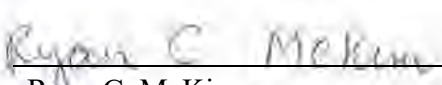
14 **IX. CONCLUSION**

15 Based on the foregoing, the Parties respectfully request that this Court enter an Order: (1)
16 preliminarily approving the Class and Representative Action Settlement; (2) provisionally certifying the
17 settlement class; (3) approving the class notice and notice plan; (4) appointing Class Representatives and
18 Class Counsel; (5) appointing the Settlement Administrator; and (6) scheduling a Final Approval Hearing.

19
20 DATED: April 29, 2022

CLARK HILL LLP

21 By:


Ryan C. McKim

22 Attorneys for Defendants Seven Forty One
23 Company, Inc. and Mr. Stax, Inc.
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PROOF OF SERVICE

Gonzalez v. Seven Forty One Company, Inc., et al.

Los Angeles Superior Court, Case No. 20STCV30761

I am employed in Los Angeles County, State of California. I am over the age of 18 and not a party to this action. My business address is 555 South Flower Street, 24th Floor, Los Angeles, California 90071.

On April 29, 2022, I served the foregoing document, described as “MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT” on the interested parties in said action by electronic service.

■ BY ELECTRONIC SERVICE VIA CASE ANYWHERE - I caused the above-entitled document to be served through Case Anywhere addressed to all parties appearing on the Case Anywhere electronic service list for the above-entitled case. The file transmission was reported as completed and a copy of the Case Anywhere Service Receipt page(s) will be maintained with the original document in our office.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on April 29, 2022, at Los Angeles, California.



Ryan C. McKim

Ryan C. McKim, State Bar No. 265941
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Attorneys for Defendants

**SUPERIOR COURT FOR THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

VANESSA GONZALEZ, individually, and
on behalf of all others similarly situated,

Plaintiff,

vs.

SEVEN FORTY ONE COMPANY, INC.,
MR. STAX, INC., and DOES 1 through
100, inclusive,

Defendants.

Case No.: 20STCV30761

CLASS ACTION

*Assigned for All Purposes to Hon. Maren
Nelson, Department 17*

**DECLARATION OF SCOTT EDWARD
COLE IN SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
AND REPRESENTATIVE ACTION
SETTLEMENT**

Complaint Filed: August 12, 2020
Motion for Preliminary
Approval Hearing Date: 5/23/22

DECLARATION OF SCOTT COLE

I, Scott Cole hereby declare as follows:

1. I am an attorney at law licensed to practice before all of the courts of the State of California. I am the Principal of Cole & Van Note in Oakland, California. Cole & Van Note is the attorney of record for Plaintiff Vanessa Gonzalez ("Plaintiff") in this matter. I am thoroughly familiar with and have personal knowledge of all of the facts set forth herein.

2. I submit this declaration in support of the Motion for Preliminary Approval of Class and Representative Action Settlement ("Motion for Preliminary Approval" or "Motion") which seeks an

Order: (1) Preliminarily approving the proposed Joint Stipulation of Resolution of Class Claims; (2) Provisionally certifying the settlement class; (3) Approving the Class Notice and Notice Plan; (4) Appointing Class Representative and Class Counsel; (5) Appointing the Settlement Administrator; and (6) Scheduling a Final Approval Hearing.

3. A true and correct copy of the fully executed Joint Stipulation and Agreement for Class Action Settlement and Release (“Settlement Agreement” or “SA”), is attached hereto as **Exhibit 1** to the Settlement Agreement.

4. A true and correct copy of the Class Notice and Opt Out Form is attached as **Exhibit 1** to the Settlement Agreement.

5. I made a reasonable inquiry and am not aware of any other class, representative or other collective action in any court in this, or any other, jurisdiction that asserts claims similar to those asserted in this action on behalf of a class or group of individuals who would also be members of the class defined in this action.

I. CLASS COUNSEL’S EXPERIENCE

6. I have been a member of the State Bar of California since 1992. I have a Bachelor of Arts Degree in Speech Communications from San Francisco State University and graduated from the University of San Francisco School of Law. I have also been admitted to practice before all United States District Courts in California, as well as (and have appeared before) the Ninth Circuit Court of Appeals and have been admitted pro hac vice before the courts in at least another half dozen

7. My office, which I founded in 1992, is a very specialized practice, devoted almost exclusively to the prosecution of wage and hour class action matters such as this. Ours was one of the first California firms to devote itself so heavily to this area of practice; indeed, in its 30-year history, my firm has prosecuted roughly 300 wage and hour class actions, some of which are identified in the firm's professional resume attached hereto as **Exhibit 3**. Attached hereto and marked as Exhibit 3 is a true and correct copy of my firm's professional resume which outlines some of this firm's experience litigating complex/class action cases like this one. Even when most of the day-to-day work in these cases was being handled by one of our firm's associate attorneys, I closely supervised and established the strategies in every one of those matters. Most of these cases involved some or all of the same legal issues as are presented in

1 the current action.

2 8. As a law firm devoted to prosecuting wage and hour class actions, I have presented at many
3 professional seminars, written many articles on the legal issues in dispute in this litigation, am a very
4 visible member of the plaintiffs' wage and hour bar, and remain in regular contact with other wage and
5 hour practitioner

6 rs who deal with wage and hour claims, many of whom have consulted with and/or even retained me to
7 provide expert services regarding these topics. I am also an active member and/or officer of various
8 professional organizations that focus on developing wage and hour law in California and nationwide.

9 9. My firm has successfully achieved class certification in varied factual scenarios, some of
10 the more unique or difficult situations being: *Kurihara v. Best Buy Co., Inc.*, 2007 U.S. Dist. LEXIS
11 64224 (N.D. Cal. Aug. 29, 2007) (obtaining certification for a class of over 52,000 current and former
12 store employees bringing bag check claims); *Tierno v. Rite Aid Corp.*, 2006 U.S. Dist. LEXIS 71794 (N.D.
13 Cal. Aug. 31, 2006) (oft-cited Order certifying a class of approximately 1,100 California retail store
14 managers alleging overtime misclassification); *Torres v. ABC Security*, Case No. RG04158744 (Alameda
15 County Superior Court 2006) (obtaining certification of a class of over 1,600 security guards working at
16 scores of different work sites); *Fulton v. Sports and Fitness Clubs of America, dba 24 Hour Fitness, USA*,
17 Inc., San Diego County Superior Court Case No. GIC881669 (consolidated with Case No. GIC873193)
18 (Order certifying class of over 7,000 fitness club group exercise instructors); *Rowe v. California*
19 *Commerce Club*, Los Angeles County Superior Court Case No. BC321283 (consolidated with Case No.
20 BC288079) (Order certifying tip-pooling claims on behalf of a class of approximately 2,000 card room
21 dealers); *Rodriguez v. Pleasanton Fitness*, Contra Costa County Superior Court Case No. MSC17-00376)
22 (Order certifying two classes of fitness club workers). This list is far from being exhaustive.

23 10. My firm's track record is equally impressive with regard to settlements and adjudications.
24 For example, I was co-counsel in the landmark California Supreme Court decision providing that non-
25 exempt worker time spent under the control of the employer is compensable. See *Augustus vs. ABM*
26 *Security Services*, Supreme Court of California Case No. 5224853 (\$110 million settlement on behalf of
27 roughly 15,000 security guards). Additionally, I co-prosecuted what was, at the time (and perhaps still),
28 the largest class action settlement of a meal break-only case. See *Despres v. United Parcel Service, Inc.*,

1 California Northern District Court Case No. 3:03-CV-02987 (TEH) and No. 3:03-CV-02001 (TEH)) (\$87
2 million settlement on behalf of roughly 20,000-person class). I prosecuted, obtained a judgment, and
3 thereafter negotiated a two-tiered \$19 million settlement on behalf of fitness club group exercise
4 instructors for unpaid wage and unreimbursed business expense claims. See *Fulton v. Sports and Fitness*
5 *Clubs of America, dba 24 Hour Fitness, USA, Inc.*, San Diego County Superior Court Case No.
6 GIC881669 (consolidated with Case No. GIC873193). I prosecuted and settled a \$15 million non-
7 reversionary settlement on behalf of a class of approximately 68,000 security guards for meal and rest
8 break violations. See *Securitas Security Services Cases*, Santa Clara County Superior Court Case No. 1-
9 05-CV-047499. I negotiated a \$7.5 million settlement on behalf of a class of retail Assistant Managers for
10 uncompensated time spent undergoing security checks and failure to provide meal and rest breaks. See
11 *Kelly v. Walgreens*, San Francisco County Superior Court Case No. CGC-07-464347. I also brokered a
12 \$6.9 million settlement on behalf of a class of over 1,000 allegedly misclassified retail Store Managers.
13 See *Tierno v. Rite Aid Corp.*, California Northern District Court Case No. 3:05-CV-02520 (TEH). I served
14 as court-appointed lead counsel after fierce competition for that appointment in a consolidated action of
15 nine lawsuits against Walgreen Co. bringing a variety of wage and hour claims on behalf of approximately
16 43,000 retail store workers in California. After several years of litigation, I negotiated a \$23 million
17 settlement in that case. See, *In Re Walgreen Co. Wage and Hour Litigation*, United States District Court,
18 Central District of California Case No. 2:11-CV-07664. We have many addition resolutions within the
19 settlement range exhibited above and scores of others of lesser notoriety.

20 **CASE BACKGROUND AND PROCEDURAL HISTORY**

21 11. This Settlement involves the wage and hour claims of approximately 170 Class Members
22 for the period from August 12, 2016 to August 23, 2021, who performed work at 880 S. Arroyo Pkwy,
23 Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355.

24 12. On August 12, 2020, Plaintiff Vanessa Gonzalez filed this Action against Defendants,
25 alleging that Defendants have, with respect to Plaintiff and the Class Members, allegedly violated multiple
26 provisions of the California Labor Code and wage and hour laws, by failing to properly pay minimum and
27 overtime wages, provide compliant meal and rest periods and associated premiums, timely pay wages
28 during employment and upon termination of employment and to pay associated waiting-time penalties,

1 provide compliant wage statements, maintain requisite payroll records, and thereby, engaged in unfair
2 business practices in violation of California Business and Professions Code §§ 17200, et seq. Plaintiff
3 alleges that both Defendants employed her and the Class Members. Defendants vehemently deny this
4 allegation and, instead, contend that only Seven Forty One Company, Inc. employed Plaintiff and most of
5 the Class Members and that Mr. Stax, Inc. did not employ either Plaintiff or most of the Class Members.

6 13. On October 29, 2020, Plaintiff filed her First Amended Class Action Complaint to add a
7 cause of action for civil penalties under PAGA arising from or relating to alleged violations of Labor Code
8 §§ 200, 201, 202, 203, 204, 218, et seq., 221, 223, 226, et seq., 226.7, 510, 512, 558, 1174, 1174.5, 1194,
9 et seq., 1194.2, 1197, 1197.1, and 1198, and additional factual details regarding the claims and theories of
10 the case.

11 14. On November 30, 2020, Defendants filed an Answer to Plaintiff's First Amended
12 Complaint. Defendants deny and continue to deny each and all of the allegations, claims, and contentions
13 alleged by Plaintiff in the Action. Defendants have expressly denied and continue to deny all charges of
14 wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions
15 alleged in the Action. Seven Forty One Company, Inc. contends that it complied in good faith with
16 California and federal wage and hour laws and has dealt legally and fairly with Plaintiff and Settlement
17 Class Members. Further Seven Forty One Company, Inc. contends that it appropriately paid its employees
18 at all times, that it always provided employees with the opportunity to take timely and compliant meal and
19 rest breaks, that it was compliant with all applicable wage-and-hour laws, and all other laws, at all times,
20 and that, if this matter were to be further litigated, it would have strong defenses on the merits and as to
21 class certification. In evaluating its position at mediation, Seven Forty One Company, Inc. agreed to the
22 Gross Settlement Amount with the express understanding that the Gross Settlement Amount included its
23 share of Employment and Payroll Taxes. Additionally, Mr. Stax, Inc. denies that it employed either
24 Plaintiff or most of the Class Members for purposes of the claims alleged in the Action.

25 15. Further, Defendants deny that, for any purpose other than settling this Action, these claims
26 are appropriate for class or representative treatment. Nonetheless, Defendants have concluded that further
27 proceedings in the Action would be protracted and expensive and agree to the Action being fully and
28 finally settled in the manner and upon the terms and conditions set forth in the Joint Stipulation and

1 Agreement for Class Action Settlement and Release (“Stipulation”) in order to dispose of burdensome and
2 protracted litigation, to permit the operation of Defendants’ respective businesses without further
3 expensive litigation and the distraction and diversion of their personnel with respect to matters at issue in
4 the Action. In entering into the Stipulation, Defendants have also taken into account the uncertainty and
5 risks inherent in any litigation, especially in complex cases such as the Action.

6 16. On March 5, 2021, the Parties participated in a mediation before experienced employment
7 mediator Eve Wagner. At mediation, the Parties engaged in intensive discussions regarding their
8 evaluations of the Litigation and various aspects of the Litigation, including the risks and delays of further
9 litigation, the risks to the Settling Parties of proceeding with class certification, the law relating to the
10 allegations, the evidence produced and analyzed, and the possibility of appeals, among other things.
11 Following mediation, on April 7, 2021, with the assistance of the mediator’s evaluation, the Parties
12 reached a settlement of the Action.

13 17. No trial date has been set, and neither of the parties have filed any dispositive motions in
14 this action.

15 **III. DISCOVERY AND INVESTIGATION OF THE CLASS CLAIMS**

16 18. I conducted a thorough investigation into the facts of the Action. The Parties engaged in
17 limited formal discovery, extensive informal discovery and exchange of a volume of documents and
18 information, which included and was not limited to, Seven Forty One Company, Inc.’s production of a
19 sampling of information/data for 19% of the putative class members to allow Plaintiff to perform an
20 analysis and valuation of all claims. Prior to mediation the Parties exchanged information and documents
21 to investigate the veracity, strength, and scope of the claims, and to allow analysis and evaluation of the
22 claims and Defendants’ defenses thereto. Additionally, I interviewed Plaintiff, reviewed publicly
23 available information about Defendants, and relied on substantial prior experience with and knowledge of
24 the restaurant industry. The Class Representative has vigorously prosecuted this case, and Defendants
25 have vigorously contested it including Plaintiff’s allegation that Mr. Stax, Inc. was her employer. I believe
26 that the documents and information exchanged and analyzed in preparation for mediation, as well as the
27 Parties’ discussions during mediation and subsequent negotiations, are sufficient for the Parties to make
28 an informed decision about a fair resolution of this action.

1 **IV. CLASS COUNSEL’S EVALUATION OF THE CLASS CLAIM FOR SETTLEMENT**
2 **PURPOSES**

3 19. Based on the information, data, and documents exchanged, and our own independent
4 investigation and evaluation, I am of the opinion that the settlement with Defendants for the consideration
5 and on the terms set forth in the Stipulation is fair, reasonable, and adequate and is in the best interest of
6 the Class Members in light of all known facts and circumstances. Further, the Class Representative has
7 carefully evaluated the terms of the Settlement, and, based upon that review, has determined that it is fair,
8 reasonable, and adequate.

9 20. Class Representative and I have assessed the Parties’ positions and evaluated the value of
10 the claims of the Class based on the exchange of information and documents, the mediation session, and
11 discussions between counsel. The information and documents exchanged by the Parties and settlement
12 discussions are sufficient to reliably assess the merits of the Parties’ respective positions and to
13 compromise the issues on a fair and equitable basis.

14 21. Plaintiff and I believe that the claims, causes of action, allegations and contentions asserted
15 in the Action have merit. However, Plaintiff and I recognize and acknowledge the expense and delay of
16 continued lengthy proceedings necessary to prosecute the Action against Defendants through trial and
17 through appeals. I have taken into account the uncertain outcome of the litigation, the risk of continued
18 litigation in complex actions such as this, as well as the difficulties and delays inherent in such litigation,
19 and the potential difficulty of obtaining certification of the Action as well as trying the claims of the Class
20 Members. I am mindful of the potential problems of proof under, and possible defenses to, the claims
21 alleged in the Action. I have also taken into account Defendant’s potential defenses to Plaintiff’s
22 allegations. I believe that the Settlement set forth in the Stipulation confers substantial benefits upon
23 Plaintiff and the Settlement Class Members and that an independent review of the Stipulation by the Court
24 in the approval process will confirm this conclusion. Based on our independent investigation and
25 evaluation, I have determined that the Settlement set forth in the Stipulation is in the best interests of
26 Plaintiff and the Class Members.

1 **V. THE SETTLEMENT TERMS**

2 22. For settlement purposes only, the Parties agree to define the “Class” or “Class Members”
3 as non-exempt and/or hourly-paid, current and former employees, for work performed at 880 S. Arroyo
4 Pkwy, Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355, at any time
5 during the period of August 12, 2016 up to and including August 23, 2021. “PAGA Group Member” is
6 defined as all allegedly aggrieved non-exempt and/or hourly-paid, current and former employees of
7 Defendants, who performed work at 880 S. Arroyo Pkwy, Pasadena, CA 91105 and/or 25060 Avenue
8 Stanford, Suite 200, Valencia, CA 91355, at any time during the period of June 9, 2019 through August
9 23, 2021 (the “PAGA Period”).

10 23. The “Gross Settlement Amount” refers to a fund in the sum of One Hundred Ninety
11 Thousand Dollars and Zero Cents (\$190,000.00). This Gross Settlement Amount shall be used to pay all:

12 (a) Attorneys’ fees and expenses, not to exceed \$66,500 in fees and not to exceed \$20,000 in
13 reasonable litigation costs and expenses actually incurred, to Class Counsel;

14 (b) Administration expenses to the settlement administrator, Simpluris (“Settlement
15 Administrator”);

16 (c) A service award to the Class Representative, not to exceed \$7,500;

17 (d) Civil penalties in the amount of \$5,000 under the Private Attorneys General Act of 2004, as
18 codified at California Labor Code §§ 2698, *et seq.* (“PAGA Payment”); and

19 (e) Net Settlement Amount (which is inclusive of Employment and Payroll Taxes¹).

20 24. The parties have specifically agreed that the employer-side payroll taxes will be paid from
21 the Gross Settlement Amount. (Settlement Agreement ¶¶ 1.28, 6.2(d).)

22 25. The “Net Settlement Amount” means the net amount that Defendants will pay to all Class
23 Members who did not opt out of the Settlement (“Settlement Class Members” or “Settlement Class”), that
24 shall be paid out of the Gross Settlement Amount. .

25
26
27
28

¹ As set forth in the Settlement Agreement, “Employment and Payroll Taxes” means the employee’s
and employer’s share of state and federal employment and payroll taxes and withholdings with respect
to the wage-portion of individual settlement payments, which is included in the Gross Settlement
Amount.

26. “Administrative Costs” are all costs and expenses due the Settlement Administrator in connection with its administration of the Class Settlement, including, but not limited to, providing the Notice of Proposed Class Action Settlement and Hearing Date for Court Approval (“Class Notice”), locating Class Members, processing requests for exclusion and objections, and calculating, administering and distributing individual settlement payments to Settlement Class Members and related tax forms, shall be paid from the Gross Settlement Amount.

27. “Service Award” means any additional monetary payment provided to the Class Representative for her efforts and risks on behalf of the Class Members in this Action, not to exceed Seven Thousand, Five Hundred Dollars (\$7,500), subject to Court approval.

28. Each Settlement Class Member shall be eligible to receive payment of a share of the Net Settlement Amount based on the pro rata number of workweeks allocated to the Settlement Class Member as a proportion of all workweeks allocated to all Settlement Class Members. Each Settlement Class Member’s share of the Net Settlement Amount will be determined by the Settlement Administrator.

VI. SETTLEMENT ADMINISTRATION AND NOTICE PROCEDURE

29. If a timely and valid request for exclusion is not received by the Settlement Administrator from a Class Member on or before the Response Deadline, then that Class Member will be deemed to have forever waived his or her right to seek exclusion from the Settlement and shall be bound by the Settlement and Judgment.

30. The Class Notice will advise Class Members of the option to opt out of the Settlement and will contain instructions on how to do so. Class Members who do validly request exclusion from the Settlement by submitting a valid and timely Request for Exclusion shall not be bound by the terms of the Settlement, shall not be allowed to object to the Settlement, and shall not be entitled to any benefits as a result of the Settlement. However, to the extent that a Class Member is also a PAGA Group Member, he or she will be bound by the Released PAGA Claims and will receive a portion of the PAGA settlement, notwithstanding his or her Request for Exclusion.

31. Individual Settlement Payment checks shall be valid for a period of one hundred and eighty (180) calendar days after they are mailed, and thereafter, will be cancelled. Funds associated with cancelled checks will be donated to Bet Tzedek, an organization that provides legal aid to low-income

1 individuals and families including related to employment issues.

2 32. I have no interest or involvement in Bet Tzedek.

3 **VII. CLASS COUNSEL’S VIEW OF THE SETTLEMENT**

4 33. The Settlement results in a substantial benefit to all Class Members and the Gross
5 Settlement Amount of \$190,000 is an excellent result given the highly disputed nature of the claims and
6 warrants preliminary approval. In reaching this settlement, I carefully considered the strength of the case
7 versus the amount offered in settlement and the risk, expense, and complexity of maintaining class
8 certification through trial. I analyzed the strengths of the case versus the amount offered in settlement; the
9 risk, expense, and complexity and likely duration of further litigation and maintaining class certification
10 through trial; the present state of the law as it applies to wage-and-hour class actions; and the burdens of
11 proof necessary to establish liability against Defendants.

12 34. The following is my assessment of the potential exposure on the claims asserted in the first
13 amended complaint:

14 a. Failure to Pay Wages – I assessed the potential exposure for meal and rest period wages at
15 \$30,030. This is based on the following analysis of Defendant’s data: the class worked a total
16 of 231 weeks, had an average hourly rate of \$13, and assuming five violations per worker, per
17 week (unlikely to actually be the case). Defendants maintain that they always provided
18 employees with the opportunity to take timely and compliant meal and rest breaks. Defendants
19 contend they had compliant policies. Again, Mr. Stax contends that it was not Plaintiff’s
20 employer.

21 b. Failure to Provide Accurate Itemized Wage Statements – I assessed the potential exposure for
22 wage statement penalties at \$110,60 because Defendants’ data showed a total number of pay
23 periods of 1079. The initial violations were \$2,750 (number of total class members times the
24 \$50 statutory penalty). The subsequent violations were \$107,900 (1079 pay periods times \$100
25 statutory penalty capped at \$4,000 per person). The combined penalties come out to \$110,650.
26 Defendants maintain that their wage statements contained all information required by Labor
27 Code § 226. Again, Mr. Stax contends that it was not Plaintiff’s employer.

- 1 c. Failure to Pay Wages on Termination – I assessed the potential exposure for waiting time
2 penalties at \$171,600. This is based on Defendants’ data. Specially, the average hourly rate
3 was \$13. Times 8 hours worked comes out to \$104 dollars per day per class member. The 30-
4 day maximum comes out to \$3,120 per class members. Assuming the maximum penalty for
5 each class member comes out to \$171,600. Defendants argue that they accurately and timely
6 paid employees’ wages during the relevant time period. Again, Mr. Stax contends that it was
7 not Plaintiff’s employer.
- 8 d. Unfair Business Practices (Business & Professions Code § 17200) – I assessed the potential
9 monetary exposure for the UCL claim to be minimal because the UCL does not provide for
10 money damages, only equitable relief. Defendants maintain that their business practices were
11 lawful, fair, and not fraudulent. Again, Mr. Stax contends that it was not Plaintiff’s employer.
- 12 e. Private Attorneys General Act Claim (Labor Code § 2699) – I assessed the potential exposure
13 for PAGA civil penalties at \$428,936 because. The initial statutory penalty is \$50 with a
14 penalty of \$100 for subsequent violations. The total penalties for initial violations were \$2,750
15 (55 employees times \$50). Penalties for the subsequent violations amount to \$107,900 (1079
16 subsequent violations times \$100). Defendants deny that there are any underlying violations
17 of the Labor Code, and as such, an award of civil penalties under PAGA would be inappropriate
18 under these circumstances. Thus, PAGA Payment is fair to PAGA Group Members because
19 this will maximize the amount of the settlement allocated to them.

20 **VIII. CLASS COUNSEL’S FEES AND COSTS ARE REASONABLE**

21 35. The litigations costs are capped at \$20,000. This is a reasonable amount because it represents
22 a small portion of the overall settlement. Our firm did not incur any unnecessary expenses and this figure
23 includes only those costs necessary to effectively prosecute this case. All costs incurred during this
24 litigation were incurred in furtherance of the class.

25 **IX. CLASS REPRESENTATIVE’S SERVICE AWARD**

26 36. Here, Plaintiff Vanessa Gonzalez requests a Service Award not to exceed \$7,500.00.

27 **X. PROVISIONAL CERTIFICATION OF THE CLASS IS APPROPRIATE**

28 37. The documents and information exchanged during the litigation reflect a class size of

1 approximately 170 Class Members and 10,424 Workweeks for the period of August 12, 2016 to August
2 23, 2021. The class definition is precise, objective, and presently ascertainable, and it makes abundantly
3 clear who is a Class Member. In addition, Class Members can be identified easily by way of Defendants'
4 records. Seven Forty One Company, Inc. maintained records containing relevant information about
5 Plaintiff and Class Members. Additionally, Mr. Stax, Inc. denies that it employed either Plaintiff or most
6 of the Class Members for purposes of the claims alleged in the Action.

7 38. Common issues of facts and law predominate as to each of the claims alleged by Plaintiff
8 on behalf of the Class, because the issue of the legality of Defendant's policies and practices is an issue
9 that predominates the claims of all Class Members. For example, an issue of law common to all Class
10 Members is Defendants' break policies in effect during the claims' period. In addition, an issue of fact
11 common to all Class Members is Defendants' staffing practices during the claims period.

12 39. Plaintiff's claims are typical of the Class. At all times during her employment with Seven
13 Forty One, Plaintiff performed the same or similar duties as other Class Members and contend that she
14 was a non-exempt employee, just like other Class Members. Plaintiff was subject to the same handbooks
15 and policies and procedures during the Class Period, which she contends was similarly applicable to all
16 other Class Members.

17 40. Additionally, Mr. Stax, Inc. denies that it employed either Plaintiff or most of the Class
18 Members for purposes of the claims alleged in the Action.

19 41. The adequacy requirements are met in the instant matter. First, Plaintiff retained counsel
20 with extensive experience in prosecuting complex wage and hour class actions who have worked diligently
21 to obtain this Settlement for the Class. Second, Plaintiff has no conflict of interest with the Class and has,
22 along with Class Counsel, worked toward a positive resolution of this case, demonstrating her interest in
23 prosecuting this action and dedication to obtaining the best possible recovery for the Class. In addition,
24 Plaintiff's interest is co-extensive with those of the Class, and Plaintiff seeks relief identical to that sought
25 by every other Class Member.

26 42. Plaintiff is an adequate class representative because she has claims common to the class
27 and has no conflict of interest or any other interest adverse to the class.
28

XI. THE PROPOSED CLASS NOTICE IS APPROPRIATE

43. The proposed notice plan, calling for first-class mailed notice to all Class Members, as well as in-depth skip tracing at the outset, is consistent with class notice practices approved by state and federal courts, and under the circumstances here, I believe it to be the best notice practicable and the method most likely to reach the greatest number of Class Members.

44. The proposed Class Notice provides all the information a reasonable person would need to make a fully informed decision about the Settlement. The Class Notice summarizes the lawsuit and the terms and conditions of the Settlement in plain language in an informative and coherent manner. The Class Notice also fully informs Class Members of the terms of the Settlement, of its effect on their rights, of their options as Class Members (*i.e.*, to object, opt out, and/or do nothing), and of the consequences of exercising those options. The Class Notice also outlines the procedure and deadlines for opting out of the Settlement, for submitting objections to the Settlement, and how to receive an Individual Settlement Payment.

45. The Class Notice also states the amounts to be paid out of the Gross Settlement Amount, including the Individual Settlement Payments, the Settlement Administration Fees, the Class Representative Service Award, Class Counsel's fees and costs. The Class Notice states the date, time, and location of the Final Approval Hearing, and explains how Class Members can obtain additional information. The Class Notice states the date, time, and location of the Final Approval Hearing, and explains how Class Members can obtain additional information.

46. Furthermore, the Class Notice also makes clear that the Settlement does not constitute an admission of liability by Defendants, that the Court has not ruled on the merits of the action, and that the final settlement approval decision has yet to be made.

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

Executed this 28th day of April 2022, at Oakland, California



Scott Edward Cole

Exhibit 1

**JOINT STIPULATION AND AGREEMENT FOR CLASS AND REPRESENTATIVE ACTION
SETTLEMENT AND RELEASE**

This Joint Stipulation and Agreement for Class and Representative Action Settlement and Release (“Stipulation”) is made and entered into by Plaintiff Vanessa Gonzalez, individually and as representative of the Settlement Class, as defined below, and Seven Forty One Company, Inc. and Mr. Stax Inc., (collectively “Defendants”) (collectively “the Parties”). This Stipulation is intended to settle and release the following:

1. Plaintiff Vanessa Gonzalez, as an individual, from all of her alleged claims, and all claims she could have alleged against Released Parties, as defined further herein;
2. All Class Members, as defined below, from their claims against Released Parties, as defined further herein; and
3. All PAGA Group Members, as defined below, from the Released PAGA Claims, as defined further herein, against Defendants, as defined further herein.

This Stipulation is subject to the approval of the Court and is made for the sole purpose of attempting to consummate settlement and resolution of the Action, Released PAGA Claims, and Released Claims, as defined below, subject to the following terms and conditions. As detailed below, in the event the Court does not enter an order granting final approval of the Settlement, as defined below, or the conditions precedent are not met for any reason, this Stipulation is void and of no force or effect whatsoever.

I. DEFINITIONS

As used in this Stipulation, the following terms shall have the meanings specified below. To the extent terms or phrases used in this Stipulation are not specifically defined below, they are defined elsewhere in this Stipulation.

1.1 “Action” or “Litigation” means the lawsuit pending in the Superior Court of California for the County of Los Angeles entitled *Vanessa Gonzalez, et al. v. Seven Forty One Company, Inc., et al.*, filed on August 12, 2020, and assigned Case No. 20STCV30761, with the First Amended Complaint filed on October 29, 2020.

1.2 “Administration Expenses” shall include all costs and expenses associated with and paid

1 to the Settlement Administrator.

2 1.3 "Vanessa Gonzalez," "Plaintiff," or "Class Representative" means Vanessa Gonzalez, the
3 named plaintiff in the Action, who will represent the Class subject to court approval.

4 1.4 "Class" or "Class Members" means all current and former hourly or non-exempt
5 employees of Defendants who performed work at 880 S. Arroyo Pkwy, Pasadena, CA 91105 and/or
6 25060 Avenue Stanford, Suite 200, Valencia, CA 91355, at any time from August 12, 2016 up to and
7 including August 23, 2021, of which there are an estimated 170 total.

8 1.5 "Class Counsel" and "Plaintiff's Counsel" mean:

9 COLE & VAN NOTE
10 Scott Edward Cole, Esq., SBN 160744
11 Laura Grace Van Note, Esq., SBN 310160
555 12th Street, Suite 1725
Oakland, California 94607

12 1.6 "Class Notice" means the Notice of Proposed Class Action Settlement and Hearing Date
13 for Court Approval, as set forth in the form of **Exhibit 1** attached hereto, or as otherwise approved by the
14 Court, which is to be mailed to Class Members.

15 1.7 "Class Period" means the time period from August 12, 2016 up to and including August
16 23, 2021.

17 1.8 The "PAGA Group Member(s)" is defined as all allegedly aggrieved non-exempt and/or
18 hourly-paid, current and former employees, who performed work at 880 S. Arroyo Pkwy, Pasadena, CA
19 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355, at any time during the PAGA
20 Period.

21 1.9 "PAGA Period" means the time period from June 9, 2019 through August 23, 2021.

22 1.10 "Settlement" shall mean the settlement embodied in this Stipulation, which is subject to
23 Court approval.

24 1.11 "Complaint" shall mean the Class Action Complaint for Damages filed in the Action on
25 August 12, 2020 and the First Amended Class Action Complaint for Damages and Enforcement Under
26 the Private Attorneys General Act, Cal. Labor Code §§ 2698, *et seq.*, filed on October 29, 2020.

27 1.12 "Counsel for Defendant" or "Defense Counsel" means Beth A. Kahn, Ryan McKim, and
28 Keith Rossman of Clark Hill LLP.

1.13 "Court" means the Superior Court of the State of California, for the County of Los Angeles.

1.14 "Effective Date" shall be the date when all of the following events have occurred: (a) this Stipulation has been executed by all Parties; (b) the Court has given preliminary approval to the Settlement; (c) notice has been given to the Class Members providing them with an opportunity to Opt Out of the Settlement; (d) the Court has held a Final Approval Hearing and entered the Final Approval Order and Judgment; (e) The Gross Settlement Amount is fully funded; and (f) the later of the following events: the expiration of the period for filing any appeal, writ, or other appellate proceeding challenging the Final Approval Order and Judgment has elapsed without any appeal, writ or other appellate proceeding having been filed; or the dismissal of any appeal, writ, or other appellate proceeding opposing the Settlement with no right to pursue further remedies or relief; or any appeal, writ, or the issuance of such other final appellate order upholding the Final Approval Order and Judgment with no right to pursue further remedies or relief. In this regard, it is the intention of the Parties that the Settlement shall not become effective until the Final Approval Order and Judgment is completely final and there is no further recourse by an appellant or objector who seeks to contest the Settlement.

1.15 "Defendants" mean Seven Forty One Company, Inc. and Mr. Stax, Inc.

1.16 "Hearing on Preliminary Approval" or "Preliminary Approval Hearing" mean the hearing held on the motion for preliminary approval of the Settlement.

1.17 "Gross Settlement Amount" or "Maximum Settlement Amount" means the agreed upon non-reversionary settlement amount totaling \$190,000 to be paid by Defendants in full settlement of the Action, Released PAGA Claims, and Released Claims, including the Net Settlement Amount (which is inclusive of the PAGA Payment and Employment and Payroll Taxes), Administration Expenses, Attorneys' Fees and Expenses, Service Award, and LWDA Payment, as further described in Sections 6.1 and 6.2.

1.18 "Individual Settlement Amount" means a Class Member's total gross share of the Net Settlement Amount, which shall be allocated and distributed to Class Members based on the number of Workweeks credited to the Class Member, as further described in Section 6.2.

1.19 "Individual Settlement Payment" shall mean the payment to Class Members as determined by the Individual Settlement Amount calculation described in Section 6.2.

1 1.20 “Judgment” or “Final Approval Order and Judgment” mean the order finally certifying the
2 Class for settlement purposes and finally approving this Stipulation and Settlement and entering judgment,
3 which shall constitute approval pursuant to California Rules of Court, Rule 3.769(a) and be a judgment
4 for purposes of California Rules of Court, Rule 3.771(a).

5 1.21 “Last Known Address” means the most recently recorded mailing address for a Class
6 Member that is contained in the employment, payroll, or personnel records maintained by Defendants.

7 1.22 “LWDA” means California’s Labor and Workforce Development Agency, and necessarily
8 includes the Division of Labor Standards and Enforcement (DLSE) within the Department of Industrial
9 Relations (DIR).

10 1.23 “NCOA Check” means within ten (10) calendar days from the date the Preliminary
11 Approval Date, the Settlement Administrator will perform a National Change of Address (“NCOA”)
12 check for Class Members’ most current address based on the information provided by Defendants, prior
13 to mailing the Court-approved Class Notice to the Class Members.

14 1.24 “Net Settlement Amount” means the portion of the Gross Settlement Amount that is
15 available for distribution to Class Members, as further described in Section 6.1.

16 1.25 “Notice of Proposed Class Action Settlement” or “Class Notice” mean a notice to be
17 approved by the Court, substantially in the form attached hereto as **Exhibit 1**, which will constitute notice
18 to the Class pursuant to California Rules of Court, Rule 3.769(f) and, once approved by the Court, shall
19 be deemed compliant with California Rules of Court, Rule 3.766(d).

20 1.26 “Notice Mailing Deadline” means the deadline for the Settlement Administrator to mail
21 the Class Notice to Class Members, which shall be no later than twenty (20) calendar days after the
22 Preliminary Approval Date.

23 1.27 “PAGA Payment” means, subject to the approval of the Court, in the amount of Five
24 Thousand Dollars (\$5,000), from the Maximum Settlement Amount, for civil penalties under the Private
25 Attorneys General Act of 2004, as codified at California Labor Code §§ 2698, *et seq.* (“PAGA”).

26 1.28 “Parties” or “Settling Parties” mean, collectively, Plaintiff and Defendants (individually
27 they are each referred to as “Party” or “Settling Party”).
28

1 1.29 “Employment and Payroll Taxes” shall mean the employee’s and employer’s share of state
2 and federal employment and payroll taxes and withholdings with respect to the wage-portion of Individual
3 Settlement Amounts, which is included in the Gross Settlement Amount that Defendants will pay (subject
4 to the occurrence of the Effective Date).

5 1.30 “Preliminary Approval Date” shall mean the date on which the Court grants preliminary
6 approval of this Stipulation.

7 1.31 “Preliminary Approval Order” or “Order Granting Preliminary Approval of the Settlement
8 and Setting a Final Approval Hearing” shall mean an order to be executed and filed by the Court, which
9 will constitute an order certifying a provisional class for settlement purposes only pursuant to California
10 Rules of Court, Rule 3.769(d) and an order setting a final approval/fairness hearing pursuant to California
11 Rules of Court, Rule 3.769(e).

12 1.32 “Released Claims” means any and all federal and California state law wage-and-hour
13 claims, rights, demands, liabilities, and/or causes of action of every nature and description arising from
14 any and all claims that were alleged or could have been alleged in the Complaint based on the facts
15 contained therein, arising during the Class Period, including, without limitation, statutory, constitutional,
16 contractual, and/or common law claims for wages, reimbursements, damages, unpaid costs, penalties
17 (including penalties under the California Labor Code’s Private Attorneys General Act of 2004, as
18 amended, California Labor Code §§ 2698, *et seq.*), liquidated damages, punitive damages, interest,
19 attorneys’ fees, litigation costs, restitution, or equitable relief, including without limitation, California
20 Labor Code §§ 200, 201, 202, 203, 204, 218, *et seq.*, 218.5, 226, *et seq.*, 226.7, 510, 512, 558, 1174,
21 1174(d), 1174.5, 1182.12, 1194, *et seq.*, 1197, *et seq.*, 1197.1, 1198, 2698, *et seq.*, 2699, 2699.3, and any
22 federal counterparts, California Business and Professions Code §§ 17200-17208, any IWC Wage Orders,
23 California Code of Civil Procedure § 1021.5, any claims for meal and rest period violations; unpaid
24 minimum wages or overtime wages; untimely pay during and at termination of employment, unreimbursed
25 business expenses, record-keeping violations, and/or inaccurate pay stubs arising under Labor Code
26 section 226; and any unlawful deductions; and causes of action for (i) unlawful failure to pay wages (Labor
27 Code §§ 200-204, 510, 558, 1194; IWC Wage Order); (ii) Failure to provide meal and rest periods (Labor
28 Code §§ 226.7, 512); (iii) Failure to provide itemized wage statements (Labor Code §§ 226, 1174); (iv)

1 Failure to timely pay wages on termination (Labor Code § 203); (v) Unfair business practices under the
2 Unfair Competition Act (Bus. & Prof. Code §§ 17200-17208); and (vi) Private Attorneys General Act of
3 2004 (Labor Code §§ 2698, et seq.). "Released Claims" shall only refer to employment claims (as
4 enumerated above) arising out of labor performed at 880 S. Arroyo Pkwy, Pasadena, CA 91105 and/or
5 25060 Avenue Stanford, Suite 200, Valencia, CA 91355. No release in this Settlement shall be effective
6 until the Gross Settlement Amount is fully funded.

7 1.33 "Released PAGA Claims" means any and all claims, demands, rights, liabilities, and/or
8 causes of action for penalties under the California Private Attorneys' General Act that accrued during the
9 PAGA Period and that were asserted in Plaintiff's LWDA notice letter dated August 12, 2020, a copy of
10 which is attached hereto as **Exhibit 3**, or the Complaint as well as those that could have been alleged in
11 the Complaint based on the facts contained therein, including, without limitation, Labor Code sections
12 200, 201, 202, 203, 204, 218, et seq., 218.5, 226, et seq., 226.7, 510, 512, 558, 1174, 1174(d), 1174.5,
13 1182.12, 1194, et seq., 1194.2, 1197, et seq., 1197.1, 1198, 2698, et seq., 2699, 2699.3, and 2802.

14 1.34 "Released Parties" shall mean Defendants and all of their respective current and former
15 parents, subsidiaries, predecessors, successors, and their affiliated entities, and each of their respective
16 owners, officers, directors, employees, partners, shareholders, agents, and any other successors, heirs,
17 assigns, or legal representatives, any attorneys, insurers, claims representatives, members, managers,
18 dba's, and representatives, and any of their, direct or indirect, parent or subsidiary entities.

19 1.35 "Request for Exclusion" means a request in writing to be excluded from the Settlement
20 which contains: the full name, address, telephone number, last four digits of social security number, and
21 signature of the Class Member; the case name and number of the Action; and a statement indicating that
22 he or she wishes to be excluded from the Settlement.

23 1.36 "Response Deadline" means the deadline for a Class Member to submit a Request for
24 Exclusion, Objection, and/or Workweeks Dispute, by mail to the Settlement Administrator, which is no
25 later than forty-five (45) calendar days after the Class Notice is mailed to the Class.

26 1.37 "Service Award" means any additional monetary payment provided to the Class
27 Representative for her efforts and risks on behalf of the Class Members in this Action, not to exceed Seven
28 Thousand Five Hundred Dollars (\$7,500), subject to Court approval.

1.38 "Settlement Hearing" or "Final Approval Hearing" or "Settlement Fairness Hearing" mean a hearing set by the Court for the purpose of: (i) determining the fairness, adequacy, and reasonableness of the Stipulation and associated settlement pursuant to class action procedures and requirements; (ii) determining the good faith of the Stipulation and associated settlement; and (iii) entering the Final Approval Order and Judgment. This hearing is intended to be the settlement hearing or final approval hearing required under California Rules of Court, Rule 3.769(a).

1.39 "Settlement Administrator" means Simpluris, which the Parties have agreed will be responsible for administration of the Settlement and related matters, subject to approval and appointment by the Court.

1.40 "Settlement Class" or "Settlement Class Member(s)" or "Members of the Settlement Class" means any, or collectively all Class Members who do not submit timely and valid Requests for Exclusion to Opt Out of the Settlement pursuant to Section 5.6 and, thus, become bound by the Judgment.

1.41 "PAGA Group Member(s)" means any, or collectively all allegedly aggrieved employees under Labor Code 2699, who worked from Defendants at any point in the PAGA Period.

1.42 "Settlement" shall mean the settlement embodied in this Stipulation, which is subject to Court approval.

1.43 "Stipulation" means the Joint Stipulation and Agreement for Class and Representative Action Settlement and Release and all of its attachments and exhibits, which the Settling Parties understand and agree sets forth all material terms and conditions of the Settlement between them, and which is subject to Court approval.

1.44 "Updated Address" means a mailing address that was located by way of NCOA Check or Experian Skip Tracing or an updated mailing address provided by the United States Postal Service or a Class Member.

II. FACTUAL & PROCEDURAL BACKGROUND OF ACTION

2.1 Plaintiff's Claims: On August 12, 2020, Plaintiff Vanessa Gonzalez filed the Action against Defendants, alleging that Defendants have, with respect to Plaintiff and the Class Members, allegedly violated multiple provisions of the California Labor Code and wage and hour laws, by failing to properly pay minimum and overtime wages, provide compliant meal and rest periods and associated premiums,

1 timely pay wages during employment and upon termination of employment and to pay associated waiting-
2 time penalties, provide compliant wage statements, maintain requisite payroll records, and thereby,
3 engaged in unfair business practices in violation of California Business and Professions Code §§ 17200,
4 *et seq.* Plaintiff alleges that both Defendants employed her and the Class Members. Defendants
5 vehemently deny this allegation and, instead, contend that only Seven Forty One Company, Inc. employed
6 Plaintiff and most of the Class Members and that Mr. Stax, Inc. did not employ either Plaintiff or most of
7 the Class Members.

8 2.2 Amended Complaint: On October 29, 2020, Plaintiff filed her First Amended Class Action
9 Complaint to add a cause of action for civil penalties under PAGA arising from or relating to alleged
10 violations of Labor Code §§ 200, 201, 202, 203, 204, 218, *et seq.*, 218.5, 226, *et seq.*, 226.7, 510, 512,
11 558, 1174, 1174.5, 1182.12, 1194, *et seq.*, 1194.2, 1197, 1197.1, 1198, and 2698, *et seq.*, and additional
12 factual details regarding the claims and theories of the case.

13 2.3 Discovery, Investigation, & Research: Class Counsel has conducted a thorough
14 investigation into the facts of the Action, including extensive informal discovery and exchange of a
15 volume of documents and information, which included and was not limited to, Seven Forty One Company,
16 Inc.'s production of a sampling of information/data for the putative class members to allow Plaintiff to
17 perform an analysis and valuation of all claims. Prior to mediation the Parties exchanged information and
18 documents to investigate the veracity, strength, and scope of the claims, and to allow analysis and
19 evaluation of the claims and Defendants' defenses thereto. The Class Representative has vigorously
20 prosecuted this case, and Defendants have vigorously contested it including Plaintiff's allegation that Mr.
21 Stax, Inc. was her employer.

22 2.4 Mediation: On March 5, 2021, the Settling Parties participated in a mediation before
23 experienced employment mediator Eve Wagner. At mediation, the Parties engaged in intensive
24 discussions regarding their evaluations of the Litigation and various aspects of the Litigation, including
25 the risks and delays of further litigation, the risks to the Settling Parties of proceeding with class
26 certification, the law relating to the allegations, the evidence produced and analyzed, and the possibility
27 of appeals, among other things. Following mediation, on April 7, 2021, with the assistance of the
28 mediator's evaluation, the Parties reached a settlement of the Action. Based on the information, data, and

documents exchanged, and their own independent investigation and evaluation, Class Counsel is of the opinion that the settlement with Defendants for the consideration and on the terms set forth in this Stipulation is fair, reasonable, and adequate and is in the best interest of the Class Members in light of all known facts and circumstances. Further, the Class Representative has carefully evaluated the terms of the Settlement, and, based upon that review, has determined that it is fair, reasonable, and adequate.

2.5 Allegations of the Class Representative and Benefits of Settlement:

(a) Based on the exchange of information and documents, the mediation session, and discussions between counsel, Class Representative and Class Counsel have assessed the Parties' positions and evaluated the value of the claims of the Class. The information and documents exchanged by the Parties and settlement discussions are sufficient to reliably assess the merits of the Parties' respective positions and to compromise the issues on a fair and equitable basis.

(b) Plaintiff and Class Counsel believe that the claims, causes of action, allegations and contentions asserted in the Action have merit. However, Plaintiff and Class Counsel recognize and acknowledge the expense and delay of continued lengthy proceedings necessary to prosecute the Action against Defendants through trial and through appeals. Class Counsel has taken into account the uncertain outcome of the litigation, the risk of continued litigation in complex actions such as this, as well as the difficulties and delays inherent in such litigation, and the potential difficulty of obtaining certification of the Action as well as trying the claims of the Class Members. Class Counsel is mindful of the potential problems of proof under, and possible defenses to, the claims alleged in the Action. Class Counsel has also taken into account Defendant's potential defenses to Plaintiff's allegations. Class Counsel believes that the Settlement set forth in this Stipulation confers substantial benefits upon Plaintiff and the Settlement Class Members and that an independent review of this Stipulation by the Court in the approval process will confirm this conclusion. Based on their own independent investigation and evaluation, Class Counsel has determined that the Settlement set forth in the Stipulation is in the best interests of Plaintiff and the Class Members.

