

1 LAW OFFICES OF BUCHSBAUM & HAAG, LLP
2 BRENT S. BUCHSBAUM, ESQ. (SB# 194816)
3 brent@buchsbaumhaag.com
4 LAUREL N. HAAG (SB# 211279)
5 lauren@buchsbaumhaag.com
6 100 Oceangate, Suite 1200
7 Long Beach, California 90802
8 Phone: (562) 733-2498
9 Fax: (562) 733-2498

10 ATTORNEYS FOR PLAINTIFFS

11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES – STANLEY MOSK

MARIO SALGADO, individually, and as a
representative of other aggrieved employees,

Plaintiff,

vs.

POSITIVE INVESTMENTS, INC. a Corporation;
RAO YALAMNCHILI, an individual; and DOES
1 through 250, inclusive,

Defendants.

Case No.: 20STCV47082

*The Honorable Monica Bachner
Department 71*

**STIPULATION OF CLASS ACTION
AND PAGA SETTLEMENT AND
RELEASE**

Action Filed: 12/09/20

1 **STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE**

2 IT IS HEREBY STIPULATED, by and between Plaintiff MARIO SALGADO on behalf
3 of himself, the Settlement Class Members and the PAGA Members, on the one hand, and
4 Defendants POSITIVE INVESTMENTS, INC. and RAO YALAMNCHILI (aka RAO
5 YALAMANCHILI) on the other hand, and subject to the approval of the Court, that the above-
6 captioned Lawsuit is hereby being compromised and settled pursuant to the terms and conditions
7 set forth herein (the "Settlement," "Stipulation," or "Agreement").

8 **1. DEFINITIONS**

9 Unless otherwise defined herein, initial capitalized terms used in this Agreement shall
10 have the meanings set forth below:

11 1.1 "Class" or "Class Members" means all current and former hourly-paid or non-
12 exempt employees of Defendant, who worked at Defendant's locations in California at any time
13 from December 9, 2016 to the date of preliminary approval of the Settlement.

14 1.2 "Class Claims" means all claims and causes of action alleged in the Complaint
15 except the claim under the Private Attorneys General Act ("PAGA").

16 1.3 "Class Counsel" means Brent Buchsbaum, Esq., and Laurel N. Haag, Esq. of the
17 Law Offices of Buchsbaum & Haag, LLP.

18 1.4 "Class Counsel Costs" means expenses and costs actually incurred by Class
19 Counsel according to proof and subject to Court approval for Class Counsel's litigation and
20 resolution of this Lawsuit, not to exceed Ten Thousand Dollars (\$10,000.00). Class Counsel
21 Costs shall be paid from the Maximum Settlement Amount. Any portion of the requested Class
22 Counsel Costs that is not awarded to Class Counsel shall be a part of the Net Settlement Amount
23 and distributed to Settlement Class Members as provided in this Agreement.

24 1.5 "Class Information" means information regarding Class Members and PAGA
25 Members that Defendants will in good faith compile from its records to provide only to the
26 Settlement Administrator. Class Information shall be provided as a password-protected,
27 Microsoft Excel spreadsheet and shall include each Class Member's: (a) full name; (b) last known
28 address; (c) last known telephone number; (d) Social Security number; (e) start date of

1 employment and/or assignment at Defendant Positive Investments, Inc.; (f) end date of
2 employment and/or assignment at Defendant; and (g) Compensable Weeks (as defined below in
3 Paragraph 1.11), but only if such information is reasonably available to Defendants. Because
4 Social Security numbers are included in the Class Information, the Settlement Administrator shall
5 maintain the Class Information in confidence, it shall be transmitted in password-protected file(s),
6 and access shall be limited to those with a need to use the Class Information as part of the
7 administration of the Settlement. The Class Information shall not be provided to Class Counsel
8 for any purpose.

9 1.6 "Class Counsel Award" means attorneys' fees for Class Counsel's litigation and
10 resolution of this Lawsuit not to exceed thirty-three and one-third percent (33-1/3%) of the
11 Maximum Settlement Amount (or Eighty-Three Thousand, Two Hundred and Fifty Dollars and
12 no Cents (\$83,250.00), subject to approval by the Court. The Court shall review the requested
13 amount of the Class Counsel Award, and the approved amount shall be paid from the Maximum
14 Settlement Amount. Any portion of the requested Class Counsel Award that is not awarded to
15 Class Counsel shall be a part of the Net Settlement Amount and distributed to Settlement Class
16 Members as provided in this Agreement.

17 1.7 "Class Period" means the period from December 9, 2016 through and including
18 the Preliminary Approval Date.

19 1.8 "Class Representative" means Plaintiff Mario Salgado.

20 1.9 "Class Settlement Payment" means the net amount paid by way of check to each
21 Settlement Class Member for their release of the Released Class Claims. The Class Settlement
22 Payment Amounts shall be calculated pursuant to Paragraph 3.11.

23 1.10 "Compensable Pay Periods" means all pay periods in which a PAGA Member
24 performed work for Defendant in California during the PAGA Period (as defined below in
25 Paragraph 1.26).

26 1.11 "Compensable Weeks" means all weeks in which a Class Member performed work
27 for Defendants in California during the Class Period.
28

1 1.12 "Court" shall mean the Superior Court of California for the County of Los
2 Angeles.

3 1.13 "Defendants" means Positive Investments, Inc. and Rao Yalamnchili (aka Rao
4 Yalamanchili)

5 1.14 "Defense Counsel" or "Counsel for Defendants" means Trinity Taylor, Esq., of
6 Fishman, Larsen & Callister, 7112 North Fresno Street, Suite 450, Fresno, CA 93720.

7 1.15 "Effective Date" means the latest of the following dates: (i) the date that the
8 deadline for seeking appellate review of the Court's Final Approval Order and Judgment has
9 passed without the filing of a timely appeal or timely request for review, or, if an appeal of the
10 Court's Final Approval Order and Judgment is commenced, then (ii) the date that the Court of
11 Appeal or the California Supreme Court has rendered a final ruling affirming the Court's Final
12 Approval Order and Judgment without material modification.

13 1.16 "Enhancement Award" means the amount approved by the Court to be paid to the
14 Class Representative in recognition of his effort and time as Class Representative. Class Counsel
15 shall seek an Enhancement Award for Plaintiff of up to Five Thousand Dollars (\$5,000).
16 Defendants agree not to oppose the motion by Plaintiff for said Enhancement Award, so long as
17 the requested Enhancement Award does not exceed this amount. Any portion of the requested
18 Enhancement Award that is not awarded shall be a part of the Net Settlement Amount and
19 distributed to Settlement Class Members as provided in this Agreement.

20 1.17 "Final Approval Hearing" means the hearing held on the motion for final approval
21 of the Settlement.

22 1.18 "Final Approval Order and Judgment" means the Court's entry of an order
23 granting final approval of the Settlement and entering judgment in this Lawsuit based thereon, in
24 conformity with California Rules of Court rule 3.769(h).

25 1.19 "Lawsuit" and "Complaint" means the wage-and-hour class and representative
26 action Plaintiff filed on December 9, 2020 and amended on March 19, 2021, entitled *Mario*
27

1 *Salgado v. Positive Investments, Inc.*, et al, now pending in the Superior Court of California for
2 the County of Los Angeles, Case No. 20STCV47082

3 1.20 "LWDA Letters" means Plaintiff's August 12, 2020 notice to the Labor and
4 Workforce Development Agency ("LWDA") alleging violations of the Labor Code, including,
5 but not limited to sections 201-204, 206-208, 210, 218.5, 218.6, 221, 223, 224, 225.5, 226, 226.3,
6 226.7, 226.8, 510, 512, 515, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198,, and 2800-
7 2804, 2810.5. et al.

8 1.21 "LWDA Payment" means 75% of the PAGA Payment, which will be paid to the
9 California Labor Workforce Development Agency ("LWDA") per California Labor Code
10 section 2699(i).