2.6 No Admissions or Concessions Regarding Fault or Liability:

(a) Whether or not the Settlement is finally approved, this Stipulation and compliance with this Stipulation shall not be construed as an admission, concession, or indication by either Party with

1 respect to fault or liability whatsoever for the claims asserted in the Action, or as an admission by either
2 party that the Action is either appropriate or inappropriate for class certification or representative
3 adjudication. Parties are agreeing that the Action is appropriate for class certification and representative
4 adjudication only for the purposes of settlement as described within this Stipulation.

5 (b) Pursuant to California Evidence Code §§ 1152, 1154, and any other analogous and
6 applicable rules of evidence, neither the Stipulation, nor any act performed or document executed pursuant
7 to, or in furtherance of, the Stipulation: (a) is or may be deemed to be or may be used as an admission or
8 evidence of, the validity of any Released Claims, or of any wrongdoing or liability of the Released Parties,
9 or any of them; or (b) is or may be deemed to be or may be used as an admission or evidence of any fault
10 or omission of the Released Parties, or any of them, in any civil, criminal or administrative proceeding in
11 any court, administrative agency, or other tribunal. Plaintiff and Class Counsel agree not to argue or
12 present any argument, and hereby waive any argument, that Defendants could not contest (or are estopped
13 from contesting) collective or representative action treatment pursuant to California Labor Code §§ 2698,
14 *et seq.* and/ or class action treatment pursuant to California Code of Civil Procedure § 382 or any
15 corresponding state law or rule, on any grounds if the Court fails to enter Judgment. This Stipulation shall
16 not be deemed an admission by Defendants that collective or representative action pursuant to California
17 Labor Code §§ 2698, *et seq.* and/or class action treatment pursuant to California Code of Civil Procedure
18 § 382, or any corresponding state law or rule in the Action is proper or cannot be contested on any grounds,
19 nor shall the Stipulation be grounds for estoppel against Defendants' right to contest class, representative
20 or collective action treatment for any purpose other than this Stipulation.

21 2.7 Defendants' Denial of Wrongdoing or Liability:

22 (a) Defendants have denied and continue to deny each and all of the allegations, claims,
23 and contentions alleged by Plaintiff in the Action. Defendants have expressly denied and continue to deny
24 all charges of wrongdoing or liability against Defendants arising out of any of the conduct, statements,
25 acts or omissions alleged in the Action. Seven Forty One Company, Inc. contends that it complied in good
26 faith with California and federal wage and hour laws and has dealt legally and fairly with Plaintiff and
27 Settlement Class Members. Further Seven Forty One Company, Inc. contends that it appropriately paid
28 its employees at all times, that it always provided employees with the opportunity to take timely and

1 compliant meal and rest breaks, that it was compliant with all applicable wage-and-hour laws, and all
2 other laws, at all times, and that, if this matter were to be further litigated, it would have strong defenses
3 on the merits and as to class certification. In evaluating its position at mediation, Seven Forty One
4 Company, Inc. agreed to the Gross Settlement Amount with the express understanding that the Gross
5 Settlement Amount included its share of Employment and Payroll Taxes. Additionally, Mr. Stax, Inc.
6 denies that it employed either Plaintiff or most of the Class Members for purposes of the claims alleged
7 in the Action.

8 (b) Further, Defendants deny that, for any purpose other than settling this Action, these
9 claims are appropriate for class or representative treatment. Nonetheless, Defendants have concluded that
10 further proceedings in the Action would be protracted and expensive and agree to the Action being fully
11 and finally settled in the manner and upon the terms and conditions set forth in this Stipulation in order to
12 dispose of burdensome and protracted litigation, to permit the operation of Defendants' respective
13 businesses without further expensive litigation and the distraction and diversion of their personnel with
14 respect to matters at issue in the Action. In entering into this Stipulation, Defendants have also taken into
15 account the uncertainty and risks inherent in any litigation, especially in complex cases such as the Action.

16 (c) Defendants do not waive, but rather expressly reserve, all rights to challenge all
17 such claims and allegations in the Action upon all procedural and factual grounds, including without
18 limitation the ability to challenge class treatment or representative adjudication on any grounds or to assert
19 any and all defenses or privileges if this Stipulation is deemed void or does not take effect.

20 **III. CONDITIONAL CLASS CERTIFICATION & APPOINTMENT OF CLASS COUNSEL**

21 3.1 The Settlement Class. For the purposes of this Stipulation and the Settlement of the Action
22 only, the Parties stipulate to conditional class certification of the Settlement Class.

23 3.2 Appointment of Class Counsel. For purposes of this Stipulation and subject to the Court's
24 approval, the Parties hereby stipulate to the appointment of Class Counsel as counsel for the Class solely
25 in order to effectuate the Settlement pursuant to this Stipulation.

26 **IV. CLASS SETTLEMENT CONSIDERATION**

27 4.1 The Class Representative Service Award. The Class Representative may petition the Court
28 to approve a Service Award in an amount up to \$7,500 for her efforts on behalf of the Class in this Action,

1 including assisting in the investigation and consulting with Class Counsel and providing crucial
2 documents and information to Class Counsel. Defendants shall not oppose any request by Class
3 Representative for a Service Award in such an amount. Any Service Award approved by the Court shall
4 be paid to the Class Representative from the Gross Settlement Amount and shall be in addition to any
5 distribution to which she may otherwise be entitled as a Settlement Class Member. The Service Award
6 shall not be considered wages, and the Settlement Administrator shall issue the Class Representative an
7 IRS Form 1099 reflecting such payment. The Class Representative shall be solely responsible for the
8 payment of any and all taxes with respect to the Service Award and shall hold Defendants harmless and
9 indemnify Defendants from any and all liability with regard thereto.

10 4.2 Payment to Settlement Class Members. Each Settlement Class Member shall be eligible to
11 receive payment of the Individual Settlement Amount, which is a share of the Net Settlement Amount
12 based on the pro rata number of Workweeks allocated to a Settlement Class Member as a proportion of
13 all Workweeks allocated to all Settlement Class Members. The Individual Settlement Amount for each
14 Settlement Class Member shall be calculated in accordance with Section 6.2. Each Settlement Class
15 Member, including Plaintiff, shall be responsible for the payment of each of their portion of applicable
16 taxes, if any, and required withholding with respect to his or her Individual Settlement Amount and shall
17 hold Defendants harmless from any and all liability with regard thereto.

18 4.3 No Effect on Employee Benefit Plans. Neither the Settlement nor any amounts paid under
19 the Settlement will modify any previously credited hours, days, or weeks of service under any employee
20 benefit plan, policy or program sponsored by Defendants. Such amounts will not form the basis for
21 additional contributions to, benefits under, or any other monetary entitlement under Defendants'
22 sponsored benefit plans, policies or programs. The payments made under the terms of this Stipulation shall
23 not be applied retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other
24 form of compensation for the purposes of any of Defendants' benefit plan, policy or programs. Defendants
25 retain the right to modify the language of Defendants' benefits plans, policies and programs to effect this
26 intent and to make clear that any amounts paid pursuant to this Stipulation are not for "weeks worked,"
27 "weeks paid," "weeks of service," or any similar measuring term as defined by applicable plans, policies
28 and programs for purpose of eligibility, vesting, benefit accrual, or any other purpose, and that additional

contributions or benefits are not required by this Stipulation. Defendants do not consider the payments provided for under this Settlement as payments of "compensation" for purposes of determining eligibility for, or benefit accrual within, any benefit plans, policies, or programs, or any other plan sponsored by Defendants.

4.4 Attorneys' Fees and Expenses to Class Counsel. As part of the motion for final approval of the Settlement, Class Counsel may submit an application for an award of attorneys' fees in an amount not to exceed 35% of the Gross Settlement Amount (i.e., \$66,500) and reimbursement of litigation costs and expenses of up to Twenty Thousand Dollars (\$20,000) (together, "Attorneys' Fees and Expenses"). Defendants agree not to object to any such fee, cost or expense application in those amounts, or lesser amounts. As a condition of this Settlement, Class Counsel has agreed to pursue fees only in the manner reflected by this Section. Any Attorneys' Fees and Expenses awarded by the Court shall be paid from the Gross Settlement Amount in arriving at the Net Settlement Amount and shall not constitute payment to any Settlement Class Members. If Class Counsel voluntarily reduces the request for Attorneys' Fees and Expenses or the Court's award of Attorneys' Fees and Expenses is less than set forth above, the Net Settlement Amount shall be recalculated to reflect the actual Attorneys' Fees and Expenses awarded.

The Attorneys' Fees and Expenses approved by the Court shall encompass: (a) all work performed and costs and expenses incurred by, or at the direction of, any attorney purporting to represent the Settlement Class through the date of this Stipulation; (b) all work to be performed and costs to be incurred in connection with approval by the Court of the Settlement; and (c) all work to be performed and costs and expenses, if any, incurred in connection with administering the Class Settlement through entry of Judgment.

4.5 Settlement Administrator's Costs and Expenses. All costs and expenses due the Settlement Administrator in connection with its administration of the Class Settlement, including, but not limited to, providing the Class Notice, locating Settlement Class Members, processing Requests for Exclusion and Objections, and calculating, translating the Class Notice, administering and distributing Individual Settlement Payments to Settlement Class Members and related tax forms, shall be paid from the Gross Settlement Amount and shall not exceed \$9,351.

1 **V. NOTICE TO CLASS MEMBERS AND CLAIMS ADMINISTRATION PROCESS**

2 5.1 The Settlement Administrator. The Settlement Administrator will be responsible for
3 mailing the Class Notice (**Exhibit 1**) to Class Members, providing the necessary translations for the Class
4 Notice (Spanish and Vietnamese), handling inquiries from Class Members concerning the Class Notice,
5 determination of Individual Settlement Amounts, maintaining the settlement funds in an appropriate
6 account, preparing, administrating and distributing Individual Settlement Payments to Settlement Class
7 Members, issuing a final report and performing such other duties as the Parties may direct. On a weekly
8 basis, the Settlement Administrator will provide reports to Class Counsel and Defense Counsel summary
9 information updating them as to the number of valid and timely Requests for Exclusion and complete and
10 timely Objections received. The Settlement Administrator will serve on Class Counsel and Defense
11 Counsel via e-mail date-stamped copies of the original Requests for Exclusion and Objections no later
12 than five (5) calendar days after their receipt. The Settlement Administrator will provide Class Counsel
13 and Defense Counsel with proof of mailing of the Class Notice, without listing individual Class Member
14 names or contact information, which the Settlement Administrator will file with the Court at the time
15 Class Counsel files its motion for final approval of the Settlement. No later than ten (10) calendar days
16 prior to the Final Approval Hearing, the Settlement Administrator will compile and deliver to Class
17 Counsel and Defense Counsel a report with summary information regarding (a) the total amount of final
18 Individual Settlement Amounts of each Settlement Class Member (b) the number of Settlement Class
19 Members to receive such payments, and (c) the final number of timely and valid Opt Outs and timely and
20 valid Objections, without listing Class Member names or contact information. Prior to the calculation and
21 distribution of the Individual Settlement Payments, the Settlement Administrator shall calculate the total
22 Administration Expenses through the conclusion of their services and such actual amount will be deducted
23 from the Gross Settlement Amount prior to the final calculation of the Individual Settlement Amounts.
24 Under no circumstances will Settlement Administrator disclose Class Member names and/or contact
25 information to Class Counsel or the Court without prior written authorization from Defendants or subject
26 to legal process.

27 5.2 Notice to Class Members.

28 (a) If, by entering the Preliminary Approval Order, the Court provides authorization to

1 send the Class Notices, the Settlement Administrator will undertake the mailing of the Class Notice to all
2 Class Members, no later than twenty (20) calendar days after the Preliminary Approval Date. The Class
3 Notices shall be mailed via first class mail through the United States Postal Service, postage pre-paid. The
4 envelope containing the Class Notice shall bear the following phrase in bold type, 1/4 inch below the
5 return address or 1/4 inch above the addressee's address: RETURN SERVICE REQUESTED. The
6 envelope shall also bear the following phrase in the bottom left-hand corner: IMPORTANT – SEVEN
7 FORTY ONE COMPANY, INC. AND MR. STAX, INC. CLASS ACTION SETTLEMENT
8 INFORMATION. PLEASE OPEN IMMEDIATELY. The mailing enclosing the Class Notice will not
9 contain any other materials. The Class Notice and its envelope or covering shall be marked to denote the
10 return address of the Settlement Administrator.

11 (b) Seven Forty One Company, Inc. shall prepare a list, in an electronically usable
12 format, for the Settlement Administrator containing for each Class Member, to the extent it has such
13 information, the following: the first, last, and middle name; Last Known Address; last known phone
14 numbers; social security numbers; start and end dates of employment; and any other information required
15 to effectuate the Settlement ("Class List"). By approving this Settlement, the Court will be deemed to have
16 authorized Defendants to provide the Settlement Administrator with this information, including the social
17 security numbers of the Class Members. Defendants shall provide this list to the Settlement Administrator
18 within fifteen (15) calendar days of the Preliminary Approval Date. The Class List, and any other data
19 provided by Defendants to the Settlement Administrator shall be treated as confidential and not subject to
20 disclosure by the Settlement Administrator, except as necessary to address disputes regarding Workweeks,
21 to respond to a specific inquiry from a Class Member, and/or as otherwise necessary for the Settlement
22 Administrator to perform their obligations described in this Stipulation. Further, the Settlement
23 Administrator shall use commercially reasonable efforts to secure the data provided by Defendants at all
24 times so as to avoid inadvertent or unauthorized disclosure or use of such data other than as permitted by
25 this Stipulation, and shall destroy the data (and all copies of it) in a complete and secure manner when
26 such data is no longer required for purposes of this Stipulation. At no time during the settlement process
27 will any Class Member's address, telephone number or social security number be filed with the Court.
28 The Settlement Administrator shall ensure that the notices and any other communications to Class

1 Members shall not include the Class Members' social security number, except for the last four digits.

2 (c) Prior to mailing the Class Notice, the Settlement Administrator shall undertake a
3 NCOA check to ascertain the accuracy of the Last Known Address of the Class Members. To the extent
4 this process yields an Updated Address, the Updated Address shall replace the Last Known Address and
5 be treated as the new Last Known Address for purposes of this Stipulation, for Class Notice mailing, and
6 mailing of settlement checks.

7 (d) If a Class Member is known to be deceased, the Class Notice for that deceased
8 Class Member shall be mailed to the Last Known Address (or Updated Address, if applicable) of the legal
9 representative of the deceased Class Member's estate, to the extent known.

10 (e) Unless the Settlement Administrator receives a Class Notice returned from the
11 United States Postal Service for reasons discussed below in this paragraph, that Class Notice shall be
12 deemed mailed and received by the Class Member to whom it was sent five (5) calendar days after mailing.
13 In the event that subsequent to the first mailing of a Class Notice and prior to the Response Deadline, that
14 Class Notice is returned to the Settlement Administrator by the United States Postal Service as
15 undeliverable, without a forwarding address, the Settlement Administrator shall undertake an Experian
16 Skip Tracing with respect to the Class Member to attempt to ascertain the current address of the particular
17 Class Member in question and, if such an address is ascertained, the Settlement Administrator will re-send
18 the Class Notice to the newly-found address within three (3) business days of receipt of the returned Class
19 Notice. In the event that subsequent to the first mailing of a Class Notice and prior to the Response
20 Deadline that Class Notice is returned to the Settlement Administrator by the United States Postal Service
21 with a forwarding address for the recipient, the Settlement Administrator shall re-mail the notice to that
22 address within three (3) business days of receipt of the returned Class Notice, and the forwarding address
23 shall be deemed the Updated Address for that Class Member. In either event, the Class Notice shall be
24 deemed received once it is mailed for the second time. In the event that subsequent to the first mailing of
25 a Class Notice it is returned to the Settlement Administrator by the United States Postal Service as
26 undeliverable, after the Response Deadline, the Settlement Administrator shall be required to take no
27 further action with respect to that Class Notice and it shall be deemed to have been delivered. In the event
28 the Settlement Administrator must re-mail any Class Notice pursuant to the provisions of this Paragraph

1 due to being returned, the Response Deadline shall be extended by ten (10) calendar days from the date
2 of the re-mailing of the Class Notice, for those mailings. The Settlement Administrator shall include a
3 cover letter with any re-mailing informing the Class Member of the re-mailing of the Class Notice and
4 extended Response Deadline. Compliance with the procedures described in this paragraph shall constitute
5 due and sufficient notice to Class Members of the Settlement and of the Final Approval Hearing, and shall
6 satisfy the requirements of due process. Nothing else shall be required of or done by the Parties, Class
7 Counsel, counsel for Defendant, or the Settlement Administrator to provide notice of the Settlement and
8 the Final Approval Hearing.

9 5.3 Declaration of Compliance. No later than fifteen (15) calendar days after the Response
10 Deadline (or any applicable extended Response Deadline), the Settlement Administrator shall provide
11 Class Counsel and Counsel for Defendants with a declaration attesting to completion of the notice process,
12 including any attempts to obtain Updated Addresses for, and the re-sending of, any returned Class Notices,
13 including any and all other required steps ("Declaration of Compliance"), which shall be filed with the
14 Court by Class Counsel.

15 5.4 Responses to the Notice of Proposed Class Action Settlement. Pursuant to California Rules
16 of Court, Rule 3.766(d)(5), Class Members have the option to enter an appearance in this Litigation at
17 their own expense by obtaining their own attorney(s). Class Members who choose this option will be
18 responsible for any attorneys' fees or costs incurred as a result of this election. The Class Notice will
19 advise Class Members of this option.

20 5.5 Objections to Settlement. Class Members who do not submit timely and valid Requests for
21 Exclusion may object to the Settlement by mailing written objections ("Objection(s)") to the Settlement
22 Administrator no later than the Response Deadline. The Objection must: contain the Class Member's full
23 name, dates of employment as an employee of Defendant, and signature; contain the case name and
24 number of the Action; set forth the legal and factual basis for the objection; and identify any counsel
25 representing the Class Member in connection with the Objection. A Class Member who objects to the
26 Settlement will still be considered a Settlement Class Member. The Settlement Administrator shall provide
27 a copy of any Objections that it receives to Class Counsel and counsel for Defendant. Any Class Member
28

1 who fails to timely mail an Objection may attend the final approval hearing and ask to speak regarding
2 their Objections, regardless of whether they submitted a written Objection.

3 5.6 Opting Out of Settlement. Class Members may elect to opt out of the Settlement and, thus,
4 exclude themselves from the Settlement Class. Class Members who wish to exercise this option must mail
5 to the Settlement Administrator a written Request for Exclusion that is postmarked on or before the
6 Response Deadline. If a timely and valid Request for Exclusion is not received by the Settlement
7 Administrator from a Class Member on or before the Response Deadline, then that Class Member will be
8 deemed to have forever waived his or her right to seek exclusion from the Settlement and Settlement Class
9 and shall be bound by the Settlement and Judgment. The Class Notice will advise Class Members of the
10 option to opt out of the Settlement and will contain instructions on how to do so. Class Members who do
11 validly request exclusion from the Settlement by submitting a valid and timely Request for Exclusion shall
12 not be bound by the terms of the Settlement, shall not be allowed to object to the Settlement, and shall not
13 be entitled to any benefits as a result of the Settlement.

14 In the event that any Class Member timely submits a Request for Exclusion, but it is deficient, as
15 soon as possible but not later than five (5) business days after the Settlement Administrator's receipt of
16 such deficient Request for Exclusion, the Settlement Administrator shall send by first class, postage pre-
17 paid, United States mail a notice to such Class Member informing him or her of the deficiency and that
18 he or she has ten (10) calendar days from the date of the deficiency notice (which shall be the date the
19 deficiency notice is mailed) to cure the deficiency and postmark and mail a corrected Request for
20 Exclusion.

21 The Parties agree that the Response Deadline shall not be extended, and no untimely submissions
22 will be honored, under any circumstances, unless mutually agreed to by the Parties.

23 5.7 Right to Monitor and Review. All counsel have the right to monitor and review
24 administration of the Settlement to verify that the monies allocated to the Class Members are distributed
25 in the correct amount and to the proper Class Members, as well as ensure that the proper mailing and
26 administration is taking place (or took place).

27 **VI. CLASS SETTLEMENT FUNDING AND DISTRIBUTION**

28 6.1 Allocation of the Gross Settlement Amount. The "Gross Settlement Amount" means total

1 sum of no more and no less than One Hundred Ninety-Thousand Dollars (\$190,000), that Defendants shall
2 pay under the terms of the Settlement (subject to the occurrence of the Effective Date), inclusive of and
3 allocated as follows:

4 (a) Attorneys' Fees and Expenses, not to exceed \$66,500 in fees and not to exceed
5 \$20,000 in litigation costs and expenses, to Class Counsel;

6 (b) Administration Expenses to the Settlement Administrator not to exceed \$9,351;

7 (c) Service Award to the Class Representative, not to exceed \$7,500;

8 (d) The amount of 75% of the PAGA Payment, in the amount of \$3,750, to the State
9 of California for the benefit of the LWDA ("LWDA Payment"); The amount of 25% of the PAGA
10 Payment, in the amount of \$1,250, to PAGA Group Members. The portion of the PAGA Payment allocated
11 to the PAGA Group Members shall be distributed to the PAGA Group Members based on the pro rata
12 number of Workweeks worked by each particular PAGA Group Member during the PAGA Period as a
13 proportion of all pay periods worked by all members of the PAGA Group Members; and

14 (e) Net Settlement Amount (which is inclusive Employment and Payroll Taxes).

15 The "Net Settlement Amount" means the net amount that Defendants will pay (subject to the
16 occurrence of the Effective Date) to all Settlement Class Members and is calculated by subtracting actual
17 values based on Section 6.1(a)-(d) from the Gross Settlement Amount.

18 6.2 Calculation of the Individual Settlement Amounts. Individual Settlement Amounts to be
19 paid to Settlement Class Members shall be paid from the Net Settlement Amount. For purposes of
20 calculating the *estimated* Individual Settlement Amounts, the Settlement Administrator shall calculate the
21 estimated Net Settlement Amount based on the estimated values in Section 6.1(a)-(e) prior to sending
22 Class Notice to the Class Members. Prior to final distribution, the Settlement Administrator shall calculate
23 the *final* Net Settlement Amount based on the actual values in Section 6.1(a)-(e).

24 The portion of the Net Settlement Amount payable to each Settlement Class Member will be
25 calculated as follows:

26 (a) The Settlement Administrator will determine the total "Workweeks" for each Class
27 Member. Workweeks are to be calculated by determining the number of days between the Class Member's
28 start and end dates of employment during the Class Period (and only for work performed at 880 S. Arroyo

1 Pkwy, Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355) and then
2 dividing by seven (7). If a Class Member was hired prior to August 12, 2016, then his or her "start date"
3 will be August 12, 2016. The dates of employment will be provided to the Settlement Administrator.

4 (b) The Settlement Administrator shall divide the Net Settlement Amount by the total
5 number of Workweeks of all Settlement Class Members, (and only for work performed at 880 S. Arroyo
6 Pkwy, Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355) in order to
7 determine the amount that each Settlement Class Member is entitled to for each Workweek (the "Weekly
8 Amount").

9 (c) The Settlement Administrator will multiply the Weekly Amount by the total
10 number of Workweeks that each Settlement Class Member is credited with to arrive at his or her Individual
11 Settlement Amount.

12 (d) Each Settlement Class Member will be issued payment of his or her Individual
13 Settlement Amount subject to reduction for Employment and Payroll Taxes, and the net payment is
14 referred to as an "Individual Settlement Payment".

15 Defendants will provide the Settlement Administrator with any information that is in its possession
16 reasonably necessary to perform the calculation of Workweeks for each Settlement Class Member, such
17 as the hire date and end date of each Class Member, and any other reasonably required information the
18 Settlement Administrator requests to perform the calculations required under this Stipulation.

19 Settlement Class Members will have one hundred and eighty (180) calendar days to negotiate their
20 respective settlement payments under this Agreement. Any checks not negotiated within the one hundred
21 and eighty (180) calendar days will be handled in conformity with Section 6.5.

22 6.3 Composition of Payments to Settlement Class Members. Each Individual Settlement
23 Amount will be allocated as follows: 20% shall be reported as wages on IRS Form W-2 and its state and
24 local equivalents, and 80% shall be reported as interest and penalties on IRS Form 1099 and its state and
25 local equivalents. The wage portion shall be subject to Employment and Payroll Taxes. The non-wage
26 portion will not be subject to any Employment and Payroll Taxes.

27 Other than the withholding of Employment and Payroll Taxes with respect to the wage portion of
28 Individual Settlement Amounts, the Class Representative and the Settlement Class Members are solely

1 responsible for the reporting and payment of the employee's share of any federal, state, and/or local
2 income or other tax or any other withholdings due with respect to any other funds received as a part of the
3 Settlement, if any. The Class Representative agrees to defend, indemnify and hold Defendants harmless
4 for and against any damage or tax penalty Defendants incur as a result of the failure by the Class
5 Representative to pay all taxes due by her receipt of payments pursuant to this Stipulation. Class Counsel
6 agrees to defend, indemnify and hold Defendants harmless for and against any damage or tax penalty
7 Defendants incur as a result of the failure by Class Counsel to pay all taxes due as a result of Class
8 Counsel's receipt of payments pursuant to this Stipulation. Defendants shall have no responsibility for
9 deciding the validity of the Individual Settlement Amounts or any other payments made pursuant to this
10 Stipulation, shall have no involvement in or responsibility for the determination or payment of the
11 Settlement Class Member's taxes and required withholdings, and shall have no liability for any errors
12 made with respect to such taxes and required withholdings. Although the Settlement Administrator will
13 calculate and pay the standard applicable taxes and required withholdings, if any, on the portion of the
14 Individual Settlement Amounts constituting wages on the behalf of the Settlement Class Member, Plaintiff
15 and Settlement Class Members shall be solely responsible for any and all employee's share of tax
16 obligations associated with their respective Individual Settlement Amounts and Service Award.

17 The Parties agree (and the Settlement Administrator shall warrant) that the Settlement shall be
18 administered as a qualifying, designated settlement fund pursuant to Section 468B of the Internal Revenue
19 Code. The Settlement Administrator shall be responsible for issuing all settlement payments and handling
20 all required state and federal tax withholding and reporting related thereto.

21 6.4 Time for Funding and Distribution of Payments under the Settlement. Within fifteen (15)
22 calendar days after the Effective Date, Seven Forty One Company, Inc. shall provide the Settlement
23 Administrator with the Gross Settlement Amount and the Settlement Administrator shall promptly deposit
24 the Gross Settlement Amount into a qualified settlement account established by the Settlement
25 Administrator. No later than five (5) calendar days after the Settlement Administrator deposits the Gross
26 Settlement Amount into the qualified settlement account, the Settlement Administrator shall distribute the
27 following payments: Individual Settlement Payments to Settlement Class Members, Attorneys' Fees and
28 Expenses to Class Counsel, Service Award to Class Representative, and LWDA Payment to the LWDA,

1 all in the Court-approved amounts. The Settlement Administrator shall make every effort to pay the
2 applicable taxes and required withholdings, if any, associated with each Settlement Class Member's
3 Individual Settlement Amount and mail the Individual Settlement Payment to each Settlement Class
4 Member, by first-class U.S. mail, to the last-known address no later than five (5) calendar days after the
5 Settlement Administrator deposits the Gross Settlement Amount into the qualified settlement account. If
6 the Settlement Administrator is not able to do so within the time period set forth above, it shall so inform
7 Class Counsel and Defense Counsel and provide an approximate date by which the applicable taxes and
8 required withholdings shall be paid and the Individual Settlement Payments will be mailed. Under no
9 circumstances shall the Settlement Administrator distribute checks to Settlement Class Members until all
10 Individual Settlement Payments have been considered, calculated and accounted for, and all of the
11 remaining monetary obligations have been calculated and accounted for. Within two hundred (200)
12 calendar days of the Effective Date, the Settlement Administrator shall file with the Court and provide to
13 Class Counsel a declaration of payment. In the event that any Settlement Class Member is deceased,
14 payment shall be made payable to the estate of that Settlement Class Member and delivered to the executor
15 or administrator of that estate, unless the Settlement Administrator has received an affidavit or declaration
16 pursuant to California Probate Code § 13101, in which case payment shall be made to the affiant(s) or
17 declarant(s).

18 6.5 Non-Cashed Settlement Checks. Individual Settlement Payment checks shall be valid for
19 a period of one hundred and eighty (180) calendar days after they are mailed, and thereafter, will be
20 cancelled. Funds associated with cancelled checks will be donated to Bet Tzedek, an organization that
21 provides legal aid to low-income individuals and families including related to employment issues.

22 **VII. NULLIFICATION OF THIS STIPULATION**

23 7.1 Non-Approval of the Stipulation. If (a) the Court should for any reason fail to approve this
24 Stipulation in the form agreed to by the Parties, or (b) the Court should for any reason fail to enter
25 Judgment of the Action, or (c) the approval of the Settlement and Judgment is reversed, modified or
26 declared or rendered void, then the Settlement and conditional class certification shall be considered null
27 and void, and neither the Settlement, conditional class certification, nor any of the related negotiations or
28 proceedings, shall be of any force or effect, and all parties to the Settlement shall stand in the same

position, without prejudice, as if the Class Settlement had been neither entered into nor filed with the Court. Notwithstanding the foregoing, the Parties may attempt in good faith to cure any perceived defects in the Stipulation to facilitate approval.

7.2 Defendants' Right to Void or Rescind Settlement Due to Opt-Outs. If ten percent (10%) or more of the Class Members submit timely and valid Requests for Exclusion, Defendants shall have the option, in their sole discretion, to rescind this Stipulation, whereupon the Settlement and Stipulation shall be null and void for any and all purposes and may not be used or introduced in the Action or any other proceeding. The Parties will be restored to their respective positions in the Action as if this Settlement was never negotiated, drafted, or agreed upon. The Settlement Administrator shall notify Class Counsel and Counsel for Defendants of the total number of timely and valid Requests for Exclusion and the individual settlement value for each such Class Members had they not opted out by no later than fourteen (14) days after the Response Deadline. Should Defendants choose to void the Settlement under this paragraph, it shall be responsible for all Administration Expenses actually incurred up to the time it sought to void the Settlement.

7.3 Invalidation. Invalidation of any portion of the Settlement shall invalidate the Settlement in its entirety, unless the Parties through their counsel may subsequently agree in writing that the remaining provisions of the Settlement are to remain in full force and effect.

7.4 Notice in Writing. Unless otherwise ordered by the Court, in the event the Stipulation shall be terminated, cancelled, declared void, or fails to become effective in accordance with its terms, within ten (10) business days after written notification of such event, Defense Counsel and Class Counsel shall notify each other of this event in writing.

VIII. MOTION FOR COURT APPROVAL

8.1 Preliminary Approval. Class Counsel shall promptly submit this Stipulation to the Court for preliminary approval and determination by the Court as to its fairness, adequacy, and reasonableness, and entry of a Preliminary Approval Order substantially in the form filed concurrently herewith as **Exhibit 2**, which schedules a hearing on the question of whether the Settlement should be approved as fair, reasonable, and adequate as to the Settlement Class Members, approving as to form and content the proposed Class Notice attached hereto as **Exhibit 1**, and directing the mailing of the Class Notice to Class

Members. While Defendants can reserve their right to object to facts or assertions made in the moving papers, Defense Counsel shall file a notice of non-opposition to the granting of the motion for preliminary approval of the Settlement or join in the motion. Defense Counsel shall be given a chance to review the motion for preliminary approval and the motion for final approval prior to filing.

Failure of the Court to enter the Preliminary Approval Order in its entirety will be grounds for Parties to terminate the Settlement and the terms of this Stipulation pursuant to Section 7.1; however, pursuant to Section 7.1, the Parties are to take all reasonable steps to cure any deficiencies so as to avoid any termination of the Settlement.

8.2 Final Approval. The Final Approval Hearing shall be held before the Court. At the Final Approval Hearing, Plaintiff shall move the Court for the entry of the final order certifying the Settlement Class for settlement purposes only and approving the Settlement as being fair, reasonable and adequate to the Settlement Class Members within the meaning of California Rules of Court, Rule 3.769(c), (d) and (e) and for the entry of a final Judgment of the Action consistent with the terms of the Settlement and California Rules of Court, Rule 3.769(h). Should the Court require Class Counsel and/or Defense Counsel to submit any pleadings and/or evidence for the Court's determination, the Parties will comply to the extent reasonable.

8.3 Entry of Judgment. Pursuant to California Rules of Court, Rule 3.769(h) and any other applicable rules, if the court approves this Settlement after the Final Approval Hearing, the Court must make and enter Judgment. The Judgment must include a provision for the retention of the Court's jurisdiction over the parties to enforce the terms of the Judgment. This Judgment shall be a judgment for purposes of California Rules of Court, Rule 3.771(a).

IX. RELEASES AND WAIVERS

9.1 Release of Claims by Settlement Class Members, PAGA Group Members, and Plaintiff. Upon the Effective Date, each Settlement Class Member and Plaintiff, each release, discharge, and agree to hold harmless the Released Parties, and each of them, of and from any and all Released Claims.

Upon the Effective Date, each PAGA Group Member and Plaintiff, each release, discharge, and agree to hold harmless the Defendants, and each of them, of and from any and all Released PAGA Claims.

1 It is the desire of the Parties and the Settlement Class Members to fully, finally, and forever settle,
2 compromise, and discharge the Released Claims.

3 Plaintiff and each Class Member (except those who submit a timely and valid Request for
4 Exclusion), will be bound to the release of Released Claims as a result of the Settlement and to the terms
5 of the judgment. However, to the extent that a Class Member is also a PAGA Group Member, he or she
6 will be bound by the release of Released PAGA Claims and will receive a portion of the PAGA settlement,
7 notwithstanding his or her Request for Exclusion.

8 It is the desire of the Parties and the PAGA Group Members to fully, finally, and forever settle,
9 compromise, and discharge the PAGA Claims.

10 No release in this Settlement shall be effective until the Gross Settlement Amount is fully funded.

11 9.2 Release of Claims by Plaintiff. Plaintiff, on behalf of herself and her heirs, executors,
12 administrators, representatives and anyone who purports to act on her behalf, shall and does hereby forever
13 release, discharge and agree to hold harmless all Released Parties from any and all charges, complaints,
14 claims, allegations, liabilities, obligations, promises, agreements, controversies, damages, actions, causes
15 of action, suits, rights, demands, costs, losses, debts and expenses (including attorney fees and costs),
16 known or unknown, at law or in equity, which Plaintiff now has, could now have, or has had arising out
17 of any known or unknown fact, condition or incident occurring prior to and including the Effective Date
18 against the Released Parties arising out of or in any way connected with her employment with Seven Forty
19 One Company, Inc. and her alleged employment with Mr. Stax, Inc., including, the Released Claims,
20 claims that were asserted or could have been asserted in the Complaint, and any and all transactions,
21 occurrences, or matters between the Parties occurring at any time.

22 Without limiting the generality of the foregoing, this release shall include, but not be limited to the
23 following: any and all claims under the Americans With Disabilities Act, as amended; Title VII of the
24 Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; 42 U.S.C. § 1981, as amended; the
25 Age Discrimination in Employment Act, as amended; the Fair Labor Standards Act, as amended; the
26 Equal Pay Act; the Employee Retirement Income Security Act, as amended; the Consolidated Omnibus
27 Budget Reconciliation Act; the Rehabilitation Act of 1973; the Family and Medical Leave Act; the Civil
28 Rights Act of 1966; the California Fair Employment and Housing Act; the California Constitution; the

1 California Labor Code; the California Government Code; the California Civil Code; the Industrial Welfare
2 Commission Wage Orders; the California Private Attorneys General Act; the Unruh Civil Rights Act; the
3 Bane Act; the Occupational Safety and Health Act; the Worker Adjustment and Retraining Notification
4 Act, as amended; the California Unfair Competition Law (Cal. Bus. & Prof. Code §§ 17200, *et seq.*); any
5 state, civil, or statutory laws, including any and all human rights laws and laws against discrimination;
6 any and all wage-and-hour claims arising under the laws of the State of California, including, without
7 limitation, statutory, constitutional, contractual, and/or common law claims for wages, damages,
8 restitution, unreimbursed expenses, equitable relief, penalties, liquidated damages, and/or punitive
9 damages; any and all other federal, state and local statutes, ordinances, regulations, rules and other laws,
10 and any and all claims based on constitutional, statutory, common law or regulatory grounds as well as
11 any other claims based on theories of wrongful or constructive discharge, breach of contract or implied
12 contract, fraud, misrepresentation, promissory estoppel or intentional and/or negligent infliction of
13 emotional distress, or damages under any other federal, state or local statutes, ordinances, regulations,
14 rules or laws; any claims that could have been alleged in the Complaint; and any claims for interest,
15 attorneys' fees, and/or costs. This release is for any and all relief, no matter how denominated, including,
16 but not limited to, back pay, front pay, vacation pay, bonuses, compensatory damages, tortious damages,
17 liquidated damages, punitive damages, damages for pain and suffering, and attorney fees and costs, and
18 Plaintiff hereby forever releases, discharges and agrees to hold harmless the Released Parties from any
19 and all claims for attorney fees and costs arising out of the matters released in this Stipulation.

20 In exchange for her Service Award, Plaintiff expressly waives the protections of California Civil
21 Code § 1542, and it is her intention in executing this Stipulation that the same shall be effective as a bar
22 to each and every claim, complaint, action, debts, promises, demand, cause of action, obligation, damage,
23 liability, charge, attorneys' fees and costs herein above released. The Plaintiff hereby expressly waives
24 and relinquishes all of her rights and benefits, if any, arising under California Civil Code § 1542, which
25 provides:

26 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT**
27 **THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR**
28 **SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF**
EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR

**HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER
SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

Plaintiff may, being aware of Section 1542, hereafter discover facts in addition to or different from those which she now knows or believes to be true with respect to the subject matter of all the claims referenced herein, but stipulates and agrees that, upon the Effective Date, Plaintiff shall and hereby does fully, finally and forever settle and release any and all claims against the Released Parties, known or unknown, suspected or unsuspected, contingent or non-contingent, that were asserted or could have been asserted upon any theory of law or equity without regard to the subsequent discovery of existence of such different or additional facts.

X. DUTIES OF THE PARTIES

10.1 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. 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 Defendants and Defense Counsel, shall take all necessary and reasonable steps to secure the Court's preliminary approval and final approval of this Stipulation.

10.2 Duty to Support and Defend the Settlement. The Parties agree to abide by all of the terms of the Settlement in good faith and to support the Class Settlement fully and to use their best efforts to defend this Class Settlement from any legal challenge, whether by appeal or collateral attack.

10.3 Duties Prior to Court Approval. Class Counsel shall promptly submit this Stipulation to the Court for Preliminary Approval and determination by the Court as to its fairness, adequacy, and reasonableness. Promptly upon execution of this Stipulation, Class Counsel shall apply to the Court for the entry of a Preliminary Order substantially in the form filed concurrently herewith as **Exhibit 2**, scheduling a hearing on the question of whether the proposed Settlement should be approved as fair, reasonable, and adequate as to the Class Members, approving as to form and content the proposed Class

1 Notice attached hereto as **Exhibit 1**, and directing the mailing of the Class Notice to Class Members.
2 While Defendants can reserve their right to object to facts or assertions made in the moving papers,
3 Defense Counsel shall file a notice of non-opposition to the granting of the Motion for Preliminary
4 Approval or join in the motion, and be given a chance to review the motion for preliminary approval and
5 the motion for final approval prior to filing.

6 **XI. MISCELLANEOUS PROVISIONS**

7 11.1 Voiding the Stipulation. Pending Court approval and other than as provided in Section VII
8 (entitled "NULLIFICATION OF THIS STIPULATION") herein, if any of the conditions set forth in this
9 Stipulation are not met and satisfied, this Stipulation shall, at the option of either Plaintiff or Defendants,
10 be ineffective, void, and of no further force and effect, and shall not be used or be admissible in any
11 subsequent proceeding, either in this Court or in any other court or forum. If any of the Parties decide to
12 void the Settlement, then the Settlement and conditional class certification shall be considered void, and
13 neither the Settlement, Stipulation, conditional class certification, nor any of the related negotiations or
14 proceedings, shall be of any force or effect, and the Parties shall stand in the same position, without
15 prejudice, as if this Stipulation had been neither entered into nor filed with the Court. Should either Party
16 choose to void the Settlement under this paragraph, such party shall be responsible for all Administration
17 Expenses actually incurred up to the time such Party sought to void the Settlement. If both Defendants
18 and Plaintiff choose to void the Settlement under this paragraph, each shall be responsible for
19 their/her/his/its proportionate share of the Administration Fees actually incurred.

20 11.2 No Prior Assignments. The Parties represent, covenant, and warrant that they have not
21 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to
22 any person or entity any portion of any liability, claim, demand, action, cause of action, or right herein
23 released and discharged except as set forth herein.

24 11.3 Non-Admission. Nothing in this Stipulation shall be construed as or deemed to be an
25 admission by any Party of any liability, culpability, negligence, or wrongdoing toward any other Party, or
26 any other person, and the Parties specifically disclaim any liability, culpability, negligence, or wrongdoing
27 toward each other or any other person. Each of the Parties has entered into this Stipulation with the
28 intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and

contingencies. Nothing herein shall constitute any admission by the Released Parties of wrongdoing or liability, or of the truth of any factual allegations in the Action. Nothing herein shall constitute any admission by the Released Parties regarding the merits of the claims in this Action, including but not limited to claims for unpaid wages or other compensation, benefits or penalties under California and/or federal law. Nothing herein shall constitute an admission by the Released Parties that the Action was properly brought as a class or representative action other than for settlement purposes. To the contrary, the Defendants have denied and continue to deny each and every material factual allegation and all claims. To this end, the Settlement of the Action, the negotiation and execution of this Stipulation, and all acts performed or documents executed pursuant to or in furtherance of this Stipulation or the Settlement are not, shall not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or liability on the part of the Released Parties or of the truth of any of the factual allegations in the Complaint in the Action; and are not, shall not be deemed to be, and may not be used as, an admission or evidence of any fault or omission on the part of the Released Parties in any civil, criminal or administrative proceeding in any court, administrative or governmental agency or other tribunal.

11.4 No Publicity.

(a) Plaintiff and Defendants, and their respective counsel, recognize, and accept that the Parties to this Stipulation desire that information regarding the terms of this Stipulation, the fact of the Settlement embodied in this Stipulation, the disposition of the Action, the Action, and all matters relating to the litigation of the Action, including discovery proceedings therein, and evidence obtained during the course of the Action, shall be provided to the Class by way of the Court-approved Class Notice and public access to Court records in the Action, and that this information shall not otherwise be discussed with or presented to the media or press.

(b) Further, Plaintiff and her counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry or have any communication with the press about the Action, and/or the fact, amount or terms of the Settlement. Before the date of the filing of the motion for preliminary approval of the Settlement, Plaintiff and Class Counsel will not initiate any contact with Class Members or anyone else about the Settlement, except that: (a) Class Counsel, if contacted by a Class Member, may respond that a settlement has been reached and that the details will be communicated

1 in a forthcoming Court-approved notice; and (b) the Plaintiff, if contacted by a Class Member, may
2 respond only that the Class Member should contact Class Counsel.

3 11.5 Non-Retaliation. Defendants understand and acknowledge that they have a legal obligation
4 not to retaliate against any Class Member who elects to participate in the Settlement or elects to opt out
5 of the Settlement. Defendants will refer any inquiries regarding this Settlement to the Settlement
6 Administrator or Class Counsel and will not discourage Class Members who are currently working for
7 Defendants, directly or indirectly, from making claims, opting out or objecting to the Class Settlement.

8 11.6 Construction. The Parties hereto agree that the terms and conditions of this Stipulation are
9 the result of lengthy, intensive, arms-length non-collusive negotiations between the Parties and that this
10 Stipulation is not to be construed in favor of or against any Party by reason of the extent to which any
11 Party or its counsel participated in the drafting of this Stipulation. If any of the dates in the Stipulation fall
12 on a weekend, bank or court holiday, the time to act shall be extended to the next business day. Except
13 that should the Response Deadline (or extension(s) thereof specified in the Stipulation relating to a
14 deficiency notice or a re-mailing) fall on a Saturday and regular U.S. Mail service is in operation that day,
15 then no further extension pursuant to this paragraph shall apply to these specific deadlines. The language
16 of all parts of this Stipulation shall in all cases be construed as a whole, according to its fair meaning, and
17 not strictly for or against either Party. No Party shall be deemed the drafter of this Stipulation. The Parties
18 acknowledge that the terms of the Stipulation are contractual and are the product of negotiations between
19 the Parties and their counsel. Each Party and her/his/its counsel cooperated in the drafting and preparation
20 of the Stipulation. In any construction to be made of the Stipulation, the Stipulation shall not be construed
21 against any Party and the canon of contract interpretation set forth in California Civil Code § 1654 shall
22 not be applied.

23 11.7 Governing Law. The Stipulation and the exhibits hereto shall be considered to have been
24 negotiated, executed, and delivered, and to have been wholly performed, in the State of California, and
25 the rights and obligations of the Parties to the Stipulation shall be construed and enforced in accordance
26 with, and governed by, the internal, substantive laws of the State of California without regard to conflict
27 of law principles in all respects, including execution, interpretation, performance, and enforcement.

1 11.8 Notices. Except for mailing of the Class Notice to Class Members, any and all notices or
2 other communications required or permitted under this Stipulation shall be in writing and shall be
3 sufficiently given if delivered to the Party or their counsel by U.S. certified mail, postage prepaid, e-mail,
4 facsimile, or overnight delivery addressed to the address of the Party appearing in this Stipulation.

5 11.9 Captions and Interpretations. Section titles or captions contained herein are inserted as a
6 matter of convenience and for reference only and in no way define, limit, extend, or describe the scope of
7 this Stipulation or any provision thereof.

8 11.10 Modification. This Stipulation may not be changed, altered, or modified, except in writing
9 signed by the Parties' counsel and approved by the Court. In the event that the Court requires certain
10 changes to this Stipulation, the Parties agree that such amendments can be made through a stipulation
11 signed solely by their counsel, provided that such amendment conforms precisely to the Court's order.

12 11.11 Integration Clause. The Settlement is based on Defendants' representation that for the
13 period from August 12, 2016 to August 23, 2021, there were 170 Class Members and 10,424 Workweeks.
14 This Stipulation contains the entire agreement between the Parties relating to the Settlement of the Action
15 and the transactions contemplated thereby, and all prior or contemporaneous agreements, understandings,
16 representations, and statements, whether oral or written, and whether by a party or such party's legal
17 counsel, are hereby superseded. No rights under this Stipulation may be waived except in writing executed
18 by the Parties.

19 11.12 Successors and Assigns. This Stipulation shall be binding upon and inure to the benefit of
20 the Parties, PAGA Group Members, and Settlement Class Members and their respective present and
21 former heirs, trustees, executors, administrators, representatives, officers, directors, shareholders, agents,
22 employees, insurers, attorneys, accountants, auditors, advisors, consultants, pension and welfare benefit
23 plans, fiduciaries, parent companies, subsidiaries, affiliates, related companies, joint ventures,
24 predecessors, successors, and assigns.

25 11.13 Corporate Signatories. Any person executing this Stipulation or any such related document
26 on behalf of a corporate signatory hereby warrants and promises, for the benefit of all Parties hereto, that
27 such person has been duly authorized by such corporation to execute this Stipulation or any such related
28 document.