11 1.22 "Maximum Settlement Amount" means Two Hundred and Fifty Thousand Dollars
12 (\$250,000.00). Defendants' obligation to fund the Maximum Settlement Amount is limited to
13 \$250,000.00 plus the employer's share of payroll taxes as set forth in Paragraphs 2.7 and 3.11.3.
14 No portion of the Maximum Settlement Amount will revert to Defendants.

15 1.23 "Net Settlement Amount" means the amount of monies available for distribution to
16 Settlement Class Members, which shall be the Maximum Settlement Amount less the Class
17 Counsel Award, Class Counsel Costs, Enhancement Award, Settlement Administration Costs,
18 and PAGA Payment.

19 1.24 "Notice of Class Action Settlement" or "Class Notice" means the Notice of Class
20 Action Settlement, substantially in the form attached hereto as **Exhibit A**.

21 1.25 "PAGA Members" means all current and former hourly-paid or non-exempt
22 employees of Defendants, and all current and former employees who worked at Defendants'
23 locations in California at any time from August 12, 2019 to the date of preliminary approval of
24 the Settlement,

25 1.26 "PAGA Payment" means the allocation of Twenty-Five Thousand Dollars
26 (\$25,000.00), payable from the Maximum Settlement Amount, subject to approval by the Court,
27 for penalties under PAGA. 75% of the PAGA Payment is the LWDA Payment and will be paid to
28 the LWDA.

1 The remaining 25% of the PAGA Payment is the PAGA Settlement Payment and will be paid to
2 PAGA Members as described in Paragraph 3.11.4.

3 1.27 "PAGA Period" means the period from August 12, 2019 through and including the
4 Preliminary Approval Date.

5 1.28 "PAGA Settlement Payment" means the amount payable to each PAGA Member
6 for the release of his or her Released PAGA Claims, regardless of whether the PAGA Member
7 objects, opts out, or otherwise excludes himself or herself from the release of Released Class
8 Claims. The amount of the PAGA Settlement Payment distributed to each PAGA Member shall
9 be calculated pursuant to Paragraph 3.11.4 herein.

10 1.29 "Parties" means Plaintiff and Defendants, collectively, and "Party" shall mean
11 either Plaintiff or Defendants, respectively.

12 1.30 "Plaintiff" means Mario Salgado

13 1.31 "Preliminary Approval" or "Preliminary Approval Date" means the date the Court
14 enters an Order preliminarily approving the Settlement.

15 1.32 "Preliminary Approval Order" means the Order granting preliminary approval of
16 the Settlement.

17 1.33 "Released Class Claims" means any and all California state and federal law wage-
18 and-hour claims, rights, demands, liabilities, and/or causes of action of every nature and
19 description, arising from or related to any and all claims during the Class Period that were
20 asserted or could have been asserted based on the facts alleged in the Complaint, including,
21 without limitation, statutory, constitutional, contractual, and/or common law claims for wages,
22 reimbursements, damages, unpaid costs, penalties, premiums, liquidated damages, punitive
23 damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief. The
24 aforementioned release of claims arising under federal law applies only to those Settlement Class
25 Members who affirmatively acknowledge such release pursuant to 29 U.S.C. § 216(b) by cashing
26 their settlement check (as set forth in Paragraph 3.1.1).
27
28

1 1.34 “Released PAGA Claims” means any and all individual and representative claims
2 during the PAGA Period under California Labor Code section 2698, *et seq.* that were or could
3 have been asserted based on the facts alleged in the LWDA Letters and the Complaint, including
4 any and all claims for civil penalties based on alleged violations of the California Labor Code,
5 including, but not limited to sections 201, 202, 203, 204, 206, 207, 208, 210, 218.5, 218.6, 221,
6 222, 223, 224, 225.5, 226, 226.3, 226.7, 226.8, 510, 512(a), 551, 552, 558, 750, 750.5, 1174,
7 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 1720.9, 1771, 1775, 1776, 1777.5,
8 2800-2804, and 2810.5, any applicable IWC Wage Order, and any resulting claim for attorneys’
9 fees and costs under PAGA.

10 1.35 “Released Parties” means Positive Investments, Inc. and all of its current and
11 former parents, subsidiaries, predecessors and successors, and any affiliated entities that share
12 common management or ownership, and each of their respective officers, directors, employees,
13 partners, managers, shareholders, and agents, and any other successors, assigns, or legal
14 representatives, including without limitation Rao Yalamanchili. “Request for Exclusion” means a
15 Class Member’s request to be excluded from the Class Settlement Payment that is made in
16 conformity with this Agreement, the instructions in the Class Notice, and the Court’s orders, and
17 that results in the Class Member not being bound by the Released Class Claims. A Request for
18 Exclusion shall not apply to eligible Class Members’ (i.e., PAGA Members) receipt of a PAGA
19 Settlement Payment and such Class Members shall remain bound by the Released PAGA Claims
20 regardless of their Request for Exclusion from the Class Settlement Payment.

21 1.36 “Response Deadline” means the date that is thirty (30) calendar days after the
22 Settlement Administrator mails the Class Notice to Class Members and the last date on which
23 Class Members eligible for Class Settlement Payments only may: (a) postmark or fax a Request
24 for Exclusion to the Settlement Administrator; (b) postmark or fax a Notice of Objection (as set
25 forth in Paragraph 3.7) to the Settlement to the Settlement Administrator; or (c) postmark or fax a
26 Dispute (as set forth in Paragraph 3.5) to the Settlement to the Settlement Administrator.
27
28

1 1.37 "Settlement Account" means the account established by the Settlement
2 Administrator pursuant to the terms of this Stipulation into which all monies funded by
3 Defendants under the terms of the Settlement shall be deposited and from which all monies
4 payable under the terms of this Settlement shall be paid, as set forth herein.

5 1.38 "Settlement Administration Costs" means the amount to be paid to the Settlement
6 Administrator from the Maximum Settlement Amount for the administration of the Settlement.
7 The Settlement Administration Costs amount is presently estimated not to exceed Six Thousand
8 One Hundred Dollars (\$6,100.00). If the Settlement Administration Costs are awarded in an
9 amount less than Six Thousand One Hundred Dollars (\$6,100.00), the unawarded portion shall be
10 a part of the Net Settlement Amount and distributed to Settlement Class Members as provided in
11 this Agreement.

12 1.39 "Settlement Administrator" means Simpluris.

13 1.40 "Settlement Class Members" or "Settlement Class" means all Class Members who
14 do not submit a valid and timely Request for Exclusion.

15 2. **RECITALS**

16 2.1 Description and Procedural Posture of the Litigation. On August 12, 2020, Mario
17 Salgado submitted a letter to the LWDA alleging that Defendants had violated certain provisions
18 of the Labor Code and seeking civil penalties on behalf of himself and other purported aggrieved
19 employees. Additionally, Salgado filed the Lawsuit on December 9, 2020, alleging a single claim
20 under PAGA. Thereafter, on March 19, 2021, Salgado filed a First Amended Class Action
21 Complaint with claims for: (i) unpaid overtime and minimum wages, (ii) non-compliant wage
22 statements, (iii) failure to pay all wages on a timely basis, (iv) unpaid meal period premiums, (v)
23 unpaid rest period premiums, (vi) unreimbursed business expenses, (vii) minimum wage
24 violations, (viii) violation of the California Business and Professions Code, and (ix) violation of
25 PAGA. The Parties engaged in extensive informal, confidential discovery for the purpose of
26 continuing settlement discussions. On February 16, 2020, the Parties attended a mediation with
27 Retired Judge Howard Broadman in an attempt to resolve the Lawsuit. During the mediation, the
28

1 parties accepted a mediator's proposal that resolved the Lawsuit, executed a binding and
2 enforceable Memorandum of Agreement, and agreed that a detailed, long-form Stipulation of
3 Class Action and PAGA Settlement and Release would be completed thereafter.

4 2.2 Certification of the Settlement Class. The Parties stipulate and agree to the
5 certification of this Lawsuit for purposes of this Settlement only. Should the Settlement not
6 become final and effective as herein provided, class certification shall immediately be set aside
7 (subject to further proceedings on motion of any party to certify or deny certification thereafter).
8 The Parties' willingness to stipulate to class certification as part of the Settlement shall have no
9 bearing on, and shall not be admissible in or considered in connection with, the issue of whether a
10 class should be certified in a non-settlement context in this Lawsuit and shall have no bearing on,
11 and shall not be admissible or considered in connection with, the issue of whether a class should
12 be certified in any other lawsuit.

13 2.3 Benefits of Settlement to Class Members and PAGA Members. Plaintiff and Class
14 Counsel recognize the expense and length of continued proceedings necessary to litigate their
15 disputes through trial and through any possible appeals. Plaintiff and Class Counsel have also
16 taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties
17 and delays inherent in such litigation. Plaintiff and Class Counsel are also aware of the burdens
18 of proof necessary to establish liability for the claims asserted in the Lawsuit, both generally and
19 in response to Defendants' defenses thereto (many of which have been shared during the course
20 of the Parties' extensive settlement negotiations), and potential difficulties in establishing
21 damages and entitlement to monetary recovery including civil penalties for the PAGA Members.
22 Plaintiff and Class Counsel have also taken into account Defendants' agreement to enter into a
23 settlement that confers substantial relief upon Class Members and PAGA Members based on the
24 terms set forth herein. Based on the foregoing, Plaintiff and Class Counsel have determined that
25 the Settlement set forth in this Agreement is a fair, adequate, and reasonable settlement and is in
26 the best interests of the Class Members and PAGA Members.

1 2.4 Defendants' Reasons for Settlement. Defendants have concluded that any further
2 defense of this litigation would be protracted and expensive for all Parties. Substantial amounts
3 of time, energy, and resources of Defendants have been and, unless this Settlement is made, will
4 continue to be, devoted to the defense of the claims asserted by Plaintiff. Defendants have also
5 taken into account the risks of further litigation in reaching its decision to enter into this
6 Settlement. Despite continuing to contend that it is not liable for any of the claims set forth by
7 Plaintiff in the Lawsuit, Defendants have, nonetheless, agreed to settle in the manner and upon
8 the terms set forth in this Agreement to put to rest the claims alleged in the Lawsuit.

9 2.5 Class Members' Claims. Plaintiff, on behalf of Class Members and PAGA
10 Members, has claimed and continues to claim that the Released Class Claims and Released
11 PAGA Claims have merit and give rise to liability on the part of Defendants. This Agreement
12 constitutes Plaintiff's good faith compromise of disputed claims. Nothing contained in this
13 Agreement (and exhibits/attachments hereto), no documents referred to herein, and no action
14 taken to carry out this Agreement may be construed or used as an admission by or against the
15 Class Members, PAGA Members or Class Counsel as to the merits or lack thereof of the claims
16 asserted.

17 2.6 Defendants' Defenses. Defendants have claimed and continue to claim that the
18 Released Class Claims and Released PAGA Claims have no merit and do not give rise to liability.
19 This Agreement constitutes Defendants' good faith compromise of disputed claims. Nothing
20 contained in this Agreement, no documents referred to herein, and no action taken to carry out
21 this Agreement may be construed or used as an admission by or against Defendants as to the
22 merits or lack thereof of the claims asserted.

23 2.7 Maximum Amount Payable by Defendants. Under the terms of this Settlement,
24 the maximum amount payable by Defendant shall not exceed the Maximum Settlement Amount.
25 However, notwithstanding the foregoing, in addition to the Maximum Settlement Amount,
26 Defendant Positive Investments shall also pay the employer's 10% share of payroll taxes due and
27
28

1 payable on Class Settlement Payments as a result of this Settlement, as expressed in Section
2 3.11.3.

3 **3. TERMS OF AGREEMENT**

4 The Parties agree as follows:

5 **3.1 Releases Given by Plaintiff and the Settlement Class.**

6 **3.1.1 As To All Settlement Class Members and PAGA Members.** As of the date
7 Defendants fund the Settlement (as set forth in Paragraph 3.10) all Settlement Class Members,
8 including Plaintiff, release the Released Parties from the Released Class Claims and all PAGA
9 Members, including Plaintiff, release the Released PAGA Claims. With respect to Released
10 Class Claims which arise under the Fair Labor Standards Act ("FLSA"), by endorsing, cashing,
11 and/or depositing the Class Settlement Payment check, Settlement Class Members, including
12 Plaintiff, shall be deemed to have opted-in under FLSA, 29 U.S.C. § 216(b), and shall have, by
13 operation of the Final Approval Order and Judgment, fully, finally, and forever released,
14 relinquished, and discharged each and all of the Released Parties from any and all Released Class
15 Claims that arise under the FLSA. The Settlement Administrator shall include a legend on the
16 Class Settlement Payment check stating: "By cashing this check, I am affirmatively opting into
17 the release of claims in *Mario Salgado v. Positive Investments, Inc.* Case No. 20STCV47082,
18 under FLSA, 29 U.S.C. § 216(b), and releasing the Released Class Claims described in the
19 Settlement Agreement."

20 **3.1.2 General Release of Class Representative's Claims.** Plaintiff releases and
21 discharges all Released Parties from any and all claims relating to or arising from his employment
22 with Defendant and any joint employer, including but not limited to: any and all wage-and-hour
23 claims arising under the laws of the State of California, including, without limitation, statutory,
24 employer-related tenancy, constitutional, premiums, contractual, and/or common law claims for
25 wages, damages, restitution, unreimbursed expenses, equitable relief, penalties, liquidated
26 damages, and/or punitive damages (including, without limitation, claims under any applicable
27 Industrial Welfare Commission Wage Order, the California Private Attorneys General Act, or any
28

1 other provision of the California Labor Code); 42 U.S.C. § 1981; the Americans With Disabilities
2 Act; the Family and Medical Leave Act; the Fair Labor Standards Act; the Employee Retirement
3 Income Security Act; the Occupational Safety and Health Act; the Worker Adjustment and
4 Retraining Notification Act, as amended; the California Unfair Competition Law (Cal. Bus. &
5 Prof. Code § 17200, *et seq.*); any state, civil, or statutory laws, including any and all human rights
6 laws and laws against discrimination; any other federal, state, or local statutes, codes, or
7 ordinances; any common law, contract law, or tort law cause of action; and any claims for
8 interest, attorneys' fees, and/or costs. Plaintiff expressly waives the protections of California
9 Civil Code section 1542, which reads as follows:

10 *A general release does not extend to claims that the creditor or releasing party*
11 *does not know or suspect to exist in his or her favor at the time of executing the*
12 *release and that, if known by him or her would have materially affected his or her*
13 *settlement with the debtor or released party.*

14 3.2 Tax Liability. The Parties make no representations as to the tax treatment or legal
15 effect of the payments called for hereunder, and Class Members and PAGA Members are not
16 relying on any statement or representation by the Parties in this regard. Class Members and
17 PAGA Members understand and agree that they will be responsible for the payment of any taxes
18 and penalties assessed on the payments described herein and will hold the Parties free and
19 harmless from and against any claims resulting from treatment of such payments as non-taxable
20 damages, including the treatment of such payments as not subject to withholding or deduction for
21 payroll and employment taxes.

22 3.3 Settlement Approval and Implementation Procedures. As part of this Settlement,
23 the Parties agree to the following procedures for obtaining the Court's preliminary approval of the
24 Settlement, certifying a Class for settlement purposes only, notifying Class Members and PAGA
25 Members of the Settlement, obtaining the Court's final approval of the Settlement, and processing
26 the Class Settlement Payments and PAGA Settlement Payments.
27
28

1 3.3.1 Preliminary Approval and Certification. The Parties will jointly submit
2 this Stipulation to the Court for its preliminary approval. Such submission will include this
3 Agreement, the proposed Class Notice, attached hereto as Exhibit A, and any motions,
4 memoranda, and evidence as may be necessary for the Court to determine that this Agreement is
5 fair, adequate, and reasonable. The Parties agree to request the Court to enter an order approving
6 the certification of the Class after the preliminary approval hearing in accordance with California
7 Rules of Court rule 3.769(c).