11.14 Execution in Counterparts. This Stipulation shall become effective upon its execution by all of the undersigned. The Parties may execute this Stipulation in counterparts, and execution of counterparts shall have the same force and effect as if all Parties had signed the same instrument. Parties may also execute the Stipulation by way of electronic signature or other electronic means.

11.15 No Third Party Beneficiaries. The Stipulation shall be binding upon, and inure to the benefit of, the successors and assigns of the Parties hereto; however, this Stipulation is not designed to and does not create any third party beneficiaries unless otherwise specifically provided herein.

11.16 No Cooperation with Other Claims. The Class Representative shall not cooperate with, help, bring, counsel, aid, or in any manner assist any person or entity in filing or pursuing a claim, complaint, class action, collective action, representative action, action, debt, promise, demand, grievance, cause of action, obligation, damage, liability, or charge against Defendants, except as required by law or regulation.

11.17 Other Claims. No person shall have any claim against the Class Representative, Class Counsel, the Settlement Administrator, or any of the Released Parties based on the payments made or other actions taken substantially in accordance with this Stipulation and the settlement contained herein or further orders of the Court.

11.18 Attorney Fees, Costs and Expenses. Except as otherwise specifically provided for herein, each Party shall bear her or its own attorneys' fees, costs and expenses, taxable or otherwise, incurred by them in or arising out of the Action and shall not seek reimbursement thereof from any other Party to this Stipulation.

11.19 Action to Enforce Agreement. In any suit or court action to enforce the terms of this Stipulation, the prevailing party shall be entitled to recover her or its attorneys' fees and costs.

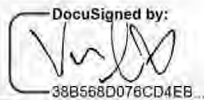
11.20 Court Retains Jurisdiction. The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of the Stipulation, and all parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation.

11.21 Additional Terms. If any of the following terms are not met, this Stipulation shall be void: (1) Defendants are to provide Plaintiff a draft of Plaintiff's Memorandum of Points and Authorities

1 in support of Preliminary Approval of Class and Representative Action Settlement; (2) Defendants are to
2 file Plaintiff's Memorandum of Points and Authorities in support of Preliminary Approval of Class and
3 Representative Action Settlement by August 31, 2021; (3) the Motion for Preliminary Approval of Class
4 and Representative Action Settlement is currently set for December 15, 2021; the Parties will request from
5 the Court an earlier hearing date for Plaintiff's Motion for Preliminary Approval of Class and
6 Representative Action Settlement; and (4) Defendants are to provide Plaintiff a draft Notice of Proposed
7 Class Action Settlement and Hearing Date for Court Approval.

8 IN WITNESS WHEREOF, the Parties and their counsel have executed this Stipulation on the date
9 below their signatures or the signature of their representatives. The date of the Stipulation shall be the date
10 of the latest signature.

11 THIS STIPULATION HAS BEEN READ AND AGREED TO INDIVIDUALLY AND ON
12 BEHALF OF THE PROPOSED CLASS:

13  38B568D076CD4EB...

14 Plaintiff Vanessa Gonzalez

Dated: 4/28/2022, 2022

15
16 READ AND AGREED TO ON BEHALF OF SEVEN FORTY ONE COMPANY, INC.:

17 Maria Wren

18 By: Maria Wren

Dated: 4/29/2022, 2022

19
20 READ AND AGREED TO ON BEHALF OF MR. STAX, INC.:

21 Maria Wren

22 By: Maria Wren

Dated: 4/29/2022, 2022

Exhibit 1

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT
& HEARING DATE FOR COURT APPROVAL

Vanessa Gonzalez v. Seven Forty One Company, Inc., et al.
Superior Court of California, County of Los Angeles
Case No. 20STCV30761

To: All current and former hourly or non-exempt employees of Seven Forty One Company, Inc. or Mr. Stax, Inc. who performed work at 880 S. Arroyo Pkwy, Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355, at any time from August 12, 2016 up to and including August 23, 2021.

**THIS NOTICE MAY AFFECT YOUR RIGHTS.
PLEASE READ IT CAREFULLY.**

You are receiving this notice because Seven Forty One Company, Inc.'s or Mr. Stax, Inc.'s (collectively "Defendants") records indicate that you may be entitled to participate in this class action settlement.

The following recitation does not constitute the findings of the Court. Defendants adamantly deny any and all liability. This notice should not be understood to be an expression of the Court's views on the merits of any claim or defense raised by the parties.

I. WHY IT IS IMPORTANT TO READ THIS NOTICE:

The Superior Court of the State of California for the County of Los Angeles (the "Court") has granted preliminary approval to a proposed Settlement (defined below) of a class action lawsuit and representative action regarding wage and hour claims of all current or former hourly or non-exempt employees who worked for Seven Forty One Company, Inc. or Mr. Stax, Inc. at 880 S. Arroyo Pkwy, Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355, at any time from August 12, 2016 up to and including August 23, 2021.

Because your rights may be affected by the Settlement (defined below), it is important that you read this notice carefully. Defendants' records show that you were employed by Defendants, or either of them, sometime from August 12, 2016 up to and including August 23, 2021 ("Class Period"). Therefore, you are a "Class Member" in this lawsuit.

The purpose of this notice is to provide you with a brief description of the class action lawsuit and representative action, what investigation of the claims has taken place, to inform you of the terms of the proposed Settlement (defined below) and to discuss your rights and options in connection with the lawsuit and the Settlement (defined below).

II. WHAT YOU NEED TO DO IN RESPONSE TO THIS NOTICE:

You have received this notice because Defendants' records indicate that you are a member of the conditionally certified Class (defined below). You have the following options:

- 1. IF YOU WISH TO PARTICIPATE IN THE CLASS ACTION SETTLEMENT AND REMAIN A MEMBER OF THE SETTLEMENT CLASS AND BE ISSUED A PAYMENT UNDER THE SETTLEMENT, YOU (or in the event of a deceased Class Member, the estate or authorized beneficiary) ARE NOT REQUIRED TO TAKE ANY FURTHER ACTION.** You will be issued payment if the Court grants final approval of the Settlement (defined below) and judgment becomes final, and you will release the Released Parties for the Released Claims (see section VIII below for definitions of "Released Claims" and "Released Parties"). If you wish to receive a payment under the Settlement, you must not "Opt Out" of the Settlement. **To ensure receipt of your payment, you must make sure that your correct mailing address is on file with the Settlement Administrator.**

2. **YOU MAY ELECT TO "OPT OUT" OF THE SETTLEMENT CLASS AND THUS EXCLUDE YOURSELF FROM THE SETTLEMENT.** If you wish to opt out of the Settlement and exclude yourself from the Settlement, you must mail to the Settlement Administrator the enclosed Opt-Out Form or a written request ("Request for Exclusion") postmarked on or before [TBD]. A Request for Exclusion must include: (1) your full name, address, telephone number, last four digits of your social security number, and signature; (2) the case name and number of the action (i.e., *Vanessa Gonzalez v. Seven Forty One Company, Inc., et al.*); and (3) a statement indicating that you wish to be excluded from the Settlement. If a timely and complete Opt-Out Form or Request for Exclusion is not received by the Settlement Administrator at the address listed below, postmarked on or before [TBD], you will be deemed to have forever waived your right to opt out of the Settlement. Class Members who do not properly opt out of the Settlement shall be "Settlement Class Member(s)." Class Members who do properly opt out of the Settlement shall not be bound by the terms of the Settlement, shall not be allowed to object to this Settlement, and shall not be entitled to any benefits as a result of this Settlement, including payment of any Individual Settlement Amount (defined below), except a portion of the PAGA Payment, if applicable, in the estimated amount of [\$]. Current and former hourly or non-exempt employees of Seven Forty One Company, Inc. or Mr. Stax, Inc. who performed work at 880 S. Arroyo Pkwy, Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355, at any time from June 9, 2019 up to and including August 23, 2021 have no right or ability to opt out of the portion of this Settlement releasing Labor Code Private Attorneys General Act of 2004 ("PAGA") claims. The Settlement Administrator's address is below:

Simpluris
[Address]

3. **PROVIDED YOU DO NOT OPT OUT OF THE SETTLEMENT CLASS, YOU MAY OBJECT TO THE SETTLEMENT.** You may object to the Settlement by mailing a written objection ("Objection") to the Settlement Administrator, on or before [TBD], to the address list in section II.2 above. The Objection must (1) contain your full name, dates of employment as an employee of Defendants, and signature; (2) the case name and number of the action (*Vanessa Gonzalez v. Seven Forty One Company, Inc., et al.*); (3) the reason(s) for the objection (if any); and (4) identify any counsel representing you in connection with the Objection. You may attend the Settlement Hearing (defined below), including by audio or visual technology, and may ask to speak regarding your objections, regardless of whether you submitted an Objection. More information can be found at www.lacourt.gov. If you take no action, you will remain a member of the Class. A Class Member who does not opt out of participation in the Settlement will be bound by the judgment and be issued payment under the Settlement (defined below). If you remain a member of the Class, you will be represented by the following attorneys who have been designated by the Court as Class Counsel:

COLE & VAN NOTE
Scott Edward Cole, Esq., SBN 160744
Laura Grace Van Note, Esq., SBN 310160
555 12th Street, Suite 1725
Oakland, California 94607

INFORMATION REGARDING FINAL APPROVAL HEARING. The Final Approval Hearing determines whether the Settlement should be finally approved as fair, reasonable, and adequate and whether the Service Award (defined below) to Plaintiff Vanessa Gonzalez, Administration Expenses (defined below) to the Settlement Administrator, and attorneys' fees and costs to Class Counsel should be awarded. That hearing will be held on [TBD] at [TBD] before the Hon. Maren Nelson, in Department 17 of the Los Angeles Superior Court located at the Spring Street Courthouse, 312 North Spring Street, Los Angeles, CA 90012 ("Settlement Hearing").

You are not required to attend the Settlement Hearing, although you are welcome to attend the hearing.

On behalf of herself and on behalf of other employees, Vanessa Gonzalez ("Class Representative" or "Plaintiff") claims that Defendants have, with respect to Plaintiff and the Class Members, allegedly violated provisions of the California Labor Code and wage and hour laws, by failing to properly pay minimum and overtime wages, provide compliant meal and rest periods and associated premiums, timely pay wages during employment and upon termination of employment and to pay associated waiting-time penalties, provide compliant wage statements, maintain requisite payroll records, and thereby, engaged in unfair business practices in violation of California Business and Professions Code §§ 17200, *et seq.* Plaintiff also seeks civil penalties under PAGA arising from or relating to Labor Code sections 200, 201, 202, 203, 204, 218, *et seq.*, 218.5, 226, *et seq.*, 226.7, 510, 512, 558, 1174, 1174(d), 1174.5, 1182.12, 1194, *et seq.*, 1194.2, 1197, *et seq.*, 1197.1, 1198, 2698, *et seq.*, 2699, 2699.3, and 2802. On behalf of herself and other employees of Defendants, Plaintiff seeks, *inter alia*, damages, unpaid wages, penalties, attorneys' fees, and interest for alleged wage and hour violations including, but not limited to, failure to pay wages, failure to pay overtime, minimum wages, off-the-clock work, failure to provide meal and rest breaks, and failure to pay premium pay, including alleged meal and rest break violations arising from or related to Defendants' written meal or rest break policies and alleged meal break violations arising from Defendants' alleged practices, failure to furnish accurate, itemized wage statements, unlawful recovery of wages, failure to timely pay wages upon discharge or quit, and record-keeping violations. Plaintiff alleges that both Defendants employed her and the Class Members.

Defendants vehemently deny Class Representative's allegations and, instead, contend that only Seven Forty One Company, Inc. employed Plaintiff and most of the Class Members and that Mr. Stax, Inc. did not employ Plaintiff or most of the Class Members. Defendants adamantly deny each, every, and all of the allegations of the lawsuit, and maintain that they complied with all California wage and hour laws, such that the Class Representative cannot properly recover any damages including but not limited to civil penalties under California law. Although Defendants deny these allegations, Defendants have chosen to resolve the matter based upon the terms and conditions set forth in the Joint Stipulation and Agreement for Class and Representative Action Settlement and Release ("Settlement Agreement" or "Settlement"). The Court will determine whether or not to grant final approval of the Settlement.

The Settlement provides for the certification, for settlement purposes only, of all current and former hourly or non-exempt employees of Seven Forty One Company, Inc. or Mr. Stax, Inc. who performed work at 880 S. Arroyo Pkwy, Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355, at any time from August 12, 2016 up to and including August 23, 2021.

IV. THE SETTLEMENT OF THE CLAIMS:

On March 5, 2021, the parties participated in a full-day mediation in Los Angeles before a highly experienced employment law mediator, Eve Wagner. The parties were able to resolve the matter subsequent to the mediation and agreed to the Settlement Agreement.

The Class Representative and Class Counsel believe the Settlement is in the best interest of the Class (defined below).

Through the Settlement, neither Defendants nor any of their employees have admitted any liability or wrongdoing and, in fact Defendants expressly deny any wrongdoing. The Court did not decide in favor of Plaintiff or Defendants. The Settlement Agreement has been preliminarily approved by the Court. A full copy of the Settlement Agreement, embodied in the document entitled **JOINT STIPULATION AND AGREEMENT FOR CLASS AND REPRESENTATIVE ACTION SETTLEMENT AND RELEASE** as preliminarily approved by the Court, as well as other public documents filed in this case, can be inspected in the Office of the Court Clerk located at 312 North Spring Street, Los Angeles, CA 90012.

V. THE TERMS OF THE CONDITIONAL CLASS ACTION SETTLEMENT:

On behalf of the Class Members, the Class Representative has reached a Settlement with Defendants and on [TBD] the Court conditionally certified a class, for settlement purposes only, comprised of the following persons (collectively, the "Class"):

All current and former hourly or non-exempt employees of Defendants who performed work at 880 S. Arroyo Pkwy, Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355, at any time from August 12, 2016 up to and including August 23, 2021.

Without admitting liability, Defendants have agreed to pay \$190,000 (the "Gross Settlement Amount") for a release of Defendants and all Released Parties (defined below) from the Released Claims (defined below) (see below for more information). This is a non-reversionary settlement. Settlement Class Members will be bound by the Settlement and will release Defendants and all Released Parties (defined below) from the Released Claims (defined below) (see below for more information).

This Settlement is conditioned upon the Superior Court of the State of California for the County of Los Angeles, entering an order at or following the Settlement Hearing finally approving the Settlement as fair, reasonable, adequate, and in the best interests of the Class.

The following payments will be sought, subject to final approval by the Court, from the Gross Settlement Amount:

- (1) Payment in the amount of up to \$7,500 to the Class Representative ("Service Award") in addition to the sum that she will receive as a Settlement Class Member, to compensate her for acting on behalf of the Class, including the time she expended to fulfill the role of Class Representative (e.g., assisting with the investigation of the claims, etc.);
- (2) Payment to the Settlement Administrator for the fees and costs of administering this Settlement ("Administration Expenses"), in the estimated maximum amount of \$9,351;
- (3) Payment in an amount of \$5,000 for penalties pursuant to the California Labor Code Private Attorney General Act of 2004 ("PAGA"), of which 75% of the amount (\$3,750) will be distributed to the California Labor Workforce and Development Agency ("LWDA") and the remaining 25% of the amount (\$1,250) of the penalties will to be distributed to current and former hourly or non-exempt employees of Seven Forty One Company, Inc. or Mr. Stax, Inc. who performed work at 880 S. Arroyo Pkwy, Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355, at any time from June 9, 2019 up to and including August 23, 2021;
- (4) Payment in an amount of up to \$66,500.00 to Class Counsel as attorneys' fees, to compensate them for their services in litigating this case for approximately 2 years on a contingency basis; and
- (5) Payment in an amount of up to \$20,000 to Class Counsel, to reimburse Class Counsel for actual litigation costs and expenses expended in this matter by Class Counsel.

The "Net Settlement Amount" is the Gross Settlement Amount less the above-mentioned requested payments which are subject to final approval by the Court. The Net Settlement Amount will be automatically distributed to Settlement Class Members, and these gross individual shares are known as the "Individual Settlement Amount." The Individual Settlement Amount for each Settlement Class Member shall be determined on a *pro rata* basis based on his or her number of Workweek (defined below) as compared to the total Workweeks of all Settlement Class Members. Workweeks are calculated by determining the number of days between the Settlement Class Member's start and end dates of employment from August 12, 2016 up to and including August 23, 2021 (and only for work performed at 880 S. Arroyo Pkwy, Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355) and then dividing by seven (7). If a Settlement Class Member was hired prior to August 12, 2016, then his or her "start date" will be August 12, 2016.

V. WHAT IS YOUR EXPECTED SHARE:

As discussed above, the Net Settlement Amount will be automatically distributed to Class Members who do not opt out of this Settlement, based on their respective number of Workweeks.

Defendants' records reflect that you worked [insert number of workweeks] workweeks during the Class Period, and based on this number of Workweeks, your gross Individual Settlement Amount is estimated to be [insert estimated amount].

If you wish to dispute the number of Workweeks attributed to you, you may do so by submitting a written dispute ("Workweeks Dispute") to the Settlement Administrator at the address listed in section II.2 (above), postmarked on or before [TBD]. A Workweeks Dispute must state: (a) your full name, address, telephone number, last four digits of your social security number, and signature; (b) the case name and number of the action (*Vanessa Gonzalez v. Seven Forty One*

Company, Inc., et al.); (c) contain a statement indicating your intent to dispute or challenge the number of Workweeks credited to you and clearly identify the number of Workweeks you contend should be credited to you; and (d) include any records or documentation to support the Workweeks Dispute.

The amount stated herein as your estimated Individual Settlement Amount may change depending on the number of Class Members who do not opt-out and the Court's order with respect to the requests for attorneys' fees, litigation costs and expenses, award to class representative, administration expenses, and PAGA payment. Further, your gross Individual Settlement Amount will be allocated as 20% wages (reported on an IRS Form W-2), and 80% interest and penalties (reported on an IRS Form 1099). The wage portion is subject to employee's and employer's share of state and federal employment and payroll taxes and withholdings prior to distribution.

VII. WHEN CAN I EXPECT TO RECEIVE MY SHARE OF THE SETTLEMENT:

The Settlement Administrator will distribute the settlement funds after funding has occurred and after the Court enters the final approval order and judgment.

No later than 5 calendar days after the Settlement Administrator deposits the Gross Settlement Amount into a qualified settlement account, the Settlement Administrator shall distribute the payments as follows: the Individual Settlement Payments to Settlement Class Members, Service Award to Class Representative, LWDA Payment to the LWDA, and Attorneys' Fees and Expenses to Class Counsel, all in the Court-approved amounts.

VIII. RELEASE OF CLAIMS OF SETTLEMENT CLASS MEMBERS:

If the Court grants final approval of the Settlement and the Gross Settlement Amount is fully funded, Class Members who do not Opt Out of the Settlement, will release, discharge, and agree to hold harmless the Released Parties (defined below), and each of them, of and from any and all Released Claims (defined below).

"Released Parties" shall mean Defendants and all of their respective current and former parents, subsidiaries, predecessors, successors, and their affiliated entities, and each of their respective owners, officers, directors, employees, partners, shareholders, agents, and any other successors, heirs, assigns, or legal representatives, any attorneys, insurers, claims representatives, members, managers, dba's, and representatives, and any of their, direct or indirect, parent or subsidiary entities.

"Released Claims" means any and all federal and California state law wage-and-hour claims, rights, demands, liabilities, and/or causes of action of every nature and description arising from any and all claims that were alleged or could have been alleged in the complaint and/or first amended complaint based on the facts contained therein, arising during the Class Period, including, without limitation, statutory, constitutional, contractual, and/or common law claims for wages, reimbursements, damages, unpaid costs, penalties (including penalties under the California Labor Code's Private Attorneys General Act of 2004, as amended, California Labor Code §§ 2698, et seq.), liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief, including without limitation, California Labor Code §§ 200, 201, 202, 203, 204, 218, et seq., 218.5, 226, et seq., 226.7, 510, 512, 558, 1174, 1174(d), 1174.5, 1182.12, 1194, et seq., 1197, et seq., 1197.1, 1198, 2698, et seq., 2699, 2699.3, and any federal counterparts, California Business and Professions Code §§ 17200-17208, any IWC Wage Orders, California Code of Civil Procedure § 1021.5, any claims for meal and rest period violations; unpaid minimum wages or overtime wages; untimely pay during and at termination of employment, unreimbursed business expenses, record-keeping violations, and/or inaccurate pay stubs arising under Labor Code section 226; and any unlawful deductions; and causes of action for (i) unlawful failure to pay wages (Labor Code §§ 200-204, 510, 558, 1194; IWC Wage Order); (ii) Failure to provide meal and rest periods (Labor Code §§ 226.7, 512); (iii) Failure to provide itemized wage statements (Labor Code §§ 226, 1174); (iv) Failure to timely pay wages on termination (Labor Code § 203); (v) Unfair business practices under the Unfair Competition Act (Bus. & Prof. Code §§ 17200-17208); and (vi) Private Attorneys General Act of 2004 (Labor Code §§ 2698, et seq.). "Released Claims" shall only refer to employment claims (as enumerated above) arising out of labor performed at 880 S. Arroyo Pkwy, Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355. No release shall be effective until the Gross Settlement Amount is fully funded.

In connection with the above Released Claims, and in consideration of Defendants' payments of the Gross Settlement Amount, each and every Class Member who does not Opt Out, including Plaintiff, will be deemed also to have

acknowledged and agreed that California Labor Code section 206.5 is not applicable to Defendants and the Class Members because there is a good faith dispute as to whether any wages are due at all to any Class Member. California Labor Code section 206.5 provides in pertinent part as follows:

AN EMPLOYER SHALL NOT REQUIRE THE EXECUTION OF A RELEASE OF A CLAIM OR RIGHT ON ACCOUNT OF WAGES DUE, OR TO BECOME DUE, OR MADE AS AN ADVANCE ON WAGES TO BE EARNED, UNLESS PAYMENT OF THOSE WAGES HAS BEEN MADE.

IX. HOW TO OBTAIN ADDITIONAL INFORMATION:

This Notice is only a summary of the class action lawsuit and the associated Settlement. For more information, you may inspect the Court files and the Settlement Agreement at the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012.

You may also contact Class Counsel, Settlement Administrator, and/or Defendants' Counsel for more information:

Class Counsel: Scott Edward Cole Laura Grace Van Note COLE & VAN NOTE 555 12th Street, Suite 1725 Oakland, California 94607 Telephone: (510) 891-9800 Facsimile: (510) 891-7030 sec@colevannote.com lvn@colevannote.com	Defendants' Counsel: Beth Kahn Ryan McKim Keith Rossman CLARK HILL LLP 555 South Flower Street, 24th Floor Los Angeles, CA 90071 Telephone: (213) 891-9100 Facsimile: (213) 488-1178 bkahn@clarkhill.com rmckim@clarkhill.com krossman@clarkhill.com
Settlement Administrator: Simpluris [Address] [Telephone] [Facsimile] [Email]	

PLEASE DO NOT CALL OR WRITE TO THE COURT ABOUT THIS NOTICE.

Opt-Out Form

Vanessa Gonzalez v. Seven Forty One Company, Inc., et al.

Case No. 20STCV30761

If you wish to opt out of the Settlement and exclude yourself from the Settlement, complete this Opt-Out Form and mail it to Simpluris, located at [Address] so that it is postmarked no later than [TBD]. For additional information about the Settlement, please review the accompanying Notice of Proposed Class Action Settlement & Hearing Date for Court Approval.

Full name: _____

Address: _____

Telephone: _____

Last four digits of social security number: _____

Signature: _____

Exhibit 2

Ryan C. McKim, Esq., SBN 265941
CLARK HILL LLP
555 South Flower Street, 24th Floor
Los Angeles, CA 90071
Telephone: (213) 891-9100
Facsimile: (213) 488-1178
RMcKim@ClarkHill.com

Attorneys for Defendants Seven Forty One Company,
Inc. and Mr. Stax, Inc.

**SUPERIOR COURT FOR THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

VANESSA GONZALEZ, individually, and
on behalf of all others similarly situated,

Plaintiff,

vs.

SEVEN FORTY ONE COMPANY, INC.,
MR. STAX, INC., and DOES 1 through
100, inclusive,

Defendants

Case No.: 20STCV30761

CLASS ACTION

*Assigned for All Purposes to Hon. Maren
Nelson, Department 17*

**MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT OF
MOTION FOR PRELIMINARY
APPROVAL OF CLASS AND
REPRESENTATIVE ACTION
SETTLEMENT**

Hearing Date: May 23, 2022
Time: 9:00 a.m.

Complaint Filed: August 12, 2020
Trial date: None.

TABLE OF CONTENTS

I.	INTRODUCTION	5
II.	FACTUAL BACKGROUND AND PROCEDURAL HISTORY	5
A.	Factual Allegations	5
III.	DEFENDANTS STRONGLY DENY PLAINTIFF’S CLAIMS	6
IV.	INVESTIGATION AND MEDIATION.....	7
V.	THE SETTLEMENT TERMS.....	9
A.	Class and PAGA Group Members.....	9
B.	Settlement Amounts	9
C.	Statement Regarding Class Notice.....	10
E.	Non-Cashed Settlement Checks	12
F.	Scope of Release	12
VI.	PRELIMINARY APPROVAL OF THE SETTLEMENT IS APPROPRIATE.....	14
A.	The Settlement is Presumptively Fair.....	17
i.	The Settlement is the Product of Arm’s-Length Negotiations	18
ii.	The Settlement is the Product of Informed Investigation And Discovery	19
iii.	Class Counsel are Highly Experienced and Support Preliminary Approval	20
B.	The Settlement Provides Substantial Monetary Relief to The Class	20
i.	The Settlement Provides Fair, Reasonable, and Adequate Relief to The Class Members in Light of the Significant Risks and Expense of Further Litigation.....	20
ii.	The Amount Offered in Settlement Supports the Preliminary Approval of the Settlement	22
iii.	The Settlement Has No Obvious Deficiencies and Does Not Grant Improper Preferential Treatment to Part of the Class or the Class Representatives.....	22
C.	The Work Performed by Class Counsel Supports the Fees and Costs Requested	22

1	D.	Service Awards to the Class Representatives are Routinely Awarded	25
2	VII.	PROVISIONAL CERTIFICATION OF THE CLASS IS APPROPRIATE.....	25
3	A.	There is an Ascertainable and Sufficiently Numerous Class.....	25
4	B.	There is a Well-Defined Community of Interest	26
5	i.	Common Issues of Law and Fact Predominate	26
6	ii.	Plaintiff's Claims are Typical of the Claims of the Class	26
7	iii.	The Adequacy Requirement is Met	27
8	VIII.	THE PROPOSED CLASS NOTICE IS APPROPRIATE	27
9	A.	The Notice is Accurate, Informative, and Satisfies Due Process.....	28
10	IX.	CONCLUSION	29
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
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TABLE OF AUTHORITIES

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I. INTRODUCTION

The parties, Plaintiff and proposed Class Representative Vanessa Gonzalez (“Class Representative” or “Plaintiff”) and Defendants Seven Forty One Company, Inc. and Mr. Stax, Inc. (collectively “Defendants”) (collectively the “Parties”) seek preliminary approval of a \$190,000.00 Class and Representative Action Settlement (“Settlement”). Plaintiff contends that Defendant Seven Forty One Company, Inc. employed Plaintiff and most of the class members. Plaintiff alleges that Defendant Mr. Stax, Inc. is an employer of Plaintiff and the class members; however, Defendants vehemently deny this allegation. The Class Representative has vigorously prosecuted this case, and Defendants have vigorously contested it including Plaintiff’s allegation that Mr. Stax, Inc. was her employer.

Ultimately, the Settlement was reached after the Parties engaged in a full day mediation with an experienced employment mediator, Eve Wagner. Prior to mediation, the Parties engaged in limited formal discovery and extensive informal discovery to investigate the veracity, strength, and scope of the claims, and to allow analysis and evaluation of the claims and Defendants’ defenses thereto. For instance, they exchanged a large volume of documents and information, which included and was not limited to, a sampling of information/data for the putative class members to allow Plaintiff to perform an analysis and valuation of all claims.

Moreover, the Settlement is strongly supported by experienced counsel, who carefully considered the strength of the claims and Defendants’ defenses, as well as the expense, complexity, risks, and likely duration of continued litigation. In light of the Parties’ support for the Settlement, and because it satisfies all of the criteria for preliminary approval under California law and will provide a substantial monetary recovery to Class Members, preliminary approval of the Settlement is appropriate and should be granted.

II. FACTUAL BACKGROUND AND PROCEDURAL HISTORY

A. Factual Allegations

This Settlement involves the wage and hour claims of approximately 170 non-exempt and/or hourly-paid, current and former employees, who worked for Defendant, Seven Forty One Company, Inc. (hereinafter “Seven Forty One”) at the IHOP restaurant operated at 880 S. Arroyo Pkwy, Pasadena, CA 91105, and/or Mr. Stax, Inc. (“Mr. Stax”) at 25060 Stanford Avenue, Suite 200, Valencia, CA 91355.

(Declaration of Scott Cole in Support of Plaintiff’s Motion for Preliminary Approval of Class and Representative Action Settlement (“Cole Decl.”), at ¶ 3, Exh. 1.; Joint Stipulation and Agreement for Class Action Settlement and Release (“Settlement Agreement” “Stipulation” or “SA”), ¶ 6.1.)

On August 12, 2020, Plaintiff filed this Action against Defendants, alleging that Defendants have, with respect to Plaintiff and the Class Members, allegedly violated multiple provisions of the California Labor Code and wage and hour laws, by failing to properly pay minimum and overtime wages, provide compliant meal and rest periods and associated premiums, timely pay wages during employment and upon termination of employment and to pay associated waiting-time penalties, provide compliant wage statements, maintain requisite payroll records, and thereby, engaged in unfair business practices in violation of California Business and Professions Code §§ 17200, *et seq.* (Cole Decl. ¶ 12.) Plaintiff alleges that both Defendants employed her and the Class Members. (*Id.*) Defendants vehemently deny this allegation and, instead, contend that only Seven Forty One employed Plaintiff and most of the Class Members and that Mr. Stax, Inc. did not employ either Plaintiff or most of the Class Members. (*Id.*)

On October 29, 2020, Plaintiff filed her First Amended Class Action Complaint to add a cause of action for civil penalties under PAGA arising from or relating to alleged violations of Labor Code §§ 200, 201, 202, 203, 204, 218, *et seq.*, 218.5, 226, *et seq.*, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, *et seq.*, 1194.2, 1197, 1197.1, 1198, and 2698, *et seq.*, and additional factual details regarding the claims and theories of the case. (Cole Decl. ¶ 13; SA ¶¶ 2.1-2.2.)

III. DEFENDANTS STRONGLY DENY PLAINTIFF’S CLAIMS

Defendants deny and continue to deny each and all of the allegations, claims, and contentions alleged by Plaintiff in the Action. (Cole Decl., ¶ 14; SA ¶ 2.7(a).) Defendants have expressly denied and continue to deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged in the Action. (*Id.*) Seven Forty One contends that it complied in good faith with California and federal wage and hour laws and dealt legally and fairly with Plaintiff and Settlement Class Members. (*Id.*) Further, Seven Forty One contends that it appropriately paid its employees at all times, that it always provided employees with the opportunity to take timely and compliant meal and rest breaks, that it complied with all applicable wage-and-hour laws, and all other

1 laws, at all times, and that, if this matter were to be further litigated, it would have strong defenses on the
2 merits and as to class certification. (*Id.*) Additionally, Mr. Stax, Inc. denies that it employed either Plaintiff
3 or most of the Class Members for purposes of the claims alleged in the Action. (Cole Decl., ¶ 34; SA ¶
4 2.7(a).)

5 Further, Defendants deny that, for any purpose other than settling this Action, these claims are
6 appropriate for class or representative treatment. (Cole Decl., ¶ 15; SA ¶ 2.7 (b).) Nonetheless, Defendants
7 have concluded that further proceedings in the Action would be protracted and expensive and agree to the
8 Action being fully and finally settled in the manner and upon the terms and conditions set forth in the Joint
9 Stipulation and Agreement for Class Action Settlement and Release (“Stipulation”) in order to dispose of
10 burdensome and protracted litigation, to permit the operation of Defendants’ respective businesses without
11 further expensive litigation and the distraction and diversion of their personnel with respect to matters at
12 issue in the Action. (*Id.*) In entering into the Stipulation, Defendants have also taken into account the
13 uncertainty and risks inherent in any litigation, especially in complex cases such as the Action. (*Id.*)

14 Defendants do not waive, but rather expressly reserve, all rights to challenge all such claims and
15 allegations in the Action upon all procedural and factual grounds, including without limitation the ability
16 to challenge class treatment or representative adjudication on any grounds or to assert any and all defenses
17 or privileges if the Stipulation is deemed void or does not take effect. (Cole Decl., ¶ 3; SA ¶ 2.7 (c).)

18 **IV. INVESTIGATION AND MEDIATION**

19 Class Counsel has conducted a thorough investigation into the facts of the Action, including
20 limited formal discovery, extensive informal discovery and exchange of a volume of documents and
21 information, which included and was not limited to, Seven Forty One’s production of a sampling of
22 information/data for the putative class members to allow Plaintiff to perform an analysis and valuation of
23 all claims. (Cole Decl., ¶ 18; SA ¶ 2.3). Prior to mediation the Parties exchanged information and
24 documents to investigate the veracity, strength, and scope of the claims, and to allow analysis and
25 evaluation of the claims and Defendants’ defenses thereto. (*Id.*) The Class Representative has vigorously
26 prosecuted this case, and Defendants have vigorously contested it including Plaintiff’s allegation that Mr.
27 Stax, Inc. was her employer. (*Id.*)

1 On March 5, 2021, the Parties participated in a mediation before experienced employment
2 mediator Eve Wagner. (Cole Decl., ¶ 16; SA ¶ 2.4). At mediation, the Parties engaged in intensive
3 discussions regarding their evaluations of the litigation and various aspects of the litigation, including the
4 risks and delays of further litigation, the risks to the Parties of proceeding with class certification, the law
5 relating to the allegations, the evidence produced and analyzed, and the possibility of appeals, among other
6 things. (*Id.*) Following mediation, on April 7, 2021, with the assistance of the mediator's evaluation, the
7 Parties reached a settlement of the Action. (*Id.*)

8 Based on the information, data, and documents exchanged, and their own independent
9 investigation and evaluation, Class Counsel is of the opinion that the settlement with Defendants for the
10 consideration and on the terms set forth in the Stipulation is fair, reasonable, and adequate and is in the
11 best interest of the Class Members in light of all known facts and circumstances. (Cole Decl., ¶ 19.)
12 Further, the Class Representative has carefully evaluated the terms of the Settlement, and, based upon that
13 review, has determined that it is fair, reasonable, and adequate. (*Id.*)

14 Based on the exchange of information and documents, the mediation session, and discussions
15 between counsel, Class Representative and Class Counsel have assessed the Parties' positions and
16 evaluated the value of the claims of the Class. (Cole Decl., ¶ 20; SA ¶ 2.5(a)). The information and
17 documents exchanged by the Parties and settlement discussions are sufficient to reliably assess the merits
18 of the Parties' respective positions and to compromise the issues on a fair and equitable basis. (*Id.*)

19 Plaintiff and Class Counsel believe that the claims, causes of action, allegations and contentions
20 asserted in the Action have merit. (Cole Decl., ¶ 21; SA ¶ 2.5(b)). However, Plaintiff and Class Counsel
21 recognize and acknowledge the expense and delay of continued lengthy proceedings necessary to
22 prosecute the Action against Defendants through trial and through appeals. (*Id.*) Class Counsel has taken
23 into account the uncertain outcome of the litigation, the risk of continued litigation in complex actions
24 such as this, as well as the difficulties and delays inherent in such litigation, and the potential difficulty of
25 obtaining certification of the Action as well as trying the claims of the Class Members. (*Id.*) Class Counsel
26 is mindful of the potential problems of proof under, and possible defenses to, the claims alleged in the
27 Action. (*Id.*) Class Counsel has also taken into account Defendant's potential defenses to Plaintiff's
28

1 allegations. (*Id.*) Class Counsel believes that the Settlement set forth in the Stipulation confers substantial
2 benefits upon Plaintiff and the Class Members and that an independent review of the Stipulation by the
3 Court in the approval process will confirm this conclusion. (*Id.*) Based on their own independent
4 investigation and evaluation, Class Counsel has determined that the Settlement set forth in the Stipulation
5 is in the best interests of Plaintiff and the Class Members. (*Id.*)

6 **V. THE SETTLEMENT TERMS**

7 **A. Class and PAGA Group Members**

8 For settlement purposes only, the Parties agree to define the “Class” or “Class Members” as non-
9 exempt and/or hourly-paid, current and former employees of Defendants, who performed worked at 880
10 S. Arroyo Pkwy, Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355, at
11 any time during the period of August 12, 2016 up to and including August 23, 2021 (the “Class Period”).
12 (Cole Decl., ¶ 22; SA ¶ 1.7).

13 “PAGA Group Member(s)” is defined as all allegedly aggrieved non-exempt and/or hourly-paid,
14 current and former employees of Defendants, who performed work at 880 S. Arroyo Pkwy, Pasadena, CA
15 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355, at any time during the period of
16 June 9, 2019 through August 23, 2021 (the “PAGA Period”). (Cole Decl., ¶ 22; SA ¶ 1.8).

17 **B. Settlement Amounts**

18 The “Gross Settlement Amount” refers to a fund in the sum of One Hundred Ninety Thousand
19 Dollars and Zero Cents (\$190,000.00). This Gross Settlement Amount shall be used to pay all:

20 (a) Attorneys’ fees and expenses, not to exceed \$66,500 in fees and not to exceed \$20,000 in
21 reasonable litigation costs and expenses actually incurred, to Class Counsel;

22 (b) Administration expenses to the settlement administrator, Simpluris (“Settlement
23 Administrator”);

24 (c) A service award to the Class Representative, not to exceed \$7,500;

25 (d) Civil penalties in the amount of \$5,000 under the Private Attorneys General Act of 2004, as
26 codified at California Labor Code §§ 2698, *et seq.* (“PAGA Payment”); and

1 (e) Net Settlement Amount (which is inclusive of 25% of the PAGA Payment and Employment
2 and Payroll Taxes¹). (Cole Decl., ¶ 23; SA ¶ 6.1(a)-(e)).

3 The parties have specifically agreed that the employer-side payroll taxes will be paid from the
4 Gross Settlement Amount. (Cole Decl., ¶ 24; SA ¶¶ 1.28, 6.2(d).)

5 The “Net Settlement Amount” means the net amount that Defendants will pay to all Class
6 Members who did not opt out of the Settlement (“Settlement Class Members” or “Settlement Class”), that
7 shall be paid out of the Gross Settlement Amount. (Cole Decl., ¶ 25; SA ¶¶ 1,24, 6.1).

8 “Administration Expenses” are all costs and expenses due the Settlement Administrator in
9 connection with its administration of the Class Settlement, including, but not limited to, providing the
10 Notice of Proposed Class Action Settlement and Hearing Date for Court Approval (“Class Notice”),
11 locating Class Members, processing requests for exclusion and objections, and calculating, administering
12 and distributing individual settlement payments to Settlement Class Members and related tax forms, shall
13 be paid from the Gross Settlement Amount. (Cole Decl., ¶ 26; SA ¶¶ 1.2, 4.5).

14 “Service Award” means any additional monetary payment provided to the Class Representative
15 for her efforts and risks on behalf of the Class Members in this Action, not to exceed Seven Thousand,
16 Five Hundred Dollars (\$7,500), subject to Court approval. (Cole Decl., ¶ 27; SA ¶ 4.1).

17 Each Settlement Class Member shall be eligible to receive payment of a share of the Net Settlement
18 Amount based on the pro rata number of work-weeks allocated to the Settlement Class Member as a
19 proportion of all work-weeks allocated to all Settlement Class Members. (Cole Decl., ¶ 28; SA ¶¶ 4.2,
20 6.2). Each Settlement Class Member’s share of the Net Settlement Amount will be determined by the
21 Settlement Administrator.

22 23 24 **C. Statement Regarding Class Notice**

25 In compliance with California Rules of Court 3.766(b), the Parties provide the following

26 ¹ As set forth in the Settlement Agreement, “Employment and Payroll Taxes” means the employee’s
27 and employer’s share of state and federal employment and payroll taxes and withholdings with respect
28 to the wage-portion of individual settlement payments, which is included in the Gross Settlement
Amount.

statement regarding the Class Notice that will be sent to Class Members:

1. Notice to Class Members is necessary;²
2. Upon receiving the Class Notice and Opt Out Form, Class members may exclude themselves from the Action;
3. Class Notices will be mailed to Class Members no later than 20 days after the Court grants preliminary approval of the Settlement Agreement;
4. The Notice procedures will be paid for out of the Gross Settlement Amount; and
5. The estimated cost of the Settlement Administrator's administration of the Class Notice procedures is \$9,351.

The manner of giving notice in this matter complies with California Rules of Court 3.766(e)-(f) because it will protect the interests of the Class by providing the most reliable and efficient method of providing notice to Class Members and informing them of their options related to the Settlement.

The Settlement Administrator will be responsible for translating the Class Notice from English to Spanish and Vietnamese. (SA, ¶ 5; Declaration of Settlement Administrator in Support of Motion for Preliminary Approval of Class and Representative Action Settlement, ¶ 13, Exhibit C.)

D. Opt-Out and Exclusion Procedure

Class Members may elect to opt out of the Settlement and, thus, exclude themselves from the Settlement Class. (Cole Decl., ¶ 30; SA, at ¶¶ 1.33, 5.6). Class Members who wish to exercise this option must mail to the Settlement Administrator a written request for exclusion that is postmarked no later than forty-five (45) calendar days after the Class Notice is mailed to the Class ("Response Deadline"). (*Id.*) If a timely and valid request for exclusion is not received by the Settlement Administrator from a Class

² The Court's order file stamped December 15, 2021 states, "If the class data is to be maintained as confidential, explain why this is in the best interest of the Class and why it wouldn't impede Class Counsel's ability to discharge their fiduciary duties." Limiting the dissemination of class data is in the best interest of the Class because it protects the privacy of Class Members and limits the chances that private information will be inadvertently divulged. Moreover, confidentiality will not impede Class Counsel's ability to discharge their fiduciary duties to the Class because the Class Notice will include contact information for Class Counsel and the Settlement Administrator. Therefore, Class Members can easily communicate with Class Counsel, if they want to do so, or if the Settlement Administrator is not able to answer a Class Member's questions.

1 Member on or before the Response Deadline, then that Class Member will be deemed to have forever
2 waived his or her right to seek exclusion from the Settlement and shall be bound by the Settlement and
3 Judgment. (*Id.*)

4 The Class Notice will advise Class Members of the option to opt out of the Settlement and will
5 contain instructions on how to do so. (Cole Decl., ¶ 30; SA, at ¶¶ 1.33, 5.6). Class Members who do
6 validly request exclusion from the Settlement by submitting a valid and timely Request for Exclusion shall
7 not be bound by the terms of the Settlement, shall not be allowed to object to the Settlement, and shall not
8 be entitled to any benefits as a result of the Settlement. (*Id.*) However, to the extent that a Class Member
9 is also a PAGA Group Member, he or she will be bound by the Released PAGA Claims and will receive
10 a portion of the PAGA settlement, notwithstanding his or her Request for Exclusion.

11 **E. Non-Cashed Settlement Checks**

12 Checks to Class Members shall be valid for a period of one hundred and eighty (180) calendar
13 days after they are mailed, and thereafter, will be cancelled. (Cole Decl., ¶ 31; SA, at ¶ 6.5). Funds
14 associated with cancelled checks will be donated to Bet Tzedek, an organization that provides legal aid to
15 low-income individuals and families including related to employment issues. (*Id.*) Neither the Parties
16 nor their counsel have any interest or involvement with the proposed cy pres recipient, Bet Tzedek. (Cole
17 Decl., ¶ 32.)

18 **F. Scope of Release**

19 **1. Class Action**

20 Upon the Effective Date, as defined below, the Settlement Class Members and Plaintiff, release,
21 discharge, and agree to hold harmless the Released Parties, and each of them, from any and all Released
22 Claims, as defined herein. (SA, at ¶ 9.1).

23 “Released Claims” means any and all federal and California state law wage-and-hour claims,
24 rights, demands, liabilities, and/or causes of action of every nature and description arising from any and
25 all claims that were alleged or could have been alleged in the Complaint based on the facts contained
26 therein, arising during the Class Period, including, without limitation, statutory, constitutional,
27 contractual, and/or common law claims for wages, reimbursements, damages, unpaid costs, penalties
28

(including penalties under the California Labor Code’s Private Attorneys General Act of 2004, as amended, California Labor Code §§ 2698, et seq.), liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs, restitution, or equitable relief, including without limitation, California Labor Code §§ 200, 201, 202, 203, 204, 218, et seq., 218.5, 226, et seq., 226.7, 510, 512, 558, 1174, 1174(d), 1174.5, 1182.12, 1194, et. seq., 1197, et seq., 1197.1, 1198, 2698, et seq., 2699, 2699.3, and any federal counterparts, California Business and Professions Code §§ 17200-17208, any IWC Wage Orders, California Code of Civil Procedure § 1021.5, any claims for meal and rest period violations; unpaid minimum wages or overtime wages; untimely pay during and at termination of employment, unreimbursed business expenses, record-keeping violations, and/or inaccurate pay stubs arising under Labor Code section 226; and any unlawful deductions; and causes of action for (i) unlawful failure to pay wages (Labor Code §§ 200-204, 510, 558, 1194; IWC Wage Order); (ii) Failure to provide meal and rest periods (Labor Code §§ 226.7, 512); (iii) Failure to provide itemized wage statements (Labor Code §§ 226, 1174); (iv) Failure to timely pay wages on termination (Labor Code § 203); (v) Unfair business practices under the Unfair Competition Act (Bus. & Prof. Code §§ 17200-17208); and (vi) Private Attorneys General Act of 2004 (Labor Code §§ 2698, et seq.). “Released Claims” shall only refer to employment claims (as enumerated above) arising out of labor performed at 880 S. Arroyo Pkwy, Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355. No release in this Settlement shall be effective until the Gross Settlement Amount is fully funded.

The Effective Date shall be the date when all of the following events have occurred: (a) the Stipulation has been executed by all Parties; (b) the Court has given preliminary approval to the Settlement; (c) notice has been given to the Class Members providing them with an opportunity to opt out of the Settlement; (d) the Court has held a Final Approval Hearing and entered the Final Approval order and Judgment; (e) The Gross Settlement Amount is fully funded; and (f) the later of the following events: the expiration of the period for filing any appeal, writ, or other appellate proceeding challenging the Final Approval Order and Judgment has elapsed without any appeal, writ or other appellate proceeding having been filed; or the dismissal of any appeal, writ, or other appellate proceeding opposing the Settlement with no right to pursue further remedies or relief; or any appeal, writ, or the issuance of such other final

1 appellate order upholding the Final Approval Order and Judgment with no right to pursue further remedies
2 or relief. (*Id.*) In this regard, it is the intention of the Parties that the Settlement shall not become effective
3 until the Final Approval Order and Judgment is completely final and there is no further recourse by an
4 appellant or objector who seeks to contest the Settlement. (*Id.*) In *Amaro v. Anaheim Arena Management,*
5 *LLC* (2021) 69 Cal.App.5th 521, 537, the Court of Appeal explained that “a court cannot release claims
6 that are outside the scope of the allegations of the complaint.” Here, the operative complaint alleges
7 various wage and hour claims. The release language is confined to wage and hour matters. Therefore,
8 the release complies with *Amaro* because the only claims that are being released were alleged in the
9 operative complaint or could have been alleged based on the facts in the operative complaint. Similarly,
10 the release of PAGA claims is limited to claims for penalties that were brought or could have been brought
11 based on the facts alleged in the notice to the LWDA. (A copy of the LWDA letter is attached as Exhibit
12 3 to the SA.)