8 3.3.2 Class Information. No more than thirty (30) business days after the entry
9 of the Preliminary Approval Order, Defendant shall provide the Settlement Administrator with
10 the Class Information for purposes of administering the Settlement.

11 3.3.3 Efforts to Locate Class Members and PAGA Members. The Parties agree
12 that locating and contacting Class Members and PAGA Members is an important and material
13 aspect of the Settlement. In this regard, the Settlement Administrator shall undertake diligent
14 efforts to locate Class Members and PAGA Members and utilize the best practicable means
15 available for purposes of verifying and/or updating the current address and telephone numbers for
16 all Class Members (including skip tracing). After updating against the National Change of
17 Address Database, the address(es) identified by the Settlement Administrator as the current
18 mailing address shall be presumed to be the best mailing address for each Class Member and
19 PAGA Member. The cost of diligently attempting to find the best contact information of the
20 Class Members and PAGA Members shall be included in the Settlement Administration Costs
21 and Defendants shall not, under any circumstances, be required to pay any additional funds for
22 the investigatory duties to be performed by the Settlement Administrator.

23 3.3.4 Notice By First Class U.S. Mail. No more than fourteen (14) calendar days
24 after receiving the Class Information from Defendant as provided herein, the Settlement
25 Administrator shall mail copies of the Class Notice to all Class Members and PAGA Members by
26 First-Class U.S. Mail. Prior to mailing the Class Notices, the Settlement Administrator will use
27 the United States Postal Service National Change of Address Database to locate updated
28

1 addresses to ensure that the Class Notice is sent to all Class Members and PAGA Members at the
2 addresses most likely to result in receipt of the Class Notice. It will be conclusively presumed
3 that, if an envelope so mailed has not been returned by the Response Deadline, the Class Member
4 and/or PAGA Member received the Class Notice.

5 3.3.5 Undeliverable Notices. Any Class Notice that is returned to the Settlement
6 Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the
7 forwarding address affixed thereto, if any. If no forwarding address is provided, the Settlement
8 Administrator shall make any further reasonable efforts to obtain an updated mailing address
9 within two (2) business days of the date of the return of the Class Notice, including, without
10 limitation, conducting one skip trace search. If an updated mailing address is identified, the
11 Settlement Administrator shall re-send the Class Notice to the Class Member and/or PAGA
12 Member. Class Members to whom a Class Notice is re-sent after having been returned
13 undeliverable to the Settlement Administrator shall have fourteen (14) calendar days thereafter or
14 until the Response Deadline has expired, whichever is later, to mail or fax the Request for
15 Exclusion, Notice of Objection, or Dispute. A Class Notice that is re-sent shall inform the
16 recipient of this adjusted deadline. The date of the postmark of the submission, either based on
17 the date on the return envelope or the date of the fax stamp, shall be the exclusive means used to
18 determine whether a Class Member has timely returned his or her Request for Exclusion, Notice
19 of Objection, or Dispute. Unless otherwise agreed by the Parties, Requests for Exclusion, Notices
20 of Objection, or Disputes shall be deemed valid only if they are signed by the Class Member and
21 postmarked or fax stamped on or before the applicable deadline. If a Class Member's Class
22 Notice is returned to the Settlement Administrator more than once as non-deliverable, then the
23 Settlement Administrator shall not be required to undertake any additional re-mailing of the
24 returned Class Notice.

25 3.3.6 Compliance with the procedures specified in Paragraphs 3.3.2 through
26 3.3.5 herein shall constitute due and sufficient notice to Class Members of this Settlement and
27
28

1 shall satisfy the requirement of due process. Nothing else shall be required of, or done by, the
2 Parties, Class Counsel, and Defense Counsel to provide notice of the proposed Settlement.

3 3.4 Translation of Class Notice. A Spanish and English version of the Class Notice
4 will be mailed to each Class Member. The Settlement Administrator shall be responsible for
5 translating the Class Notice from English to Spanish. Costs of translation are included in the
6 Settlement Administration Costs.

7 3.5 Disputes. Class Members and PAGA Members will have the opportunity, should
8 they disagree with Defendant's records regarding their Compensable Weeks for their Class
9 Settlement Payment as stated on their Class Notice, to dispute this information by submitting a
10 written letter ("Dispute") to the Settlement Administrator that: (1) contains the name, address,
11 telephone number, last four digits of the Social Security number, and signature of the Class
12 Member; (2) contains the case name and number of the Lawsuit; (3) clearly indicates that the
13 Class Member seeks to dispute his or her Compensable Weeks for their Class Settlement
14 Payment; (4) provides documentation and/or an explanation to show contrary Compensable
15 Weeks; and (5) is postmarked or fax-stamped by the Response Deadline and returned to the
16 Settlement Administrator at the specified address or fax telephone number. If there is a Dispute,
17 the Settlement Administrator will consult with the Parties to determine whether an adjustment is
18 warranted. Defendant's records will be presumed determinative, but the Settlement
19 Administrator and Parties will determine whether an adjustment is warranted.

20 3.6 Requests for Exclusion (Opt Outs). The Class Notice shall state that Class
21 Members who wish to exclude themselves from the Class Settlement Payment and Released Class
22 Claims must submit a written statement to the Settlement Administrator ("Request for
23 Exclusion"). The Request for Exclusion must: (1) contain the name, address, telephone number,
24 last four digits of the Social Security number, and signature of the Class Member; (2) contain the
25 case name and number of the Lawsuit; (3) clearly indicate that the Class Member seeks to
26 exclude him or herself from the Class Settlement Payment and Released Class Claims; and (4) be
27 postmarked or fax-stamped on or before the Response Deadline and returned to the Settlement
28

1 Administrator at the specified address or fax telephone number. Any Class Member who requests
2 to be excluded from the Class Settlement Payment will not be entitled to any recovery for the
3 Class Claims under the Settlement and will not be bound by the terms of the Settlement with
4 respect to the Class Claims or have any right to object, appeal, or comment thereon. Class
5 Members who receive a Class Notice but fail to submit a valid and timely Request for Exclusion
6 shall be bound by all terms of the Settlement and any Final Approval Order and Judgment entered
7 in this Lawsuit if the Settlement is approved by the Court. No later than fourteen (14) calendar
8 days after the Response Deadline, the Settlement Administrator shall provide Defense Counsel
9 with a complete list of all members of the Class who have timely submitted Requests for
10 Exclusion. At no time shall any of the Parties or their counsel seek to solicit or otherwise
11 encourage members of the Class to submit Requests for Exclusion from the Settlement. Any
12 Class Member who submits a valid and timely Request for Exclusion shall forfeit his or her right
13 to receive a Class Settlement Payment under this Agreement, the amount of which will be part of
14 the Net Settlement Amount to be distributed to Settlement Class Members as provided in this
15 Agreement, but will still release the Released PAGA Claims and receive a PAGA Settlement
16 Payment (if eligible). If a Class Member who opts out is subject to an arbitration agreement with
17 Defendant(s), the arbitration agreement remains valid and enforceable by either Defendants or
18 Class Member.

19 3.7 Objections. The Class Notice shall state that Settlement Class Members (*i.e.*,
20 Class Members who have not excluded themselves from the Settlement) who wish to object to the
21 Class Claims Settlement must submit a written statement of objection ("Notice of Objection") on
22 or before the Response Deadline to the settlement administrator. The Notice of Objection must:
23 (1) contain the name, address, telephone number, last four digits of the Social Security number,
24 and signature of the Class Member; (2) contain the case name and number of the Lawsuit;
25 (3) clearly indicate that the Class Member seeks to object to the Class Claims Settlement; (4) state
26 the legal and factual basis for the objection; (5) state whether the Settlement Class Member
27 intends to appear at the Final Approval Hearing; and (6) be postmarked or fax-stamped on or
28

1 before the Response Deadline and returned to the Settlement Administrator at the specified
2 address or fax telephone number. The Settlement Administrator shall within five (5) calendar
3 days of receiving a Notice of Objection provide the Parties with copies of the Notices of
4 Objection. The Settlement Administrator will lodge all Notices of Objection that it receives with
5 the Court by attaching them to its declaration to be filed with the Court in support of the motion
6 for final approval of the Settlement.

7 3.8 No Solicitation of Objections or Requests for Exclusion. The Parties agree to use
8 their best efforts to carry out the terms of this Settlement. At no time shall any of the Parties or
9 their counsel seek to solicit or otherwise encourage Class Members to submit Requests for
10 Exclusion, Notices of Objection, or Disputes or to appeal from the Court's Final Approval Order
11 and Judgment.

12 Uncashed Checks. If a Settlement check is returned to the Settlement Administrator as
13 undeliverable within thirty (30) calendar days of mailing to a Settlement Class Member, the
14 Settlement Administrator shall promptly attempt to obtain a valid mailing address by performing
15 a skip trace search and, if another address is identified, shall re-mail the check to the newly
16 identified address.

17 3.9 No portion of the Maximum Settlement Amount will revert to Defendants. If a
18 Settlement check is not cashed or deposited within one hundred eighty (180) calendar days after
19 the date it is mailed to a Settlement Class Member, it will be voided. The funds associated with
20 such voided checks will be transmitted to the Unclaimed Property Fund maintained by the State
21 Controller's Office in the names of the Settlement Class Members whose checks are voided.

22 3.10 Funding and Allocation of Settlement. Defendant is required to fully fund and pay
23 Two-Hundred and Fifty Thousand Dollars (\$250,000.00) of the Maximum Settlement Amount
24 within twenty (20) calendar days of the Effective Date. Defendant shall provide the funds for the
25 Settlement to the Settlement Administrator by certified check, wire transfer, or as otherwise
26 agreed. The Settlement Administrator shall deposit the funds in the Settlement Account.
27 Distributions from the Settlement Account shall occur in conformity with the Court's Final
28

1 Approval Order and Judgment. No more than five (5) calendar days after the Settlement is fully
2 funded, the Settlement Administrator will provide the Parties with an accounting of all anticipated
3 payments and awards from the fund. Payments from the fund shall be made for: (1) the Class
4 Settlement Payment to Settlement Class Members; (2) the Enhancement Award, as specified in
5 this Agreement and approved by the Court; (3) the Class Counsel Award and Class Counsel
6 Costs, as specified in this Agreement and approved by the Court; (4) the Settlement
7 Administration Costs, as specified in this Agreement and approved by the Court; and (5) the
8 PAGA Payment (including the LWDA Payment and PAGA Settlement Payment), as specified in
9 this Agreement and approved by the Court, to the LWDA and eligible Class Members. No
10 portion of the Maximum Settlement Amount will revert to Defendants.

11 3.11 Class Settlement Payments and PAGA Settlement Payments.

12 3.11.1 Class Settlement Payments and PAGA Settlement Payments shall be
13 mailed by regular First-Class U.S. Mail to Settlement Class Members' last known mailing
14 address within thirty (30) calendar days after the Effective Date.

15 3.11.2 Each Settlement Class Member's share of the Net Settlement Amount shall
16 be paid proportionately based on their number of workweeks during the class period, and shall be
17 determined as follows:

- 18 • $\text{Workweek Value} = \text{Net Settlement Amount} \div \text{Total Workweeks}$

19 3.11.3 Class Settlement Payments (as defined in Paragraph 3.11) will be allocated
20 as follows: ten percent (10%) as wages and ninety (90%) as interest/penalties/non-wage damages.
21 The wages portion of each Class Settlement Payment will be reduced by any legally-mandated
22 deductions for payroll taxes or other required employee-side taxes and withholdings. Defendant's
23 share of any employer-related payroll taxes will be paid by Defendant separately and in addition
24 to the Maximum Settlement Amount. The Settlement Administrator shall issue the appropriate
25 tax documents associated with the Class Settlement Payments and PAGA Settlement Payments,
26 including an IRS Form W-2 for the amounts allocated as wages and an IRS Form 1099 for the
27 amounts allocated as interest/penalties/non-wage damages.
28

1 3.11.4 The PAGA Settlement Payments payable to each PAGA Member shall be
2 determined as follows:

- 3 • Pay Period Value = PAGA Settlement Amount ÷ total Compensable Pay
4 Periods
5 • Individual PAGA Settlement Payment = individual Compensable Pay
6 Periods x Pay Period Value

7 The PAGA Settlement Payments are considered to be entirely civil penalties and will be paid
8 without reduction for any taxes or other withholdings and will be reported on an IRS Form 1099
9 (if required). The Settlement Administrator shall issue the appropriate tax documents associated
10 with the PAGA Settlement Payments.

11 3.11.5 No benefit, including, but not limited to, pension benefits and/or 401(k),
12 shall increase or accrue as a result of any payment made as a result of the Settlement. Except for
13 the Class Representative's Enhancement Award, Class Members and PAGA Members are not
14 eligible to receive any compensation other than Class Settlement Payments and, if eligible, PAGA
15 Settlement Payments, as a result of this Settlement.

16 3.12 Enhancement Award. Defendants agree not to oppose or object to any application
17 or motion by Plaintiff to be appointed Class Representative and for a Class Representative's
18 Enhancement Award. Class Counsel shall seek an Enhancement Award for Plaintiff up to Five
19 Thousand Dollars (\$5,000.00). Defendants agree not to oppose the motion by Plaintiff for said
20 Enhancement Award, so long as the requested Enhancement Award does not exceed this amount.
21 Any portion of the requested Enhancement Award that is not awarded shall be a part of the Net
22 Settlement Amount to be distributed to Settlement Class Members as provided in this Agreement.
23 The Enhancement Award is intended to be in recognition of the Class Representative's efforts
24 and time as Class Representative. The Enhancement Award shall be paid to Plaintiff from the
25 Maximum Settlement Amount within thirty (30) calendar days after the Effective Date. The
26 Settlement Administrator shall issue an IRS Form 1099-MISC to Plaintiff for his Enhancement
27 Award. Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on his
28

1 Enhancement Award and shall hold harmless Defendants from any claim or liability for taxes,
2 penalties, or interest arising as a result of the Enhancement Award. The Enhancement Award
3 shall be in addition to Plaintiff's Class Settlement Payment and PAGA Settlement Payment as a
4 Class Member and PAGA Member. In the event the Court reduces or does not approve the
5 requested Enhancement Award, Plaintiff shall not have the right to revoke his agreement to the
6 Settlement, which shall remain legally binding and enforceable on the Parties.

7 3.13 Class Counsel Award and Class Counsel Costs. Defendants agree not to oppose or
8 object to any application or motion by Class Counsel for attorneys' fees not to exceed thirty-three
9 percent (33-1/3%) of the Maximum Settlement Amount (*i.e.*, \$83,250.00) and Class Counsel
10 Costs not to exceed Thirteen Thousand Dollars (\$10,000.00), as supported by declaration from
11 Class Counsel, from the Maximum Settlement Amount. Class Counsel shall be paid the Court-
12 approved Class Counsel Award and Class Counsel Costs within thirty (30) calendar days after the
13 Effective Date. Class Counsel shall be solely and legally responsible to pay all applicable taxes
14 on the payment made pursuant to this Paragraph. The Settlement Administrator shall issue an
15 IRS Form 1099-MISC to Class Counsel for the payments made pursuant to this Paragraph. In the
16 event the Court reduces or does not approve the requested Class Counsel Award and/or Class
17 Counsel Costs, the Settlement shall remain legally binding and enforceable on the Parties. Any
18 amount requested by Class Counsel for the Class Counsel Award and/or Class Counsel Costs and
19 not granted by the Court shall be included in the Net Settlement Amount before it is distributed as
20 provided in this Agreement.