13 **VI. PRELIMINARY APPROVAL OF THE SETTLEMENT IS APPROPRIATE**

14 Settlement of a class action requires court approval to prevent fraud, collusion, or unfairness to the
15 class. (*Dunk v. Ford Motor Co.* (1996) 48 Cal. App. 4th 1794, 1800-01.) The purpose of the preliminary
16 evaluation of class action settlements is to determine whether the proposed settlement is within the range
17 of possible approval, and whether notice to the class of the settlement terms and conditions and the
18 scheduling of a formal fairness hearing is worthwhile. (*Wershba v. Apple Computer, Inc.* (2001) 9
19 Cal.App.4th 224, 234-35, disapproved on other grounds in *Hernandez v. Restoration Hardware, Inc.*
20 (2018) 4 Cal.5th 260, 270.) To determine whether a class settlement is fair, adequate, and reasonable, a
21 court must be provided with “basic information about the nature and magnitude of the claims in question
22 and the basis for concluding that the consideration being paid for the release of those claims represents a
23 reasonable compromise.” (*Clark v. American Residential Services LLC*, (2009) 175 Cal. App. 4th 785,
24 799.)

25 When deciding whether a class action settlement is fair, the trial court must exercise its discretion
26 through the application of several well-recognized factors. (*Clark, supra*, 175 Cal. App. 4th at 799.) The
27 list of factors is not exhaustive and “should be tailored to each case,” and includes “the strength of
28

plaintiff's case, the risk, expense, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, the experience and views of counsel, the presence of a governmental participant, and the reaction of the class members to the proposed settlement.” (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal. App. 4th 116, 128 (quoting *Dunk*, 48 Cal. App. 4th at 1801.)) In determining whether to approve a class action settlement, the most important factor the trial court should consider is the strength of the case for plaintiff on the merits, balanced against the amount offered in settlement. (*Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles* (2010) 186 Cal. App. 4th 399, 407-08; *Kullar, supra* 168 Cal. App. 4th at 130.) Thus, at the preliminary approval stage, the trial court must determine that the settlement was not the product of fraud, overreaching or collusion, and that the settlement is fair, reasonable, and adequate. (*Nordstrom Com'n Cases* (2010) 186 Cal. App. 4th 576, 581.)

Here, Class Counsel assesses the potential exposure on the claims asserted in the operative complaint as follows:

- a. Failure to Pay Wages – Class Counsel “assessed the potential exposure for meal and rest period wages at \$30,030.” (Cole Decl., ¶ 34.a.) Class Counsel states: “This is based on the following analysis of Defendant’s data: the class worked a total of 231 weeks, had an average hourly rate of \$13, and assuming five violations per worker, per week (unlikely to actually be the case).” (*Id.*) Defendants maintain that they always provided employees with the opportunity to take timely and compliant meal and rest breaks. (*Id.*) Defendants contend they had compliant policies. Again, Mr. Stax contends that it was not Plaintiff’s employer. (*Id.*)
- b. Failure to Provide Accurate Itemized Wage Statements – Class Counsel “assessed the potential exposure for wage statement penalties at \$110,60 [sic] because Defendants’ data showed a total number of pay periods of 1079.” (Cole Decl., ¶ 34.b.) Class Counsel states: “The initial violations were \$2,750 (number of total class members times the \$50 statutory penalty).” (*Id.*) Class Counsel further states: “The subsequent violations were \$107,900 (1079 pay periods times \$100 statutory penalty capped at \$4,000 per person).” (*Id.*) Class Counsel states: “The

combined penalties come out to \$110,650.” (*Id.*) Defendants maintain that their wage statements contained all information required by Labor Code § 226. (*Id.*) Again, Mr. Stax contends that it was not Plaintiff’s employer. (*Id.*)

c. Failure to Pay Wages on Termination – Class Counsel “assessed the potential exposure for waiting time penalties at \$171,600.” (Cole Decl., ¶ 34.c.) Class Counsel states: “This is based on Defendants’ data.” (*Id.*) Class Counsel further states; “Specially [sic], the average hourly rate was \$13. Times 8 hours worked comes out to \$104 dollars per day per class member. The 30-day maximum comes out to \$3,120 per class members. Assuming the maximum penalty for each class member comes out to \$171,600.” (*Id.*) Defendants argue that they accurately and timely paid employees’ wages during the relevant time period. (*Id.*) Again, Mr. Stax contends that it was not Plaintiff’s employer. (*Id.*)

d. Unfair Business Practices (Business & Professions Code § 17200) – Class Counsel “assessed the potential monetary exposure for the UCL claim to be minimal because the UCL does not provide for money damages, only equitable relief.” (Cole Decl., ¶ 34.d.) Defendants maintain that their business practices were lawful, fair, and not fraudulent. (*Id.*) Again, Mr. Stax contends that it was not Plaintiff’s employer. (*Id.*)

e. Private Attorneys General Act Claim (Labor Code § 2699) – Paragraph 34.e of the Declaration of Scott Cole in Support of Plaintiff’s Motion for Preliminary Approval of Class and Representative Action Settlement states that Class Counsel “assessed the potential exposure for PAGA civil penalties at \$428,936 because. [sic] The initial statutory penalty is \$50 with a penalty of \$100 for subsequent violations. The total penalties for initial violations were \$2,750 (55 employees times \$50). Penalties for the subsequent violations amount to \$107,900 (1079 subsequent violations times \$100).” Defendants deny that there are any underlying violations of the Labor Code, and as such, an award of civil penalties under PAGA would be inappropriate under these circumstances. (Cole Decl., ¶ 34.e.) Class Counsel states: “Thus, PAGA Payment is fair to PAGA Group Members because this will maximize the amount of the settlement allocated to them.” (*Id.*)

1 Defendants deny that, for any purpose other than settling this Action, these claims are appropriate
2 for class or representative treatment. (Cole Decl., ¶ 15; SA ¶ 2.7(b).) Nonetheless, Defendants have
3 concluded that further proceedings in the Action would be protracted and expensive and agree to the
4 Settlement.

5 In considering the merits of this Settlement, Class Counsel analyzed the strengths of the case versus
6 the amount offered in settlement; the risk, expense, and complexity and likely duration of further litigation
7 and maintaining class certification through trial. (Cole Decl., ¶ 33.) Defendants and their counsel have
8 also taken into account the uncertainty and risks inherent in any litigation, especially in complex cases
9 such as the Action.

10 Plaintiff and Class Counsel contend that the Settlement provides a substantial benefit to all Class
11 Members. (Cole Decl., ¶ 33; Declaration of Plaintiff Vanessa Gonzalez in Support of Motion for
12 Preliminary Approval of Class and Representative Action Settlement (“Gonzalez Decl.”), ¶ 8.) To that
13 end, Plaintiff and Class Counsel also contend that the Gross Settlement Amount of \$190,000 is an
14 excellent result, given the highly disputed nature of the claims, and warrants preliminary approval. (*Id.*)
15 In reaching this Settlement, Class Counsel carefully considered the strength of the case versus the amount
16 offered in settlement and the risk, expense, and complexity of maintaining class certification through trial;
17 the present state of the law as it applies to wage-and-hour class actions; and the burdens of proof necessary
18 to establish liability against Defendants. (Cole Decl., ¶ 33.) Defendants have concluded that further
19 proceedings in the Action would be protracted and expensive and agree to the Action being fully and
20 finally settled in the manner and upon the terms and conditions set forth in the Stipulation in order to
21 dispose of burdensome and protracted litigation, to permit the operation of Defendants’ respective
22 businesses without further expensive litigation and the distraction and diversion of their personnel with
23 respect to matters at issue in the Action. (Cole Decl., ¶ 15; SA ¶ 2.7 (b).)

24 **A. The Settlement is Presumptively Fair**

25 California courts recognize that a “presumption of fairness exists where (1) the settlement is reach
26 through arm’s-length bargaining; (2) sufficient investigation allows counsel and the court to act
27 intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small.”
28

(*Dunk, supra*, 48 Cal. App. 4th at 1802.) Here, although the percentage of objectors is unknown at this time, the Settlement objectively meets the other requirements and this Court should give considerable weight to the competency and integrity of the Parties' counsel, who are experienced in wage and hour class action litigation and reached the Settlement with the assistance of mediator Eve Wagner and through arm's-length negotiations without self-dealing or other misconduct. (*See Kullar, supra* 168 Cal. App. 4th at 129.)

i. The Settlement is the Product of Arm's-Length Negotiations

"[W]hat transpires in settlement negotiations is highly relevant to the assessment of a proposed settlement's fairness." (*State v. Levi Strauss & Co.* (1986) 41 Cal. 3d 460, 482.) Courts presume the absence of fraud or collusion in the negotiation of a settlement unless evidence to the contrary is offered. In short, there is a presumption that the negotiations were conducted in good faith. (*William B. Rubenstein, et al., Newberg on Class Actions* § 13:45 (5th ed. 2011-2017.))

On March 5, 2021, the Parties participated in a mediation before experienced employment mediator Eve Wagner. (Cole Decl., ¶ 16; SA ¶ 2.4.) At mediation, the Parties engaged in intensive discussions regarding their evaluations of the litigation and various aspects of the litigation, including the risks and delays of further litigation, the risks to the Settling Parties of proceeding with class certification, the law relating to the allegations, the evidence produced and analyzed, and the possibility of appeals, among other things. (*Id.*) Following mediation, on April 7, 2021, with the assistance of the mediator's evaluation, the Parties reached a settlement of the Action. (*Id.*)

Based on the information, data, and documents exchanged, and their own independent investigation and evaluation, Class Counsel is of the opinion that the settlement with Defendants for the consideration and on the terms set forth in the Stipulation is fair, reasonable, and adequate and is in the best interest of the Class Members in light of all known facts and circumstances. (Cole Decl., ¶ 19) Further, the Class Representative has carefully evaluated the terms of the Settlement, and, based upon that review, has determined that it is fair, reasonable, and adequate. (*Id.*; Gonzalez Decl., ¶¶ 7-8.)

Based on the exchange of information and documents, the mediation session, and the Parties'

1 negotiations and discussions, Class Representative and Class Counsel have assessed the Parties' positions
2 and evaluated the value of the claims of the Class. (Cole Decl., ¶¶ 20, 34; SA ¶ 2.5(a).) The information
3 and documents exchanged by the Parties and settlement discussions are sufficient to reliably assess the
4 merits of the Parties' respective positions and to compromise the issues on a fair and equitable basis. (Cole
5 Decl., ¶ 20.)

6 **ii. The Settlement is the Product of Informed Investigation And Discovery**

7 There is a presumption that a proposed settlement is fair and reasonable when there has been
8 sufficient investigation and discovery to permit counsel and the court to act intelligently, and counsel are
9 experienced in similar litigation. (*Dunk, supra*, 48 Cal. App. 4th at 1802.)

10 Class Counsel has "conducted a thorough investigation into the facts of the Action," including
11 "limited formal discovery, extensive informal discovery and exchange of a volume of documents and
12 information, which included and was not limited to, Seven Forty One's production of a sampling of
13 information/data for 19% of the putative class members to allow Plaintiff to perform an analysis and
14 valuation of all claims."³ (Cole Decl., ¶ 18; SA ¶ 2.3.) Prior to mediation the Parties exchanged
15 information and documents to investigate the veracity, strength, and scope of the claims, and to allow
16 analysis and evaluation of the claims and Defendants' defenses thereto. (*Id.*) Class Counsel's
17 investigation included but was not limited to interviewing Plaintiff, reviewing publicly available
18 information about Defendants, and relying on substantial prior experience with and knowledge of this
19 industry. (Cole Decl., ¶ 18.) The Class Representative has vigorously prosecuted this case, and Defendants
20 have vigorously contested it including Plaintiff's allegation that Mr. Stax was her employer. (*Id.*)

21 Class Counsel believes that the documents and information exchanged and analyzed in preparation
22 for mediation, as well as the Parties' discussions during mediation and subsequent negotiations, are
23 sufficient for the Parties to make an informed decision about a fair resolution of this action. (Cole Decl.,
24 ¶ 18.)

25 ³ Defendants provided the number of full-time equivalent employees and total number of workweeks
26 from August 12, 2016 to August 23, 2021, which Class Counsel then used to perform an analysis and
27 valuation of all claims extrapolated to the entire Class. Defendants also produced the number of
28 employees and workweeks in the PAGA Period from August 12, 2019 through August 23, 2021. In
addition to this data, Defendants produced their Employee Handbooks, which contain all relevant
employee policies implicated by Plaintiff's wage and hour claims.

1 **iii. Class Counsel are Highly Experienced and Support Preliminary Approval**

2 Although the recommendations of counsel proposing the class settlement are not conclusive, the
3 Court can properly consider the recommendations, particularly if counsel have been involved in litigation
4 for some period of time, appear to be competent, have experience with this type of litigation, and
5 significant discovery has been completed. (*Newberg on Class Actions* § 13:53 (5th ed. 2011-2017.))

6 Class Counsel, Cole & Van Note, is a very specialized practice, devoted almost exclusively to the
7 prosecution of wage and hour class action matters such as this Action. (Cole Decl., ¶ 7.) Class Counsel
8 has prosecuted roughly 300 wage and hour class actions. (Cole Decl., ¶ 7; Exh. 3.)

9 **B. The Settlement Provides Substantial Monetary Relief to The Class**

10 **i. The Settlement Provides Fair, Reasonable, and Adequate Relief to The Class**
11 **Members in Light of the Significant Risks and Expense of Further Litigation**

12 In order to determine whether a class settlement is fair, adequate, and reasonable, courts must be
13 provided with “basic information about the nature and magnitude of the claims in question and the basis
14 for concluding that the consideration being paid for the release of those claims represents a reasonable
15 compromise.” (*Kullar, supra*, 168 Cal. App. 4th at 133; *Clark, supra*, 175 Cal. App. 4th at 799.) A
16 settlement is not judged against what might have been recovered had a plaintiff prevailed at trial, nor does
17 the settlement have to provide 100% of the damages sought to be fair and reasonable. (*Wershba, supra*,
18 91 Cal. App. 4th at 246, 250.)

19 Here, the Settlement results in a substantial benefit to all Class Members, and the Gross Settlement
20 Amount of \$190,000.00 is an excellent result by any measure and warrants preliminary approval. (Cole
21 Decl., ¶ 33.) In reaching this Settlement, Class Counsel carefully considered the strength of the case
22 versus the amount offered in settlement; the risk, expense, complexity, and likely duration of further
23 litigation and maintaining class certification through trial; the present state of the law as it applies to wage
24 and hour class actions; and the burdens of proof necessary to establish liability against Defendants. (*Id.*)

25 Plaintiff and Class Counsel recognize and acknowledge the expense and delay of continued
26 lengthy proceedings necessary to prosecute the Action against Defendants through trial and through
27 appeals. (Cole Decl., ¶ 21; SA ¶ 2.5.) Class Counsel has taken into account the uncertain outcome of the
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1 litigation, the risk of continued litigation in complex actions such as this, as well as the difficulties and
2 delays inherent in such litigation, and the potential difficulty of obtaining certification of the Action as
3 well as trying the claims of the Class Members. (*Id.*) Class Counsel is mindful of the potential problems
4 of proof under, and possible defenses to, the claims alleged in the Action. (*Id.*) Class Counsel has also
5 taken into account Defendants' potential defenses to Plaintiff's allegations. (*Id.*) Class Counsel believes
6 that the Settlement set forth in the Stipulation confers substantial benefits upon Plaintiff and the Settlement
7 Class Members and that an independent review of the Stipulation by the Court in the approval process
8 will confirm this conclusion. (*Id.*) Based on their own independent investigation and evaluation, Class
9 Counsel has determined that the Settlement set forth in the Stipulation is in the best interests of Plaintiff
10 and the Class Members. (*Id.*)

11 Defendants deny and continue to deny each and all of the allegations, claims, and contentions
12 alleged by Plaintiff in the Action. (Cole Decl., ¶¶ 14-15; SA, at ¶ 2.7(a).) Defendants have expressly
13 denied and continue to deny all charges of wrongdoing or liability against them arising out of any of the
14 conduct, statements, acts or omissions alleged in the Action. (*Id.*) Seven Forty One contends that it
15 complied in good faith with California and federal wage and hour laws and dealt legally and fairly with
16 Plaintiff and Class Members. (*Id.*) Further, Seven Forty One contends that it appropriately paid its
17 employees at all times, that it always provided employees with the opportunity to take timely and
18 compliant meal and rest breaks, that it complied with all applicable wage-and-hour laws, and all other
19 laws, at all times, and that, if this matter were to be further litigated, it would have strong defenses on the
20 merits and as to class certification. (*Id.*) In evaluating its position at mediation, Seven Forty One agreed
21 to the Gross Settlement Amount with the express understanding that the Gross Settlement Amount
22 included its share of Employment and Payroll Taxes. (*Id.*) Additionally, Mr. Stax denies that it employed
23 either Plaintiff or most of the Class Members for purposes of the claims alleged in the Action. (*Id.*) Mr.
24 Stax contends that it complied in good faith with California and federal wage and hour laws and dealt
25 legally and fairly with Plaintiff and Settlement Class Members. (*Id.*) Further, Mr. Stax contends that it
26 appropriately paid its employees at all times, that it always provided employees with the opportunity to
27 take timely and compliant meal and rest breaks, that it complied with all applicable wage-and-hour laws,
28

1 and all other laws, at all times, and that, if this matter were to be further litigated, it would have strong
2 defenses on the merits and as to class certification. (*Id.*)

3 **ii. The Amount Offered in Settlement Supports the Preliminary Approval of the**
4 **Settlement**

5 The Settlement results in a substantial benefit to all Class Members and the Gross Settlement
6 Amount of \$190,000 is an excellent result given the highly disputed nature of the claims and warrants
7 preliminary approval. (Cole Decl., ¶ 33.) In reaching this settlement, Class Counsel carefully considered
8 the strength of the case versus the amount offered in settlement and the risk, expense, and complexity of
9 maintaining class certification through trial. (*Id.*) Class Counsel analyzed the strengths of the case versus
10 the amount offered in settlement; the risk, expense, and complexity and likely duration of further litigation
11 and maintaining class certification through trial; the present state of the law as it applies to wage-and-hour
12 class actions; and the burdens of proof necessary to establish liability against Defendants. (*Id.*)

13 **iii. The Settlement Has No Obvious Deficiencies and Does Not Grant Improper**
14 **Preferential Treatment to Part of the Class or the Class Representatives**

15 Each Settlement Class Member shall be eligible to receive payment of the Individual Settlement
16 Amount, which is a share of the Net Settlement Amount based on the pro rata number of Workweeks
17 allocated to a Settlement Class Member as a proportion of all Workweeks allocated to all Settlement Class
18 Members. (Cole Decl., ¶ 28; SA, at ¶ 4.2). As such, all Class Members are therefore treated equitably and
19 fairly, and no Class Member is granted improper preferential treatment, as distribution of the Net
20 Settlement Amount takes into consideration the length of employment for each Class Member and the
21 number of violations suffered. (*Id.*)

22 **C. The Work Performed by Class Counsel Supports the Fees and Costs Requested**

23 The California Supreme Court has unanimously held “that when class action litigation establishes
24 a monetary fund for the benefit of the class members, and the trial court in its equitable powers awards
25 class counsel a fee out of that fund, the court may determine the amount of a reasonable fee by choosing
26 an appropriate percentage of the fund created.” (*Laffitte v. Robert Half International, Inc.* (2016) 1 Cal.
27 5th 480, 503.) The Court further held that although trial courts have discretion to use a lodestar multiplier
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1 cross-check or to forego a lodestar multiplier cross-check if some other means to evaluate the
2 reasonableness of a requested fee percentage exists, “the percentage method is a valuable tool that should
3 not be denied our trial court.” (*Laffitte, supra*, 1 Cal.5th at 503-06.) California courts have awarded
4 common fund fees calculated using a percentage-of-fund method that is not dependent on counsel’s
5 lodestar amount. (*In re Sutter Health Uninsured Pricing Cases* (2009) 171 Cal. App. 4th 495, 512; *Bell*
6 *v. Farmers Ins. Exch.* (2004) 115 Cal. App. 4th 715, 726; *Apple Computer, Inc. v. Superior Ct.* (2005) 126
7 Cal. App. 4th 1253, 1270.)

8 The settlement provides for an attorneys’ fee award of 35% of the settlement amount, a typical
9 percentage in the resolution of common fund cases. (Declaration of Scott Cole in Support of Plaintiff’s
10 Motion for Preliminary Approval of Class and Representative Action Settlement, file stamped September
11 3, 2021, ¶ 44.) Class Counsel has devoted numerous hours to and faced significant risk⁴ in the prosecution
12 of this matter and, more importantly, made an extraordinary fund available given the challenges faced
13 here and the modest claim values—to a large number of otherwise- underrepresented, low paid workers.
14 (*Id.*)

15 The “common fund” method, or “percentage-of-the-benefit” analysis, calculates attorneys’ fees
16 based on a percentage of the common benefit to the class. (*In re Consumer Privacy Cases*, 175 Cal.App.4th
17 545 (2009); *Serrano v. Priest*, 20 Cal.3d 25 (1977).) In cases where a common fund has been created—
18 i.e., where each class member will “receive a mathematically ascertainable payment”⁵—California state
19 courts,⁶ the Ninth Circuit⁷ and the United States Supreme Court⁸ agree that awarding attorneys’ fees as a
20 percentage of the common fund is the proper method.⁹

21 ⁴ Class Counsel undertook this matter solely on a contingent basis, with no guarantee regarding the
22 potential duration of the litigation or even the ultimate reimbursement of fees or costs.

23 ⁵ (*Vasquez*, 266 F.R.D. 482 at *491 (E.D. Cal. 2010).)

24 ⁶ See, fn. 10; (*Lealao v. Beneficial California*, 82 Cal.App.4th 19 (2000); *Serrano v. Priest*, 20 Cal.3d
25 25 (1977).)

26 ⁷ (*Staten v. Boeing Co.*, 327 F.3d 938, 952 (9th Cir. 2003); *Powers v. Eichen*, 229 F.3d 1249, 1256 (9th
27 Cir. 2000).)

28 ⁸ The United States Supreme Court has always computed common fund fee awards on a percentage of
the fund basis. (*Boeing Co. v. Van Gemert*, 444 U.S. 472, 100 S.Ct. 745 (1980); *Central Railroad &*
Banking Co. of Georgia v. Pettus, 113 U.S. 116, 5 S.Ct. 387 (1885); *Sprague v. Ticonic Nat’l Bank*, 307
U.S. 161, 59 S.Ct. 777 (1939).)

⁹ A lodestar approach (enhanced by a multiplier) can be used as an alternative to the common fund
theory when “there is no way to gauge the net value of the settlement or any percentage thereof.”
(*Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1029 (9th Cir. 1998).)

As expressed by the Third Circuit’s Task Force on the Selection of Class Counsel¹⁰, in Conte and Newberg’s treatise on class actions (“Newberg”)¹¹ and, *inter alia*, in *Blum v. Stenson*, 465 U.S. 886, 900 n.16 (1984), the rationale for this is commonsensical: in common fund cases, fees are not assessed against the unsuccessful litigant (a.k.a. “fee shifting”), but rather, are taken from the fund or damage recovery (a.k.a. “fee spreading”). In contrast to the calculation of a statutory fee, payable by the Defendant depending on the extent of success achieved, a common fund is itself the measure of success and represents the benchmark from which a fee will be awarded. 5 *Newberg* § 15.53 at 183. Consequently, the analysis in a common fund case focuses not on the plaintiffs’ position as “prevailing parties,” but on a showing that the fund conferring a benefit on the class which resulted from their efforts. *Id.*, § 2.06 at 40.¹²

Here, Class Counsel harnessed evidence from all available resources, conducted formal and informal discovery and, thereupon, used its skills and experience to negotiate an outstanding result for Class Members. (Declaration of Scott Cole in Support of Plaintiff’s Motion for Preliminary Approval of Class and Representative Action Settlement, file stamped September 3, 2021, ¶ 44.) A common fund doctrine award of fees for that work performed,¹³ risks assumed and results achieved is appropriate. (*Id.*)

¹⁰ See, (*Third Circuit Task Force on the Selection of Class Counsel* (Final Report, January 2002), available at <https://www.ca3.uscourts.gov/sites/ca3/files/final%20report%20of%20third%20circuit%20task%20for%20ce.pdf> (recommending that all fee awards in common fund cases be awarded as a percentage of the fund, but that a lodestar analysis continue to be the applicable method for determining statutory fee shifting awards); *Report of the Third Circuit Task Force*, 108 F.R.D. 237, 255 (hardcopy not exhibited here due to length of document).)

¹¹ *Newberg on Class Actions* (5th ed. 2017).

¹² The common fund doctrine is based on the commonsense notion that the “one who expends attorneys’ fees in winning a suit which creates a fund from which others derive benefits, may require those passive beneficiaries to bear a fair share of the litigation costs.” (*Quinn v. State of California* (1975) 15 Cal.3d 162, 167; *Boeing Co. v. Van Gemert*, 444 U.S. 472, 478 (1980) [“a lawyer who recovers a common fund for the benefit of persons other than himself or his client is entitled to a reasonable attorney’s fee from the fund as a whole,” and class members who benefit from a lawsuit “without contributing to its cost are unjustly enriched at the successful litigant’s expense.”].)

¹³ Attorney fee awards in common funds cases are intended to compensate class counsel for work performed both before and after the date of judgment. In nearly every class action, the efforts during litigation and in pursuing approval of the settlement are only part of the overall work picture. Post judgment, class counsel is required to stay in close contact with the claims administrator to ensure payment of the settlement proceeds, to communicate with class members, their CPAs, even other attorneys regarding the tax treatment of settlement proceeds, and report compliance with the terms of the Court’s final approval order thereto.

1 **D. Service Awards to the Class Representatives are Routinely Awarded**

2 Courts routinely approve service awards to compensate named plaintiffs for the services they
3 provide and the risks they incur during the course of the class litigation. (*Bell v. Farmers Ins. Exch.* (2004)
4 115 Cal. App. 4th 715, 726 (upholding “service payments” to plaintiffs for their efforts in bringing a class
5 case); *Manual for Complex Litigation (Fourth)* § 21.62 n. 971 (2004) (noting that service awards are
6 warranted).) In approving service awards, courts frequently approve awards as high as \$10,000 or more.
7 (*In re Cellphone Termination Cases*, (2010) 186 Cal. App. 4th 1380, 1393-95 (upholding \$10,000 service
8 award to each of four class representatives).) The factors the courts use in determining the amount of an
9 award include: (1) a comparison between the service awards and the range of monetary recovery available
10 to the class; (2) time and effort put into the litigation; (3) whether the litigation will further the public
11 policy underlying the statutory scheme; and (4) risks of retaliation. (*See Clark, supra*, 175 Cal. App. 4th
12 at 804-07.)

13 Here, Plaintiff requests a Service Award not to exceed \$7,500.00. (Cole Decl., ¶ 36; Gonzalez
14 Decl., ¶¶ 9-10.)

15 **VII. PROVISIONAL CERTIFICATION OF THE CLASS IS APPROPRIATE**

16 Provisional certification is appropriate at the preliminary approval stage where, as here, the Court
17 has not yet certified the class and the requirements for certification are met.¹⁴ (*Newberg on Class Actions*
18 §§ 13:16-13:18 (5th Ed. 2011-2017); *Dunk, supra*, 48 Cal. App. 4th at 1806; *Vasquez v. Superior Court*
19 (1971) 4 Cal.3d 800, 809-811.)

20 **A. There is an Ascertainable and Sufficiently Numerous Class**

21 Whether a class is ascertainable is determined by examining the class definition, the size of the
22 class, and the means available for identifying the class members. (*See Vasquez, supra*, 4 Cal.3d at 810-
23 811.) Here, documents and information exchanged during the litigation reflect a class size of
24 approximately 170 Class Members and 10,424 Workweeks for the period of August 12, 2016 to August
25 23, 2021. (Cole Decl., ¶ 37.) The class definition is precise, objective, and presently ascertainable, and it
26 makes abundantly clear who is a Class Member. (*Id.*) In addition, Class Members can be identified easily

27 ¹⁴ Defendants do not oppose certification for settlement purposes only and deny that the class would
28 satisfy certification requirements if the issue were to be fully litigated.

1 by way of Defendant’s records. Seven Forty One maintained records containing relevant information
2 about Plaintiff and Class Members. (*Id.*) Additionally, Mr. Stax denies that it employed either Plaintiff
3 or most of the Class Members for purposes of the claims alleged in the Action. (*Id.*)

4 **B. There is a Well-Defined Community of Interest**

5 A community of interest is established by the preponderance of common issues of law and fact.
6 “The community of interest requirement involves three factors: (1) predominant common questions of law
7 or fact; (2) class representatives with claims or defenses typical of the class; and (3) class representatives
8 who can adequately represent the class.” (*Linder v. Thrifty Oil Co* (2000) 23 Cal.4th 429, 435.) For the
9 reasons set forth below, a well-defined community of interest exists in this case.

10 **i. Common Issues of Law and Fact Predominate**

11 The predominance inquiry tests whether proposed classes are sufficiently cohesive to warrant
12 adjudication by representation. (*See, e.g., Clothesrigger, Inc. v. GTE Corp.* (1987) 191 Cal. App. 3d 605;
13 *Lazar v. Hertz Corp.* (1983) 143 Cal. App. 3d 128.) Here, Plaintiff contends that common issues of fact
14 and law predominate as to “each of the claims alleged by Plaintiff on behalf of the Class, because the issue
15 of the legality of Defendant’s policies and practices is an issue that predominates the claims of all Class
16 Members.” (Cole Decl., ¶ 38.) For example, Plaintiff contends that “an issue of law common to all Class
17 Members is Defendants’ policies in effect during the claims period.” (*Id.*) In addition, Plaintiff contends
18 that “an issue of fact common to all Class Members is Defendants’ staffing practices during the claims
19 period.” (*Id.*)

20 **ii. Plaintiff’s Claims are Typical of the Claims of the Class**

21 The typicality requirement does not focus on the individual characteristics or circumstances of the
22 representative plaintiff compared to those of the remainder of the class, but rather upon the typicality of
23 the proposed representative’s claims as they relate to the defendant’s conduct and activities. (*Classen v.*
24 *Weller*, (1983) 145 Cal. App. 3d 27, 46-47.) Here, Plaintiff asserts that her claims are typical of the Class:
25 “At all times during her employment with Seven Forty One, Plaintiff performed the same or similar duties
26 as other Class Members and contend that she was a non-exempt employee, just like other Class Members.”
27 (Cole Decl., ¶ 39.) Plaintiff further contends that she “was subject to the same handbooks and policies
28

1 and procedures during the Class Period, which she contends was similarly applicable to all other Class
2 Members.” (*Id.*)

3 Additionally, Mr. Stax denies that it employed either Plaintiff or most of the Class Members for
4 purposes of the claims alleged in the Action. (Cole Decl., ¶ 40.)

5 **iii. The Adequacy Requirement is Met**

6 The adequacy or representation requirement is met by fulfilling two conditions: first, a named
7 plaintiff must be represented by counsel qualified to conduct the pending litigation; second, a named
8 plaintiff’s interests cannot be antagonistic to those of the class. (*McGhee v. Crocker-Citizens Nat. Bank*
9 (1976) 60 Cal. App. 3d 442, 450.) Here, Plaintiff contends that both adequacy requirements are met.
10 First, Plaintiff contends that she “retained counsel with extensive experience in prosecuting complex wage
11 and hour class actions who have worked diligently to obtain this Settlement for the Class.” (Cole Decl.,
12 ¶ 41.) Second, Plaintiff contends that she “has no conflict of interest with the Class and has, along with
13 Class Counsel, worked toward a positive resolution of this case, demonstrating her interest in prosecuting
14 this Action and dedication to obtaining the best possible recovery for the Class.” (; Cole Decl., ¶ 41; see
15 Gonzalez Decl., ¶ 6-8..) In addition, Plaintiff contends that her “interest is co-extensive with those of the
16 Class, and Plaintiff seeks relief identical to that sought by every other Class Member.” (*Id.*) Thus, Plaintiff
17 asserts that she is “an adequate class representative because she has claims common to the class and has
18 no conflict of interest or any other interest adverse to the class.” (Cole Decl., ¶ 42.)

19 **VIII. THE PROPOSED CLASS NOTICE IS APPROPRIATE**

20 In order to protect the rights of absent class members, California Rule of Court 3.769(f) requires
21 that Class Members be provided with notice of the final approval hearing and an explanation of the
22 proposed settlement and objection procedures. Procedural due process does not guarantee any particular
23 procedure, but requires only notice reasonably calculated to apprise interested parties of the pendency of
24 the action affecting their interests and an opportunity to present their objections. (*Ryan v. Cal.*
25 *Interscholastic Fed’n – San Diego Section* (2001) 94 Cal. App. 4th 1048, 1072.) Notice that meets this
26 standard and is neutrally worded satisfies due process. (*Phillips Petroleum Co. v. Shutts* (1985).472 U.S.
27 797, 812).

1 **A. The Notice is Accurate, Informative, and Satisfies Due Process**

2 There is no statutory or due process requirement that all class members in a case receive actual
3 notice, and as the Court of Appeal has explained, “[t]he notice given should have a reasonable chance of
4 reaching a substantial percentage of the class members.” (*Cartt v. Superior Court* (1975) 50 Cal.App.3d
5 960, 973–74.) The Judicial Council of California’s Deskbook on the Management of Complex Civil
6 Litigation (Matthew Bender 2007), § 3.74, notes that individual notice by mail is preferred when possible
7 and dissemination of a combined certification/settlement notice is a common and accepted practice. (*In*
8 *re Vitamin Cases* (2003) 107 Cal. App. 4th 820, 828-29.) Here, the proposed notice plan, calling for first-
9 class mailed notice to all Class Members, as well as in-depth skip tracing at the outset, is consistent with
10 class notice practices approved by state and federal courts, and under the circumstances here, Class
11 Counsel believes it to be the best notice practicable and the method most likely to reach the greatest
12 number of Class Members. (Cole Decl., ¶ 43; SA ¶ 5.2.)

13 The proposed Class Notice provides all the information a reasonable person would need to make
14 a fully informed decision about the Settlement. (Cole Decl., ¶ 45.) The Class Notice summarizes the
15 lawsuit and the terms and conditions of the Settlement in plain language in an informative and coherent
16 manner. (*Id.*) The Class Notice also fully informs Class Members of the terms of the Settlement, of its
17 effect on their rights, of their options as Class Members (*i.e.*, to object, opt out, and/or do nothing), and of
18 the consequences of exercising those options. (*Id.*) The Class Notice also outlines the procedure and
19 deadlines for opting out of the Settlement, for submitting objections to the Settlement, and how to receive
20 a settlement payment. (*Id.*)

21 The Class Notice also states the amounts to be paid out of the Gross Settlement Amount, including
22 the the Class Member’s share of the Net Settlement Amount, the Settlement Administration Fees, the
23 Class Representative Service Award, and Class Counsel’s fees and costs. (Cole Decl., ¶ 45.) The Class
24 Notice states the date, time, and location of the Final Approval Hearing, and explains how Class Members
25 can obtain additional information. (*Id.*)

26 Furthermore, the Class Notice also makes clear that the Settlement does not constitute an
27 admission of liability by Defendants, that the Court has not ruled on the merits of the action, and that the
28

1 final settlement approval decision has yet to be made. (Cole Decl., ¶ 46.)

2 The notice will be in English, Spanish, and Vietnamese. (SA, ¶ 5.1; Declaration of Settlement
3 Administrator in Support of Motion for Preliminary Approval of Class and Representative Action
4 Settlement, ¶ 8.)

5 **IX. CONCLUSION**

6 Based on the foregoing, the Parties respectfully request that this Court enter an Order: (1)
7 preliminarily approving the Class and Representative Action Settlement; (2) provisionally certifying the
8 settlement class; (3) approving the class notice and notice plan; (4) appointing Class Representatives and
9 Class Counsel; (5) appointing the Settlement Administrator; and (6) scheduling a Final Approval Hearing.

10 DATED: April 29, 2022

CLARK HILL LLP

12 By: _____

13 Ryan C. McKim
14 Attorneys for Defendants
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Exhibit 3

SCOTT COLE & ASSOCIATES
ATTORNEYS & COUNSELORS
555 12TH STREET, SUITE 1725
OAKLAND, CALIFORNIA 94607

August 12, 2020

Via On-Line Submission to:
California Labor and Workforce Development Agency
LWDA Case Number: TBD

re: Gonzalez v. Seven Forty One Company, Inc., and Mr. Stax, Inc.

Dear Sir or Madam:

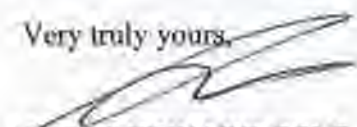
This letter will serve as Notice, as required under the California Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*), on behalf of our client, Vanessa Gonzalez ("Plaintiff"), and the Aggrieved Employees she intends to represent (specifically, all non-exempt employees of Seven Forty One Company, Inc. and Mr. Stax, Inc. ("Defendants") within the State of California at any time after August 11, 2019 (aka, the "Claims Period"). The facts and theories underpinning this dispute include, but are not necessarily limited to, the following:

Plaintiff Vanessa Gonzalez was employed as a food server by Defendants in California at Defendants' "L.H.O.P."-branded restaurants during the Claims Period and to be treated as non-exempt from the California Wage Order provisions. As such, Plaintiff was entitled to, but was routinely denied, overtime pay and the opportunity to take off-duty, uninterrupted meal and/or rest breaks and was, instead, required to remain on-duty throughout her shifts. More specifically, Defendants maintained a consistent policy which failed to provide statutorily compliant breaks arising, *inter alia*, from a lack of proper staffing of Defendants' facility, as well as insufficient communication to the entirety of its workforce regarding the timing and duration of meal/rest breaks, including a failure to explain that, even when such breaks were ostensibly available, they should be off-duty and uninterrupted. In her anticipated legal action, Plaintiff intends to allege various derivative claims for penalties arising out of these same theories.

By these allegations, Plaintiff alleges that Defendants willfully violated California Labor Code §§ 200-204, 218, 218.5, 510, 558, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199 and 2802 and §§ 11 and 12 of the relevant IWC Wage Order by failing to pay all wages due, by failing to provide Plaintiff and Aggrieved Employees with timely, full and uninterrupted meal and/or rest breaks due, by failing to issue accurate itemized wage statements, and by failing to timely pay all wages upon termination.

Please contact me if you have any questions and/or concerns. By courtesy copy of this letter, the requisite filing fee has been sent to the Department of Industrial Relations' Accounting Unit.

Very truly yours,


SCOTT EDWARD COLE, ESQ.

cc: Seven Forty One Company, Inc.
c/o Brian Alpert, Agent for Service
1323 Newbury Road, Ste. 100
Newbury Park, CA 91320

Mr. Stax, Inc.
c/o Brian Alpert, Agent for Service
1323 Newbury Road, Ste. 100
Newbury Park, CA 91320

International House of Pancakes
Authorized Employees: Amanda Garcia, Vivian Imperial, Gladys Aguilera, Gabriela
Sanchez, Daisy Montenegro, Beatrice Casarez-Barrientez, Carlos Paz, Alberto Damonte,
Jessie Gastelum, Peter Cayetano
818 West Seventh Street, Suite 930
Los Angeles, CA 90017

Department of Industrial Relations
Accounting Unit
455 Golden Gate Avenue, 10th Floor
San Francisco, CA 94102
(via online submission and certified mail, with filing fee enclosed)

EXHIBIT 3



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Keith E. Davis is a named endowment attorney of LYN, graduated from the University of California at Berkeley in 1992, graduated in all California courts and has extensive experience practicing law outside of California and nationwide. Mr. Davis has authored numerous scholarly publications and served as faculty on several panel discussions on law, technology and the protection of the Internet. He has been responsible for dispute resolution and consumer rights law in local and appellate courts throughout California, authored the book "Fallout" and been a mediator of vicarious law disputes.

President, Administration of Justice Division (1993), University of San Francisco School of Law. On 1993 President, University of San Francisco Labor & Employment Law Society, San Francisco School of Law, 1993-1994. Communications (Individual Member Privately), 1982. Minor Study (a Business Administration, 1988. Member, California State Bar Labor and Employment Law Section, 1989-present. Adviser, United States District Court (Northern District), 1992. Admitted, District Court of Appeals (2nd Circuit), 1982. Admitted, United States District Court (Eastern District), 1988. Admitted, United States District Court (Central District), 1991. Admitted, United States District Court (Southern District), 1995. Member, Association of Security Officers (Registered Representative, 1997-2000). Member/Regional Advisory, Annual Defense Top 5 (1997-2000). Member, Board of Directors, American Synagogue (2001), Chairman, Association of Trial Lawyers of America (2001-present); Southern California Employment Lawyers Association (1993-present); Formerly Admitted to Association (2001-present); Member, American Council on Education (1998-2000).

present); Vice Chair (2009 & 2010), Alameda County Bar Association's Labor & Employment Law Section Executive Committee; Member, National Employment Lawyers Association (2009-present); U.S. Delegate to the InterAmerican Meeting of Labor and Trade Union Lawyers, Havana, Cuba, March 2012. Mr. Cole is also the author of "Fallout," a story based upon his experiences litigating after the 1994 release of chemical toxics by the Unocal Corporation.

Laura Van Note is an aggressive and skilled advocate and serves as the firm's hiring and career outreach shareholder. A 2013 graduate of the University of Missouri, Kansas City School of Law, her practice has focused primarily on group and individual representation of workers in employment and civil rights litigation. With a near-perfect track record for results, Ms. Van Note appears in all California courts, is also licensed in Missouri and Kansas and maintains various professional affiliations.

Credentials: University of Missouri, Kansas City School of Law (2013, Order of the Barrister, Dean's List), Captain of the National Trial Advocacy Team, President of the American Constitutional Society for Law and Policy, Teaching Assistant to the Directory of Advocacy; Graduate, University of Missouri, Kansas City (Bachelor of Arts in History, Minor in French); Member, State Bar of California (Admitted 2016), State Bar of Missouri (Admitted 2013), State Bar of Kansas (Admitted 2015); Admitted, Federal District Courts in California, Missouri, and Kansas.

(Interim/Associate Counsel Not Listed)

CVN Scholarly Publications (Partial List Only):

Scott Edward Cole & Matthew Roland Bainer, *The Quest for Class Certification*, Employment Law Strategist (Sept. & Oct. 2003).

Scott Edward Cole & Matthew Roland Bainer, *To Be or Not to Be a Penalty: Defining the Recovery Under California's Meal and Rest Period Provisions*, Golden Gate U. L. Rev. (Spring 2005).

Scott Edward Cole & Matthew Roland Bainer, *To Certify or Not to Certify: A Circuit-By-Circuit Primer of the Varying Standards for Class Certification in Actions under the Federal Labors Standards Act*, B.U. Pub. Int. L.J. (Spring 2004).

Scott Edward Cole, *Kullar v. Footlocker Retail, Inc.: A New Standard for Class Action Settlement Approval*, CELA Bulletin (April 2009).

Matthew Roland Bainer, *Ninth Circuit Provides Much Needed Guidance on Evidentiary Burdens in Overtime Misclassification Litigation*, CELA Bulletin (May 2009).

Kevin Robert Allen, *Putting the "Rest" Back in Rest Break*, Alameda County Bar Association - Labor & Employment Section News (Autumn 2009).

Michael Scott Lubofsky, *Barristers to Blogs: Softening Ethical Restrictions in the Digital Age*, Los Angeles Daily Journal (June 14, 2010).

Representative Class Action/Complex Litigation Matters:

Our firm has represented, directly or indirectly, millions individuals in hundreds of legal matters, including nearly 400 class actions and/or complex litigation cases. The firm has experience in environmental, commercial and personal injury matters but, today, is largely devoted to the prosecution of class action matters in the areas of wage and hour, consumer and personal privacy and consumer fraud law, only a small sampling of which are listed below:

Augustus/Davis v. ABM Security Services, Inc (aka American Comm. Security Service, Inc.
San Francisco County Superior Court Case No. CGC-05-444421
(Consolidated with Los Angeles County Superior Court Case No. BC336416)

Our firm filed a claim against American Commercial Security Services, Inc. for violations of California law for denial of meal and rest periods toward security guards. The action achieved class certification status in 2009. Following summary judgment proceedings, a judgment of over \$89 million was entered against the defendant along with a successful interim motion for tens of millions in attorneys' fees. The judgment hinged on the issue of whether "on-duty" rest breaks were legally sufficient. After the Court of Appeal ruled against Plaintiffs on the issue, the case went to the California Supreme Court where Plaintiffs prevailed and, in so doing, created a new legal standard clarifying that "on-duty" rest breaks are invalid. After 12 years of litigation and appellate work, this matter settled for \$110 million.

Brandt, et al. v. California State Automobile Association, et al.
United States District Court, District of Nevada, Case No. 3:03-CV-00310

This wage and hour class action was brought on behalf of all Nevada claims adjusters working for CSAA between January 1997 and the present. This lawsuit alleged that, during these years, CSAA mis-classified these workers as exempt "administrators" and refused to pay them for overtime hours worked and fraudulently promised to pay them overtime compensation upon settlement of a companion case (*Thomas v. Cal. State Auto. Assoc.*, below). CVN served as co-counsel, *pro hac vice*, for the proposed class of employees in this matter.

Bulow, et al. v. Wells Fargo Investments, LLC
United States District Court, Northern District of California, Case No. 3:06-CV-7924

This matter was filed as a nation-wide class action against Wells Fargo Investments, on behalf of its Financial Consultants to recover overtime pay, compensation for denied meal and rest periods (California only) and reimbursement for business related service and supply expenses (California only). This matter settled for \$6.9 million.

Cano, et al. v. United Parcel Service, Inc.

Alameda County Superior Court Case No. RG03089266

This wage and hour complex litigation matter involved the alleged mis-classification of overtime non-exempt Operations Management Specialists, Operational Excellence Specialists and/or Industrial Engineering Specialist at this company's California facilities. This action settled in 2004 for \$4.5 million.

Chaidez, et al. v. Odwalla, Inc.

San Mateo County Superior Court Case No. CIV430598

This wage and hour complex litigation matter involved the alleged misclassification of overtime non-exempt California Route Sales Representatives. CVN served as primary counsel for this proposed class of employees. This action settled for \$2.2 million.

Chang, et al. v. Tower Mart

Sacramento County Superior Court, Case No. 34-2009-00044408-CU-OE-GDS

Our firm filed this lawsuit, alleging violations of California law for failure to pay overtime to Tower Mart's California store managers. It is also alleged that the company denied these managers meal and rest periods. This matter settled for \$1.5 million.

Chatellier, et al. v. The White House/Black Market Stores Inc.

Santa Clara County Superior Court Case No. 1-04-CV-030489

This lawsuit involved claims against this retail clothing store for violations of California law for failure to pay overtime to its Store Managers as well as for the alleged denial of meal and rest periods. The settlement achieved in this action represented one of the highest per-workweek wage and hour settlements at the time.

Christman, et al. v. Good Guys, Inc.

San Diego County Superior Court Case No. GIS21939

This legal action alleged violations of California law for unpaid overtime wages and for failure to provide rest and meal periods on behalf of multiple employee classifications. This action settled for up to \$1.05 million.

CKE Overtime Cases

Los Angeles County Superior Court Case No. BC283274 (JCCP No. 4274)

This class action was brought against fast food chain Carl's Jr. for violations of California's overtime laws on behalf of the company's California restaurant chain Managers. The coordinated litigation settled for up to \$9.0 million in 2004.

Dailey, et al. v. Performant Financial Corporation

Alameda County Superior Court Case No. RG10493644

Our firm filed this class action in 2010, on behalf of the company's non-exempt employees seeking wages for alleged violations of California law for unpaid overtime and denial of meal and/or rest periods. After defeating the defendant's summary judgment motion and filing its motion for class certification, CVN settled this case for \$1.2 million.