21 3.14 PAGA Payment. Subject to approval by the Court, the Parties shall allocate a total
22 of Twenty-Five Thousand Dollars (\$25,000.00) for payment of penalties pursuant to PAGA per
23 California Labor Code section 2699(i) (*i.e.*, the PAGA Payment). 75% of the PAGA Payment
24 (*i.e.*, \$18,750.00) will be paid to California's Labor Workforce Development Agency ("LWDA")
25 from the Maximum Settlement Amount (*i.e.*, the LWDA Payment) by the Settlement
26 Administrator within thirty (30) calendar days after the Effective Date. The remaining 25% of
27 the PAGA Payment (\$6,250) shall be distributed to PAGA Members as described in Paragraph
28

1 3.11.4 (*i.e.*, the PAGA Settlement Payment). It is intended by the Parties that the LWDA
2 Payment shall satisfy the distribution requirements of Cal. Lab. Code § 2698, *et seq.* If the Court
3 awards a lesser amount for the PAGA Payment, then the LWDA Payment shall be adjusted to
4 75% of the Court-approved amount, and the PAGA Settlement Payment shall be adjusted to 25%
5 of the Court-approved amount.

6 3.15 Option to Terminate Settlement. If, after the Response Deadline and before the
7 Final Approval Hearing, the number of individuals who submitted timely and valid Requests for
8 Exclusion from the Settlement exceeds ten percent (10%) of all Class Members, Defendant shall
9 have, in its sole discretion, the option to rescind this Settlement within ten (10) days of being
10 informed, in writing, of this information, by the Settlement Administrator. If Defendant exercises
11 its option to terminate this Settlement, Defendant shall pay all Settlement Administration Costs
12 incurred up to the date of termination. If the option to terminate this Settlement is exercised by
13 Defendant, Defendant shall exercise it by providing written notice to Class Counsel, in
14 conformity with Paragraph 3.35 herein.

15 3.16 Settlement Administration Costs. The Settlement Administrator shall be paid for
16 the costs of administration of the Settlement from the Maximum Settlement Amount. Such costs
17 of administration are estimated not to exceed Six Thousand One Hundred Dollars (\$6,100.00).
18 No fewer than twenty-one (21) calendar days prior to the Final Approval Hearing, the
19 Settlement Administrator shall provide the Parties with a statement detailing the costs of
20 administration. The Settlement Administrator, on Defendants' behalf, shall have the authority
21 and obligation to make payments, credits, and disbursements, including payments and credits
22 in the manner set forth herein, to Settlement Class Members and PAGA Members calculated
23 in accordance with the methodology set out in this Agreement and orders of the Court. The
24 Parties agree to cooperate in the Settlement administration process and to make all reasonable
25 efforts to control and minimize the cost and expenses incurred in administration of the
26 Settlement. The Parties each represent they do not have any financial interest in the
27 Settlement Administrator or otherwise have a relationship with the Settlement Administrator
28 that could create a conflict of interest.

1 Settlement Administrator shall be responsible for: processing and mailing payments to Plaintiff,
2 Class Counsel, Class Members, PAGA Members, and the LWDA; printing and mailing the Class
3 Notice to the Class Members as directed by the Court; receiving and reporting the Requests for
4 Exclusion, Disputes, or Notices of Objection submitted by Class Members (including providing
5 weekly status reports); providing declaration(s) as necessary in support of preliminary and/or
6 final approval of this Settlement; payment of all applicable payroll taxes and withholding and
7 reporting of such payments; and other tasks as the Parties mutually agree or the Court orders the
8 Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely
9 apprised of the performance of all Settlement Administrator responsibilities. Any legally-
10 mandated tax reports, tax forms, tax filings, or other tax documents required by administration of
11 this Agreement shall be prepared by the Settlement Administrator. Any expenses incurred in
12 connection with such preparation shall be a cost of administration of the Settlement. The
13 Settlement Administrator shall be paid the Settlement Administration Costs within thirty (30)
14 calendar days after the Effective Date.

15 3.17 Final Approval Hearing. At a reasonable time following the Response Deadline,
16 the Court shall hold the Final Approval Hearing, where objections, if any, may be heard, and the
17 Court shall determine amounts properly payable for (i) the Class Counsel Award and Class
18 Counsel Costs, (ii) the Enhancement Award, (iii) the PAGA Payment, and (iv) the Settlement
19 Administration Costs. The Court will hear from any Class Member who attends the Final
20 Approval Hearing and asks to speak regardless of whether the Class Member complied with the
21 Objection procedures in section 3.7.

22 3.18 Entry of Judgment. If the Court approves this Settlement at the Final Approval
23 Hearing, the Parties shall request that the Court enter judgment, with the Court retaining
24 jurisdiction over the Parties to enforce the terms of the judgment, pursuant to California Rules of
25 Court rule 3.769. To provide notice of judgment to the Class, the Settlement Administrator will
26 post the Court's Final Approval Order and Judgment on its website for sixty (60) calendar days
27
28

1 after the date of entry of the Final Approval Order and Judgment, and no individualized notice
2 will be required.

3 3.19 Nullification of Settlement Agreement. In the event: (i) the Court does not enter
4 the Preliminary Approval Order as provided herein; (ii) the Court does not grant final approval of
5 the Settlement as provided herein; (iii) the Court does not enter a Final Approval Order and
6 Judgment as provided herein; or (iv) the Settlement does not become final for any other reason,
7 this Settlement Agreement shall be null and void and any order or judgment entered by the Court
8 in furtherance of this Settlement shall be treated as void from the beginning. However,
9 notwithstanding the foregoing, the Parties will cooperate to obtain a Preliminary Approval Order
10 and Final Approval Order from the Court. In such a case, the Parties and any funds to be awarded
11 under this Settlement shall be returned to their respective statuses as of the date and time
12 immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects
13 as if this Agreement had not been executed, except that any fees already incurred by the
14 Settlement Administrator shall be paid by the Parties in equal shares. In the event an appeal is
15 filed from the Court's Final Approval Order and Judgment, or any other appellate review in this
16 action is sought, administration of the Settlement shall be stayed pending final resolution of the
17 appeal or other appellate review.

18 3.20 No Admission by Defendants. Defendants deny any and all claims alleged in this
19 Lawsuit and denies all wrongdoing whatsoever. This Agreement is not a concession or admission
20 and shall not be used against Defendants as an admission or indication with respect to any claim
21 of any fault, concession, or omission by Defendants.

22 3.21 Dispute Resolution. Except as otherwise set forth herein, all disputes concerning
23 the interpretation, calculation of payment of settlement claims, or other disputes regarding
24 compliance with this Agreement shall be resolved as follows:

25 3.21.1 If Plaintiff or Class Counsel, on behalf of Plaintiff or any Settlement Class
26 Members and/or PAGA Member, or Defendants at any time believe that the other Party has
27
28

1 breached or acted contrary to the Agreement, that party shall notify the other party in writing of
2 the alleged violation.

3 3.21.2 Upon receiving notice of the alleged violation or dispute, the responding
4 party shall have ten (10) business days to correct the alleged violation and/or respond to the
5 initiating party with the reasons why the Party disputes all or part of the allegation.

6 3.21.3 If the response does not address the alleged violation to the initiating
7 party's satisfaction, the Parties shall negotiate in good faith for up to ten (10) business days to
8 resolve their differences.

9 3.21.4 If thereafter the Parties still cannot resolve the dispute, the parties shall
10 utilize the services of Retired Judge Howard Broadman, Esq., in a good-faith attempt to mediate
11 and resolve the dispute, with the expense of the mediator to be shared equally by the Parties. If
12 Mr. Broadman is not available to mediate the dispute, and the Parties do not agree to a different
13 mediator, or either Party desires to forego mediation of the dispute, the dispute may be submitted
14 directly to the Court as set forth in Paragraph 3.21.5.

15 3.21.5 If the Parties are thereafter still unable to resolve their differences after
16 twenty (20) business days, either Party may file a motion with the Court, including and not
17 limited to, pursuant to California Rules of Court rule 3.769 and/or California Civil Procedure
18 Code section 664.6.