Davis, et al. v. Universal Protection Security Systems, Inc., et al.

San Francisco County Superior Court Case No. CGC-09-495528

Our firm filed a claim in 2009 against Universal Protection Security Systems, Inc. for violations of California law for denial of meal and rest periods toward security guards. This case settled in 2013 for \$4 million.

DeNeveu, et al. v. Ross Stores, Inc.

Alameda County Superior Court Case No. RG10504571

Our firm filed this class action in December 2009, alleging violations of California law for failure to pay overtime to Ross's salaried Store Manager positions. It was also alleged that the company denied these managers rest and meal periods.

Despres (Cornn), et al. v. United Parcel Service, Inc.

United States District Court, Northern District of California, Case No. 3:03-CV-02001

This wage and hour class action litigation was brought to remedy violations of meal and rest period regulations on behalf of the company's California ground delivery drivers. CVN served as co-counsel for the certified class of drivers. This action settled for \$87 million, an unprecedented settlement amount for such claims.

Escow-Fulton, et al. v. Sports and Fitness Clubs of America dba 24 Hour Fitness USA, Inc.

San Diego County Superior Court Case No. GIC881669

(Consolidated with Case No. GIC873193)

Our firm filed this class action against this health and fitness company on behalf of the company's California "Group X" Instructors to recover regular and overtime pay, related penalties and un-reimbursed expenses. The action achieved class certification status in 2009. In 2011, the parties agreed to settle the class' expense reimbursement claims for \$10 million. The parties then filed cross-motions for summary adjudication and on August 2, 2011, the court issued an Order finding 24 Hour Fitness' session rate compensation scheme to be an invalid piece rate. The parties then agreed to settle the class' unpaid wage claims for \$9 million, and the summary adjudication order was vacated pursuant to settlement.

Fakhro, et al. v. Turner's Outdoors, Inc.

Los Angeles County Superior Court Case No. BC388874

This lawsuit alleges violations of California law for failure to pay overtime to the company's California Store Managers. It was also alleged that the company denied these managers rest and meal periods. The Court granted final approval to a classwide settlement in 2009.

Gilhuly v. Kmart Corporation

United States District Court, Northern District of California, Case No. 4:10-CV-0360

Our firm filed this class action in December 2009, alleging violations of California law for failure to pay wages, including unpaid overtime compensation, to Kmart's Sales Coach, Operations Manager and Merchandise Manager positions. It was also alleged that the company denied these managers rest and meal periods.

Grindstaff, et al. v. Kohl's Department Stores, Inc.

Los Angeles County Superior Court Case No. BC341954

(Consolidated with Case No. BC327426)

This action alleged violations of California law for failure to pay overtime to assistant store managers. It was also alleged that the company denied its assistant store managers rest and meal periods. This action settled in 2008 for \$6 million.

Grootboom v. Security Industry Specialists, Inc.

Alameda County Superior Court Case No. RG09435440

This class action was filed on behalf of the company's California-based security guards to recover unpaid wages and compensation for missed meal and rest periods in violation of California law. This action settled in 2009 for \$775,000.

Holm, et al. v. Borders, Inc.

San Francisco County Superior Court Case No. CGC-05-445357

Our firm served as counsel for the proposed class against this retail chain for violation of California law for failure to pay Inventory and/or Sales Managers overtime wages. It was also alleged that the proposed class had been denied rest and meal periods. This matter settled in 2007 for \$3.5 million.

In Re Walgreen Co. Wage and Hour Litigation

United States District Court, Central District of California, Case No. 2:11-CV-07664

Our firm served as court-appointed Lead Counsel after a very-adversarial hearing process in this consolidated action of nine lawsuits against Walgreen Co. bringing a variety of wage and hour claims on behalf of retail store workers in California. The case settled for \$23 million.

Ingraham v. Orchard Supply Hardware, Corp.

San Mateo County Superior Court Case No. 457004

Our firm filed this matter on behalf of all company employees who were forced to maintain, as a condition of employment, a company-issued uniform. This class action also seeks recovery of unpaid wages, compensation for the improper denial of overtime pay and for missed meal and rest periods. This matter resolved in 2008 on behalf of approximately 22,000 class members for \$1.75 million.

In Re Tosco SFR Litigation

Contra Costa County Superior Court Case No. C97-01637

During incidents on April 16, 1997 and, again, on January 7, 1998, the Tosco (old Unocal) Refinery in Rodeo, California released toxic chemicals airborne into the environment. These harmful substances traveled airborne into neighboring communities, seriously affecting the health of citizens and local workers. CVN served as Lead Counsel in this complex litigation and represented thousands of members of the community in that role. CVN settled this matter for \$2.5 million, the funds from which were disbursed to over 2,000 claimants who participated in the settlement.

In Re Unocal Refinery Litigation

Contra Costa County Superior Court Case No. C94-04141

In response to Unocal's 16-day airborne release of chemicals over the County of Contra Costa in 1994, CVN filed a class action against the corporation on behalf of thousands of victims and thereafter served as one of a handful of firms (among dozens of law firms of record) on the Plaintiffs' Steering Committee. After hard-fought litigation, the matter eventually settled for \$80 million. This case is the context for Mr. Cole's book "Fallout," published in 2018 (2605 Media LLC).

In Re Westley Tire Fire Litigation

Santa Clara County Superior Court Case No. CV 801282

On September 22, 1999, lightning struck and ignited a pile of approximately 7 million illegally stored waste tires in Westley, California, a town about 70 miles east of San Francisco. Over the subsequent five weeks, the fire spewed smoke and carcinogens over a large portion of the State of California. CVN served as the (sole) Lead and (shared) Liaison Counsel over a Plaintiffs' Steering/Management Committee in the consolidated actions against the owners and operators of this tire pile and related entities. These cases sought compensation for those individuals and businesses suffering personal and/or property damages as a result of these toxic substances and the fire's fall-out. In 2001, CVN reached a settlement with one defendant (CMS Generation Co.) for \$9 million. In 2003, the Court granted final approval of the settlement. In 2005, two of the remaining defendants settled for an aggregate amount of roughly \$1.4 million.

Kelly, et al. v. Walgreen Co.

San Francisco County Superior Court Case No. CGC-07-464347

Our firm filed an action against this retailer on behalf of employees who were allegedly subject to security searches for which they were not compensated, in violation of California law. Also alleged was that the company denied these employees rest and meal periods. The action settled for \$7.5 million with CVN serving in the lead role.

Kullar v. Foot Locker, Inc.

San Francisco County Superior Court Case No. CGC-05-447044

This action was brought against this sporting retailer on behalf of California employees who were allegedly forced to purchase shoes of a distinctive color or design as a term and condition of their employment and in violation of state law. The Court approved a \$2.0 million settlement that resolved this action. After two separate appeals by an objector challenging the settlement, the Court of Appeal affirmed the trial court's judgment. This case has now established what's known as the "Kullar standard" for court approval of class action settlements.

Kurihara v. Best Buy Co., Inc.

United States District Court, Northern District of California, Case No. 3:06-CV-01884

We filed an action against this retailer on behalf of employees who were allegedly subject to security searches for which they were not compensated, in violation of California law. Also alleged was that the company denied these employees rest and meal periods. In 2007, the Court certified a class of over 16,000 Best Buy employees. The action settled for \$5 million in 2010.

Lyons v. Elephant Bar Restaurant

Alameda County Superior Court Case No. RG08422299

Our firm filed an action against this restaurant chain challenging violations of California law for denial of meal and rest periods on behalf of the restaurant's hourly, non-exempt employees.

Mambuki, et al. v. Securitas Security Services USA, Inc.

Santa Clara County Superior Court Case No. 1-05-CV-047499 (JCCP No. 4460)

Our firm filed a claim against this defendant for violations of California law (for denial of meal and rest periods) on behalf of the company's California-based security guards. This coordinated proceeding settled in 2008 for \$15 million.

McFann, et al. v. Volt Telecommunications Group, Inc.

Riverside County Superior Court Case No. RIC475410

(Los Angeles County Superior Court JCCP No. 4533)

Our firm filed this action on behalf of company field technicians to recover reimbursement for business-related expenses and for unpaid wages. The Court approved an Arbitration Award entered pursuant to a \$3.45 million class wide settlement in 2009.

Menchykv. Beverages & More, Inc.

Alameda County Superior Court Case No. RG05196918

Our firm filed this action for violations of California law for unpaid overtime wages and for failure to provide meal and rest periods. Although a small putative class (98 class members), it settled for \$1.2 million, representing one of the highest per-workweek settlements in California at the time.

Moore v. Albertsons Inc.

United States District Court, Northern District of California, Case No. 3:04-CV-03731

Our firm filed this action for violations of California's overtime laws on behalf of the company's California Drug Managers. This action settled for \$2.35 million, again representing one of highest per-workweek settlements in the state at the time.

Nunez v. AC Square, Inc., et al.

San Mateo County Superior Court Case No. CIV479622

(Consolidated with Case Nos. 464144 and 473571)

Our firm filed this class action on behalf of all California Technicians employed by AC Square (during the applicable claims period) to recover unpaid wages including overtime pay, meal and rest period compensation, related penalties and un-reimbursed expenses. This action settled for \$800,000.

O'Brien v. Edward D. Jones & Co., LP.

United States District Court, Northern District of Ohio, Case No. 1:08-CV-00529

We filed a nation-wide (and New York State) class action against this financial securities company on behalf of the company's financial services representatives to recover overtime pay and related penalties. CVN served on a Lead Counsel Committee in this action, which settled in 2007 for \$19 million.

O'Hara, et al. v. Factory 2-U Stores, Inc.

Alameda County Superior Court Case No. 834123-5

This class action, filed in 2000, alleged mis-classification of Factory 2-U's California Store Managers and Assistant Store Managers as exempt from overtime pay. In 2001, the Alameda County Superior Court certified two sub-classes (Managers and Assistant Managers) and granted final approval to a settlement of the action for \$2 million.

Onyeige, et al. v. Union Telecard Alliance, LLC

U.S.D.C. Northern District of California, Case No. 3:05-CV-03971

(U.S.D.C., District of New Jersey, MDL No. 1550)

Our firm filed an action against Union Telecard Alliance, LLC alleging negligent misrepresentation and deceptive advertising practices related to its marketing of pre-paid telephone calling cards. This action settled for \$22 million.

Ramirez, et al. v. The Coca Cola Company, et al.

San Bernardino County Superior Court Case No. RCV 056388 (JCCP No. 4280)

This is one of two companion actions CVN prosecuted against this soft drink giant for violations of California's overtime laws. This action was brought on behalf of over 4,000 hourly workers at the company's bottling, distribution and sales centers who were allegedly forced to work "off-the-clock" for Coca Cola and/or whose time records were ordered modified by the company. This well-publicized action settled for \$12 million and on very favorable terms for the claimants. CVN filed the first action on these issues and ultimately worked with co-counsel for the proposed class of workers.

Rowe, et al v. California Commerce Casino, Inc.

Los Angeles County Superior Court Case No. BC321283
(Consolidated with Case Nos. BC288079 and BC320171)

Our firm filed a claim against this casino for violations of California law for failure to pay overtime to their dealers. Additionally, it was alleged that the casino demanded that its dealers pay a portion of their wages into a "tip pool" from which the supervisors (who had authority over the dealers) drew extra income. CVN and its co-counsel settled the action, in part, and obtained certification of the remaining claims following an adversarial proceeding.

Schweinsburg v. Paragon Systems, Inc.

United States District Court, Central District of California, Case No. 2:09-CV-08139

Our firm filed a claim in 2009 against Paragon Systems, Inc., for violations of California law for denial of meal and rest periods toward non-exempt security guards. This case settled for the policy limit of \$885,410.

Thomas, et al. v. Cal. State Auto. Assoc., et al.

Alameda County Superior Court Case No. CH217752

Our firm filed this class action litigation on behalf of all California claims adjusters working for CSAA after mid-January 1997. This lawsuit alleged that, during those years, CSAA misclassified these workers as exempt "administrators" and refused to pay them for overtime hours worked. This lawsuit settled for \$8 million. CVN commenced this action and served as co-counsel for the nearly 1,200 claims representatives.

Tierno v. Rite Aid Corporation

United States District Court, Northern District of California, Case No. 3:05-CV-02520

Our firm filed this action against Rite Aid Corporation on behalf of its salaried California Store Managers. It was alleged that defendant, purportedly the nation's third largest drug store chain, failed to pay overtime to those workers and denied them their meal and rest periods. In 2006, the federal court certified the class in this action, and approved a \$6.9 million non-reversionary settlement in 2009.

Torres, et al. v. ABC Security Services, Inc.

Alameda County Superior Court Case No. RG04158744

Our firm filed this litigation, alleging violations of California law for denial of meal and rest periods on behalf of the company's security guards. This action received class certification status in 2006 and settled for \$495,000.

Witriol, et al. v. LexisNexis., et al.

U.S.D.C., Southern District of California, Case No. 3:06-CV-02360

Our firm filed an action against this company for its allegedly- unlawful disclosure of private credit, financial and/or other personal information. This action settled for up to \$2.8 million.

Whitten v. Tilly's, Inc.

Los Angeles County Superior Court Case No. BC548252

Our firm filed this action on behalf of California retail employees who were allegedly subject to security searches for which they were not compensated. It was also alleged that the company failed to provide these workers with meal and rest breaks. The case settled in 2017 for \$2.8 million.

Notable Appellate Experience:

CVN has substantial appellate experience, highlighted by the examples below. This is only a short list so, for other and/or unreported cases/opinions, please contact our firm.

Augustus, et al. v. ABM Security Services, Inc. (2016) 2 Cal.5th 257 (Case No. S224853)

Baddie v. Berkeley Farms, Inc. (9th Cir. 1995) 64 F.3d 487 (Case No. 93-17187)

Dunbar v. Albertson's, Inc. (2006) 141 Cal.App.4th 1422 (First Dist., Division 1, Case No., A111153)

Kullar v. Foot Locker Retail, Inc. (2008) 168 Cal.App.4th 116 (Case No. A119697)

Montano v. The Wet Seal Retail, Inc. (2015) Not Reported in Cal.App.4th (2015 Cal. App. LEXIS 1199, Second District, Division 4, Case No. B244107)

O'Hara v. Factory 2-U Stores, Inc. (2003) Not Reported in Cal.Rptr.3d, 2003 WL 22451991 (First District, Division 4, Case No. A101452)

Taylor v. Park Place Asset Management, et al. (1999) (First Dist., Division 5, Case No. A086407)

Whiteway v. Fedex Kinko's Office and Print Services (9th Cir. 2009) 319 Fed.Appx. 688 (Case No. 07-16696)

Cole & Van Note // Class Action Attorneys
555 12th Street, Suite 1725 // Oakland, California 94607
Telephone: (510) 891-9800 // Facsimile: (510) 891-7030 // Web: www.colevannote.com

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I am employed in Los Angeles County, State of California. I am over the age of 18 and not a party to this action. My business address is 555 South Flower Street, 24th Floor, Los Angeles, California 90071.

■ BY ELECTRONIC SERVICE VIA CASE ANYWHERE - I caused the above-entitled document to be served through Case Anywhere addressed to all parties appearing on the Case Anywhere electronic service list for the above-entitled case. The file transmission was reported as completed and a copy of the Case Anywhere Service Receipt page(s) will be maintained with the original document in our office.

Ryan C. McKim

Ryan C. McKim, Esq., SBN 265941
CLARK HILL LLP
555 South Flower Street, 24th Floor
Los Angeles, CA 90071
Telephone: (213) 891-9100
Facsimile: (213) 488-1178
RMcKim@ClarkHill.com

Attorneys for Defendants Seven Forty One Company,
Inc. and Mr. Stax, Inc.

**SUPERIOR COURT FOR THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

VANESSA GONZALEZ, individually, and
on behalf of all others similarly situated,

Plaintiff,

vs.

SEVEN FORTY ONE COMPANY, INC.,
MR. STAX, INC., and DOES 1 through
100, inclusive,

Defendants

Case No.: 20STCV30761

CLASS ACTION

*Assigned for All Purposes to Hon. Maren
Nelson, Department 17*

**DECLARATION OF CODY A. BOLCE
IN SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
AND REPRESENTATIVE ACTION
SETTLEMENT**

Hearing Date: May 23, 2022
Time: 9:00 a.m.

Complaint Filed: August 12, 2020
Trial date: None.

DECLARATION OF CODY A. BOLCE

I, Cody A. Bolce declare as follows:

1. I am an attorney duly licensed to practice law in California. I am a Senior Associate Attorney with the law firm of Cole & Van Note, attorneys of record for Plaintiff Vanessa Gonzalez. I have personal knowledge of the facts contained herein, and I could and would testify competently thereto if called as a witness.

2. Neither I, nor anyone else at Cole & Van Note, have any interest or involvement in the governance or work of Bet Tzedek.

3. Cole & Van Note has no interest or involvement in the governance or work of Bet Tzedek.

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

Executed on April 29, 2022, at Oakland, CA.



Cody A. Bolce

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PROOF OF SERVICE

Gonzalez v. Seven Forty One Company, Inc., et al.

Los Angeles Superior Court, Case No. 20STCV30761

I am employed in Los Angeles County, State of California. I am over the age of 18 and not a party to this action. My business address is 555 South Flower Street, 24th Floor, Los Angeles, California 90071.

On April 29, 2022, I served the foregoing document, described as “DECLARATION OF CODY A. BOLCE IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT” on the interested parties in said action by electronic service.

■ BY ELECTRONIC SERVICE VIA CASE ANYWHERE - I caused the above-entitled document to be served through Case Anywhere addressed to all parties appearing on the Case Anywhere electronic service list for the above-entitled case. The file transmission was reported as completed and a copy of the Case Anywhere Service Receipt page(s) will be maintained with the original document in our office.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on April 29, 2022, at Los Angeles, California.



Ryan C. McKim

Ryan C. McKim, Esq., SBN 265941
CLARK HILL LLP
555 South Flower Street, 24th Floor
Los Angeles, CA 90071
Telephone: (213) 891-9100
Facsimile: (213) 488-1178
RMcKim@ClarkHill.com

Attorneys for Defendants Seven Forty One Company,
Inc. and Mr. Stax, Inc.

**SUPERIOR COURT FOR THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

VANESSA GONZALEZ, individually, and
on behalf of all others similarly situated,

Plaintiff,

vs.

SEVEN FORTY ONE COMPANY, INC.,
MR. STAX, INC., and DOES 1 through
100, inclusive,

Defendants.

Case No.: 20STCV30761

CLASS ACTION

*Assigned for All Purposes to Hon. Maren
Nelson, Department 17*

**DECLARATION OF SETTLEMENT
ADMINISTRATOR IN SUPPORT OF
MOTION FOR PRELIMINARY
APPROVAL OF CLASS AND
REPRESENTATIVE ACTION
SETTLEMENT**

Complaint Filed: August 12, 2020

Motion for Preliminary

Approval Hearing Date: May 23, 2022

DECLARATION OF ERIC SPRINGER

I, ERIC SPRINGER, declare as follows:

1. I have personal knowledge of the facts set forth herein and if called upon to testify, I could and would do so competently under oath.

2. I am employed by Simpluris, Inc. ("Simpluris"), as the Director of Client Services for Simpluris Inc., ("Simpluris"). I am over 18 years of age and authorized to make this declaration on behalf of Simpluris and myself, and make this declaration based upon my own personal knowledge.

3. I personally have over thirteen (13) years of experience in claims management and administration of class and collective action matters.

4. Simpluris has never had any financial interests in or affiliation with the parties or counsel in this matter.

SIMPLURIS' BACKGROUND AND EXPERIENCE

5. Simpluris has extensive experience in class action matters, having provided services in class action settlements involving antitrust, securities fraud, property damage, employment discrimination, employment wage and hour, product liability, insurance and consumer issues. Simpluris specializes in pre-settlement consultation, data management, legal notification, call center support, claims processing and tax reporting.

6. We have provided notification and/or claims administration services in more than 6,000 cases. Of these, more than 4,000 were Labor & Employment cases. Over the past fifteen (15) years, Simpluris has handled approximately \$6 billion in settlements. A true and correct copy of Simpluris' company resume ("Simpluris Resume") is attached as **Exhibit A**.

7. Simpluris is committed to the security of not only our data and information but the Parties' data and information as well. A true and correct copy of our SOC 2 Compliance demonstrating our commitment to security is attached to our bid on **Exhibit B**. Additionally, Simpluris maintains insurance coverage in the amount of \$3,000,000 for Errors and Omissions.

NOTICE PLAN

8. Simpluris has been selected by counsel to serve as the class action Settlement Administrator for this case. In this capacity, Simpluris will be charged with, among other

responsibilities: (a) establishing and maintaining a fund for Class Members; (b) calculating all amounts due to each Class Member pursuant to the Settlement; (c) processing checks and mailing payments to Class Members; (d) preparing, processing, and filing all applicable tax forms and tax returns; (e) establishing and maintaining a calendar of administrative deadlines and responsibilities; (f) printing and mailing by First-Class Mail the Notice of Pendency of a Class Action Settlement (“Notice of Settlement”) to Class Members in English, Spanish, and Vietnamese; (g) conducting a National Change of Address (“NCOA”) database search prior to mailing the Notice of Settlement to Class Members and performing a skip-trace on any Notice of Settlement returned as Undeliverable; (h) receiving and validating written requests to be excluded from the Settlement (“Requests for Exclusion”), written objections to the Settlement, and disputes regarding the number of workweeks or pay periods that a Class Member worked for Defendant; (i) providing weekly reports to counsel; and (j) performing any other tasks necessary to carry out its responsibilities as set forth in the Settlement, as the Parties mutually agree, or as the Court orders Simpluris to perform.

9. Simpluris will use information from counsel for Defendant to mail the Notice of Settlement and settlement checks, e.g., spreadsheets of the Class Members’ names, last known address, last known telephone number, and dates of employment (“Employee List”).

10. Simpluris will process and update the mailing addresses contained in the Employee List utilizing the National Change of Address Database (“NCOA”) maintained by the U.S. Postal Service. The NCOA contains requested changes of address filed with the U.S. Postal Service. In the event that any individual filed a U.S. Postal Service change of address request, Simpluris will update the mailing address listed in the Employee List and Information with the mailing address obtained through the NCOA and use the updated address in connection with the mailing of the Notice of Settlement. Upon approval from the Court, Simpluris will mail the Notices of Settlement via First Class mail, postage prepaid.

11. Any Notice of Settlement returned to Simpluris as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If a Class Member’s Notice of Settlement is returned by the USPS as undeliverable and without a forwarding address, Simpluris will perform an advanced address search (i.e., skip trace) on the Class Member, using the Class Member’s name and previous address to locate a current mailing address. Through the advanced address

1 searches (i.e., skip-trace), Simpluris will promptly re-mail any undeliverable Notices to those updated
2 addresses.

3 12. In addition to the above-referenced duties, Simpluris is committed to performing any other
4 tasks necessary to carry out its responsibilities as set forth in the Settlement, as the Parties mutually agree,
5 or as the Court orders Simpluris to perform.

6 13. This Administration project has a fixed rate of \$9,351.00, which includes costs associated
7 with mailing the Notice Packet. If the scope of work increases or decreases significantly, Simpluris will
8 inform the parties and request approval of an adjustment, whether increased or decreased respectively, to
9 the capped costs. Attached hereto as **Exhibit C** is a true and correct copy of Simpluris' bid for
10 administering this matter which includes how the fee was calculated based on an itemized breakdown of
11 the tasks as set forth in the bid.

12 I declare under penalty of perjury under the laws of the State of California that the above is true
13 and correct and that this Declaration was executed this 29th day of April, 2022, in Melbourne, Florida.

14 
15 _____
16 Eric Springer

Exhibit A

simpluris

Class Action Settlement Administration

ABOUT SIMPLURIS

Simpluris, Inc. opened its doors in January 2007 as a class action settlement administration firm. A small collection of professionals proficient in class action settlement administration, marketing, direct mail development, and database design, with Troy Hoffman at its helm, began building the client-centric company with less than 10 clients. Over the course of 10 years, Simpluris has grown to 55+ employees, offices in 3 states, 5000+ clients. The success has derived from the construction of a cohesive team built with enthusiasm and vision. Simpluris is continually advancing its services including notification campaigns, case administration, data management, funds distribution and tax reporting persistently seeking modern techniques that offer efficiency and cost effective solutions to our clients. Simpluris will launch LiveCase™ (client centric software) shortly, which will take class action settlement administration to a whole new level.

Inc Magazine recently ranked Simpluris #171 on its 30th annual Inc. 500 an exclusive ranking of the nation's fastest growing private companies.

Founder, Troy Hoffman, has been a guest lecturer and panel member in the industry on class action related topics, including online claims filing, class notice campaigns, and other relevant issues within class action administration. He has spoken at many seminars including:

- California 17200 Conference
- Class Action & UCL Conference
- Nixon Peabody Luncheon
- Class Action Litigation Summit
- Bridgeport symposium's, Regular Panel Member
- CASD-Panel Member

Our approach is to provide a high level of customer service to all our clients and to use automation to the fullest to provide economical as well as accurate results and work product.

Clients receive support from our experts, who include attorneys, accountants, IT experts and communications professionals with a deep understanding of the unique demands of complex administration for class action, mass tort, and international collective redress.

Every case is assigned a dedicated team of professionals that oversees and coordinates all aspects of the engagement. Our integrated approach assures the highest levels of quality, accuracy and timeliness to meet clients' deadlines.

Simpluris has successfully administered cases in a complete scope of different practice areas. Our proven procedures and best practices provide successful outcomes from start to finish. Our IT professionals work full time to upgrade our case management technology to advance our commitment to our clients. Our far-reaching experience has helped us effectively administer cases in Wage and Hour, retail, commercial, Consumer, liability, and Consumer Fraud.

AREAS OF PRACTICE

Antitrust	Employment/ADA	Personal Injury
Banking	Environmental	Product Liability
Civil Rights	Finance	Securities
Consumer/Product	Healthcare	Specialty Areas
Coupon	Insurance	Trade
Discrimination	Mass Tort	Wage and Hour

SERVICES AND SOLUTIONS

Call Center	Consulting	Notice of Class Certification
Case Administration	Data Management	Pre-Certification
Case Notification	Discovery Campaigns	Settlement Mailings
Case Websites	Fund Distribution and Tax	Statistical Analysis
Claims Processing	Reporting	Statistics Gathering
Class Member Tracking	Mailing Campaigns	



Simpluris Security Summary – White Paper

Simpluris is committed to the security and overall protection of not only our data and information but our client's data and information, as well. As a demonstration of our commitment, we maintain SOC 2 Certification which requires strict adherence to policies and procedures surrounding information security, including processing and storage of confidential customer data. Simpluris supports a comprehensive, written Information Security Program that complies with all applicable laws and regulations (e.g. HIPAA, Gramm-Leach-Bliley Act, MA 201 CMR 17.00) and is designed to (a) ensure the security, privacy and confidentiality of Client and Class Member Information, (b) protect against any reasonably anticipated threats or hazards to the security or integrity of Client or Class Member Information, and (c) protect against unauthorized access to, use, deletion, or modification of Class Member Information. Simpluris has designated specific employees to be responsible for the administration of its Information Security Program. Also, Simpluris regularly and routinely monitors, tests, and updates our Information Security Program.

Simpluris uses Client and Class Member Information only for the purposes for which its' clients provide it, as described in any Agreements or Court Orders governing the provision of Simpluris' services in any particular case. Simpluris maintains a process for identifying, assessing, and mitigating the risks to Class Member Information in each relevant area of Simpluris' operations. At Simpluris, we continuously evaluate the effectiveness of the safeguards for controlling these risks to data and bank accounts. Simpluris restricts access to Class Member Information only to those employees, agents, or subcontractors who need to know the information to perform their jobs. Simpluris performs background checks of all its employees that will have access to Sensitive Personal Information, including a review of their references, employment eligibility, education, and criminal history to ensure they do not pose a risk to the security of Client or Class Member Information.

Simpluris adheres to the following industry best practices to safeguard its systems which process, store or transmit Client and Class Member Information:

- Identity and Access Management;
- Complex passwords are routinely and regularly changed;
- Role-based access control systems to limit individual employee access to network applications and systems based on their particular job role and function;
- Data Loss Prevention and Intrusion Prevention System software at multiple layers to prevent from internal and external threats of data leaks, malicious activity, and policy violations
- Encryption of Class Member Information if transmitted over public or wireless networks (e.g., via email, FTP, the Internet, etc.);
- Implementation of a Secure File Transfer system (using SSL encryption) for transmitting documents back and forth to clients;
- Encryption of servers, portable media, laptops, desktops, smartphones, mobile devices, and new technologies that store Class Member Information;
- Complex password authentication for remote access to Company's networks;
- Upon hire and annually after that, training of all employees with access to Class Member Information, (including any agents, and subcontractors with access to Class Member Information) about their obligations to implement the Information Security Program;
- Strict disciplinary measures for employees who violate the Information Security Program;
- Preventing terminated employees from accessing Class Member Information;
- Appropriately configured and updated firewall, antivirus, and spyware software;
- Prompt application of vendor-recommended security patches and updates to systems and other applications to avoid any adverse impact on Class Member Information;
- Separation of Duties;
- Infrastructure and Physical Security;
- Business Continuity Planning;
- Disaster Recovery Planning

Simpluris

Class Action Settlement Administration

current CASE LIST

Acheson v Giorgio Armani

Case Number: 107 CV 099461

PLAINTIFF - Initiative Legal Group LLP

Mónica Balderrama, Esq., Shawn Westrick, Esq.

DEFENSE - Jackson Lewis LLP

Punam Sarad, JoAnna Brooks

Alberto v GMRI, Olive Garden

Case No: 2:07-CV-01895-WBS-DAD

PLAINTIFF - Westrup Klick

Phillip R. Poliner

DEFENSE - Paul, Hastings, Janofsky & Walker LLP

Jan E. Eakins

Alvarez v Malibu Restaurant

Case No: BC 376311

PLAINTIFF - Hamner Law Offices PC

Christopher J. Hamner

DEFENSE - Landegger Baron Lavanant

Brian E. Ewing

Anderson v DriveTime

Case No: BC398475

PLAINTIFF - Initiative Legal Group

Mark Yablonovich, Marc Primo

DEFENSE - Paul Hastings Janofsky & Walker

Elena Baca, Ryan Derry

Arias v Praxair Distribution

Case No: CGC 08-474506

PLAINTIFF - Keller Grover LLP

Eric A. Grover, Esq., Jade Butman, Esq.

DEFENSE - Littler Mendelson, P.C.

Marlene S. Muraco, Esq.

Arnall v North American Merchandising Service, Inc.

Case No: 06AS01439

PLAINTIFF - Shimoda Law Corp.

Galen T. Shimoda

DEFENSE - Jackson Lewis LLP

Dale R. Kuykendall, Nathan W. Austin

Dillingham & Murphy, LLP

William Gaus

Balint v Chico's Fas, Inc.

Case No: BX369191

PLAINTIFF - Jennifer Kramer Legal

Judith Wiederhorn, Jennifer Kramer

DEFENSE - Jackson Lewis LLP

David S. Bradshaw

Blackner v Ameripark

Case No: BC363075

PLAINTIFF - Initiative Legal Group

Mark Yablonovich

DEFENSE - Littler Mendelson

Tony Ray Skogen

Bodiford v GMRI, Red Lobster

Case No: HG 08407051

PLAINTIFF - Westrup Klick, LLP

Phillip Poliner, Esq

DEFENSE - Paul, Hastings, Janofsky &

Walker LLP

Jan E. Eakins, Esq

Booker v Tanintco

Case No:BC 349267

PLAINTIFF - Law Offices of Jared E. Peterson

Jared E. Peterson, Esq.

Aiman-Smith & Marcy

Reed W.L. Marcy, Esq.

DEFENSE - Sedgwick, Detert, Moran & Arnold LLP

Leonora M. Schloss, Esq., Aaron N. Colby, Esq.

Boyce v Michael Kors

Case Number: 37-2008-00093848-CU-BT-CTL

PLAINTIFF - Fineman & Associates

Neil B. Fineman

DEFENSE - Proskauer Rose LLP

Lary Alan Rappaport

Boydston v ExxonOil

Case Number: 1267419

PLAINTIFF - Gilbert & Sackman, A Law Corporation

Robert A. Cantore, Adrian Barnes

DEFENSE - Sheppard, Mullin, Richter & Hampton, LLP

Jeffrey A. Dinkin, Aaron W. Heisler

Brentwood Travel Services v DCT

Case No: 03CC-002857

PLAINTIFF - Korein Tillery LLC

Christopher A. Hoffman, Steven Katz, Douglas R. Sprong

DEFENSE - not disclosed

Brior v AE Retail West, LLC

Case No: CGC 06-455422

PLAINTIFF - Keller Grover, LLP

Eric Grover, Jade Butman

DEFENSE - Rutan & Tucker, LLP

Brian C. Sinclair

Broome v Google**Case No: 108CV112386****PLAINTIFF** – *Rukin, Hyland, Doria & Tindall LLP*
*Peter Rukin***DEFENSE** – *Paul, Hastings, Janofsky & Walker LLP*
*Thomas E. Geidt***Butcher v Westport Insurance Corp.****Case No: BC 335874****PLAINTIFF** - *Kroll Law Corporation*
*Gerald Kroll***DEFENSE** - *Harrington, Fox, Dubrow & Canter*
*Mark Flory, James Lo***Cabrera v HVACExchange****Case No: 37-2008-00084851-CU-OE-CTL****PLAINTIFF** - *Cadena Churchill LLP*
*Raul Cadena***DEFENSE** - *Law Offices of Roy R. Withers, Esq.*
*Roy Withers***Camacho v Herbalife****Case No: BC376236****PLAINTIFF** - *Diversity Law Group, A.P.C.*
*Larry Lee***DEFENSE** - *Sheppard Mullin Richter & Hampton, LLP*
*Richard J. Simmons, Jason W. Kearnaghan***Campos v HWBCarwash****Case No: BC378990****PLAINTIFF** – *Lavi & Ebrahimian, LLP*
*N. Nick Ebrahimian, Joseph Lavi, Jordan D. Bello***DEFENSE** - *Jackson Lewis LLP*
*Mia Farber, Chad Bernard***Caponera v Knox & Associates****Case No: 06AS03693****PLAINTIFF** – *Wynne Law Firm*
*Edward J. Wynne***DEFENSE** – *Jackson Lewis LLP*
*Cary G. Palmer***Casanova v Gregg Industries, Inc****Case No: BC 337037****PLAINTIFF** - *Appleton, Blady & Magnanimo*
*Benjamin Blady***DEFENSE** - *Berry & Perkins*
*Kevin Lussier***Cash v McCormick****Case No: BC 374352****PLAINTIFF** – *Kingsley & Kingsley*
George Kingsley, Eric Kingsley, Gregory Givens
DEFENSE – *Atkinson, Andelson, Loya, Ruud & Romo*
*Ann K. Smith***Castro v White Cap****Case Number: CGC 05-446144****PLAINTIFF** - *Vinick Law Firm*
*Sharon Vinick**Kletter & Peretz*
Yosef Peretz
DEFENSE - *Orrick, Herrington & Sutcliffe LLP*
*Joseph C Liburt, Amira Day***Cavanaugh v SCPMG****Case No: BC 354246****PLAINTIFF** - *Appleton, Blady & Magnanimo, LLP*
*I. Benjamin Blady***DEFENSE** - *Seyfarth Shaw*
*Thomas R. Kaufman***Centurioni v City and County of San Francisco****Case No: C0701016JSW****PLAINTIFF** - *Vinick Law Offices*
*Sharon Vinick**Shea Law Offices*
Mary J. Shea
Boxer & Gerson LLP
Leslie F. Levy and Darci Burrell
DEFENSE – *City Attorney's Office*
*Dennis J. Herrera, Elizabeth Salveson, Jonathan Rolnick, Rose-
Ellen H. Fairgrieve***Chandler v Mi Piacé****Case No: BC 337780****PLAINTIFF** - *Hawkins & Sofonio*
Greg Mauro
DEFENSE - *Sheppard, Mullin, Richter & Hampton*
*Daniel J. McQueen***Chavez v CEC Entertainment, Inc****Case Number: BEC380996****PLAINTIFF** - *Lavi & Ebrahimian*
*Joseph Lavi***DEFENSE** - *Bander Law Firm*
*Cathe Caraway-Howard***Chiaramonte v Pitney Bowes****Case No: 06CV1507RNL5****PLAINTIFF** - *Cohelan & Khoury*
Michael Singer, Diana Khoury
DEFENSE - *Seyfarth Shaw*
*Raymond Kepner, Tom Kaufman,
Ayesha Atttoh***Clark v Commerce West Insurance****Case No: RG06269869****PLAINTIFF** – *Duckworth Peters Lebowitz, LLP*
Mark Peters
DEFENSE – *Sheppard Mullin Richter & Hampton*
Jennifer Redmond

Clymer v Candle Acquisition

Case No: BC328765

PLAINTIFF – Initiative Legal Group, LLP

Mark Yablonovich, Marc Primo, Payam Shahian

DEFENSE – Carter Carter Fries & Grunschlag

Dov M. Grunschlag

Colbert v American Home Craft Inc.

Case No: 05AS05012

PLAINTIFF - Shimoda Law Group

Galen T. Shimoda

DEFENSE - Johanson Berenson LLP

Douglas Rubel

Cook v TwentyNinthStreetCafe

Case Number: LASC BC384829

PLAINTIFF - The Law Offices of Stephen Glick

Stephen Glick; Anthony Jenkins

DEFENSE - Musick, Peeler & Garrett, LLP

Elaine M. Vukadinovich

Corado v Goodyear

Case No: RCV 095476

PLAINTIFF - Spiro Moss Barness, LLP

Justian Jusuf, Dennis Moss

Law Offices of Sahag Majarian II

Sahag Majarian II

DEFENSE - Non-Disclosed

Cota v Las Olas

Case No: 37-2007-00055931-CU-OE-NC

PLAINTIFF – Hamner Law Offices

Christopher Hamner, Kimberly Westmoreland

DEFENSE – Seyfarth Shaw

Kimberly M. Foster

Crosby v Chevy's, Inc.

Case No: 06AS02420

PLAINTIFF - Law Offices of Michael Carver

Michael Carver

DEFENSE - Morgan, Lewis, Bockius

Barbara Miller

Cuevas v Vasquez Company

Case No: RIC 497307

PLAINTIFF – Gould & Associates

Michael A. Gould

DEFENSE – Hodel, Briggs, Winter LLP

Glenn L. Briggs

D'Asero v Home Loan Center

Case No: SACV 08-0384 RSWL (JWJx)

PLAINTIFF – Mower, Carreon, & Desai, LLP

Jon R. Mower, James A. Burton

DEFENSE – Sheppard, Mullin, Richter, & Hampton, LLP

Greg S. Labate, Matthew M. Sonne

Dao v 3M Company

Case No: CV-08-04554 VBF (AGRx)

PLAINTIFF - James Hawkins

Gregory Mauro

DEFENSE - Shea Stokes Roberts & Wagner

Maria Roberts

Davenport v Union Bank of CA

Case No:2:07-CV-00001 FMC

PLAINTIFF – Keller Grover

Eric Grover

Thierman Law Firm

Mark R. Thierman

DEFENSE – Morgan, Lewis, & Bockius

Rebecca Eisen, John Battenfeld

Davilla v Beckman Coulter

Case Number: 07CC01347

PLAINTIFF - James Hawkins

Greg Mauro

DEFENSE -Sheppard Mullin

Greg Labate

Davis v Kohls Department Stores, Inc

Case No: BC327426/BC341954

PLAINTIFF – Righetti Law Firm, PC

John Glugoski, Matt Righetti

Scott Cole & Associates

Kevin R. Allen, Scott Edward Cole

DEFENSE – Jackson Lewis, LLP

Scott Lacunza, Frank Liberatore

Dibel v Jenny Craig

Case No: 06cv2533

PLAINTIFF - Class Action Litigation Group

Rene Barge, Katie Odenbreit

DEFENSE - Jackson DeMarco Tidus Petersen & Peckenpough

Paul Van Hoomissen, Gregory G. Petersen, Joshua Rittenberg

DLSE v CAM Commerce Solutions

Case No: N/A

PLAINTIFF - DLSE

David Gurley

DEFENSE - Proskauer Rose LLP

Art Silbergeld

DLSE v SierraCascade

Case No: 35-65292/225

PLAINTIFF - DLSE

Deborah Graves

DEFENSE - DLA Piper US LLP

Amy Beckstead

Ellerd v County Of LA

Case No: CV 05-122/cv 05-4200

PLAINTIFF – *Megan Richmond*

DEFENSE – *Sheppard, Mullin, Richter, & Hampton, LLP*
Geoffrey D. Deboskey

Eng v PQBeverlyHills

Case No: BC391451

PLAINTIFF - *Nunes Law Group*

Glenn Nunes

Hamner Law Offices

Chris Hamner, Kimberly Westmoreland, Marie Bolanos

DEFENSE - *Snell & Wilmer*

Christy Joseph, Tiffanny Brosnan

Faris v Bal Seal

Case Number: 30-2008-00180022

PLAINTIFF - *Spiro, Moss, Barness, LLP*

Dennis Moss

The Law Office of Justian Jusuf

Justian Jusuf

DEFENSE - *Tredway, Lumsdaine & Doyle*

Shannon Marie Jenkins

Farrell v Hamlet Group, Inc.

Case No: BC 378411

PLAINTIFF - *Hamner Law Offices, LLC*

Christopher J. Hamner

DEFENSE - *Garrett & Tully, LLP*

Efren Compean

Flores v CVS

Case No: 2:07-cv-05326-FMC-Ex

PLAINTIFF – *Initiative Legal Group, LLP*

Monica Balderrama, Marc Primo, Linh Hua, Shawn Westrick,
Mark Yablanovich

DEFENSE – *Sheppard, Mullin, Richter & Hampton, LLP*

Jennifer Zargarof & Douglas R Hart

Franco v Ecology Autoparts, Inc

Case No: GIC840600

PLAINTIFF - *Law Offices of Paul D. Jackson*

Paul D. Jackson

Cadena Churchill, LLP

Raul Cadena

DEFENSE - *Lewis Brisbois Bisgaard & Smith LLP*

Paul F. Sorrentino

Frank v eCost

Case No: BC374820

PLAINTIFF – *Westrup Klick, LLP*

Philip Poliner

DEFENSE – *Jones Day*

Steven M. Zadravez

Frost v Freeway Insurance

Case No: GIC874251

PLAINTIFF – *Cohelan & Khoury*

Isam C. Khoury, Michael D. Singer, Diana M. Khoury, Alexander I. Dychter

DEFENSE – *Michelman & Robinson, LLP*

Sanford L. Michelman, Mona Z. Hanna, Todd H. Stitt

Fuller v Kelly Services

Case No: BC296800

PLAINTIFF – *Gould & Associates*

Aarin Zeif, Michael L. Gould

Law Offices of Daniel G. Emilio

Daniel G. Emilio

DEFENSE – *Sheppard, Mullin, Richter & Hampton*

Geoff D. DeBoskey

Galicia v Pfinish Koncepts, Inc

Case Number: BC375293

PLAINTIFF - *Kesluk & Silverstein*

Douglas N Silverstein

DEFENSE - *Carlton DiSante & Freudenberger*

Leigh A White & Dorothy A Black

Galtie v ARSNationalServices

Case No: 37-2007-00056871 CU OE NC

PLAINTIFF - *Initiative Legal Group*

Linh Hua, Scott Leviant, Payam Shanian, Marc Primo

DEFENSE - *Luce Forward Hamilton & Scripps*

Kathryn A. Bernert

Garcia v Kao

Case No: 05CC05679

PLAINTIFF - *Gibson Dunn & Crutcher*

Nicola Hanna, Kevin Roosevelt, Kelly Leggio, Lise Johnson

Public Law Center

Kenneth Babcock, Gary McGaha

DEFENSE - *Law Offices of David S. W. Fang*

David S. W. Fang

Law Offices of David Alan Cooper

David Alan Cooper

Law Offices of Stanley Friedman

Stanley Friedman

Howrey LLP

Russell B. Hill, Jesse D. Mulholland

Pasternak, Pasternak & Patton

David J. Pasternak

Theodora Oringher Miller & Richman

James Godes, Joseph Preis

Geerhart v California Insurance Guarantee Association

Case No: 357078BC

PLAINTIFF - *The Law Offices of Timothy B McCaffrey*

Timothy McCaffrey Jr.

DEFENSE – *Locke, Lord, Bissell & Liddell LLP*

Nina Huerta, Eduardo Martorell, Guerry Collins

Ginsberg v Pinecrest Schools**Case No: BC 316722****PLAINTIFF** - Daniels, Fine, Israel, Schonbuch & Lebovits
Scott Brooks, Paul Fine

Law Offices of Stephen Glick

Stephen Glick

DEFENSE - Christensen, Glaser, Fink, Jacobs, Weil & Shapiro,
LLP

Mark Lynch

Gonzalez v Home Loan Center**Case No: CV06-5007 RSWL (JWJx)****PLAINTIFF** - Initiative Legal Group, LLP

Marc Primo, Joseph Cho, Shawn Westrick

DEFENSE - Sheppard Mullin Richter & Hampton LLP

Greg S. Labate, Matthew M. Sonne

Granados v Dow Key**Case No: 56-2007-00304253-CU-OE-VTA****PLAINTIFF** - Gulledge Law Group

Linda J. Gulledge, Kelly Woody Gulledge

DEFENSE - Nordman, Cormany, Hair & Compton LLP

Karen L. Gabler

Guerra v L'Occitane**Case No: BC373587****PLAINTIFF** - Initiative Legal

Mark Yablonovich, Marc Primo, Matthew Theriault, Dina Livits

DEFENSE - Jackson Lewis LLP

David Bradshaw

Guerrero v Beacon Bay**Case No: 06CC00111****PLAINTIFF** - Law Offices of Jerry D. Underwood

Jerry D. Underwood Esq

Diefer Law Group, P.C.

Marcelo A. Dieguez, Esq

DEFENSE - Carlton DiSante & Freudenberg LLP

Timothy M. Fruedenberger LLP

Hall v Best Buy**Case No: 265-2005-02271****PLAINTIFF** - EEOC**DEFENSE** - Robins Kaplan Miller & Ciresi LLP

Janet C. Evans, Kelly K. Pierce

Halawanji v Advantage Guard**Case No: 06CC00158****PLAINTIFF** - Gould & Associates

Michael Gould, Aarin Zeif

DEFENSE - Atkinson, Andelson, Loya, Ruud & Romo, APC

Susan Steward

Hansen v CeliteCorp**Case Number: 1250371****PLAINTIFF** - Gilbert & Sackman, A Law Corporation

Robert A. Cantore, Adrian Barnes

DEFENSE - Sheppard, Mullin, Richter & Hampton, LLP

Jeffrey A. Dinkin, Aaron W. Heisler

Hanzy v Mac Mall**Case No: BC373935****PLAINTIFF** - Westrup Klick, LLP

Phillip R. Poliner, Esq.

DEFENSE - Jones Day

Steven M. Zadravec, Esq.

Hashimoto v Abercrombie & Fitch Co.**Case No: BC 354479****PLAINTIFF** - Khorrami, Pollard & Abir LLP

Robert (Bob) Drexler Jr

The Quinsberry Law Firm

John N. Quisenberry

DEFENSE - Vorys, Sater, Seymore and Pease, LLP

Mark Knueve

Harris v Kiddie Kandids**Case Number: C08-00852 MEJ****PLAINTIFF** - Law Office of Randall Crane

Randall Crane

DEFENSE - Desouza Law Offices

Jacqueline Desouza

Haywood v Tyler Restaurants, Inc.**Case No: 06CC00085****PLAINTIFF** - Gerald MacRae**DEFENSE** - Stradling, Yocca, Carlson & Rauth

John Cannon, Amy Williams

Hernandez v Angeles ARC**Case No: BC347952****PLAINTIFF** - Law Offices of Ellyn Moscovitz

Ellyn Moscovitz, Sharon Seidenstein

DEFENSE - Law Offices of Steven Kramer

Steven Kramar

Hernandez v Brink's, Inc.**Case No: BC360488****PLAINTIFF** - The Cooper Law Firm P.C.