19 3.22 Exhibits and Headings. The terms of this Agreement include the terms set forth in
20 the attached Exhibit, which are incorporated by this reference as though fully set forth herein.
21 The Exhibit to this Agreement is an integral part of the Settlement. The descriptive headings of
22 any paragraphs or sections of this Agreement are inserted for convenience of reference only and
23 do not constitute a part of this Agreement.

24 3.23 Interim Stay of Proceedings. The Parties agree to stay all proceedings in the
25 Lawsuit, subject to necessary compliance with the Court's orders, except such proceedings
26 necessary to implement and complete the Settlement, in abeyance pending the Final Approval
27 Hearing to be conducted by the Court.
28

1 3.24 Amendment or Modification. This Agreement may be amended or modified only
2 by a written instrument signed by counsel for all Parties or their successors-in-interest and
3 approved by the Court.

4 3.25 Entire Agreement. This Agreement and attached Exhibits constitute the entire
5 Agreement among the Parties, and no oral or written representations, warranties, or inducements
6 have been made to any Party concerning this Agreement or its Exhibits other than the
7 representations, warranties, and covenants contained and memorialized in the Agreement and its
8 Exhibits.

9 3.26 Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant
10 and represent they are expressly authorized by the Parties whom they represent to negotiate this
11 Agreement and to take all appropriate actions required or permitted to be taken by such Parties
12 pursuant to this Agreement to effectuate its terms and to execute any other documents required to
13 effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each
14 other and use their best efforts to effect the implementation of the Settlement. In the event the
15 Parties are unable to reach agreement on the form or content of any document needed to
16 implement the Settlement, or on any supplemental provisions that may become necessary to
17 effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve
18 such disagreement. The persons signing this Agreement on behalf of Defendants represent and
19 warrant that they are authorized to sign this Agreement on behalf of Defendants. Plaintiff
20 represents and warrants that he is authorized to sign this Agreement and that he has not assigned
21 any claim, or part of a claim, covered by this Settlement to a third party.

22 3.27 Binding Nature of Agreement. This Agreement shall be binding upon, and inure
23 to the benefit of, the successors, heirs, assigns, and third-party beneficiaries of the Parties hereto,
24 as previously defined. To the extent permitted by law, the PAGA Members and Settlement Class
25 Members shall also be bound by this Agreement and any judgment relating thereto.

26 3.28 California Law Governs. All terms of this Agreement and the Exhibit hereto shall
27 be governed by and interpreted according to the laws of the State of California.
28

1 3.29 This Settlement is Fair, Adequate, and Reasonable. The Parties believe and
2 stipulate that this Settlement is a fair, adequate, and reasonable settlement of this Lawsuit and
3 have arrived at this Settlement after extensive, arm's-length, non-collusive negotiations, taking
4 into account all relevant factors, present and potential.

5 3.30 Jurisdiction of the Court. The Parties agree that the Court shall retain jurisdiction
6 with respect to the interpretation, implementation, and enforcement of the terms of this
7 Agreement and all orders and judgments entered in connection therewith, and the Parties and their
8 counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing,
9 and enforcing the Settlement embodied in this Agreement and all orders and judgments entered in
10 connection therewith.

11 3.31 Invalidity of Any Provision. Before declaring any provision of this Agreement
12 invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible
13 consistent with applicable precedents so as to define all provisions of this Agreement valid and
14 enforceable.

15 3.32 No Right to Terminate Based on Reduction of Class Counsel Award or Class
16 Counsel Costs. The Parties agree that any reduction in the Class Counsel Award and Class
17 Counsel Costs shall not constitute grounds to terminate or void the Settlement or otherwise
18 increase the maximum amount payable by Defendant under this Agreement, which shall not
19 exceed the Maximum Settlement Amount defined herein.

20 3.33 Cooperation. The Parties agree to cooperate fully with one another to accomplish
21 and implement the terms of this Settlement. Such cooperation shall include, but not be limited to,
22 execution of such other documents and taking of such other actions as may be reasonably
23 necessary to timely fulfill the terms and approval by the Court of this Settlement. The Parties to
24 this Settlement shall use their best efforts, including all efforts contemplated by this Settlement
25 and any other efforts that may become necessary by Court order or otherwise, to effectuate this
26 Settlement and the terms set forth herein.
27
28

1 3.34 Publicity. Plaintiff and Class Counsel agree that they will not issue (before the
2 date of the filing of the motion for preliminary approval of this Settlement) any press releases,
3 initiate any contact with the press, respond to any press inquiry, post any new material on any
4 internet websites, or have any communication with the press about the Lawsuit, and/or the fact,
5 amount, or terms of the Settlement. Before the date of the filing of the motion for preliminary
6 approval of the Settlement, Plaintiff and Class Counsel will not initiate any contact with the Class
7 Members or anyone else about the Settlement, except that: (a) Class Counsel, if contacted by a
8 Class Member, may respond that a settlement has been reached and that the details will be
9 communicated in a forthcoming Court-approved notice; and (b) Plaintiff, if contacted by a
10 Settlement Class Member or PAGA Member, may respond only that the Settlement Class
11 Member or PAGA Member should contact Class Counsel. Nothing in this paragraph shall
12 prevent Class Counsel and Plaintiff from undertaking all required submissions to the LWDA as
13 required by the PAGA statute in connection with this Settlement. Class Counsel and Plaintiff will
14 also provide Defense Counsel with a copy of the papers submitted to the LWDA, either prior to
15 or on the same day as the submission to the LWDA.

16 3.35 Notices. Unless otherwise specifically provided, all notices, demands, or other
17 communications in connection with this Agreement shall be: (1) in writing; (2) deemed given on
18 the third business day after mailing; and (3) sent via United States registered or certified mail,
19 return receipt requested, addressed as follows:

20 To Plaintiff:

21 LAW OFFICES OF BUCHSBAUM
22 & HAAG, LLP
23 Brent S. Buchsbaum, Esq.
24 Lauren N. Haag, Esq.
 100 Oceangate, Suite 1200
 Long Beach, California 90802

 To Defendants:

 FISHMAN, LARSEN & CALLISTER
 Trinity Taylor, Esq.
 7112 North Fresno Street, Suite 450
 Fresno, CA 93720

25 3.36 Execution by Class Members. It is agreed that it is impossible or impractical to
26 have each Class Member and PAGA Member execute this Settlement Agreement. The Notice of
27 Settlement will advise all Class Members and PAGA Members of the binding nature of the
28

1 Released Class Claims as to Settlement Class Members and Released PAGA Claims as to Class
2 Members and PAGA Members, and such shall have the same force and effect as if each Class
3 Member and PAGA Member executed this Agreement.

4 3.37 Execution by Plaintiff. Plaintiff, by signing this Stipulation, is bound by the terms
5 herein.

6 3.38 Drafting of the Agreement. The Parties hereto agree that the terms and conditions
7 of this Stipulation of Settlement are the result of lengthy, intensive, arm's-length, non-collusive
8 negotiations and a neutrally-facilitated mediation between the Parties, and that this Agreement
9 shall not be construed in favor of or against any of the Parties by reason of their participation in
10 the drafting of this Agreement.

11 3.39 Counterparts. This Agreement shall become effective upon its execution by all of
12 the undersigned. Plaintiff, Class Counsel, Defendants, and Defense Counsel may execute this
13 Stipulation in counterparts, and execution of counterparts shall have the same force and effect as
14 if each had signed the same instrument. Copies of the executed Agreement, including scans or
15 PDF versions, shall be effective for all purposes as though the signatures contained therein were
16 original signatures.

17 **STIPULATED, AGREED, AND ACCEPTED.**

18 8/3/2021

19 Date: _____

PLAINTIFF, MARIO SALGADO

20 Print Name: Mario Salgado

21 Signature: Mario Salgado

22
23 Date: 7/19/2021

DEFENDANT, RAO YALAMANCHILI

24 Printed Name: RAO P. YALAMANCHILI

25 Signature: Rao P. Yalamanchili

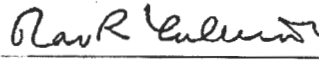
26
27
28 ///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Date: 7/8/2021

**DEFENDANT, POSITIVE INVESTMENTS,
INC.**

Printed Name: Rao Yalamanchili

Signature: 

APPROVED.