Scott Cooper

The Carter Law Firm

Roger L. Carter

Jose Garay A.P.C

Jose R. Garay

DEFENSE - Crowell & Morning LLPJeff Pagano, Ira Saxe, Stafford Woodley, Marc Romero, Stephan
P. Rice**Herron v Cool Cuts 4 Kids****Case No: BC384527****PLAINTIFF** - Gould & Associates

Michael A. Gould

Aarin A. Zeif

DEFENSE - Littler Mendelson

Diane L. Kimberlin

Hill v SullivanAG**Case No: BC378222**PLAINTIFF - *Initiative Legal**Linh Hua, Scott Leviant*DEFENSE - *Chavos and Rao**Laurie Rao***Hyatt v California Sullivan****Case No: INC 068594**PLAINTIFF - *James H. Cordes, Attorney at Law**James H. Cordes*DEFENSE - *Carlton DiSante & Freudenberger, LLP**Leigh Ann White & Timothy Freudenberger***Ingraham v Orchard Supply Hardware****Case No: 457004**PLAINTIFF - *Scott Cole & Associates APC**Scott Edward Cole, Matthew Bainer & Clyde H. Charlton*DEFENSE - *Littler Mendelson PC**Dennis M. Brown, Michelle B. Heverly & Erica H. Kelley***Janicki v Lane Bryant****Case No: BC 374877**PLAINTIFF - *Connor & Sargent PLLC**Stephen P. Connor**Anne-Marie E. Sargent*DEFENSE - *Morgan Lewis & Bockius**John S. Battenfeld, Donna Mo, Albert Huang***Jones v Right Away Redy Mix****Case No:RG 07331067**PLAINTIFF - *Law Offices of Sohnen & Kelly**Harvey Sohnen, Esq., Patricia Kelly, Esq.*Defense - *Wiley, Price, & Radulovich, LLP**Joseph E. Wiley, Esq., Ian O. Fellerman, Esq.***Kaplan v Siemens Maintenance Services****Case No: BC 328900**PLAINTIFF - *Initiative Legal Group, LLP**Joseph Cho, Greg Yu*DEFENSE - *Morrison & Foerster**Samantha Goodman***Keo v North Coast Couriers****Case No: RG 06-0251806**PLAINTIFF - *Hinton, Alfert, and Sumner**Aaron Kaufman**Cohelan & Khoury**Christopher Olsen, Michael D. Singer**Liberation Law Group**Arlo G. Uriarte**Law Offices of Ricardo J. De Rosa**Ricardo J. De Rosa*DEFENSE - *Law Office of Nina Yablok**Nina Yablok**Littler Mendelson**Theodora Lee***Keplinger v California Pizza LLC****Case No: 07CEGC01534**PLAINTIFF - *Law Office of Michael Carver**Michael Carver*DEFENSE - *Fisher & Phillips, LLP**John Lattin***Kinz v SpencerGifts****Case Number: 07AS03539**PLAINTIFF - *Law Offices of Michael Carver**Michael Carver, Michelle Lunde*DEFENSE - *Orrick, Herrington & Sutcliffe LLP**Allison Pitigoi, Julie Totten***Klostermann v OCE Business Services****Case No: BC311001**PLAINTIFF - *Graves & Associates**Allen Graves*DEFENSE - *Jackson Lewis, LLP**Mia Farber, Dean Rocco***Koehler/Aho v BankoftheWest****Case Number: CGC-060 458611**PLAINTIFF - *Initiative Legal Group, LLP**Gregory Yu*DEFENSE -*Orrick, Herrington & Sutcliffe, LLP**Andrew Livingston***Koehler v Honeywell****Case No: RG 05213466**PLAINTIFF - *McCurdy & Ku**Gregg L. McCurdy, Gaetano M. Fong*DEFENSE - *Paul Hastings, Janofsky & Walker**M. Kirby C. Wilcox, Saidah M. Grayson***Krzesniak v Budget Rent A Car****Case No: C 05-5156 MEJ**PLAINTIFF - *Rukin Hyland Doria & Tindall LLP**Steven M. Tindall, Peter Rukin*DEFENSE - *Littler Mendelson**Jody A. Landry**Arena Hoffman LLP**Michael Hoffman***Kunz v Sunset Cresent****Case No: BC382004**PLAINTIFF - *Jennifer Kramer Legal**Jennifer Kramer*DEFENSE - *Proskauer Rose LLP**Robert H. Horn, Anthony J. Oncidi***Lakso v UHS of Delaware, Inc.****Case No: BC 342312**PLAINTIFF - *Law Office of Joseph Antonelli**Joseph Antonelli, Janelle Carney*DEFENSE - *Cotkin, Collins & Ginsburg**William Naeve, Ellen Tipping, Robert Wilson*

Lanzarone v WSA Security, Inc.**Case No: BC345891**PLAINTIFF - *Law Offices of Herbert Hafif**Gregg Hafif, Miguel Caballero, Farris Ain*DEFENSE - *Loeb & Loeb**Mark Campbell, Allan Edmiston, Erin Smith***LaPlante v Pomeroy Investments****Case Number: BC 379692**PLAINTIFF - *Hamner Law Offices**Christopher Hamner*DEFENSE - *Levinson Arshonsky & Kurtz**James Cooper***Lauzon v Club Monaco****Case No: CGC-06-449963**PLAINTIFF - *Keller Grover, LLP**Eric A. Grover Esq., Jade Butman Esq.*DEFENSE - *Little Mendelson**Margaret Hart Edwards, Phillip L. Ross***Little v Brinker****Case No: 02 CC-003965**PLAINTIFF - *Korien Tillery, LLC**Steven Katz, Christopher A. Hoffman*DEFENSE - *McMahon Berger, PC**Robert Younger, McMahon Berger***Lopez v Little Caesars****Case Number: BC383640**PLAINTIFF - *Law Offices of Stephen Glick**Stephen Glick; Anthony Jenkins*DEFENSE - *Winston & Straw LLP**Benjamin M. Gipson/Maria Rodriguez***Lopez v Louis Vuitton****Case No: BC361116**PLAINTIFF - *Gould & Associates**Michael Gould, Aarin Zeif*DEFENSE - *Winston & Strawn LLP**Lee Paterson, Jessie Kohler, Emilie Woodhead***Mabry v Pete's Connection****Case No: 04CC00509**PLAINTIFF - *Cohelan & Khoury**Tim Cohelan, Michael Singer, Sam Khoury, Diana Khoury**Nicole Durant, Esq Attorney at Law*DEFENSE - *Phillip Silverman, Esq. Attorney at Law***Mahoney v AT&T****Case No: BC385361**PLAINTIFF - *Goldstien Demchack Baller Borgen & Dardarian**Morris J. Baller, Joseph E. Jaramillo*DEFENSE - *Pillsbury, Winthrop, Shaw, Pittman LLP**Paula M. Weber, Lara-Beye Molina***Mares v BFS****Case No: BC375967**PLAINTIFF - *Initiative Legal Group, LLP**Marc Primo, Matthew Theriault, Orlando Arellano*DEFENSE - *Rutan & Tucker, LLP**Ernest W Klatte, III, Summer Young-Agriesti***Marino v PinkTaco****Case Number: BC384498**PLAINTIFF - *Hamner Law Offices, APC**Christopher J Hamner*DEFENSE - *Proskauer Rose LLP**Robert H Horn***Martin v Home Savings Termite Control****Case No: BC372068**PLAINTIFF - *Jennifer Kramer Legal**Jennifer Kramer*DEFENSE - *Freedman & Taitelman**David Marmorstein***Martinez v Bank of the West****Case No: CGC-06-454959**PLAINTIFF - *Rukin Hyland Doria & Tindall, LLP**Peter Rukin & John F. Hyland**Law Offices of Greg Mayeda**Greg Mayeda*DEFENSE - *Orrick Herrington & Sutcliffe, LLP**Andrew Livingston, Kristen M. Jacoby & Patricia Gillette***Massie v Wild Oats****Case No:BC369633**PLAINTIFF - *Law Offices of Stephen Glick**Stephen Glick, Esq.**Daniels, Fine, Israel, Shonbuch & Lebovits LLP**Paul Fine, Scott Brooks, Craig Momita**Law Offices of Ian Herzog**Ian Herzog*DEFENSE - *Jackson Lewis LLP**Frank M. Liberatore, Esq. Debbie Ibrahim, Esq. & Aryn J. Sobo, Esq.***Mathistad v Einstein Noah Restaurant****Case No: 37-2007-74998-CU-IE-CTL**PLAINTIFF - *Righetti Law Firm, P.C.**Matthew Righetti, Esq, John Glugoski, Esq**Lorens & Associates, APLC**Tracee Lorens**Cadena Churchill, LLP**Raul Cadena*DEFENSE - *Holme Roberts & Owens, LLP**Donald L. Samuels, Elizabeth H. Murphy, David Ball*

McCall Selbst v Labor Ready**Case No: BC289925**PLAINTIFF – *The Quisenberry Law Firm**John Quisenberry, Robert J. Drexler*DEFENSE – *Perkins Coie, LLP**David Ongaro***McCarty v CJK Associates****Case No: FCS028379**PLAINTIFF – *Law Offices of Michael L. Carver**Michael Carver*DEFENSE – *Jackson Lewis**David S. Bradshaw, Cary Palmer***McLaughlin v Waste Management****Case No: 06C 0100**PLAINTIFF – *Appleton, Blady & Magnanimo**Benjamin Blady*DEFENSE – *McNamara, Spira & Smith**Kirsten Hicks Spira***Merino v Nations Pizza Products****Case No: 1:07-CV-632**PLAINTIFF – *Werman Law Office, P.C.**Douglas M. Werman*Defense – *Jones Day**Michael J. Gray, Michael S. Ferrell**Paul Hastings, Janofsky & Walker**Steven T. Catlett*

NATION PIZZA'S COUNSEL

*Earl Farkas***Mickelson v LaBou(WOGT)****Case Number: 07AS02431**PLAINTIFF – *Law Offices of Michael L. Carver**Michael L. Carver*DEFENSE – *Knox, Lemmon, Anapolsky & Schrimp, LLP**Angela Schrimp de la Vergne***Mobley v Globeground North America, LLC****Case No: BC 356051**PLAINTIFF – *Initiative Legal Group**Matthew T. Theriault*DEFENSE – *Morgan, Lewis & Bockius LLP**Jill Ann Porcaro***Molinar v Golden West Restaurants, Inc****Case No: BC350154**PLAINTIFF – *Law Offices of Michael Carver**Michael Carver*DEFENSE – *Sheppard, Mullin, Richter & Hampton**Charles Barker, Geoffrey Deboskey***Moore v Check Cashing Place****Case No: GIC 879665**PLAINTIFF – *Hiden Rott & Oertle, LLP**Michael Ian Rott, Eric M. Overholt*DEFENSE – *Littler Mendelson**Stacey E. James, Laura Strauss***Moore v Genesco****Case No: RG06270570**PLAINTIFF – *Keller Grover, LLP**Eric Grover, Jade Butman**Thierman Law Firm**Mark Thierman**Law Office of Steven L. Miller**Scott A. Miller, Steven L. Miller*DEFENSE – *Morgan Lewis & Bockius, LLP**Eric Meckley***Mondragon v BTR, Inc****Case No: BC 379380**PLAINTIFF – *Hamner Law Offices, LLC**Christopher J. Hamner**Kimberly Westmoreland*DEFENSE – *Van Vleck Turner & Zaller, LLP**Brian Van Vleck**Anthony Zaller***Morgan v The Avenue****Case No: BC362191**PLAINTIFF – *Initiative Legal Group**Mark Yablonovich, Marc Primo, Matthew T. Theriault, Lory N. Ishii*DEFENSE – *Sheppard, Mullin, Richter & Hampton**Charles F. Barker, Ross A. Boughton***Morris v Lebhar Friedman****Case No: 2:08-cv-07457-ODW-FMO**PLAINTIFF – *Appleton, Magnanimo & Dean**Lauren Dean, Frank Magnanimo*DEFENSE – *Paul, Hastings, Janofsky & Walker**Ryan Derry, Elena Baca***Muniz v Pilot Travel Centers****Case No: 07-CV-003250-FCD-EFB**PLAINTIFF – *Law Offices of Michael Carver**Michael Carver*DEFENSE – *Littler Mendelson, PC**Jody Landry***Nelson v Pitney Bowes****Case No: 06 05954 JSW**PLAINTIFF – *Wynne Law Firm**Edward Wynne*DEFENSE – *Littler Mendelson, PC**Annamary E. Gannon***Nerland v Caribou Coffee****Case No: 05-1847 PJS/JJG**PLAINTIFF – *Lockridge Grindal Nauen**Charles N. Nauen**Cuneo Gilbert & LaDuca**Jon Tostrud*DEFENSE – *Fredrickson & Byron**Joseph M. Sokolowski*

Nevins v UHS of Delaware, Inc.**Case No: BC322077**PLAINTIFF - *Initiative Legal Group, LLP**Marc Primo, Shawn Westrick, Robert Byrnes*DEFENSE - *Cotkin, Collins & Ginsburg**William Naeve, Ellen Tipping, Robert Wilson***Nguyen v BDO****Case No: SACV07-1352 JVS MJGx**PLAINTIFF - *Kershaw, Cutter & Ratinoff, LLP**Stuart Talley*DEFENSE - *Morgan, Lewis & Bockius, LLP**Carrie Gonell***Njoku v Ecko****Case No: CGC 07-469480**PLAINTIFF - *Keller Grover LLP**Eric A. Grover*DEFENSE - *Proskauer Rose LLP**Enzo Der Boghossian, Harold M Brody***Noble v Sony****Case Number: BC372645**PLAINTIFF - *Trush Law Office**James M. Trush, Esq.**Tharpe & Howell**Robert M. Freedman, Esq., David S. Binder, Esq.*DEFENSE - *Mitchell Silberberg & Knupp LLP**Jeffrey L. Richardson***Novel v World Cafe Restaurant****Case Number: BC382068**PLAINTIFF - *Hamner Law Offices, LLC**Christopher J. Hamner*DEFENSE - *Lewis Brisbois Bisgaard & Smith, LLP**Steven G. Gatley, Lisa A. Gregorius***Omaley v IntelCorp****Case No: 108CV126813**PLAINTIFF - *Hinton, Alfert & Sumner**Aaron Kaufman**Rudy, Exelrod, Zieff & Lowe**Steve Zieff, Pat Goldman**Bruckner Burch**Richard Burch*DEFENSE - *Gilmore Diekmann Jr**Gilmore Diekmann***Ordaz v Rose Hills Mortuary****Case No: BC 386500**PLAINTIFF - *Initiative Legal Group**Marc Primo, Matthew Theriault, Dina Livhits*DEFENSE - *Gurnee and Daniels LLP**Stephen Gurnee, Nicholas Forestiere, David Daniels, John Mason***Ortega v Leslie Farms****Case No: GIN-031-417**PLAINTIFF - *California Rural Legal Assistance Foundation**Dorothy A. Johnson*DEFENSE - *Testa & Associates, LLP**Gregory J. Testa, Esq***Osorio v Land Forms Landscape****Case No: 07 CC 05683**PLAINTIFF - *Martinez & Associates**Jose Antonio Martinez*DEFENSE - *Crowell & Morning, LLP**Mark Romeo***Padilla v Two Lips****Case No: BC344476**PLAINTIFF - *Keller Grover, LLP**Jade Butman, Eric Grover*DEFENSE - *Anderson McPharlin & Connors, LLP**Glen Mortens, Stephen Harris***Palacio v International Extrusion****Case No: BC 376966**PLAINTIFF - *Myers & Siegel, PC**Michael Myers, Alan Sigel**Law Office of Matthew Taylor**Matthew Taylor*DEFENSE - *Little Mendelson, PC**Robert Blumberg***Palmer v Kohls Corporation****Case No: 37-2007-00076060-CU-MC-CTL**PLAINTIFF - *Bonnett, Fairbourn, Friedman & Balint, PC**Todd D. Carpenter*DEFENSE - *Call, Jensen & Ferrell**Matthew R. Orr***Palos v International Protection Service, Inc.****Case No: BC323209**PLAINTIFF - *Initiative Legal Group, LLP**Marc Primo, Greg Yu, Joseph Cho, Susan Cregg*DEFENSE - *Sedgwick, Detert, Moran & Arnold LLP**David M. Humiston, Leonora M. Schloss, Alexander Gareeb,**Aaron Colby***Pang v PitneyBowes****Case No: 1:07-cv-08557-RJH**PLAINTIFF - *Lipman & Plesur LLP**Robert Lipman, David Robins*DEFENSE - *Seyfarth Shaw LLP**Lorie Almon, Peter Walker, Chris Lowe*

Pelton v GTC

Case No: GIC863070

PLAINTIFF - *Frantz Law Group APLC*

James Frantz, Giles Townsend

Keegan, Macaluso & Baker, LLP

Patrick Keegan, Brent Jex

Law offices of Jodi Frantz

Jodi Frantz

DEFENSE - *Drinker Biddle & Reath LLP*

William Hanssen, Donald Beshada, Suzanne Stouder

The People of California v Zuma

Case No: BC349390

PLAINTIFF - *L.A. City Attorney's Office*

James Colbert, Steven Gold

DEFENSE - *Hill, Farrer & Burrill LLP*

Scott Gilmore, Esq.

Peralta v Olympic Garden

Case No: BC 358374

PLAINTIFF - *Kesluk & Silverstein*

Douglas Silverstein, Michael G. Jacob

DEFENSE - *Rees Law Firm*

Robert Rees

Perezchica v Eastco Int'l Corp.

Case No: 07 CH 04726

PLAINTIFF - *Werman Law Office, P.C.*

Douglas M. Werman

DEFENSE - *Burke & White*

Edmund Burke

Pietrzak v Joes Crab Shack

Case No: GIC 863846

PLAINTIFF - *Cohelan & Khoury*

Alex Dychter, Michael Singer

DEFENSE - *Sheppard, Mullin, Richter & Hampton*

Heather Clark, Ryan McCortney

Radinski v Apex Digital

Case No: 07 C 0571

PLAINTIFF - *Penny, Nathan, Kahan & Associates*

Ruth Irene Major

DEFENSE - *Littler Mendelson*

Lisa Schreter

Ramirez v eWork

Case No: 06-cv-00686-WDM-BNB

PLAINTIFF - *Cafferty Faucher LLP*

Anthony Fata

DEFENSE - *Jacobs Chase*

Ann Frick

Rava v Athletics Investment Group

Case Number: RG 06268693

PLAINTIFF - *The Cartwright Law Group, APLC*

Gregory Cartwright

DEFENSE - *Jackson Lewis*

Cary Palmer

Buchalter Nemer

George J. Stephan

Rava v Club Med Sales

Case No: 03CC09858

PLAINTIFF - *Fuller Jenkins*

Erik C. Jenkins

Flynn & Stillman

Philip Stillman

The Grant Law Firm

Joseph M. Grant

DEFENSE - *McKay, Graham & de Lorimier*

Michael Acain

Razo v C&D Zodiac

Case No: 07CC01373

PLAINTIFF - *Spiro Moss LLP*

Dennis Moss, Gregory Karasik

DEFENSE - *Sheppard, Mullin, Richter & Hampton LLP*

Greg Labate, Ruben Escalante

Recio v Labor Ready

Case No: BC289925

PLAINTIFF - *The Cullen Law Firm, APC*

Paul T. Cullen

DEFENSE - *Perkins Coie, LLP*

David Ongaro

Renteria v Pacer Cartage, Inc.

Case No: BC 292970

PLAINTIFF - *Daniels, Fine, Israel, Shonbuch & Lebovits*

Paul Fine, Scott Brooks

Law Offices of Stephen Glick

Stephen Glick

DEFENSE - *Morgan, Lewis & Bockius*

Larry Lawrence, Clifford Sethness

Ridley v Friar Tux

Case No: BC368902

PLAINTIFF - *Law Offices of John F. Stewart*

John F. Stewart

DEFENSE - *Goldstein Law Firm*

Charles Goldstein

Seyfarth Shaw LLP

Kenneth Sulzer

Ronn v Well Point Anthem BlueCross

Case No: 56-2008-00328601-CU-OE-VTA

PLAINTIFF - *Initiative Legal Group*

Marc Primo

DEFENSE - *Seyfarth Shaw LLP*

Eileen Zorc

Rubio v New Century Mortgage**Case No:** SACV06-811CJC(AJWx)**PLAINTIFF** – *Trush Law Office**James M. Trush***DEFENSE** – *Sheppard Mullin Richter & Hampton, LLP**Greg S. Labate***Sahab v Posadas****Case No:** BC 324 331**PLAINTIFF** - *The Pearl Law Firm**Steven G. Pearl**Law Office of Robert E. Racine**Robert E. Racine***DEFENSE** - *Law Offices of Stanley R. Raskin**Stanley R. Raskin**Barnes Crosby Fitzgerald & Zeman LLP**William M. Crosby***Saidel v CBS Radio, Inc.****Case No:** CV07-02948**PLAINTIFF** – *Hinton, Alfert & Sumner**Aaron Kaufmann**David P. Pogrel***DEFENSE** – *Morgan, Lewis & Bockius**Rebecca Eisen**Theresa Mak***Salvador v PLS Checking****Case Number:** CV 08-00882**PLAINTIFF** - *Hamner Law Offices, APC**Christopher J Hamner***DEFENSE** - *Proskauer Rose LLP**Robert H Horn***Sanchez v Harry Singh & Sons Farming****Case No:** GIC872854**PLAINTIFF** - *Lorens & Associates, APLC**Tracee Lorens**Cadena Churchill LLP**Raul Cadena***DEFENSE** - *DLA Piper**Rick Storms, Amy Beckstead***Sandford v Time Warner Cable****Case No:** BC 356014**PLAINTIFF** – *Kinglsey & Kingsley APC**Kevin M. Zietz***DEFENSE** – *Morgan, Lewis & Bockius LLP**Carla J. Feldman, Jason S. Mills***Scott/Smith v BearCom****Case No:** 37-2007-00068223-CU-OE-CTL**PLAINTIFF** – *Cohelan & Khoury**Timothy D. Cohelan, Isam C. Khoury, Michael D. Singer,**Diana M. Khoury***DEFENSE** – *DLA Piper LLP (US)**Merrill F. Storms, Jr., Tonya M. Cross***SLC v Pacific States Industries****Case No:** 237576**PLAINTIFF** – *Littler Mendelson**Christopher Cobey***DEFENSE** – *Pacific States Industries**David Balter***Small v Brinderson****Case No:** 04CC00717**PLAINTIFF** - *Law Offices of Ellyn Moscovitz**Ellyn Moscovitz***DEFENSE** - *Atkinson, Andelson, Loya, Ruud & Romo**Christopher Andre***Smith v Claires Boutiques, Inc.****Case No:** BC378435**PLAINTIFF** – *Law Offices of Kenneth H. Yoon**Kenneth H. Yoon***DEFENSE** – *Morgan, Lewis & Bockius LLP**John D. Hayashi***Smith v GuardSystems****Case No:** BC384306**PLAINTIFF** - *Law Offices of Kevin T Barnes**Joseph Antonelli, Janelle Carney, Kevin Barnes, Gregg Lander***DEFENSE** - *Musick Peeler & Garrett**Elaine Vukadinovich***Smith v ShieldSecurity****Case No:** BC385635**PLAINTIFF** - *Kokozian & Nourmand LLP**Michael Nourmand**The Feldman Law Firm**Lee Feldman**Class Action Litigation Group**Rene Barge & Katie Odenbriet***DEFENSE** - *Bradley & Gmelich**Jaimee Wellerstein, Barry Bradley, Gary Bradley***Smith v The Children's Place****Case No:** BC328780**PLAINTIFF** - *Initiative Legal Group LLP**Marc Primo, Mark Yablonovich, Robert E. Byrnes***DEFENSE** - *Sheppard Mullin Richter & Hampton**Richard Simmons, Derek Havel***Solis v HiTech Collison****Case No:** BC336338**PLAINTIFF** - *Horton & Debolt**Laura Horton**Kesluk & Silverstein**Douglas Silverstein, Alexandra Steinberg***DEFENSE** - *Fine, Boggs & Perkins**Cory King*

Sprinklerfitters Local 669 v West Coast Fire Protection Services

Case No: 06AS04594

PLAINTIFF - *Law Offices of Ellyn Moscovitz*

Ellyn Moscovitz, Sharon Seidenstein

DEFENSE - *Rediger, McHugh & Hubbert LLP*

Robert Rediger

Stewart v Reebok

Case No: BC 317955

PLAINTIFF - *Westrup Klick, LLP*

Phillip Poliner

The Law Offices of Allan A. Sigel

DEFENSE - *Cathcart Collins, LLP*

Patrick Cathcart

Thompson v Culver Personnel

Case No: GIC 870940

PLAINTIFF - *The Law Offices of Michael Carver*

Michael Carver

DEFENSE - *Stradling Yocca Carlson & Rauth*

Bruce May

**Tapia v Mangen Group
(BurgerKing)**

Case Number: BC377114

PLAINTIFF - *Aidikoff, Uhl & Bakhtiari*

Philip Aidikoff, Robert Uhl, Ryan Bakhtiari

Law Offices of David G. Spivak

David Spivak

Law Offices of David Harrison

David Harrison

DEFENSE - *Lewitt, Hackman, Shapiro, Marshall & Harlan*

Sue Bendavid, Paul Bauducco

Throne v Citicorp Investment Services

Case No: CV 07-113-ABC(RZx)

PLAINTIFF - *Initiative Legal Group LLP*

Mark Yablonovich, Marc Primo, Shawn Westrick

DEFENSE - *Gould & Associates*

Michael A. Gould, Aarin A. Zeif

Tilden v Mastro's Ocean Club

Case No: 06 CC 00135

PLAINTIFF - *Gould & Associates*

Michael Gould, Aarin Zeif

DEFENSE - *Ogletree Deakins*

Beth Gunn

Tobin v The Rack, LLC

Case No: BC 366512

PLAINTIFF - *Law Offices of Peter M. Hart*

Peter M. Hart

Diversity Law Group

Larry W. Lee

DEFENSE - *Knee Ross & Silverman*

Lora Silverman

Tu v Rusco

Case No: BC 367842

PLAINTIFF - *The Cullen Law Firm APC*

Paul T. Cullen

The Ryan Law Firm PLC

Kelly F. Ryan

DEFENSE - *Best, Best & Krieger LLP*

G. Ross Trindle

Ubalde v Prudential

Case No: BC245149

PLAINTIFF - *Spiro Moss Barness LLP*

Ira Spiro, Justian Jusuf, Dennis Moss

DEFENSE - *Thelen Reid Brown Raysman & Steiner, LLP*

Thomas Hill

Valdivia v 3049 8th St

Case No: BC 361404

PLAINTIFF - *Peter L. Weinberger and Associates, P.C.*

Peter Weinberger

DEFENSE - *Lewis Brisbois Bisgaard & Smith LLP*

Patrick Stark

Walker v Bankers Life

Case No: 06-cv-06906

PLAINTIFF - *The Quisenberry Law Firm*

Robert Drexler

Werman Law Office

Douglas Werman

DEFENSE - *Littler Mendelson*

John A. Ybarra, Shanthi V. Gaur, Stephanie Seay Kelly, Tony R.

Skogen

Weber v Einstein Noah Restaurant

Case No: 37-2008-00077680-CO-OE-CTL

PLAINTIFF - *Lorens & Associates, APLC*

L. Tracee Lorens

Cadena Churchill, LLP

Raul Cadena

DEFENSE - *Holme Roberts & Owens, LLP*

Donald L. Samuels, Elizabeth H. Murphy, David Ball

Weizman v Principe

Case No: BC 379691

PLAINTIFF - *Hamner Law Offices*

Christopher J. Hamner, Kimberly A. Westmoreland

DEFENSE - *Jones, Bell, Abbott, Fleming & Fitzgerald, LLP*

Kevin K. Fitzgerald

Wells v Kelly & Assoc., Inc.

Case No: GIC862431

PLAINTIFF - *Lorens & Associates APLC*

Tracee Lorens

(CONTINUED FROM BELOW LEFT)

DEFENSE - *Barker, Olmsted & Barnier*

Christopher Olmsted

Whitaker v Cardinal Health

Case No: 37-2007-00078492-CU-OE-CTL

PLAINTIFF – *Lorens & Associates, APLC*

L. Tracee Lorens

DEFENSE – *Wilson Petty Kosmo & Turner, LLP*

Robin A. Wofford, Lois Kosch

Whitmill v PC Mall

Case No: BC 373935

PLAINTIFF – *Westrup Klick, LLP*

Phillip R. Poliner, Esq.

DEFENSE – *Jones Day*

Steven M. Zadravec, Esq.

Wilfred v Lube Pit Stop

Case No: BC 377538

PLAINTIFF – *Law Offices of Eli M. Kantor*

Eli M. Kantor

DEFENSE – *Margolis & Tisman*

Naki Irvin

Winzelberg v Liberty Mutual

Case No: CV 07-460

PLAINTIFF - *Initiative Legal Group LLP*

Monica Balderrama, Orlando Arellano

DEFENSE - *Sheppard, Mullin, Richter & Hampton LLP*

Geoffrey DeBoskey

Williams v AVTA Busdrivers

Case No: CV 08-02582 GW (AVRx)

CV 08-4282 GW (AGRx)

PLAINTIFF - *Initiative Legal Group LLP*

Matthew T. Theriault, Dina Livhits

DEFENSE – *Gleason & Favrote, LLP*

Paul M. Gleason, Torey J. Favarote

Williams v John Wheeler

Case No: 59035

PLAINTIFF – *Law Offices of Michael Carver*

Michael L. Carver

DEFENSE – *The Ison Law Group*

Elizabeth Ison

Wise v Factors

Case No: BC373911

PLAINTIFF – *Jennifer Kramer Legal, APC*

Jennifer Kramer, Judith Wiederhorn

DEFENSE – *Silver & Freedman, APLC*

Andrew Kaplan

Wu v SR Investment Group, Inc.

Case No: BC356245

PLAINTIFF - *Bander Law Firm LLP*

Joel R. Bander, Cathe L. Caraway-Howard

DEFENSE - *Fullbright & Jaworski LLP*

Jay J. Lee,

Exhibit B



Simpluris Security Summary – White Paper

Simpluris is committed to the security and overall protection of not only our data and information but our client's data and information, as well. As a demonstration of our commitment, we maintain SOC 2 Certification which requires strict adherence to policies and procedures surrounding information security, including processing and storage of confidential customer data. Simpluris supports a comprehensive, written Information Security Program that complies with all applicable laws and regulations (e.g. HIPAA, Gramm-Leach-Bliley Act, MA 201 CMR 17.00) and is designed to (a) ensure the security, privacy and confidentiality of Client and Class Member Information, (b) protect against any reasonably anticipated threats or hazards to the security or integrity of Client or Class Member Information, and (c) protect against unauthorized access to, use, deletion, or modification of Class Member Information. Simpluris has designated specific employees to be responsible for the administration of its Information Security Program. Also, Simpluris regularly and routinely monitors, tests, and updates our Information Security Program.

Simpluris uses Client and Class Member Information only for the purposes for which its' clients provide it, as described in any Agreements or Court Orders governing the provision of Simpluris' services in any particular case. Simpluris maintains a process for identifying, assessing, and mitigating the risks to Class Member Information in each relevant area of Simpluris' operations. At Simpluris, we continuously evaluate the effectiveness of the safeguards for controlling these risks to data and bank accounts. Simpluris restricts access to Class Member Information only to those employees, agents, or subcontractors who need to know the information to perform their jobs. Simpluris performs background checks of all its employees that will have access to Sensitive Personal Information, including a review of their references, employment eligibility, education, and criminal history to ensure they do not pose a risk to the security of Client or Class Member Information.

Simpluris adheres to the following industry best practices to safeguard its systems which process, store or transmit Client and Class Member Information:

- Identity and Access Management;
- Complex passwords are routinely and regularly changed;
- Role-based access control systems to limit individual employee access to network applications and systems based on their particular job role and function;
- Data Loss Prevention and Intrusion Prevention System software at multiple layers to prevent from internal and external threats of data leaks, malicious activity, and policy violations
- Encryption of Class Member Information if transmitted over public or wireless networks (e.g., via email, FTP, the Internet, etc.);
- Implementation of a Secure File Transfer system (using SSL encryption) for transmitting documents back and forth to clients;
- Encryption of servers, portable media, laptops, desktops, smartphones, mobile devices, and new technologies that store Class Member Information;
- Complex password authentication for remote access to Company's networks;
- Upon hire and annually after that, training of all employees with access to Class Member Information, (including any agents, and subcontractors with access to Class Member Information) about their obligations to implement the Information Security Program;
- Strict disciplinary measures for employees who violate the Information Security Program;
- Preventing terminated employees from accessing Class Member Information;
- Appropriately configured and updated firewall, antivirus, and spyware software;
- Prompt application of vendor-recommended security patches and updates to systems and other applications to avoid any adverse impact on Class Member Information;
- Separation of Duties;
- Infrastructure and Physical Security;
- Business Continuity Planning;
- Disaster Recovery Planning

Exhibit C



Class Action Settlement Administration

3194-C Airport Loop Drive
Costa Mesa, CA 92626
800-779-2104 www.simpluris.com

Estimate #:	14820	Prepared By:	Michael Sutherland
Estimate Date:	4/26/2022	Direct Dial #	321-223-5067
		Email:	ksutherland@simpluris.com

Plaintiff Attorney
Attorney/Client: **Quay, Monica E. McKim, Ryan C.**
Firm: Clark Hill
Email: [<mquay@clarkhill.com>](mailto:mquay@clarkhill.com)
[<rmckim@clarkhill.com>](mailto:rmckim@clarkhill.com)
Case Name: Opt Out Settlement

Defense Attorney
Attorney/Client:
Firm:
Email:

Capped Fee* **\$9,351**

Terms:

1) Capped Fees assume that Simpluris will receive data in a Single Excel file with no substantial change in class size or response rate.

Total Possible Class Size:	170	Undeliverable Rate:	10%
Response Rate:	1%	Call Rate:	5%
Mailing Document Language:	English, Spanish, Vietnamese,	Redistribution:	One
Reminder Post Card	No	State	Single
Unclaimed Funds	Escheat		

Case Setup

Data Compilation - Develop Case Specific Response Tracking - Error Reports

Category	Unit Value	# of Units	Total
Project Manager - Case Setup. Declaration	\$125.00	6	\$750.00
Translation Spanish and Vietnamese	\$0.65	3730	\$2,424.50
Database Manager - Initial Data Analysis	\$140.00	4	\$560.00
Total			\$3,734.50

Notification

Mailing Notice Pack- (6 image Notice, 2 image Opt Out Form); Double sided - English

Category	Unit Value	# of Units	Total
Mailing Notice Pack	\$1.25	170	\$212.50
Postage	\$0.58	170	\$98.60
NCOA/CASS/LACS	\$50.00	1	\$50.00
Undeliverable Processing	\$0.25	17	\$4.25
Skip Trace RUM	\$1.50	17	\$25.50
Remail	\$1.75	14	\$25.29
Postage	\$0.58	14	\$8.38
Clerical	\$50.00	1	\$50.00
Total			\$474.52

Call Center-

Establish Case Specific Toll Free Number

Category	Unit Value	# of Units	Total
Customer Service Reps/Call Center Support	\$75.00	3	\$225.00
800 # Charges	\$0.10	180	\$18.00
Total			\$243.00

Claims Administration

Process Mail, Opt-Outs or Objections

Category	Unit Value	# of Units	Total
Database Manager	\$125.00	2	\$250.00
Resolving Mismatched TINs	\$75.00	1	\$75.00
Dispute/Dificiencies-Send One Cure Letter	\$1.50	1	\$1.50
Opt Out Processing	\$1.00	2	\$1.70
Data Entry	\$50.00	1	\$50.00
Project Manager	\$125.00	3	\$375.00
Weekly Reporting to Counsel	WAIVED	12 Wks of Reporting	\$0.00
Total			\$753.20

Distribution

Setup a Disbursement Account

Print & Mail Checks to Class Members-1099's-- File Reports with Appropriate Federal & State Taxing Authorities

Account Management & Reconciliation

Category	Unit Value	# of Units	Total
Disbursement Data Preparation	\$140.00	3	\$420.00
Disbursement Manager - Data Validation	\$75.00	2	\$150.00
Setup Banking Account/QSF	\$300.00	1	\$300.00
Print & Mail-Check	\$3.00	170	\$510.00
Postage	\$0.58	170	\$98.60
Process Returned Checks	\$0.50	2	\$0.85
Skip Trace Search Undeliverable Checks	\$5.00	2	\$8.50
Remail Checks	\$3.50	2	\$5.95
Remail check postage	\$0.55	2	\$0.94
QSF Account Reconciliation	\$250.00	1	\$250.00
Individual Federal/State Tax Reporting	\$350.00	1	\$350.00
QSF Reporting/Declaration	\$300.00	1	\$300.00
QSF Annual Tax Preparation Fee 2022	\$1,000.00	1	\$1,000.00
Reissuing Checks/Mailing	\$5.00	3	\$12.75
Reissuing W2s/1099s	\$5.00	3	\$12.75
Responding to IRS, State, Agency Inquiries	\$75.00	1	\$75.00
Escheat State	\$100.00	1	\$100.00
Disbursement Manager	\$125.00	2	\$250.00
Total			\$3,845.34



3194-C Airport Loop Drive
Costa Mesa, CA 92626
800-779-2104 www.simpluris.com

Case Wrap Up

Send Final Reports to Counsel

Category	Unit Value	# of Units	Total
Data Manager-Final Reporting	\$125.00	1	\$125.00
Clerical-Clean Up Any Misc	\$50.00	1	\$50.00
Project Manager-Wrap-up Final Issues	\$125.00	1	\$125.00
Total			\$300.00

Postage Costs	\$206.52	Total Case Costs	\$9,350.55
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All administration services to be provided by Simpluris to Client, are provided subject to the following terms and conditions:

1. **Services.** Simpluris agrees to provide Client those services set forth in the Bid (the "Services") to which these terms and conditions are attached and which has been provided to Client. As compensation for such Services, Client agrees to pay the fees for Services outlined in the Bid. However, Client such fees for Services are estimated based on the requirements provided by Client and actual fees charged by Simpluris may be greater or less than such estimate and Client will be responsible for the payment of all such fees.
2. **Billing and Payment.** Simpluris will invoice Client on a regular basis unless a specific timeframe is otherwise set forth in the Bid. Client shall pay all invoices within 30 days of receipt. Amounts unpaid after thirty (30) days are subject to a service charge at the rate of 1.5% per month or, if less, the highest rate permitted by law. Services are not provided on a contingency basis and Client shall remain liable to Simpluris for all fees for the Services, regardless of any court decisions, and/or actions by the parties, including disapproval or withdrawal of a settlement.
3. **Retention of Documents.** Unless directed otherwise in writing by the Client, Simpluris will destroy all undeliverable mail (except for undeliverable checks) on the date that it is processed and retained in Simpluris' system. Simpluris will maintain records to establish that the subject mail is undeliverable. Simpluris will retain undeliverable checks until the Qualified Settlement Fund is closed. Simpluris will also retain all other class member and putative class member correspondence (including without limitation, claims forms and opt out forms) for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later. Lastly, Simpluris will retain bank & tax documents for such period of time as it determines is required to maintain compliance with various federal and state requirements.
4. **Limitation of Liability; Disclaimer of Warranties.** Simpluris warrants that it will perform the Services diligently, with competence and reasonable care. Simpluris' only obligation will be to correct any non-conformance with the foregoing warranty. In no event will Simpluris be liable for any lost profits/opportunities, business interruption or delay or, special, consequential, or incidental damages incurred by Client relating to the performance of the Services, regardless of whether Client's claim is for breach of contract, tort (including negligence and strict liability) or otherwise. Under no circumstances will Simpluris be liable to Client for any claims, losses, costs, penalties, fines, judgment or damages, including court costs and reasonable attorney's fees (collectively, "Losses"), whether direct or indirect, arising out of, related to, or in connection with Services in an amount in excess of the total fees charged or chargeable to Client for the particular portion of the Services affected by Simpluris' omission or error. THE WARRANTIES SET FORTH IN THIS SECTION ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.
5. **Force Majeure.** To the extent performance by Simpluris of any of its obligations hereunder is substantially prevented by reason of any act of God or because of any other matter beyond Simpluris' reasonable control, then such performance shall be excused and this Agreement, at Simpluris' option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.
6. **Rights in Data.** Client agrees that it will not obtain, nor does Simpluris convey, any rights of ownership in the programs, system data, or materials provided or used by Simpluris in the performance of the Services.
7. **Electronic Communications.** During the provision of the Services the parties may wish to communicate electronically with each other at a business e-mail address. However, the electronic transmission of information cannot be guaranteed to be secure or error free and such information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use. Accordingly, each party agrees to use commercially reasonable procedures to check for the then most commonly known viruses and to check the integrity of data before sending information to the other electronically, but each party recognizes that such procedures cannot be a guarantee that transmissions will be virus free. It remains the responsibility of the party receiving an electronic communication from the other to carry out a virus check on any attachments before launching any documents whether received on disk or otherwise.
8. **Notice.** Any notice required or permitted hereunder shall be in writing and shall be delivered personally, by, or sent by registered mail, postage prepaid, or overnight courier and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service. Notice should be addressed to an officer or principal of Client and Simpluris, as the case may be.
9. **Waiver.** Failure or delay on the part of a party to exercise any right, power or privilege hereunder shall not operate as a waiver thereof or any of other subject, right, power or privilege.
10. **Termination.** Client may terminate the Services at anytime upon 30 days prior written notice to Simpluris. Termination of Services shall in no event relieve Client of its obligation make any payments due and payable to Simpluris in respect of Services rendered up to the effective date of Termination. Simpluris may terminate this Agreement (i) for any reason upon no less than 90 days prior written notice to the Client; or (ii) upon 15 calendar days' prior written notice, if the Client is not current in payment of fees.
11. **Jurisdiction.** The parties hereto irrevocably and unconditionally submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby irrevocably and unconditionally waive any objection to the laying of venue of any such suit, action or proceeding in such Court.
12. **Survival.** Any remedies for breach of this Agreement, this Section and the following Sections will survive any expiration or termination of this Agreement: Section 4 - Limitation of Liability; Disclaimer of Warranties, Section 6 – Rights in Data, and Section 12- Jurisdiction, 14 -Confidentiality, and Section 15 – Indemnification.
13. **Entire Agreement.** These Terms and Conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.
14. **Confidentiality.** Simpluris maintains reasonable and appropriate safeguards to protect the confidentiality and security of data provided by Client to Simpluris in connection with the Services. If, pursuant to a court order or other proceeding, a third party requests that Simpluris to disclose any confidential data provided by or for Client, Simpluris will promptly notify the Client unless prohibited by applicable law. Client will then have the option to provide Simpluris with qualified legal representation at Client's expense to defend against such request. If, pursuant to a court order, Simpluris is required to disclose data, produce documents, or otherwise act in contravention of the obligation to maintain confidentiality set forth in these terms and conditions, Simpluris will not be liable for breach of said obligation.
15. **Indemnification.** Client will indemnify and hold Simpluris (and the officers, employees, affiliates and agents harmless against any Losses incurred by Simpluris, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by Simpluris in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by Simpluris pursuant to Client's instructions.
16. **Severability.** If any term or condition or provisions of this Agreement shall be held to be invalid, illegal, unenforceable or in conflict with the law of any jurisdiction, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.
17. **Database Administration.** Simpluris' database administration for Client assumes that Client will provide complete data that includes all information required to send notifications and calculate and mail settlement payments. Data must be provided in a complete, consistent, standardized electronic format. Simpluris' standardized format is Microsoft Excel, however, Simpluris may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by Simpluris on a time and materials basis according to Simpluris' Standard Rates.



Simpluris Security Summary – White Paper

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Simpluris uses Client and Class Member Information only for the purposes for which its' clients provide it, as described in any Agreements or Court Orders governing the provision of Simpluris' services in any particular case. Simpluris maintains a process for identifying, assessing, and mitigating the risks to Class Member Information in each relevant area of Simpluris' operations. At Simpluris, we continuously evaluate the effectiveness of the safeguards for controlling these risks to data and bank accounts. Simpluris restricts access to Class Member Information only to those employees, agents, or subcontractors who need to know the information to perform their jobs. Simpluris performs background checks of all its employees that will have access to Sensitive Personal Information, including a review of their references, employment eligibility, education, and criminal history to ensure they do not pose a risk to the security of Client or Class Member Information.

Simpluris adheres to the following industry best practices to safeguard its systems which process, store or transmit Client and Class Member Information:

- Identity and Access Management;
- Complex passwords are routinely and regularly changed;
- Role-based access control systems to limit individual employee access to network applications and systems based on their particular job role and function;
- Data Loss Prevention and Intrusion Prevention System software at multiple layers to prevent from internal and external threats of data leaks, malicious activity, and policy violations
- Encryption of Class Member Information if transmitted over public or wireless networks (e.g., via email, FTP, the Internet, etc.);
- Implementation of a Secure File Transfer system (using SSL encryption) for transmitting documents back and forth to clients;
- Encryption of servers, portable media, laptops, desktops, smartphones, mobile devices, and new technologies that store Class Member Information;
- Complex password authentication for remote access to Company's networks;
- Upon hire and annually after that, training of all employees with access to Class Member Information, (including any agents, and subcontractors with access to Class Member Information) about their obligations to implement the Information Security Program;
- Strict disciplinary measures for employees who violate the Information Security Program;
- Preventing terminated employees from accessing Class Member Information;
- Appropriately configured and updated firewall, antivirus, and spyware software;
- Prompt application of vendor-recommended security patches and updates to systems and other applications to avoid any adverse impact on Class Member Information;
- Separation of Duties;
- Infrastructure and Physical Security;
- Business Continuity Planning;
- Disaster Recovery Planning

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I am employed in Los Angeles County, State of California. I am over the age of 18 and not a party to this action. My business address is 555 South Flower Street, 24th Floor, Los Angeles, California 90071.

On April 29, 2022, I served the foregoing document, described as “DECLARATION OF SETTLEMENT ADMINISTRATOR IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT” on the interested parties in said action by electronic service.

■ BY ELECTRONIC SERVICE VIA CASE ANYWHERE - I caused the above-entitled document to be served through Case Anywhere addressed to all parties appearing on the Case Anywhere electronic service list for the above-entitled case. The file transmission was reported as completed and a copy of the Case Anywhere Service Receipt page(s) will be maintained with the original document in our office.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on April 29, 2022, at Los Angeles, California.

Ryan C. McKim

Ryan C. McKim, Esq., SBN 265941
CLARK HILL LLP
555 South Flower Street, 24th Floor
Los Angeles, CA 90071
Telephone: (213) 891-9100
Facsimile: (213) 488-1178
RMcKim@ClarkHill.com

Attorneys for Defendants Seven Forty One Company,
Inc. and Mr. Stax, Inc.

SUPERIOR COURT FOR THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

VANESSA GONZALEZ, individually, and
on behalf of all others similarly situated,

Plaintiff,

vs.

SEVEN FORTY ONE COMPANY, INC.,
MR. STAX, INC., and DOES 1 through
100, inclusive,

Defendants

Case No.: 20STCV30761

CLASS ACTION

*Assigned for All Purposes to Hon. Maren
Nelson, Department 17*

**DECLARATION OF RYAN C. MCKIM
IN SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
AND REPRESENTATIVE ACTION
SETTLEMENT**

Hearing Date: May 23, 2022
Time: 9:00 a.m.

Complaint Filed: August 12, 2020
Trial date: None.

DECLARATION OF RYAN C. MCKIM

I, Ryan C. McKim, declare as follows:

1. I am an attorney duly licensed to practice law in California. I am a senior attorney with the law firm of Clark Hill LLP, attorneys of record for defendants Seven Forty One Company, Inc. and Mr. Stax, Inc. I have personal knowledge of the facts contained herein, and I could and would testify competently thereto if called as a witness.

2. I have no current interest or involvement in the governance or work of Bet Tzedek. However, I volunteered for Bet Tzedek about 9 years ago for a legal clinic that lasted one day. Since then, I have not had any interest or involvement in the governance or work of Bet Tzedek.

3. I asked my colleagues at Clark Hill LLP, that is, Beth A. Kahn, Rafael G. Nendel-Flores, Monique A. Eginli, and Keith Rossman, about their interest or involvement in the governance or work of Bet Tzedek. Each of them has advised me that they have no such interest or involvement in Bet Tzedek.

4. To the best of my knowledge, Clark Hill LLP has no interest or involvement in the governance or work of Bet Tzedek.

5. Attached hereto as **Exhibit 1** is a true and correct copy of a redline version of the settlement agreement. It compares the settlement agreement submitted to the Court on September 3, 2021 with the settlement agreement submitted to the Court now, which is attached to the Declaration of Scott Cole dated April 28, 2022.

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

Executed on April 29, 2022, at Los Angeles, California.

Ryan C. McKim

Exhibit 1

**JOINT STIPULATION AND AGREEMENT FOR CLASS AND REPRESENTATIVE ACTION
SETTLEMENT AND RELEASE**

This Joint Stipulation and Agreement for Class and Representative Action Settlement and Release (“Stipulation”) is made and entered into by Plaintiff Vanessa Gonzalez, individually and as representative of the Settlement Class, as defined below, and Seven Forty One Company, Inc. and Mr. Stax Inc., (“collectively “Defendants”) (collectively “the Parties”). This Stipulation is intended to settle and release the following:

1. Plaintiff Vanessa Gonzalez, as an individual, from all of her alleged claims, and all claims she could have alleged against ~~Defendants~~Released Parties, as defined further herein; and
2. All Class Members, as defined below, from their claims against Released Parties, as defined further herein; and
3. All PAGA Group Members, as defined below, from the Released PAGA Claims, as defined further herein, against Defendants, as defined further herein.

This Stipulation is subject to the approval of the Court and is made for the sole purpose of attempting to consummate settlement and resolution of the Action, Released PAGA Claims, and Released Claims, as defined below, subject to the following terms and conditions. As detailed below, in the event the Court does not enter an order granting final approval of the Settlement, as defined below, or the conditions precedent are not met for any reason, this Stipulation is void and of no force or effect whatsoever.

I. DEFINITIONS

As used in this Stipulation, the following terms shall have the meanings specified below. To the extent terms or phrases used in this Stipulation are not specifically defined below, they are defined elsewhere in this Stipulation.

1.1 “Action” or “Litigation” means the lawsuit pending in the Superior Court of California for the County of Los Angeles entitled *Vanessa Gonzalez, et al. v. Seven Forty One Company, Inc., et al.*, filed on August 12, 2020, and assigned Case No. 20STCV30761, with the First Amended Complaint filed on October 29, 2020.

1.2 “Administration Expenses” shall include all costs and expenses associated with and paid

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1 to the Settlement Administrator.

2 1.3 “Vanessa Gonzalez,” “Plaintiff,” or “Class Representative” means Vanessa Gonzalez, the
3 named plaintiff in the Action, who will represent the Class subject to court approval.

4 1.4 “Class” or “Class Members” means all current and former hourly or non-exempt
5 employees of Defendants in California who performed work at 880 S. Arroyo Pkwy, Pasadena, CA
6 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355, at any time from August 12,
7 2016 up to and including August 23, 2021, of which there are an estimated 170 total.

8 1.5 “Class Counsel” and “Plaintiff’s Counsel” mean:

9 SCOTT COLE & ASSOCIATES, APC VAN NOTE
10 Scott Edward Cole, Esq., SBN 160744
11 Laura Grace Van Note, Esq., SBN 310160
12 555 12th Street, Suite 1725
13 Oakland, California 94607

14 1.6 “Class Notice” means the Notice of Proposed Class Action Settlement and Hearing Date
15 for Court Approval, as set forth in the form of Exhibit 21 attached hereto, or as otherwise approved by
16 the Court, which is to be mailed to Class Members.

17 1.7 “Class Period” means the time period from August 12, 2016 up to and including August
18 23, 2021.

19 1.8 The “PAGA Group Member(s)” is defined as all allegedly aggrieved non-exempt and/or
20 hourly-paid, current and former employees, who performed work at 880 S. Arroyo Pkwy, Pasadena, CA
21 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355, at any time during the PAGA
22 Period.

23 1.9 “PAGA Period” means the time period from June 9, 2019 through August 23, 2021.

24 1.81.10 “Settlement” shall mean the settlement embodied in this Stipulation, which is
25 subject to Court approval.

26 1.91.11 “Complaint” shall mean the Class Action Complaint for Damages filed in the
27 Action on August 12, 20162020 and the First Amended Class Action Complaint for Damages and
28 Enforcement Under the Private Attorneys General Act, Cal. Labor Code §§ 2698, *et seq.*, filed on October
29, 2020.

1.401.12 “Counsel for Defendant” or “Defense Counsel” means Beth A. Kahn, Rafael

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1 ~~Nendel Flores~~ Ryan McKim, and ~~Monique A. Eginli~~ Keith Rossman of Clark Hill LLP.

2 ~~1.11~~ 1.13 “Court” means the Superior Court of the State of California, for the County of Los
3 Angeles.

4 ~~1.12~~ 1.14 “Effective Date” shall be the date when all of the following events have occurred:

5 (a) this Stipulation has been executed by all Parties ~~and by Class Counsel and Defense Counsel~~; (b) the
6 Court has given preliminary approval to the Settlement; (c) notice has been given to the Class Members
7 providing them with an opportunity to Opt Out of the Settlement; (d) the Court has held a Final Approval
8 Hearing and entered the Final Approval order and Judgment; ~~and (e) The Gross Settlement Amount is~~
9 fully funded; and (f) the later of the following events: the expiration of the period for filing any appeal,
10 writ, or other appellate proceeding challenging the Final Approval Order and Judgment has elapsed
11 without any appeal, writ or other appellate proceeding having been filed; or the dismissal of any appeal,
12 writ, or other appellate proceeding opposing the Settlement with no right to pursue further remedies or
13 relief; or any appeal, writ, or the issuance of such other final appellate order upholding the Final Approval
14 Order and Judgment with no right to pursue further remedies or relief. In this regard, it is the intention of
15 the Parties that the Settlement shall not become effective until the Final Approval Order and Judgment is
16 completely final and there is no further recourse by an appellant or objector who seeks to contest the
17 Settlement.

18 ~~1.13~~ 1.15 “Defendants” mean ~~defendant~~ Seven Forty One Company, Inc. ~~(who is an~~
19 ~~acknowledged employer of Plaintiff and most of the Class Members)~~ and ~~defendant~~ Mr. Stax, Inc. ~~(who~~
20 ~~Plaintiff alleges is an employer of Plaintiff and the Class Members while Defendants vehemently deny~~
21 ~~this allegation and contend that Mr. Stax, Inc. did not employ either Plaintiff or most of the Class~~
22 ~~Members).~~

23 ~~1.14~~ 1.16 “Hearing on Preliminary Approval” or “Preliminary Approval Hearing” mean the
24 hearing held on the motion for preliminary approval of the Settlement.

25 ~~1.15~~ 1.17 “Gross Settlement Amount” or “Maximum Settlement Amount” means the agreed
26 upon non-reversionary settlement amount totaling \$190,000 to be paid by Defendants in full settlement of
27 the Action, Released PAGA Claims, and Released Claims, including the Net Settlement Amount (which
28 is inclusive of ~~25% of the PAGA Payment~~ and Employment and Payroll Taxes), Administration Expenses,

Attorneys' Fees and Expenses, Service Award, and LWDA Payment, as further described in Sections 6.1 and 6.2.

4-161.18 "Individual Settlement Amount" means a Class Member's total gross share of the Net Settlement Amount, which shall be allocated and distributed to Class Members based on the number of Workweeks credited to the Class Member, as further described in Section 6.2.

4-171.19 "Individual Settlement Payment" shall mean the payment to Class Members as determined by the Individual Settlement Amount calculation described in Section 6.2.

4-181.20 "Judgment" or "Final Approval Order and Judgment" mean the order finally certifying the Class for settlement purposes and finally approving this Stipulation and Settlement and entering judgment, which shall constitute approval pursuant to California Rules of Court, Rule 3.769(a) and be a judgment for purposes of California Rules of Court, Rule 3.771(a).

4-191.21 "Last Known Address" means the most recently recorded mailing address for a Class Member that is contained in the employment, payroll, or personnel records maintained by ~~Defendant~~Defendants.

4-201.22 "LWDA" means California's Labor and Workforce Development Agency, and necessarily includes the Division of Labor Standards and Enforcement (DLSE) within the Department of Industrial Relations (DIR).

4-211.23 "NCOA Check" means within ten (10) calendar days from the date the Preliminary Approval Date, the Settlement Administrator will perform a National Change of Address ("NCOA") check for Class Members' most current address based on the information provided by ~~Defendant~~Defendants, prior to mailing the Court-approved Class Notice to the Class Members.

4-221.24 "Net Settlement Amount" means the portion of the Gross Settlement Amount that is available for distribution to Class Members, as further described in Section 6.1.

4-231.25 "Notice of Proposed Class Action Settlement" or "Class Notice" mean a notice to be approved by the Court, substantially in the form attached hereto as Exhibit 21, which will constitute notice to the Class pursuant to California Rules of Court, Rule 3.769(f) and, once approved by the Court, shall be deemed compliant with California Rules of Court, Rule 3.766(d).

1 ~~1.24~~1.26 “Notice Mailing Deadline” means the deadline for the Settlement Administrator to
2 mail the Class Notice to Class Members, which shall be no later than twenty (20) calendar days after the
3 Preliminary Approval Date.

4 ~~1.25~~1.27 “PAGA Payment” means, subject to the approval of the Court, ~~to~~in the amount of
5 Five Thousand Dollars (\$5,000), from the Maximum Settlement Amount, for civil penalties under the
6 Private Attorneys General Act of 2004, as codified at California Labor Code §§ 2698, *et seq.* (“PAGA”).

7 ~~1.26~~1.28 “Parties” or “Settling Parties” mean, collectively, Plaintiff and Defendants
8 (individually they are each referred to as “Party” or “Settling Party”).

9 ~~1.27~~1.29 “Employment and Payroll Taxes” shall mean the employee’s and employer’s share
10 of state and federal employment and payroll taxes and withholdings with respect to the wage-portion of
11 Individual Settlement Amounts, which is included in the Gross Settlement Amount that Defendants will
12 pay (subject to the occurrence of the Effective Date).

13 ~~1.28~~1.30 “Preliminary Approval Date” shall mean the date on which the Court grants
14 preliminary approval of this Stipulation.

15 ~~1.29~~1.31 “Preliminary Approval Order” or “Order Granting Preliminary Approval of the
16 Settlement and Setting a Final Approval Hearing” shall mean an order to be executed and filed by the
17 Court, which will constitute an order certifying a provisional class for settlement purposes only pursuant
18 to California Rules of Court, Rule 3.769(d) and an order setting a final approval/fairness hearing pursuant
19 to California Rules of Court, Rule 3.769(e).

20 ~~1.30~~1.32 “Released Claims” means any and all federal and California state law wage-and-
21 hour claims, rights, demands, liabilities, and/or causes of action of every nature and description arising
22 from any and all claims that were alleged or could have been alleged in the Complaint based on the facts
23 contained therein, arising during the ~~period from August 12, 2016 through August 23, 2021~~Class Period,
24 including, without limitation, statutory, constitutional, contractual, and/or common law claims for wages,
25 reimbursements, damages, unpaid costs, penalties (including penalties under the California Labor Code’s
26 Private Attorneys General Act of 2004, as amended, California Labor Code §§ 2698, *et seq.*), liquidated
27 damages, punitive damages, interest, attorneys’ fees, litigation costs, restitution, or equitable relief,
28 including without limitation, California Labor Code §§ 200, 201, 202, 203, 204, 218, *et seq.*, ~~221~~,

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223218.5, 226, et seq., 226.7, 510, 512, 558, 1174, 1174(d), 1174.5, 1182.12, 1194, et seq., 1194.2, 1197, et seq., 1197.1, 1198, 2698, et seq., 2699, 2699.3, 2800, and 2802, and any federal counterparts, California Business and Professions Code §§ 17200, et seq., 17200-17208, any IWC Wage Orders, California Code of Civil Procedure § 1021.5, any claims for meal and rest period violations, including alleged meal and rest break violations arising from or related to Defendant's written meal or rest break policies; meal and rest period violations, including alleged violations arising from Defendant's auto deduction of meal periods; unpaid minimum wages or overtime wages, including alleged violations arising from alleged off-the-clock work, alleged non-discretionary bonuses, and alleged non-payment of shift differentials; untimely pay during and at termination of employment, unreimbursed business expenses, record-keeping violations, and/or inaccurate pay stubs arising under Labor Code section 226; heat recovery claims; and any unlawful deductions; and any unlawful deductions; and causes of action for (i) unlawful failure to pay wages (Labor Code §§ 200-204, 510, 558, 1194; IWC Wage Order); (ii) Failure to provide meal and rest periods (Labor Code §§ 226.7, 512); (iii) Failure to provide itemized wage statements (Labor Code §§ 226, 1174); (iv) Failure to timely pay wages on termination (Labor Code § 203); (v) Unfair business practices under the Unfair Competition Act (Bus. & Prof. Code §§ 17200-17208); and (vi) Private Attorneys General Act of 2004 (Labor Code §§ 2698, et seq.). "Released Claims" shall only refer to employment claims (as enumerated above) arising out of labor performed at 880 S. Arroyo Pkwy, Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355. No release in this Settlement shall be effective until the Gross Settlement Amount is fully funded.

1.33 "Released PAGA Claims" means any and all claims, demands, rights, liabilities, and/or causes of action for penalties under the California Private Attorneys' General Act that accrued during the PAGA Period and that were asserted in Plaintiff's LWDA notice letter dated August 12, 2020, a copy of which is attached hereto as Exhibit 3, or the Complaint as well as those that could have been alleged in the Complaint based on the facts contained therein, including, without limitation, Labor Code sections 200, 201, 202, 203, 204, 218, et seq., 218.5, 226, et seq., 226.7, 510, 512, 558, 1174, 1174(d), 1174.5, 1182.12, 1194, et seq., 1194.2, 1197, et seq., 1197.1, 1198, 2698, et seq., 2699, 2699.3, and 2802.

1.34 "Released Parties" shall mean Defendants and all of their respective current and former parents, subsidiaries, predecessors, successors, and their affiliated entities, and each of their

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1 respective owners, officers, directors, employees, partners, shareholders, agents, and any other successors,
2 heirs, assigns, or legal representatives, any attorneys, insurers, ~~and~~ claims representatives, members,
3 managers, dba's, and representatives, and any of their, direct or indirect, parent or subsidiary entities.

4 1.321.35 "Request for Exclusion" means a request in writing to be excluded from the
5 Settlement which contains: the full name, address, telephone number, last four digits of social security
6 number, and signature of the Class Member; the case name and number of the Action; and a statement
7 indicating that he or she wishes to be excluded from the Settlement.

8 1.331.36 "Response Deadline" means the deadline for a Class Member to submit a Request
9 for Exclusion, Objection, and/or Workweeks Dispute, by mail to the Settlement Administrator, which is
10 no later than forty-five (45) calendar days after the Class Notice is mailed to the Class.

11 1.341.37 "Service Award" means any additional monetary payment provided to the Class
12 Representative for her efforts and risks on behalf of the Class Members in this Action, not to exceed Seven
13 Thousand, Five Hundred Dollars (\$7,500), subject to Court approval.

14 1.351.38 "Settlement Hearing" or "Final Approval Hearing" or "Settlement Fairness
15 Hearing" mean a hearing set by the Court for the purpose of: (i) determining the fairness, adequacy, and
16 reasonableness of the Stipulation and associated settlement pursuant to class action procedures and
17 requirements; (ii) determining the good faith of the Stipulation and associated settlement; and (iii) entering
18 the Final Approval Order and Judgment. This hearing is intended to be the settlement hearing or final
19 approval hearing required under California Rules of Court, Rule 3.769(a).

20 1.361.39 "Settlement Administrator" means Simpluris, which the Parties have agreed will be
21 responsible for administration of the Settlement and related matters, subject to approval and appointment
22 by the Court.

23 1.371.40 "Settlement Class" or "Settlement Class Member(s)" or "Members of the
24 Settlement Class" means any, or collectively all Class Members who do not submit timely and valid
25 Requests for Exclusion to Opt Out of the ~~settlement~~Settlement pursuant to Section 5.6 and, thus, become
26 bound by the Judgment.

27 1.41 "PAGA Group Member(s)" means any, or collectively all allegedly aggrieved employees
28 under Labor Code 2699, who worked from Defendants at any point in the PAGA Period.

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1.381.42 “Settlement” shall mean the settlement embodied in this Stipulation, which is subject to Court approval.

1.391.43 “Stipulation” means the Joint Stipulation and Agreement for Class and Representative Action Settlement and Release and all of its attachments and exhibits, which the Settling Parties understand and agree sets forth all material terms and conditions of the Settlement between them, and which is subject to Court approval.

1.401.44 “Updated Address” means a mailing address that was located by way of NCOA Check or Experian Skip Tracing or an updated mailing address provided by the United States Postal Service or a Class Member.

II. FACTUAL & PROCEDURAL BACKGROUND OF ACTION

2.1 Plaintiff’s Claims: On August 12, 20162020, Plaintiff Vanessa Gonzalez filed this the Action against Defendants, alleging that Defendants have, with respect to Plaintiff and the Class Members, allegedly violated multiple provisions of the California Labor Code and wage and hour laws, by failing to properly pay minimum and overtime wages, provide compliant meal and rest periods and associated premiums, timely pay wages during employment and upon termination of employment and to pay associated waiting-time penalties, provide compliant wage statements, maintain requisite payroll records, and thereby, engaged in unfair business practices in violation of California Business and Professions Code §§ 17200, *et seq.* Plaintiff alleges that both Defendants employed her and the Class Members. Defendants vehemently deny this allegation and, instead, contend that only Seven Forty One Company, Inc. employed Plaintiff and most of the Class Members and that Mr. Stax, Inc. did not employ either Plaintiff or most of the Class Members.

2.2 Amended Complaint: On October 29, 2020, Plaintiff filed her First Amended Class Action Complaint to add a cause of action for civil penalties under PAGA arising from or relating to alleged violations of Labor Code §§ 200, 201, 202, 203, 204, 218, *et seq.*, 221, 223218.5, 226, *et seq.*, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, *et seq.*, 1194.2, 1197, 1197.1, and 1198, and 2698, *et seq.*, and additional factual details regarding the claims and theories of the case.

2.3 Discovery, Investigation, & Research: Class Counsel has conducted a thorough investigation into the facts of the Action, including extensive informal discovery and exchange of a

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1 volume of documents and information, which included and was not limited to, Seven Forty One Company,
2 Inc.'s production of a sampling of information/data for the putative class members to allow Plaintiff to
3 perform an analysis and valuation of all claims. Prior to mediation the Parties exchanged information and
4 documents to investigate the veracity, strength, and scope of the claims, and to allow analysis and
5 evaluation of the claims and Defendants' defenses thereto. The Class Representative has vigorously
6 prosecuted this case, and Defendants ~~hashave~~ vigorously contested it including Plaintiff's allegation that
7 Mr. Stax, Inc. was her employer.

8 2.4 Mediation: On March 5, 2021, the Settling Parties participated in a mediation before
9 experienced employment mediator Eve Wagner. At mediation, the Parties ~~exchanged information and~~
10 ~~documents, and~~ engaged in intensive discussions regarding their evaluations of the Litigation and various
11 aspects of the Litigation, including the risks and delays of further litigation, the risks to the Settling Parties
12 of proceeding with class certification, the law relating to the allegations, the evidence produced and
13 analyzed, and the possibility of appeals, among other things. Following mediation, on April 7, 2021, with
14 the assistance of the mediator's evaluation, the Parties reached a settlement of the Action. Based on the
15 information, data, and documents exchanged, and their own independent investigation and evaluation,
16 Class Counsel is of the opinion that the settlement with Defendants for the consideration and on the terms
17 set forth in this Stipulation is fair, reasonable, and adequate and is in the best interest of the Class Members
18 in light of all known facts and circumstances. Further, the Class Representative has carefully evaluated
19 the terms of the Settlement, and, based upon that review, has determined that it is fair, reasonable, and
20 adequate.

21 2.5 Allegations of the Class Representative and Benefits of Settlement:

22 (a) Based on the exchange of information and documents, the mediation session, and
23 discussions between counsel, Class Representative and Class Counsel have assessed the Parties' positions
24 and evaluated the value of the claims of the Class. The information and documents exchanged by the
25 Parties and settlement discussions are sufficient to reliably assess the merits of the Parties' respective
26 positions and to compromise the issues on a fair and equitable basis.

27 (b) Plaintiff and Class Counsel believe that the claims, causes of action, allegations and
28 contentions asserted in the Action have merit. However, Plaintiff and Class Counsel recognize and

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1 acknowledge the expense and delay of continued lengthy proceedings necessary to prosecute the Action
2 against Defendants through trial and through appeals. Class Counsel has taken into account the uncertain
3 outcome of the litigation, the risk of continued litigation in complex actions such as this, as well as the
4 difficulties and delays inherent in such litigation, and the potential difficulty of obtaining certification of
5 the Action as well as trying the claims of the Class Members. Class Counsel is mindful of the potential
6 problems of proof under, and possible defenses to, the claims alleged in the Action. Class Counsel has
7 also taken into account Defendant's potential defenses to Plaintiff's allegations. Class Counsel believes
8 that the Settlement set forth in this Stipulation confers substantial benefits upon Plaintiff and the
9 Settlement Class Members and that an independent review of this Stipulation by the Court in the approval
10 process will confirm this conclusion. Based on their own independent investigation and evaluation, Class
11 Counsel has determined that the Settlement set forth in the Stipulation is in the best interests of Plaintiff
12 and the Class Members.

13 2.6 No Admissions or Concessions Regarding Fault or Liability:

14 (a) Whether or not the Settlement is finally approved, this Stipulation and compliance
15 with this Stipulation shall not be construed as an admission, concession, or indication by either Party with
16 respect to fault or liability whatsoever for the claims asserted in the Action, or as an admission by either
17 party that the Action is either appropriate or inappropriate for class certification or representative
18 adjudication. Parties are agreeing that the Action is appropriate for class certification and representative
19 adjudication only for the purposes of settlement as described within this Stipulation.

20 (b) Pursuant to California Evidence Code §§ 1152, 1154, and any other analogous and
21 applicable rules of evidence, neither the Stipulation, nor any act performed or document executed pursuant
22 to, or in furtherance of, the Stipulation: (a) is or may be deemed to be or may be used as an admission or
23 evidence of, the validity of any Released Claims, or of any wrongdoing or liability of the Released Parties,
24 or any of them; or (b) is or may be deemed to be or may be used as an admission or evidence of any fault
25 or omission of the Released Parties, or any of them, in any civil, criminal or administrative proceeding in
26 any court, administrative agency, or other tribunal. Plaintiff and Class Counsel agree not to argue or
27 present any argument, and hereby waive any argument, that Defendants could not contest (or are estopped
28 from contesting) collective or representative action treatment pursuant to California Labor Code §§ 2698,

1 *et seq.* and/ or class action treatment pursuant to California Code of Civil Procedure § 382 or any
2 corresponding state law or rule, on any grounds if the Court fails to enter Judgment. This Stipulation shall
3 not be deemed an admission by Defendants that collective or representative action pursuant to California
4 Labor Code §§ 2698, *et seq.* and/or class action treatment pursuant to California Code of Civil Procedure
5 § 382, or any corresponding state law or rule in the Action is proper or cannot be contested on any grounds,
6 nor shall the Stipulation be grounds for estoppel against Defendants' right to contest class, representative
7 or collective action treatment for any purpose other than this Stipulation.

8 2.7 Defendants' Denial of Wrongdoing or Liability:

9 (a) Defendants ~~denies~~have denied and ~~continues~~continue to deny each and all of the
10 allegations, claims, and contentions alleged by Plaintiff in the Action. Defendants have expressly denied
11 and ~~continues~~continue to deny all charges of wrongdoing or liability against ~~#Defendants~~ arising out of
12 any of the conduct, statements, acts or omissions alleged in the Action. Seven Forty One Company, Inc.
13 contends that it complied in good faith with California and federal wage and hour laws and ~~have~~has dealt
14 legally and fairly with Plaintiff and Settlement Class Members. Further Seven Forty One Company, Inc.
15 contends that it appropriately paid its employees at all times, that it always provided employees with the
16 opportunity to take timely and compliant meal and rest breaks, that it was compliant with all applicable
17 wage-and-hour laws, and all other laws, at all times, and that, if this matter were to be further litigated, it
18 would have strong defenses on the merits and as to class certification. In evaluating its position at
19 mediation, Seven Forty One Company, Inc. agreed to the Gross Settlement Amount with the express
20 understanding that the Gross Settlement Amount included its share of Employment and Payroll Taxes.
21 Additionally, Mr. Stax, Inc. denies that it employed either Plaintiff or most of the Class Members for
22 purposes of the claims alleged in the Action.

23 (b) Further, Defendants deny that, for any purpose other than settling this Action, these
24 claims are appropriate for class or representative treatment. Nonetheless, Defendants have concluded that
25 further proceedings in the Action would be protracted and expensive and agree to the Action being fully
26 and finally settled in the manner and upon the terms and conditions set forth in this Stipulation in order to
27 dispose of burdensome and protracted litigation, to permit the operation of Defendants' respective
28 businesses without further expensive litigation and the distraction and diversion of their personnel with

1 respect to matters at issue in the Action. In entering into this Stipulation, Defendants have also taken into
2 account the uncertainty and risks inherent in any litigation, especially in complex cases such as the Action.

3 (c) Defendants do not waive, but rather expressly reserve, all rights to challenge all
4 such claims and allegations in the Action upon all procedural and factual grounds, including without
5 limitation the ability to challenge class treatment or representative adjudication on any grounds or to assert
6 any and all defenses or privileges if this Stipulation is deemed void or does not take effect.

7 ~~2.8 Intent of the Settlement: The Settlement set forth herein intends to achieve the following:~~
8 ~~(1) entry of an order approving the Settlement; (2) entry of Judgment of the Action; (3) discharge of~~
9 ~~Released Parties from liability for any and all of the Released Claims; and (4) release by the Class~~
10 ~~Representative pursuant to Section 9.2.~~

11 **III. CONDITIONAL CLASS CERTIFICATION & APPOINTMENT OF CLASS COUNSEL**

12 3.1 The Settlement Class. For the purposes of this Stipulation and the Settlement of the Action
13 only, the Parties stipulate to conditional class certification of the Settlement Class.

14 3.2 Appointment of Class Counsel. For purposes of this Stipulation and subject to the Court's
15 approval, the Parties hereby stipulate to the appointment of Class Counsel as counsel for the Class solely
16 in order to effectuate the Settlement pursuant to this Stipulation.

17 **IV. CLASS SETTLEMENT CONSIDERATION**

18 4.1 The Class Representative Service Award. The Class Representative may petition the Court
19 to approve a Service Award in an amount up to \$7,500 for her efforts on behalf of the Class in this Action,
20 including assisting in the investigation and consulting with Class Counsel and providing crucial
21 documents and information to Class Counsel. Defendants shall not oppose any request by Class
22 Representative for a Service Award in such an amount. Any Service Award approved by the Court shall
23 be paid to the Class Representative from the Gross Settlement Amount and shall be in addition to any
24 distribution to which she may otherwise be entitled as a Settlement Class Member. The Service Award
25 shall not be considered wages, and the Settlement Administrator shall issue the Class Representative an
26 IRS Form 1099 reflecting such payment. The Class Representative shall be solely responsible for the
27 payment of any and all taxes with respect to the Service Award and shall hold Defendants harmless and
28 indemnify Defendants from any and all liability with regard thereto.

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1 4.2 Payment to Settlement Class Members. Each Settlement Class Member shall be eligible to
2 receive payment of the Individual Settlement Amount, which is a share of the Net Settlement Amount
3 based on the pro rata number of Workweeks allocated to a Settlement Class Member as a proportion of
4 all Workweeks allocated to all Settlement Class Members. The Individual Settlement Amount for each
5 Settlement Class Member shall be calculated in accordance with Section 6.2. Each Settlement Class
6 Member, including Plaintiff, shall be responsible for the payment of each of their portion of applicable
7 taxes, if any, and required withholding with respect to his or her Individual Settlement Amount and shall
8 hold Defendants harmless from any and all liability with regard thereto.

9 4.3 No Effect on Employee Benefit Plans. Neither the Settlement nor any amounts paid under
10 the Settlement will modify any previously credited hours, days, or weeks of service under any employee
11 benefit plan, policy or program sponsored by ~~Defendant~~Defendants. Such amounts will not form the basis
12 for additional contributions to, benefits under, or any other monetary entitlement under
13 ~~Defendant's~~Defendants' sponsored benefit plans, policies or programs. The payments made under the
14 terms of this Stipulation shall not be applied retroactively, currently, or on a going forward basis, as salary,
15 earnings, wages, or any other form of compensation for the purposes of any of ~~Defendant's~~Defendants'
16 benefit plan, policy or programs. ~~Seven-Forty-One Company, Inc. retains~~Defendants retain the right to
17 modify the language of ~~its~~Defendants' benefits plans, policies and programs to effect this intent and to
18 make clear that any amounts paid pursuant to this Stipulation are not for "weeks worked," "weeks paid,"
19 "weeks of service," or any similar measuring term as defined by applicable plans, policies and programs
20 for purpose of eligibility, vesting, benefit accrual, or any other purpose, and that additional contributions
21 or benefits are not required by this Stipulation. ~~Seven-Forty-One Company, Inc. does~~ Defendants do not
22 consider the payments provided for under this Settlement as payments of "compensation" for purposes of
23 determining eligibility for, or benefit accrual within, any benefit plans, policies, or programs, or any other
24 plan sponsored by ~~Seven-Forty-One Company, Inc.~~Defendants.

25 4.4 Attorneys' Fees and Expenses to Class Counsel. As part of the motion for final approval
26 of the Settlement, Class Counsel may submit an application for an award of attorneys' fees in an amount
27 not to exceed 35% of the Gross Settlement Amount (i.e., \$66,500) and reimbursement of litigation costs
28 and expenses of up to Twenty Thousand Dollars (\$20,000) (together, "Attorneys' Fees and Expenses").

1 Defendants agree not to object to any such fee, cost or expense application in those amounts, or lesser
2 amounts. As a condition of this Settlement, Class Counsel has agreed to pursue fees only in the manner
3 reflected by this Section. Any Attorneys' Fees and Expenses awarded by the Court shall be paid from the
4 Gross Settlement Amount in arriving at the Net Settlement Amount and shall not constitute payment to
5 any Settlement Class Members. If Class Counsel voluntarily reduces the request for Attorneys' Fees and
6 Expenses or the Court's award of Attorneys' Fees and Expenses is less than set forth above, the Net
7 Settlement Amount shall be recalculated to reflect the actual Attorneys' Fees and Expenses awarded.

8 The Attorneys' Fees and Expenses approved by the Court shall encompass: (a) all work performed
9 and costs and expenses incurred by, or at the direction of, any attorney purporting to represent the
10 Settlement Class through the date of this Stipulation; (b) all work to be performed and costs to be incurred
11 in connection with approval by the Court of the Settlement; and (c) all work to be performed and costs
12 and expenses, if any, incurred in connection with administering the Class Settlement through entry of
13 Judgment.

14 4.5 Settlement Administrator's Costs and Expenses. All costs and expenses due the Settlement
15 Administrator in connection with its administration of the Class Settlement, including, but not limited to,
16 providing the Class Notice, locating Settlement Class Members, processing Requests for Exclusion and
17 Objections, and calculating, [translating the Class Notice](#), administering and distributing Individual
18 Settlement Payments to Settlement Class Members and related tax forms, shall be paid from the Gross
19 Settlement Amount [and shall not exceed \\$9,351](#).

20 **V. NOTICE TO CLASS MEMBERS AND CLAIMS ADMINISTRATION PROCESS**

21 5.1 The Settlement Administrator. The Settlement Administrator will be responsible for
22 mailing the Class Notice ([Exhibit 21](#)) to Class Members, providing the necessary translations for the Class
23 Notice (Spanish and Vietnamese), handling inquiries from Class Members concerning the Class Notice,
24 determination of Individual Settlement Amounts, maintaining the settlement funds in an appropriate
25 account, preparing, administering and distributing Individual Settlement Payments to Settlement Class
26 Members, issuing a final report and performing such other duties as the Parties may direct. On a weekly
27 basis, the Settlement Administrator will provide reports to Class Counsel and Defense Counsel summary
28 information updating them as to the number of valid and timely Requests for Exclusion and complete and

1 timely Objections received. The Settlement Administrator will serve on Class Counsel and Defense
2 Counsel via e-mail date-stamped copies of the original Requests for Exclusion and Objections no later
3 than five (5) calendar days after their receipt. The Settlement Administrator will provide Class [Counsel](#)
4 [and Defense](#) Counsel with proof of mailing of the Class Notice, without listing individual Class Member
5 names or contact information, which the Settlement Administrator will file with the Court at the time
6 Class Counsel files its motion for final approval of the Settlement. No later than ten (10) calendar days
7 prior to the Final Approval Hearing, the Settlement Administrator will compile and deliver to Class
8 Counsel and Defense Counsel a report with summary information regarding (a) the total amount of final
9 Individual Settlement Amounts of each Settlement Class Member (b) the number of Settlement Class
10 Members to receive such payments, and (c) the final number of timely and valid Opt Outs and timely and
11 valid Objections, without listing Class Member names or contact information. Prior to the calculation and
12 distribution of the Individual Settlement Payments, the Settlement Administrator shall calculate the total
13 Administration Expenses through the conclusion of their services and such actual amount will be deducted
14 from the Gross Settlement Amount prior to the final calculation of the Individual Settlement Amounts.
15 Under no circumstances will Settlement Administrator disclose Class Member names and/or contact
16 information to Class Counsel or the Court without prior written authorization from Defendants or subject
17 to legal process.

18 5.2 Notice to Class Members.

19 (a) If, by entering the Preliminary Approval Order, the Court provides authorization to
20 send the Class Notices, the Settlement Administrator will undertake the mailing of the Class Notice to all
21 Class Members, no later than twenty (20) calendar days after the Preliminary Approval Date. The Class
22 Notices shall be mailed via first class mail through the United States Postal Service, postage pre-paid. The
23 envelope containing the Class Notice shall bear the following phrase in bold type, 1/4 inch below the
24 return address or 1/4 inch above the addressee's address: RETURN SERVICE REQUESTED. The
25 envelope shall also bear the following phrase in the bottom left-hand corner: IMPORTANT – SEVEN
26 FORTY ONE COMPANY, INC. [AND MR. STAX, INC.](#) CLASS ACTION SETTLEMENT
27 INFORMATION. PLEASE OPEN IMMEDIATELY. The mailing enclosing the Class Notice will not
28 contain any other materials. The Class Notice and its envelope or covering shall be marked to denote the

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1 return address of the Settlement Administrator.

2 (b) Seven Forty One Company, Inc. shall prepare a list, in an electronically usable
3 format, for the Settlement Administrator containing for each Class Member, to the extent it has such
4 information, the following: the first, last, and middle name; Last Known Address; last known phone
5 numbers; social security numbers; start and end dates of employment; and any other information required
6 to effectuate the Settlement ("Class List"). By approving this Settlement, the Court will be deemed to have
7 authorized ~~Seven Forty One Company, Inc.~~Defendants to provide the Settlement Administrator with this
8 information, including the social security numbers of the Class Members. ~~Seven Forty One Company, Inc.~~
9 Defendants shall provide this list to the Settlement Administrator within fifteen (15) calendar days of the
10 Preliminary Approval Date. The ~~list~~Class List, and any other data provided by ~~Seven Forty One Company,~~
11 ~~Inc.~~Defendants to the Settlement Administrator shall be treated as confidential and not subject to
12 disclosure by the Settlement Administrator, except as necessary to address disputes regarding Workweeks,
13 to respond to a specific inquiry from a Class Member, and/or as otherwise necessary for the Settlement
14 Administrator to perform their obligations described in this Stipulation. Further, the Settlement
15 Administrator shall use commercially reasonable efforts to secure the data provided by ~~Seven Forty One~~
16 ~~Company, Inc.~~Defendants at all times so as to avoid inadvertent or unauthorized disclosure or use of such
17 data other than as permitted by this Stipulation, and shall destroy the data (and all copies of it) in a
18 complete and secure manner when such data is no longer required for purposes of this Stipulation. At no
19 time during the settlement process will any Class Member's address, telephone number or social security
20 number be filed with the Court. The Settlement Administrator shall ensure that the notices and any other
21 communications to Class Members shall not include the Class Members' social security number, except
22 for the last four digits.

23 (c) Prior to mailing the Class Notice, the Settlement Administrator shall undertake a
24 NCOA check to ascertain the accuracy of the Last Known Address of the Class Members. To the extent
25 this process yields an Updated Address, the Updated Address shall replace the Last Known Address and
26 be treated as the new Last Known Address for purposes of this Stipulation, for Class Notice mailing, and
27 mailing of settlement checks.

1 (d) If a Class Member is known to be deceased, the Class Notice for that deceased
2 Class Member shall be mailed to the Last Known Address (or Updated Address, if applicable) of the legal
3 representative of the deceased Class Member's estate, to the extent known.

4 (e) Unless the Settlement Administrator receives a Class Notice returned from the
5 United States Postal Service for reasons discussed below in this paragraph, that Class Notice shall be
6 deemed mailed and received by the Class Member to whom it was sent five (5) calendar days after mailing.
7 In the event that subsequent to the first mailing of a Class Notice and prior to the Response Deadline, that
8 Class Notice is returned to the Settlement Administrator by the United States Postal Service as
9 undeliverable, without a forwarding address, the Settlement Administrator shall undertake an Experian
10 Skip Tracing with respect to the Class Member to attempt to ascertain the current address of the particular
11 Class Member in question and, if such an address is ascertained, the Settlement Administrator will re-send
12 the Class Notice to the newly-found address within three (3) business days of receipt of the returned Class
13 Notice. In the event that subsequent to the first mailing of a Class Notice and prior to the Response
14 Deadline that Class Notice is returned to the Settlement Administrator by the United States Postal Service
15 with a forwarding address for the recipient, the Settlement Administrator shall re-mail the notice to that
16 address within three (3) business days of receipt of the returned Class Notice, and the forwarding address
17 shall be deemed the Updated Address for that Class Member. In either event, the Class Notice shall be
18 deemed received once it is mailed for the second time. In the event that subsequent to the first mailing of
19 a Class Notice it is returned to the Settlement Administrator by the United States Postal Service as
20 undeliverable, after the Response Deadline, the Settlement Administrator shall be required to take no
21 further action with respect to that Class Notice and it shall be deemed to have been delivered. In the event
22 the Settlement Administrator must re-mail any Class Notice pursuant to the provisions of this Paragraph
23 due to being returned, the Response Deadline shall be extended by ten (10) calendar days from the date
24 of the re-mailing of the Class Notice, for those mailings. The Settlement Administrator shall include a
25 cover letter with any re-mailing informing the Class Member of the re-mailing of the Class Notice and
26 extended Response Deadline. Compliance with the procedures described in this paragraph shall constitute
27 due and sufficient notice to Class Members of the Settlement and of the Final Approval Hearing, and shall
28 satisfy the requirements of due process. Nothing else shall be required of or done by the Parties, Class

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Counsel, counsel for Defendant, or the Settlement Administrator to provide notice of the Settlement and the Final Approval Hearing.

5.3 Declaration of Compliance. No later than fifteen (15) calendar days after the Response Deadline (or any applicable extended Response Deadline), the Settlement Administrator shall provide Class Counsel and ~~counsel~~Counsel for Defendants with a declaration attesting to completion of the notice process, including any attempts to obtain Updated Addresses for, and the re-sending of, any returned Class Notices, including any and all other required steps ("Declaration of Compliance"), which shall be filed with the Court by Class Counsel.

5.4 Responses to the Notice of Proposed Class Action Settlement. Pursuant to California Rules of Court, Rule 3.766(d)(5), Class Members have the option to enter an appearance in this Litigation at their own expense by obtaining their own attorney(s). Class Members who choose this option will be responsible for any attorneys' fees or costs incurred as a result of this election. The Class Notice will advise Class Members of this option.

5.5 Objections to Settlement. Class Members who do not submit timely and valid Requests for Exclusion may object to the Settlement by ~~filing~~mailing written objections ("Objection(s)") ~~with the Court and serving a copy on the Parties by submitting the copy~~ to the Settlement Administrator no later than the Response Deadline. The Objection must: contain the Class Member's full name, dates of employment as an employee of Defendant, and signature; contain the case name and number of the Action; set forth the legal and factual basis for the objection; and identify any counsel representing the Class Member in connection with the Objection. A Class Member who objects to the Settlement will still be considered a Settlement Class Member. The Settlement Administrator shall provide a copy of any Objections that it receives to Class Counsel and counsel for Defendant. Any Class Member who fails to timely ~~file and serve~~mail an Objection ~~shall be precluded from making any objection~~may attend the final approval hearing ~~and ask to the Settlement, unless otherwise ordered by the Court~~speak regarding their Objections, ~~regardless of whether they submitted a written Objection.~~

5.6 Opting Out of Settlement. Class Members may elect to opt out of the Settlement and, thus, exclude themselves from the Settlement Class. Class Members who wish to exercise this option must mail to the Settlement Administrator a written Request for Exclusion that is postmarked on or before the

1 Response Deadline. If a timely and valid Request for Exclusion is not received by the Settlement
2 Administrator from a Class Member on or before the Response Deadline, then that Class Member will be
3 deemed to have forever waived his or her right to seek exclusion from the Settlement and Settlement Class
4 and shall be bound by the Settlement and Judgment. The Class Notice will advise Class Members of the
5 option to opt out of the Settlement and will contain instructions on how to do so. Class Members who do
6 validly request exclusion from the Settlement by submitting a valid and timely Request for Exclusion shall
7 not be bound by the terms of the Settlement, shall not be allowed to object to the Settlement, and shall not
8 be entitled to any benefits as a result of the Settlement.

9 In the event that any Class Member timely submits a Request for Exclusion, but it is deficient, as
10 soon as possible but not later than five (5) business days after the Settlement Administrator's receipt of
11 such deficient Request for Exclusion, the Settlement Administrator shall send by first class, postage pre-
12 paid, United States mail a notice to such Class Member informing him or her of the deficiency and that
13 he or she has ten (10) calendar days from the date of the deficiency notice (which shall be the date the
14 deficiency notice is mailed) to cure the deficiency and postmark and mail a corrected Request for
15 Exclusion.

16 The Parties agree that the Response Deadline shall not be extended, and no untimely submissions
17 will be honored, under any circumstances, unless mutually agreed to by the Parties.

18 5.7 Right to Monitor and Review. All counsel have the right to monitor and review
19 administration of the Settlement to verify that the monies allocated to the Class Members are distributed
20 in the correct amount and to the proper Class Members, as well as ensure that the proper mailing and
21 administration is taking place (or took place).

22 VI. CLASS SETTLEMENT FUNDING AND DISTRIBUTION

23 6.1 Allocation of the Gross Settlement Amount. The "Gross Settlement Amount" means total
24 sum of no more and no less than One Hundred Ninety-Thousand Dollars (\$190,000), that Defendants shall
25 pay under the terms of the Settlement (subject to the occurrence of the Effective Date), inclusive of and
26 allocated as follows:

27 (a) Attorneys' Fees and Expenses, not to exceed \$66,500 in fees and not to exceed
28 \$20,000 in litigation costs and expenses, to Class Counsel;

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- (b) Administration Expenses to the Settlement Administrator not to exceed \$9,351;
- (c) Service Award to the Class Representative, not to exceed \$7,500;
- (d) The amount of 75% of the PAGA Payment, in the amount of \$3,750, to the State

of California for the benefit of the LWDA ("LWDA Payment"); ~~and~~The amount of 25% of the PAGA Payment, in the amount of \$1,250, to PAGA Group Members. The portion of the PAGA Payment allocated to the PAGA Group Members shall be distributed to the PAGA Group Members based on the pro rata number of Workweeks worked by each particular PAGA Group Member during the PAGA Period as a proportion of all pay periods worked by all members of the PAGA Group Members; and

(e) Net Settlement Amount (which is inclusive ~~of 25% of the PAGA Payment~~Employment and Payroll Taxes).

~~The "Net Settlement Sum" or~~The "Net Settlement Amount" means the net amount that Defendants will pay (subject to the occurrence of the Effective Date) to all Settlement Class Members, and is calculated by subtracting actual values based on Section 6.1(a)-(d) from the Gross Settlement Amount.

6.2 Calculation of the Individual Settlement Amounts. Individual Settlement Amounts to be paid to Settlement Class Members shall be paid from the Net Settlement Amount. For purposes of calculating the *estimated* Individual Settlement Amounts, the Settlement Administrator shall calculate the estimated Net Settlement Amount based on the estimated values in Section 6.1(a)-(e) prior to sending Class Notice to the Class Members. Prior to final distribution, the Settlement Administrator shall calculate the *final* Net Settlement Amount based on the actual values in Section 6.1(a)-(e).

The portion of the Net Settlement Amount payable to each Settlement Class Member will be calculated as follows:

(a) The Settlement Administrator will determine the total "Workweeks" for each Class Member. Workweeks are to be calculated by determining the number of days between the Class Member's start and end dates of employment during the Class Period (and only for work performed at 880 S. Arroyo Pkwy, Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355) and then dividing by seven (7). If a Class Member was hired prior to August 12, 2016, then his or her "start date" will be August 12, 2016. The dates of employment will be provided to the Settlement Administrator.

(b) The Settlement Administrator shall divide the Net Settlement Amount by the total

number of Workweeks of all Settlement Class Members, (and only for work performed at 880 S. Arroyo Pkwy, Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355) in order to determine the amount that each Settlement Class Member is entitled to for each Workweek (the “Weekly Amount”).

(c) The Settlement Administrator will multiply the Weekly Amount by the total number of Workweeks that each Settlement Class Member is credited with to arrive at his or her Individual Settlement Amount.

(d) Each Settlement Class Member will be issued payment of ~~their~~his or her Individual Settlement Amount subject to reduction for Employment and Payroll Taxes, and the net payment is referred to as an “Individual Settlement Payment.”

~~Seven-Forty-One Company, Inc. Defendants~~ will provide the Settlement Administrator with any information that is in its possession reasonably necessary to perform the calculation of Workweeks for each Settlement Class Member, such as the hire date and end date of each Class Member, and any other reasonably required information the Settlement Administrator requests to perform the calculations required under this Stipulation.

Settlement Class Members will have one hundred and eighty (180) calendar days to negotiate their respective settlement payments under this Agreement. Any checks not negotiated within the one hundred and eighty (180) calendar days will be ~~subject to the handling~~handled in conformity with Section 6.5.

6.3 Composition of Payments to Settlement Class Members. Each Individual Settlement Amount will be allocated as follows: 20% shall be reported as wages on IRS Form W-2 and its state and local equivalents, and 80% shall be reported as interest and penalties on IRS Form 1099 and its state and local equivalents. The wage portion shall be subject to Employment and Payroll Taxes. The non-wage portion will not be subject to any Employment and Payroll Taxes.

Other than the withholding of Employment and Payroll Taxes with respect to the wage portion of Individual Settlement Amounts, the Class Representative and the Settlement Class Members are solely responsible for the reporting and payment of the employee’s share of any federal, state, and/or local income or other tax or any other withholdings due with respect to any other funds received as a part of the Settlement, if any. The Class Representative agrees to defend, indemnify and hold Defendants harmless

1 for and against any damage or tax penalty Defendants ~~incur~~incur as a result of the failure by the Class
2 Representative to pay all taxes due by her receipt of payments pursuant to this Stipulation. Class Counsel
3 agrees to defend, indemnify and hold Defendants harmless for and against any damage or tax penalty
4 Defendants incur as a result of the failure by Class Counsel to pay all taxes due as a result of Class
5 Counsel's receipt of payments pursuant to this Stipulation. Defendants shall have no responsibility for
6 deciding the validity of the Individual Settlement Amounts or any other payments made pursuant to this
7 Stipulation, shall have no involvement in or responsibility for the determination or payment of the
8 Settlement Class Member's taxes and required withholdings, and shall have no liability for any errors
9 made with respect to such taxes and required withholdings. Although the Settlement Administrator will
10 calculate and pay the standard applicable taxes and required withholdings, if any, on the portion of the
11 Individual Settlement Amounts constituting wages on the behalf of the Settlement Class Member, Plaintiff
12 and Settlement Class Members shall be solely responsible for any and all employee's share of tax
13 ~~obligation~~obligations associated with their respective Individual Settlement Amounts and Service Award.

14 The Parties agree (and the Settlement Administrator shall warrant) that the Settlement shall be
15 administered as a qualifying, designated settlement fund pursuant to Section 468B of the
16 ~~International~~Internal Revenue Code. The Settlement Administrator shall be responsible for issuing all
17 settlement payments and handling all required state and federal tax withholding and reporting related
18 thereto.

19 6.4 Time for Funding and Distribution of Payments under the Settlement. Within fifteen (15)
20 calendar days after the Effective Date, Seven Forty One Company, Inc. shall provide the Settlement
21 Administrator with the Gross Settlement Amount and the Settlement Administrator shall promptly deposit
22 the Gross Settlement Amount ~~of \$190,000~~ into a qualified settlement account established by the
23 Settlement Administrator. No later than five (5) calendar days after ~~Defendants deposit~~the Settlement
24 Administrator deposits the Gross Settlement Amount ~~with~~into the ~~Settlement Administrator~~qualified
25 settlement account, the Settlement Administrator shall distribute the following payments: Individual
26 Settlement Payments to Settlement Class ~~Member~~Members, Attorneys' Fees and Expenses to Class
27 Counsel, Service Award to Class Representative, and LWDA Payment to the LWDA, all in the Court-
28 approved amounts. The Settlement Administrator shall make every effort to pay the applicable taxes and

1 required withholdings, if any, associated with each Settlement Class Member's Individual Settlement
2 Amount and mail the Individual Settlement Payment to each Settlement Class Member, by first-class U.S.
3 mail, to the last-known address no later than five (5) calendar days after ~~Defendants deposit the Settlement~~
4 ~~Administrator deposits~~ the Gross Settlement Amount ~~withinto~~ the ~~Settlement Administrator~~ qualified
5 settlement account. If the Settlement Administrator is not able to do so within the time period set forth
6 above, it shall so inform Class Counsel and Defense Counsel and provide an approximate date by which
7 the applicable taxes and required withholdings shall be paid and the Individual Settlement Payments will
8 be mailed. Under no circumstances shall the Settlement Administrator distribute checks to Settlement
9 Class Members until all Individual Settlement Payments have been considered, calculated and accounted
10 for, and all of the remaining monetary obligations have been calculated and accounted for. Within two
11 hundred (200) calendar days of the Effective Date, the Settlement Administrator shall file with the Court
12 and provide to Class Counsel a declaration of payment. In the event that any Settlement Class Member is
13 deceased, payment shall be made payable to the estate of that Settlement Class Member and delivered to
14 the executor or administrator of that estate, unless the Settlement Administrator has received an affidavit
15 or declaration pursuant to California Probate Code § 13101, in which case payment shall be made to the
16 affiant(s) or declarant(s).

17 6.5 Non-Cashed Settlement Checks. Individual Settlement Payment checks shall be valid for
18 a period of one hundred and eighty (180) calendar days after they are mailed, and thereafter, will be
19 cancelled. Funds associated with cancelled checks will be donated to Bet Tzedek, an organization that
20 provides legal aid to low-income individuals and families including related to employment issues.

21 VII. NULLIFICATION OF THIS STIPULATION

22 7.1 Non-Approval of the Stipulation. If (a) the Court should for any reason fail to approve this
23 Stipulation in the form agreed to by the Parties, or (b) the Court should for any reason fail to enter
24 Judgment of the Action, or (c) the approval of the Settlement and Judgment is reversed, modified or
25 declared or rendered void, then the Settlement and conditional class certification shall be considered null
26 and void, and neither the Settlement, conditional class certification, nor any of the related negotiations or
27 proceedings, shall be of any force or effect, and all parties to the Settlement shall stand in the same
28 position, without prejudice, as if the Class Settlement had been neither entered into nor filed with the

1 Court. Notwithstanding the foregoing, the Parties may attempt in good faith to cure any perceived defects
2 in the Stipulation to facilitate approval.

3 7.2 Defendant's ~~Defendants'~~ Right to Void or Rescind Settlement Due to Opt-Outs. If ten
4 percent (10%) or more of the Class Members submit timely and valid Requests for Exclusion, Defendants
5 shall have the option, in ~~its~~ their sole discretion, to rescind this Stipulation, whereupon the Settlement and
6 Stipulation shall be null and void for any and all purposes and may not be used or introduced in the Action
7 or any other proceeding. The Parties will be restored to their respective positions in the Action as if this
8 Settlement was never negotiated, drafted, or agreed upon. The Settlement Administrator shall notify Class
9 Counsel and Counsel for Defendants of the total number of timely and valid Requests for Exclusion and
10 the individual settlement value for each such Class Members had they not opted out by no later than
11 fourteen (14) days after the Response Deadline. Should Defendants choose to void the Settlement under
12 this paragraph, it shall be responsible for all Administration Expenses actually incurred up to the time it
13 sought to void the Settlement.

14 7.3 Invalidation. Invalidation of any ~~material~~ portion of the Settlement shall invalidate the
15 Settlement in its entirety, unless the Parties through their counsel may subsequently agree in writing that
16 the remaining provisions of the Settlement are to remain in full force and effect.

17 ~~7.4 — Stay Upon Appeal. In the event of a timely appeal from the approval of the Settlement and~~
18 ~~Judgment, the Judgment shall be stayed, and Defendants shall not be obligated to fund the Gross~~
19 ~~Settlement Amount or take any other actions required by this Stipulation until all appeal rights have been~~
20 ~~exhausted by operation of law.~~

21 ~~7.5~~ 7.4 Notice in Writing. Unless otherwise ordered by the Court, in the event the Stipulation shall
22 be terminated, cancelled, declared void, or fails to become effective in accordance with its terms, within
23 ten (10) business days after written notification of such event, ~~Defendants~~ Defense Counsel and Class
24 Counsel shall notify each other of this event in writing.

25 **VIII. MOTION FOR COURT APPROVAL**

26 8.1 Preliminary Approval. Class Counsel shall promptly submit this Stipulation to the Court
27 for preliminary approval and determination by the Court as to its fairness, adequacy, and reasonableness,
28 and entry of a Preliminary Approval Order substantially in the form filed concurrently herewith as

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1 Exhibit 12, which schedules a hearing on the question of whether the Settlement should be approved as
2 fair, reasonable, and adequate as to the Settlement Class Members, approving as to form and content the
3 proposed Class Notice attached hereto as Exhibit 21, and directing the mailing of the Class Notice to
4 Class Members. While Defendants can reserve their right to object to facts or assertions made in the
5 moving papers, Defense Counsel shall file a notice of non-opposition to the granting of the motion for
6 preliminary approval of the Settlement or join in the motion. Defense Counsel shall be given a chance to
7 review the motion for preliminary approval and the motion for final approval prior to filing.

8 Failure of the Court to enter the Preliminary Approval Order in its entirety will be grounds for
9 Parties to terminate the Settlement and the terms of this Stipulation pursuant to Section 7.1; however,
10 pursuant to Section 7.1, the Parties are to take all reasonable steps to cure any deficiencies so as to avoid
11 any termination of the Settlement.

12 8.2 Final Approval. The Final Approval Hearing shall be held before the Court. At the Final
13 Approval Hearing, Plaintiff shall move the Court for the entry of the final order certifying the Settlement
14 Class for settlement purposes only and approving the Settlement as being fair, reasonable and adequate to
15 the Settlement Class Members within the meaning of California Rules of Court, Rule 3.769(c), (d) and (e)
16 and for the entry of a final Judgment of the Action consistent with the terms of the Settlement and
17 California Rules of Court, Rule 3.769(h). Should the Court require Class Counsel and/or Defense Counsel
18 to submit any pleadings and/or evidence for the Court's determination, the Parties will comply to the
19 extent reasonable.

20 8.3 Entry of Judgment. Pursuant to California Rules of Court, Rule 3.769(h) and any other
21 applicable rules, if the court approves this Settlement after the Final Approval Hearing, the Court must
22 make and enter Judgment. The Judgment must include a provision for the retention of the ~~court's~~Court's
23 jurisdiction over the parties to enforce the terms of the Judgment. This Judgment shall be a judgment for
24 purposes of California Rules of Court, Rule 3.771(a).

25 **IX. RELEASES AND WAIVERS**

26 9.1 Release of Claims by Settlement Class Members, ~~PAGA Group Members~~, and Plaintiff.
27 Upon the Effective Date, each Settlement Class Member and Plaintiff, each release, discharge, and agree
28 to hold harmless the Released Parties, and each of them, of and from any and all Released Claims.

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1 Upon the Effective Date, each PAGA Group Member and Plaintiff, each release, discharge, and
2 agree to hold harmless the Defendants, and each of them, of and from any and all Released PAGA Claims.

3 It is the desire of the Parties and the Settlement Class Members to fully, finally, and forever settle,
4 compromise, and discharge the Released Claims.

5 Plaintiff and each Class Member (except those who submit a timely and valid Request for
6 Exclusion), will be bound to the release of Released Claims as a result of the Settlement and to the terms
7 of the judgment. However, to the extent that a Class Member is also a PAGA Group Member, he or she
8 will be bound by the release of Released PAGA Claims and will receive a portion of the PAGA settlement,
9 notwithstanding his or her Request for Exclusion.

10 It is the desire of the Parties and the PAGA Group Members to fully, finally, and forever settle,
11 compromise, and discharge the PAGA Claims.

12 No release in this Settlement shall be effective until the Gross Settlement Amount is fully funded.

13 9.2 Release of Claims by Plaintiff. Plaintiff, on behalf of herself and her heirs, executors,
14 administrators, representatives and anyone who purports to act on her behalf, shall and does hereby forever
15 release, discharge and agrees agree to hold harmless all Released Parties from any and all charges,
16 complaints, claims, allegations, liabilities, obligations, promises, agreements, controversies, damages,
17 actions, causes of action, suits, rights, demands, costs, losses, debts and expenses (including attorney fees
18 and costs), known or unknown, at law or in equity, which Plaintiff now has, could now have, or has had
19 arising out of any known or unknown fact, condition or incident occurring prior to and including the
20 Effective Date against the Released Parties arising out of or in any way connected with her employment
21 with Seven Forty One Company, Inc. and her alleged employment with Mr. Stax, Inc., including, the
22 Released Claims, claims that were asserted or could have been asserted in the Complaint, and any and all
23 transactions, occurrences, or matters between the partiesParties occurring at any time.

24 Without limiting the generality of the foregoing, this release shall include, but not be limited to the
25 following: any and all claims under the Americans With Disabilities Act, as amended; Title VII of the
26 Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; 42 U.S.C. § 1981, as amended; the
27 Age Discrimination in Employment Act, as amended; the Fair Labor Standards Act, as amended; the
28 Equal Pay Act; the Employee Retirement Income Security Act, as amended; the Consolidated Omnibus

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1 Budget Reconciliation Act; the Rehabilitation Act of 1973; the Family and Medical Leave Act; the Civil
2 Rights Act of 1966; the California Fair Employment and Housing Act; the California Constitution; the
3 California Labor Code; the California Government Code; the California Civil Code; the Industrial Welfare
4 Commission Wage Orders; the California Private Attorneys General Act; the Unruh Civil Rights Act; the
5 Bane Act; the Occupational Safety and Health Act; the Worker Adjustment and Retraining Notification
6 Act, as amended; the California Unfair Competition Law (Cal. Bus. & Prof. Code §§ 17200, *et seq.*); any
7 state, civil, or statutory laws, including any and all human rights laws and laws against discrimination;
8 any and all wage-and-hour claims arising under the laws of the State of California, including, without
9 limitation, statutory, constitutional, contractual, and/or common law claims for wages, damages,
10 restitution, unreimbursed expenses, equitable relief, penalties, liquidated damages, and/or punitive
11 damages; any and all other federal, state and local statutes, ordinances, regulations, rules and other laws,
12 and any and all claims based on constitutional, statutory, common law or regulatory grounds as well as
13 any other claims based on theories of wrongful or constructive discharge, breach of contract or implied
14 contract, fraud, misrepresentation, promissory estoppel or intentional and/or negligent infliction of
15 emotional distress, or damages under any other federal, state or local statutes, ordinances, regulations,
16 rules or laws; any claims that could have been alleged in the Complaint; and any claims for interest,
17 attorneys' fees, and/or costs. This release is for any and all relief, no matter how denominated, including,
18 but not limited to, back pay, front pay, vacation pay, bonuses, compensatory damages, tortious damages,
19 liquidated damages, punitive damages, damages for pain and suffering, and attorney fees and costs, and
20 Plaintiff hereby forever releases, discharges and agrees to hold harmless the Released Parties from any
21 and all claims for attorney fees and costs arising out of the matters released in this Stipulation.

22 In exchange for her Service Award, Plaintiff expressly waives the protections of California Civil
23 Code § 1542, and it is her intention in executing this Stipulation that the same shall be effective as a bar
24 to each and every claim, complaint, action, debts, promises, demand, cause of action, obligation, damage,
25 liability, charge, attorneys' fees and costs herein above released. The Plaintiff hereby expressly waives
26 and relinquishes all of her rights and benefits, if any, arising under California Civil Code § 1542, which
27 provides:
28

1 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT**
2 **THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR**
3 **SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF**
4 **EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR**
5 **HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER**
6 **SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

7 Plaintiff may, being aware of Section 1542, hereafter discover facts in addition to or different from those
8 which she now knows or believes to be true with respect to the subject matter of all the claims referenced
9 herein, but stipulates and agrees that, upon the Effective Date, Plaintiff shall and hereby does fully, finally
10 and forever settle and release any and all claims against the Released Parties, known or unknown,
11 suspected or unsuspected, contingent or non-contingent, that were asserted or could have been asserted
12 upon any theory of law or equity without regard to the subsequent discovery of existence of such different
13 or additional facts.

14 **X. DUTIES OF THE PARTIES**

15 10.1 Mutual Full Cooperation. The Parties agree to cooperate fully with one another to
16 accomplish and implement the terms of this Stipulation. Such cooperation shall include, but not be limited
17 to, execution of such other documents and the taking of such other actions as may reasonably be necessary
18 to fulfill the terms of this Settlement. The Parties shall use their best efforts, including all efforts
19 contemplated by this Stipulation and any other efforts that may become necessary by ~~court~~Court order or
20 otherwise, to effectuate this Stipulation and the terms set forth herein. As soon as practicable after
21 execution of this Stipulation, Class Counsel, with the cooperation of Defendants and Defense Counsel,
22 shall take all necessary and reasonable steps to secure the Court's preliminary approval and final approval
23 of this Stipulation.

24 10.2 Duty to Support and Defend the Settlement. The Parties agree to abide by all of the terms
25 of the Settlement in good faith and to support the Class Settlement fully and to use their best efforts to
26 defend this Class Settlement from any legal challenge, whether by appeal or collateral attack.

27 10.3 Duties Prior to Court Approval. Class Counsel shall promptly submit this Stipulation to the
28 Court for Preliminary Approval and determination by the Court as to its fairness, adequacy, and
reasonableness. Promptly upon execution of this Stipulation, Class Counsel shall apply to the Court for
the entry of a Preliminary Order substantially in the form filed concurrently herewith as **Exhibit 42**.

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1 scheduling a hearing on the question of whether the proposed Settlement should be approved as fair,
2 reasonable, and adequate as to the Class Members, approving as to form and content the proposed Class
3 Notice attached hereto as Exhibit 21, and directing the mailing of the Class Notice to Class Members.
4 While Defendants can reserve their right to object to facts or assertions made in the moving papers,
5 Defense Counsel shall file a notice of non-opposition to the granting of the Motion for Preliminary
6 Approval or join in the motion, and be given a chance to review the motion for preliminary approval and
7 the motion for final approval prior to filing.

8 **XI. MISCELLANEOUS PROVISIONS**

9 11.1 Voiding the Stipulation. Pending Court approval and other than as provided in Section VII
10 (entitled "NULLIFICATION OF THIS STIPULATION") herein, if any of the conditions set forth in this
11 Stipulation are not met and satisfied, this Stipulation shall, at the option of either Plaintiff or
12 ~~Defendant~~Defendants, be ineffective, void, and of no further force and effect, and shall not be used or be
13 admissible in any subsequent proceeding, either in this Court or in any other court or forum. ~~If either Party~~
14 ~~decides~~If any of the Parties decide to void the Settlement, then the Settlement and conditional class
15 certification shall be considered void, and neither the Settlement, Stipulation, conditional class
16 certification, nor any of the related negotiations or proceedings, shall be of any force or effect, and the
17 Parties shall stand in the same position, without prejudice, as if this Stipulation had been neither entered
18 into nor filed with the Court. Should either Party choose to void the Settlement under this paragraph, such
19 party shall be responsible for all Administration Expenses actually incurred up to the time such Party
20 sought to void the Settlement. If both Defendants and Plaintiff choose to void the Settlement under this
21 paragraph, each shall be responsible for their/her/his/its proportionate share of the Administration Fees
22 actually incurred.

23 11.2 No Prior Assignments. The Parties represent, covenant, and warrant that they have not
24 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to
25 any person or entity any portion of any liability, claim, demand, action, cause of action, or right herein
26 released and discharged except as set forth herein.

27 11.3 Non-Admission. Nothing in this Stipulation shall be construed as or deemed to be an
28 admission by any Party of any liability, culpability, negligence, or wrongdoing toward any other Party, or

any other person, and the Parties specifically disclaim any liability, culpability, negligence, or wrongdoing toward each other or any other person. Each of the Parties has entered into this Stipulation with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and contingencies. Nothing herein shall constitute any admission by the Released Parties of wrongdoing or liability, or of the truth of any factual allegations in the Action. Nothing herein shall constitute any admission by the Released Parties regarding the merits of the claims in this Action, including but not limited to claims for unpaid wages or other compensation, benefits or penalties under California and/or federal law. Nothing herein shall constitute an admission by the Released Parties that the Action was properly brought as a class or representative action other than for settlement purposes. To the contrary, the ~~Released Parties~~Defendants have denied and continue to deny each and every material factual allegation and all claims. To this end, the Settlement of the Action, the negotiation and execution of this Stipulation, and all acts performed or documents executed pursuant to or in furtherance of this Stipulation or the Settlement are not, shall not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or liability on the part of the Released Parties or of the truth of any of the factual allegations in the Complaint in the Action; and are not, shall not be deemed to be, and may not be used as, an admission or evidence of any fault or omission on the part of the Released Parties in any civil, criminal or administrative proceeding in any court, administrative or governmental agency or other tribunal.

11.4 No Publicity.

(a) Plaintiff and ~~Defendant~~Defendants, and their respective counsel, recognize, and accept that the Parties to this Stipulation desire that information regarding the terms of this Stipulation, the fact of the Settlement embodied in this Stipulation, the disposition of the Action, the Action, and all matters relating to the litigation of the Action, including discovery proceedings therein, and evidence obtained during the course of the Action, shall be provided to the Class by way of the Court-approved Class Notice and public access to Court records in the Action, and that this information shall not otherwise be discussed with or presented to the media or press.

(b) Further, Plaintiff and her counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry or have any communication with the press

1 about the Action, and/or the fact, amount or terms of the Settlement. Before the date of the filing of the
2 motion for preliminary approval of the Settlement, Plaintiff and ~~her counsel~~Class Counsel will not initiate
3 any contact with Class Members or anyone else about the Settlement, except that: (a) Class Counsel, if
4 contacted by a Class Member, may respond that a settlement has been reached and that the details will be
5 communicated in a forthcoming Court-approved notice; and (b) the Plaintiff, if contacted by a Class
6 Member, may respond only that the Class Member should contact Class Counsel.

7 11.5 Non-Retaliation. Defendants understand and acknowledge that they have a legal obligation
8 not to retaliate against any Class Member who elects to participate in the Settlement or elects to opt out
9 of the Settlement. Defendants will refer any inquiries regarding this Settlement to the Settlement
10 Administrator or Class Counsel and will not discourage Class Members who are currently working for
11 ~~Seven-Forty-One Company, Inc.~~Defendants, directly or indirectly, from making claims, opting out or
12 objecting to the Class Settlement.

13 11.6 Construction. The Parties hereto agree that the terms and conditions of this Stipulation are
14 the result of lengthy, intensive, arms-length non-collusive negotiations between the Parties and that this
15 Stipulation is not to be construed in favor of or against any Party by reason of the extent to which any
16 Party or its counsel participated in the drafting of this Stipulation. If any of the dates in the Stipulation fall
17 on a weekend, bank or court holiday, the time to act shall be extended to the next business day. Except
18 that should the Response Deadline (or extension(s) thereof specified in the Stipulation relating to a
19 deficiency notice or a re-mailing) fall on a Saturday and regular U.S. Mail service is in operation that day,
20 then no further extension pursuant to this paragraph shall apply to these specific deadlines. The language
21 of all parts of this Stipulation shall in all cases be construed as a whole, according to its fair meaning, and
22 not strictly for or against either Party. No Party shall be deemed the drafter of this Stipulation. The Parties
23 acknowledge that the terms of the Stipulation are contractual and are the product of negotiations between
24 the Parties and their counsel. Each Party and ~~her~~his/its counsel cooperated in the drafting and preparation
25 of the Stipulation. In any construction to be made of the Stipulation, the Stipulation shall not be construed
26 against any Party and the canon of contract interpretation set forth in California Civil Code § 1654 shall
27 not be applied.
28

1 11.7 Governing Law. The Stipulation and the exhibits hereto shall be considered to have been
2 negotiated, executed, and delivered, and to have been wholly performed, in the State of California, and
3 the rights and obligations of the Parties to the Stipulation shall be construed and enforced in accordance
4 with, and governed by, the internal, substantive laws of the State of California without regard to conflict
5 of law principles in all respects, including execution, interpretation, performance, and enforcement.

6 11.8 Notices. Except for mailing of the Class Notice to Class Members, any and all notices or
7 other communications required or permitted under this Stipulation shall be in writing and shall be
8 sufficiently given if delivered to the Party or their counsel by U.S. certified mail, postage prepaid, e-mail,
9 facsimile, or overnight delivery addressed to the address of the Party appearing in this Stipulation.

10 11.9 Captions and Interpretations. Section titles or captions contained herein are inserted as a
11 matter of convenience and for reference only and in no way define, limit, extend, or describe the scope of
12 this Stipulation or any provision thereof.

13 11.10 Modification. This Stipulation may not be changed, altered, or modified, except in writing
14 signed by the Parties' counsel and approved by the Court. In the event that the Court requires certain
15 changes to this Stipulation, the Parties agree that such amendments can be made through a stipulation
16 signed solely by their counsel, provided that such amendment conforms precisely to the Court's order.

17 11.11 Integration Clause. The Settlement is based on ~~Defendant's~~ Defendants' representation that
18 for the period from August 12, 2016 to ~~January 14~~ August 23, 2021, there were ~~147~~ 170 Class Members
19 and ~~the 10,424~~ Workweeks ~~were 17,294.43~~. This Stipulation contains the entire agreement between the
20 Parties relating to the Settlement of the Action and the transactions contemplated thereby, and all prior or
21 contemporaneous agreements, understandings, representations, and statements, whether oral or written,
22 and whether by a party or such party's legal counsel, are hereby superseded. No rights under this
23 Stipulation may be waived except in writing executed by the Parties.

24 11.12 Successors and Assigns. This Stipulation shall be binding upon and inure to the benefit of
25 the Parties, PAGA Group Members, and Settlement Class Members ~~(excluding only persons who submit~~
26 ~~a timely and valid Request for Exclusion)~~ and their respective present and former heirs, trustees, executors,
27 administrators, representatives, officers, directors, shareholders, agents, employees, insurers, attorneys,
28 accountants, auditors, advisors, consultants, pension and welfare benefit plans, fiduciaries, parent

1 companies, subsidiaries, affiliates, related companies, joint ventures, predecessors, successors, and
2 assigns.

3 11.13 Corporate Signatories. Any person executing this Stipulation or any such related document
4 on behalf of a corporate signatory hereby warrants and promises, for the benefit of all Parties hereto, that
5 such person has been duly authorized by such corporation to execute this Stipulation or any such related
6 document.

7 11.14 Execution in Counterparts. This Stipulation shall become effective upon its execution by
8 all of the undersigned. The Parties may execute this Stipulation in counterparts, and execution of
9 counterparts shall have the same force and effect as if all Parties had signed the same instrument. Parties
10 may also execute the Stipulation by way of electronic signature or other electronic means.

11 11.15 No Third Party Beneficiaries. The Stipulation shall be binding upon, and inure to the
12 benefit of, the successors and assigns of the Parties hereto; however, this Stipulation is not designed to
13 and does not create any third party beneficiaries unless otherwise specifically provided herein.

14 ~~11.16 No Re-Employment. The Class Representative agrees to not seek employment with~~
15 ~~Defendants in the future.~~

16 ~~11.17~~ 11.16 No Cooperation with Other Claims. The Class Representative shall not cooperate
17 with, help, bring, counsel, aid, or in any manner assist any person or entity in filing or pursuing a claim,
18 complaint, class action, collective action, representative action, action, debt, promise, demand, grievance,
19 cause of action, obligation, damage, liability, or charge against ~~Defendant~~ Defendants, except as required
20 by law or regulation.

21 ~~11.18~~ 11.17 Other Claims. No person shall have any claim against the Class Representative,
22 Class Counsel, the Settlement Administrator, or any of the Released Parties based on the payments made
23 or other actions taken substantially in accordance with this Stipulation and the settlement contained herein
24 or further orders of the Court.

25 ~~11.19~~ 11.18 Attorney Fees, Costs and Expenses. Except as otherwise specifically provided for
26 herein, each ~~party~~ Party shall bear her or its own ~~attorney~~ attorneys' fees, costs and expenses, taxable or
27 otherwise, incurred by them in or arising out of the Action and shall not seek reimbursement thereof from
28 any other ~~party~~ Party to this Stipulation.

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1 11.2011.19 Action to Enforce Agreement. In any suit or court action to enforce the terms of
2 this Stipulation, the prevailing party shall be entitled to recover her or its attorneys' fees and costs.

3 11.2211.20 Court Retains Jurisdiction. The Court shall retain jurisdiction with respect to
4 implementation and enforcement of the terms of the Stipulation, and all parties hereto submit to the
5 jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in the
6 Stipulation.

7 11.2221 Additional Material Terms. If any of the following material terms are not met,
8 this Stipulation shall be void: (1) Defendants are to provide Plaintiff a draft of Plaintiff's Memorandum
9 of Points and Authorities in support of Preliminary Approval of Class and Representative Action
10 Settlement; (12) Defendants are to file Plaintiff's Memorandum of Points and Authorities in support of
11 Preliminary Approval of Class and Representative Action Settlement by August 31, 2021; (3) the Motion
12 for Preliminary Approval of Class and Representative Action Settlement is currently set for December 15,
13 2021; the Parties will request from the Court an earlier hearing date for Plaintiff's Motion for Preliminary
14 Approval of Class and Representative Action Settlement; and (4) Defendants are to provide Plaintiff a
15 draft Notice of Proposed Class Action Settlement and Hearing Date for Court Approval.

16 IN WITNESS WHEREOF, the Parties and their counsel have executed this Stipulation on the date
17 below their signatures or the signature of their representatives. The date of the Stipulation shall be the date
18 of the latest signature.

19 THIS STIPULATION HAS BEEN READ AND AGREED TO INDIVIDUALLY AND ON
20 BEHALF OF THE PROPOSED CLASS:

21 _____
22 Plaintiff Vanessa Gonzalez
23 ##
24 ##
25

Dated: _____, 2022

26 READ AND AGREED TO ON BEHALF OF SEVEN FORTY ONE COMPANY, INC.;

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3 By: _____

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5 READ AND AGREED TO ON BEHALF OF MR. STAX, INC.:

6

7 _____ Dated: _____, 2021~~2022~~

8 By: _____

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JOINT STIPULATION AND AGREEMENT FOR CLASS ACTION SETTLEMENT AND RELEASE

ClarkHill\61849\413919\266359806.v3-4/26/22

1 _____ Dated: _____, 20212022

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3 By: _____

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5 READ AND AGREED TO ON BEHALF OF MR. STAX, INC.:

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7 _____ Dated: _____, 20212022

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JOINT STIPULATION AND AGREEMENT FOR CLASS ACTION SETTLEMENT AND RELEASE

ClarkHill\61849\413919\266359806.v3-4/26/22

1 _____ Dated: _____, 2021~~2022~~

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3 By: _____

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5 READ AND AGREED TO ON BEHALF OF MR. STAX, INC.:

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7 _____ Dated: _____, 2021~~2022~~

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JOINT STIPULATION AND AGREEMENT FOR CLASS ACTION SETTLEMENT AND RELEASE

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JOINT STIPULATION AND AGREEMENT FOR CLASS ACTION SETTLEMENT AND RELEASE

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1 _____ Dated: _____, 20212022

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3 By: _____

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5 READ AND AGREED TO ON BEHALF OF MR. STAX, INC.:

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JOINT STIPULATION AND AGREEMENT FOR CLASS ACTION SETTLEMENT AND RELEASE

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JOINT STIPULATION AND AGREEMENT FOR CLASS ACTION SETTLEMENT AND RELEASE
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I am employed in Los Angeles County, State of California. I am over the age of 18 and not a party to this action. My business address is 555 South Flower Street, 24th Floor, Los Angeles, California 90071.

■ BY ELECTRONIC SERVICE VIA CASE ANYWHERE - I caused the above-entitled document to be served through Case Anywhere addressed to all parties appearing on the Case Anywhere electronic service list for the above-entitled case. The file transmission was reported as completed and a copy of the Case Anywhere Service Receipt page(s) will be maintained with the original document in our office.

Ryan C. McKim

Ryan C. McKim , State Bar No. 265941
CLARK HILL, LLP
555 South Flower Street, 24th Floor
Los Angeles, California 90071
Telephone: (213) 417-5336
Facsimile: (213) 488-1178
Email: rmckim@clarkhill.com
Web: www.clarkhill.com

Attorneys for Defendants

**SUPERIOR COURT FOR THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

VANESSA GONZALEZ, individually, and
on behalf of all others similarly situated,

Plaintiff,

vs.

SEVEN FORTY ONE COMPANY, INC.,
MR. STAX, INC., and DOES 1 through
100, inclusive,

Defendants.

Case No.: 20STCV30761

CLASS ACTION

*Assigned for All Purposes to Hon. Maren
Nelson, Department 17*

**DECLARATION OF PLAINTIFF
VANESSA GONZALEZ IN SUPPORT
OF MOTION FOR PRELIMINARY
APPROVAL OF CLASS AND
REPRESENTATIVE ACTION
SETTLEMENT**

Complaint Filed: August 12, 2020
Motion for Preliminary
Approval Hearing Date: May 23, 2022

DECLARATION OF PLAINTIFF VANESSA GONZALEZ

I, Vanessa Gonzalez, hereby declare as follows:

1. I have personal knowledge of the facts set forth in this declaration and could and would competently testify to them under oath if called as a witness.

2. I am the named Plaintiff in this action and submit this declaration in support of Motion for Preliminary Approval of Class and Representative Action Settlement ("Motion for Preliminary Approval" or "Motion"). Because I believe I have provided invaluable assistance during the course of this case, I am

hopeful that the Court will approve my request for a \$7,500 service payment as a Class Representative.

3. I worked for Defendant Seven Forty One Company, Inc. ("Defendant") at the International House of Pancakes restaurant operated at 880 S. Arroyo Pkwy, Pasadena, CA 91105, California as a food server from approximately March 2016 to 2020. At all times, Defendant paid me an hourly wage and classified me as eligible for overtime pay.

4. I filed this lawsuit because I believed I had not been paid all compensation to which I was entitled and had not been treated fairly.

5. By originating this lawsuit as a Class Representative, I hoped that I could get all the wages I earned and help other workers do the same. I also understand it is my duty as a Class Representative to represent the best interests of the class, know about the lawsuit, help my attorneys, and keep updated on the case.

6. I have invested a lot of personal time and energy while this lawsuit has been pending. I spent significant time on the phone with my attorneys to get updates about the case and provide them with information. Since I first got involved in this case, I had approximately 10 phone calls with my attorneys. In general, these phone calls lasted an average of about 15 minutes.

7. Before finalizing the settlement, my attorneys explained the details of the settlement to me.

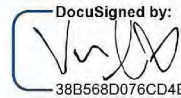
8. I believe the settlement is a good settlement and I would recommend that the Court approve it because I believe that this settlement is fair, adequate, and reasonable. I am glad that I had the opportunity to represent the class in this lawsuit and that I was able to recover money through a settlement for the class.

9. I understand that the settlement agreement provides a service payment in the amount of \$7,500 to me as a Class Representative. I believe this amount is fair compensation for my time and effort on this case, for helping to prosecute this case. In addition, the settlement requires that I enter into a general release, which I understand is broader than the release that will bind other class members. I am receiving no compensation additional to that provided for in the settlement.

10. I respectfully request that the Court award me a \$7,500 service payment.

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

Executed on 4/28/2022, 2022, at Downey, CA, California.

DocuSigned by:

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Vanessa Gonzalez

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Los Angeles Superior Court, Case No. 20STCV30761

On April 29, 2022, I served the foregoing document, described as “DECLARATION OF PLAINTIFF VANESSA GONZALEZ IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT” on the interested parties in said action by electronic service.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on April 29, 2022, at Los Angeles, California.

Ryan C. McKim
Ryan C. McKim

Ryan C. McKim, Esq., SBN 265941
CLARK HILL LLP
555 South Flower Street, 24th Floor
Los Angeles, CA 90071
Telephone: (213) 891-9100
Facsimile: (213) 488-1178
RMcKim@ClarkHill.com

Attorneys for Defendants Seven Forty One Company,
Inc. and Mr. Stax, Inc.

**SUPERIOR COURT FOR THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

VANESSA GONZALEZ, individually, and
on behalf of all others similarly situated,

Plaintiff,

vs.

SEVEN FORTY ONE COMPANY, INC.,
MR. STAX, INC., and DOES 1 through
100, inclusive,

Defendants

Case No.: 20STCV30761

CLASS ACTION

*Assigned for All Purposes to Hon. Maren
Nelson, Department 17*

**PROOF OF SUBMISSION TO THE
LWDA OF PROPOSED SETTLEMENT
AGREEMENT AND OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
AND REPRESENTATIVE ACTION
SETTLEMENT**

Hearing Date: May 23, 2022
Time: 9:00 a.m.

Complaint Filed: August 12, 2020
Trial date: None.

1 I, Ryan McKim, am employed in Los Angeles County, State of California. I am over the age of
2 18 and not a party to this action. My business address is 555 South Flower Street, 24th Floor, Los
3 Angeles, California 90071.

4 On April 29, 2022, I submitted the following documents to the Labor & Workforce Development
5 Agency via its online portal, which is available at <https://dir.tfaforms.net/315>.

- 6 1. NOTICE OF MOTION AND MOTION FOR: (1) PRELIMINARY APPROVAL OF CLASS
7 AND REPRESENTATIVE ACTION SETTLEMENT; (2) PROVISIONAL
8 CERTIFICATION OF THE SETTLEMENT CLASS; (3) APPROVAL OF CLASS NOTICE
9 AND NOTICE PLAN; (4) APPOINTMENT OF CLASS COUNSEL AND CLASS
10 REPRESENTATIVE; (5) APPOINTMENT OF SETTLEMENT ADMINISTRATOR; AND
11 (6) SETTING A FINAL APPROVAL HEARING
- 12 2. MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION FOR
13 PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION
14 SETTLEMENT
- 15 3. DECLARATION OF RYAN C. MCKIM IN SUPPORT OF MOTION FOR
16 PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION
17 SETTLEMENT
- 18 4. DECLARATION OF CODY A. BOLCE IN SUPPORT OF MOTION FOR PRELIMINARY
19 APPROVAL OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT
- 20 5. DECLARATION OF SETTLEMENT ADMINISTRATOR IN SUPPORT OF MOTION
21 FOR PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION
22 SETTLEMENT
- 23 6. DECLARATION OF SCOTT EDWARD COLE IN SUPPORT OF MOTION FOR
24 PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION
25 SETTLEMENT
- 26 7. DECLARATION OF PLAINTIFF VANESSA GONZALEZ IN SUPPORT OF MOTION
27 FOR PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION
28 SETTLEMENT

- 1 8. PROOF OF SUBMISSION TO THE LWDA OF PROPOSED SETTLEMENT
2 AGREEMENT AND OF MOTION FOR PRELIMINARY APPROVAL [this document]
3 9. [PROPOSED] ORDER GRANTING UNOPPOSED MOTION FOR: (1) PRELIMINARY
4 APPROVAL OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT; (2)
5 PROVISIONAL CERTIFICATION OF THE SETTLEMENT CLASS; (3) APPROVAL OF
6 CLASS NOTICE AND NOTICE PLAN; (4) APPOINTMENT OF CLASS COUNSEL AND
7 CLASS REPRESENTATIVE; (5) APPOINTMENT OF SETTLEMENT
8 ADMINISTRATOR; AND (6) SETTING A FINAL APPROVAL HEARING

9 I declare under penalty of perjury under the laws of the State of California that the above is true
10 and correct. Executed on April 29, 2022, at Los Angeles, California.

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12 _____
13 Ryan C. McKim
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I am employed in Los Angeles County, State of California. I am over the age of 18 and not a party to this action. My business address is 555 South Flower Street, 24th Floor, Los Angeles, California 90071.

■ BY ELECTRONIC SERVICE VIA CASE ANYWHERE - I caused the above-entitled document to be served through Case Anywhere addressed to all parties appearing on the Case Anywhere electronic service list for the above-entitled case. The file transmission was reported as completed and a copy of the Case Anywhere Service Receipt page(s) will be maintained with the original document in our office.

Ryan C. McKim

Ryan C. McKim, State Bar No. 265941
CLARK HILL LLP
555 South Flower Street, 24th Floor
Los Angeles, California 90071
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Facsimile: (213) 488-1178
Email: rmckim@clarkhill.com

Attorneys for Defendants Seven Forty One Company,
Inc. and Mr. Stax, Inc.

**SUPERIOR COURT FOR THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

VANESSA GONZALEZ, individually, and
on behalf of all others similarly situated,

Plaintiff,

vs.

SEVEN FORTY ONE COMPANY, INC.,
MR. STAX, INC., and DOES 1 through
100, inclusive,

Defendants.

Case No.: 20STCV30761

CLASS ACTION

*Assigned for All Purposes to Hon. Maren
Nelson, Department 17*

**[PROPOSED] ORDER GRANTING
UNOPPOSED MOTION FOR: (1)
PRELIMINARY APPROVAL OF CLASS
AND REPRESENTATIVE ACTION
SETTLEMENT; (2) PROVISIONAL
CERTIFICATION OF THE
SETTLEMENT CLASS; (3) APPROVAL
OF CLASS NOTICE AND NOTICE
PLAN; (4) APPOINTMENT OF CLASS
COUNSEL AND CLASS
REPRESENTATIVE; (5)
APPOINTMENT OF SETTLEMENT
ADMINISTRATOR; AND (6) SETTING A
FINAL APPROVAL HEARING**

Complaint Filed: August 12, 2020

Motion for Preliminary

Approval Hearing Date: May 23, 2022

The Unopposed Motion for Preliminary Approval of Class and Representative Action Settlement
with Plaintiff Vanessa Gonzalez and Defendants Seven Forty One Company, Inc. and Mr. Stax, Inc.

(collectively, “Defendants”) came before this Court on May 23, 2022. The Court, having considered the proposed Joint Stipulation and Agreement for Class and Representative Action Settlement and Release (the “Settlement Agreement”), the Unopposed Motion for Preliminary Approval, and all papers filed in support of Plaintiff’s Unopposed Motion for Preliminary Approval, **HEREBY ORDERS THE FOLLOWING:**

1. The Court grants preliminary approval of the Settlement Agreement and preliminarily finds that: (1) the Settlement Agreement is fair and reasonable to the Class (defined below) when balanced against the possible risks of further litigation, including issues relating to class certification, liability, calculating damages, and potential appeals; (2) significant investigation, research, and litigation have been conducted, such that the parties are able to fairly evaluate their respective positions; (3) settlement at this time will avoid the substantial cost, delay and risk presented by further litigation of the action; and (4) the Settlement Agreement was reached after serious, informed, and non-collusive negotiations, which were conducted at arms’ length by counsel.

2. This Order incorporates by reference all defined terms set forth in the Settlement Agreement, which is attached as **Exhibit 1** to the Declaration of Scott Cole in Support of Unopposed Motion for Preliminary Approval of Class and Representative Action Settlement (“Cole Decl.”).

3. The Court finds that the proposed Class meets the requirements of numerosity, commonality, and typicality to justify certification, and that there is adequate and fair representation.

4. The Court grants provisional certification of the Settlement Class, for settlement purposes only.

5. The Settlement Class includes all persons who are members of the Class and who have not properly and timely opted out of the Settlement in accordance with the requirements set forth in the Class Notice and Settlement Agreement.

6. Class Members who wish to request exclusion from or object to the Settlement must follow the procedures set forth in the Settlement Agreement and Class Notice.

7. The Court approves the appointment of Plaintiff Vanessa Gonzalez as Class

Representative.

8. The Court approves the appointment of Plaintiff's Counsel from Cole & Van Note as Class Counsel.

9. The Court confirms that the notice of settlement served by Plaintiffs on the California Labor and Workforce Development Agency ("LWDA") satisfies the requirements of the Private Attorneys General Act ("PAGA").

10. The PAGA Group Members includes all allegedly aggrieved non-exempt and/or hourly-paid, current and former employees, who performed work at 880 S. Arroyo Pkwy, Pasadena, CA 91105 and/or 25060 Avenue Stanford, Suite 200, Valencia, CA 91355, at any time during the PAGA Period. "PAGA Period" means the time period from June 9, 2019 through January 14, 2021.

11. The Court finds that the settlement of claims under the PAGA as reflected in the Settlement Agreement to be fair and reasonable and in compliance with all the requirements of California law.

12. The Court approves the form and content of the Notice of Proposed Class Action Settlement, in substantially the form attached to the Settlement Agreement as **Exhibit 1** and finds that the proposed method of disseminating the Class Notice meets all the due process requirements; provides the best notice practicable under the circumstances; constitutes notice that is reasonably calculated, under the circumstances, to apprise Class Members of the pendency of the Action and their right to exclude themselves from or object to the proposed Settlement and to appear at the Final Approval Hearing; is reasonable and constitutes due, adequate, and sufficient notice to all Class Members; and meets all applicable requirements under California law, due process, and any other applicable rules or law.

13. The Court preliminarily approves the definition and disposition of the Gross Settlement Amount of \$190,000.00, which is inclusive of (1) all Individual Settlement Payments to participating Settlement Class Members; (2) the Service Award to the Class Representative, not to exceed \$7,500.00; (3) Class Counsel's Attorneys' Fees and Expenses, not to exceed \$66,500 in fees and not to exceed \$20,000.00 in litigation costs and expenses actually incurred; (4) Settlement Administration Expenses actually incurred and not to exceed \$9,351; and (5) the PAGA Payment of \$5,000.00, of which \$3,750.00

will be paid to the LWDA and \$1,250 will be paid to PAGA Group Members.

14. The Court approves the retention of Simpluris as the Settlement Administrator, to be paid out of the Gross Settlement Amount, and hereby directs Simpluris to provide the approved Class Notice to Class Members and administer the Settlement in accordance with the procedures set forth in the Settlement Agreement and Implementation Schedule set forth below.

15. In the event the Settlement does not become effective in accordance with the terms of the Settlement Agreement, or the Settlement is not finally approved by this Court, is not approved in whole or in part by the Court or any appellate court and/or other court of review, or is terminated, cancelled or fails to become effective for any reason, this Order shall be rendered null and void and shall be vacated, except the Parties shall revert to their respective positions as of the commencement of the litigation, and the Settlement Agreement and the fact that it was entered into shall not be offered, received, or construed as an admission or as evidence for any purpose, including but not limited to an admission by any Party of liability or non-liability or of the certifiability of a litigation class or the appropriateness of maintaining a representative action.

16. The Court hereby imposes a stay on all litigation of the Action pending the Final Approval Hearing and prohibits Plaintiff from instituting, commencing, or prosecuting any claims covered by the Action against Defendants or the Releasees pending the Final Approval Hearing.

17. The Court Orders the following implementation schedule for further proceedings:

Deadline for Seven Forty One Company, Inc. to provide the Settlement Administrator with the following data for each Class Member: (1) the first, last, and middle name; (2) last known home Address; (3) last known phone numbers; (4) social security numbers; and (5) start and end dates of employment.	No later than <u>15 calendar days</u> after the Court enters its Preliminary Approval Order
Deadline for Settlement Administrator to mail the Class Notice to Class Members	Within <u>20 calendar days</u> of the Court entering the Preliminary Approval Order and providing authorization to send the Class Notices
Deadline for Class Members to submit a Request for Exclusion or written objection to the Settlement	Within <u>45 calendar days</u> of the postmark date of the Class Notice

1 Deadline for Class Counsel to file Plaintiff's
2 Motion for Final Approval of Class Action
3 Settlement and Award of Attorneys' Fees and
4 Costs and Class Representative Service Award

At least **16 court days** before the Final Approval
Hearing

5 The Court hereby sets a hearing date for Plaintiff Vanessa Gonzalez's Motion for Final Approval
6 of Class and Representative Action Settlement and Award of Attorney's Fees, Costs, and Class
7 Representative Service Award on: _____ at _____ a.m. in Department 17 of this
8 Court.

IT IS SO ORDERED.

9 Dated:

The Honorable Maren Nelson
Judge of the Superior Court of California

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Los Angeles Superior Court, Case No. 20STCV30761

On April 29, 2022, I served the foregoing document, described as “[PROPOSED] ORDER GRANTING UNOPPOSED MOTION FOR: (1) PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT; (2) PROVISIONAL CERTIFICATION OF THE SETTLEMENT CLASS; (3) APPROVAL OF CLASS NOTICE AND NOTICE PLAN; (4) APPOINTMENT OF CLASS COUNSEL AND CLASS REPRESENTATIVE; (5) APPOINTMENT OF SETTLEMENT ADMINISTRATOR; AND (6) SETTING A FINAL APPROVAL HEARING” on the interested parties in said action by electronic service.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on April 29, 2022, at Los Angeles, California.

Ryan C. McKim