LAW OFFICES OF BUCHSBAUM & HAAG, LLP
Counsel for Plaintiff

Date: 7/12/21

Print Name: Brent Buchsbaum

Signature: 

FISHMAN, LARSEN & CALLISTER
Counsel for Defendants

Date: June 8, 2021

Print Name: Trinity Taylor

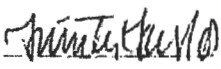
Signature: 

EXHIBIT A

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Mario Salgado v. Positive Investment, Inc., et al., Case No. 20STCV47082
Superior Court of California for the County of Los Angeles

A court authorized this notice. This is not a solicitation from a lawyer.

ATTENTION: ALL CURRENT OR FORMER HOURLY OR NON-EXEMPT EMPLOYEES OF POSITIVE INVESTMENTS, INC. IN CALIFORNIA, DURING THE PERIOD FROM DECEMBER 9, 2016 TO [THE PRELIMINARY APPROVAL DATE], YOU ARE SUBJECT TO A CLASS ACTION SETTLEMENT AND MAY RECEIVE PAYMENT UNDER THE SETTLEMENT.

YOUR ESTIMATED PAYMENT(S) AND HOW THEY WERE CALCULATED CAN BE FOUND IN SECTION 4 OF THIS NOTICE.

PLEASE READ THIS NOTICE CAREFULLY. IT EXPLAINS YOUR RIGHTS AND OPTIONS, AND STRICT DEADLINES FOR EXERCISING THEM.

- A proposed class action and representative settlement (“Settlement”) has been reached between Plaintiff Mario Salgado (“Plaintiff”), on behalf of himself and the below-defined Class and PAGA Members, and Defendant Mario Positive Investment, Inc. (“Defendant”).
- The Settlement resolves the class and representative lawsuit entitled *Mario Salgado v. Positive Investments, Inc., et al.*, Case No. 20STCV47082, pending in the Superior Court of California for the County of Los Angeles (the “Lawsuit”). In the Lawsuit, Plaintiff alleges Defendant did not provide compliant meal and/or rest breaks and associated premiums, did not pay all minimum and overtime wages, did not timely pay wages during employment and upon termination, did not provide compliant wage statements, did not keep requisite payroll records, did not reimburse employees for necessary business expenses, and thereby violated the California Labor Code, the California Business & Professions Code §§ 17200, *et seq.* (“UCL”), the Industrial Welfare Commission Wage Orders (“IWC Wage Orders”) and the Private Attorneys General Act, California Labor Code §§ 2698, *et seq.* (“PAGA”).
- The Settlement covers:

(1) all current and former hourly or non-exempt employees of Defendant in California at any time during the period December 9, 2016 through [the Preliminary Approval date].

The above group covered by the Settlement is collectively defined as the “Class,” and individuals in the group are defined as “Class Members.” Because Defendant’s records show that you qualify as a Class Member, you may receive money from the Settlement if the Court grants final approval of the Settlement. In addition, any individual in the two groups who performed work for Defendant in California at any time during the period August 12, 2019 through [the Preliminary Approval Date] is a PAGA Member (defined in Section 1) and may be eligible for additional money from the Settlement.

- Notwithstanding the terms of this Settlement, Defendant denies any wrongdoing and entered into the Settlement as a compromise to resolve this dispute.

OVERVIEW OF YOUR LEGAL RIGHTS AND OPTIONS UNDER THE SETTLEMENT

DO NOTHING	If you do nothing and the Court grants final approval of the Settlement, you will be deemed a “Settlement Class Member” and be bound by the terms of the Settlement and judgment entered based thereon and the release of Released Claims described below in Section 6. You will be mailed a Class Settlement Payment check and, if eligible, a PAGA Penalties Payment check, at the last address that the Settlement Administrator has on file for you.
ASK TO BE	If you do not wish to participate in the Settlement, you must send a letter requesting exclusion

EXCLUDED FROM CLASS SETTLEMENT	(“Request for Exclusion”) to the Settlement Administrator. You will keep the right to sue Defendant on your own about the Released Class Claims resolved by this Settlement. Your Request for Exclusion must be postmarked or fax-stamped no later than [Response Deadline] . However, <u>you cannot request to be excluded from the portion of the Settlement related to the Released PAGA Claims.</u> In other words, if you request exclusion from the Settlement you will not receive a Class Settlement Payment, but if eligible, you will still be bound by the Released PAGA Claims and receive a PAGA Penalties Payment. See Sections 11 and 12 for more information.
OBJECT	If you wish to object to the Settlement, you must send an objection letter (“Notice of Objection”) to the Settlement Administrator that is postmarked or fax-stamped no later than [Response Deadline] . See Section 17 for more information.

- These rights and options, and how to exercise them, are explained in more detail in this Notice.
- The Court handling this case still has to decide whether to grant final approval of the Settlement. Class Settlement Payments and PAGA Penalties Payments will only be issued if the Court grants final approval of the Settlement.
- Additional information regarding the Settlement is available through the Settlement Administrator or Class Counsel, whose contact information is provided in this notice.

BASIC INFORMATION

1. Why did I get this notice?

For purposes of this Settlement, “Class Members” or “Class” means all current and former hourly or non-exempt employees of Defendant who performed work for Defendant in California at any time during the period December 9, 2016 through **[the Preliminary Approval date]** (the “Class Period”). Also, “PAGA Members” means all current and former hourly or non-exempt employees of Defendant who performed work for Defendant in California at any time during the period of August 12, 2019, through **[the Preliminary Approval Date]** (the “PAGA Period”).

Defendant’s records show that you are a member of the Class defined above.

2. What is the Action about?

Plaintiff is a former hourly and/or non-exempt employee of Defendant. On December 9, 2020, Plaintiff Salgado commenced the Lawsuit by filing the Class Action Complaint for Damages.

Plaintiff alleges that Defendant violated the California Labor Code, the UCL, PAGA and the IWC Wage Orders. Plaintiff alleges that he and the Class Members are entitled to unpaid wages, meal and rest period premiums, unpaid reimbursements, interest, statutory and civil penalties, attorneys’ fees, and costs.

Defendant denies engaging in any wrongful conduct as alleged in the Lawsuit and continue to deny the claims and charges of wrongdoing and liability.

Both Plaintiff and Defendant believe that the Settlement is fair, adequate, and reasonable, and that it is in the best interest of Class Members and PAGA Members.

3. Why is this lawsuit a class and representative action?

In a class action, one or more people called the “Plaintiff” sues on behalf of people who may have similar alleged claims, called the “class” or “class members.” The Court has made no determination that the case should be certified as a “class action,” except for purposes of this Settlement. Similarly, in a representative PAGA action, the “Plaintiff” sues on behalf of the State of California to recover PAGA civil penalties for alleged California Labor Code violations experienced by other “aggrieved” employees. On **[insert PA Date]**, the Honorable Monica Bachner issued an order certifying the Class for purposes of settlement only.

THE SETTLEMENT BENEFITS—WHAT YOU GET

4. What does the settlement provide?

The parties reached a Settlement in which Defendant’s total maximum payment amount will not exceed \$250,000.00 (“Maximum Settlement Amount”) plus the employer’s share of payroll taxes which will be paid by Defendant separately and in addition to the Maximum Settlement Amount.

The “Net Settlement Amount” is the portion of the Maximum Settlement Amount eligible for distribution to Settlement Class Members minus the payments listed below, which are subject to approval by the Court:

- Class Counsel Award: an amount not to exceed \$83,250 (One-third of the Maximum Settlement Amount) to Class Counsel for attorney’s fees. Class Counsel has not been paid to date.
- Class Counsel Costs: an amount not to exceed \$10,000.00 to Class Counsel for reimbursement of actual litigation costs and expenses. Class Counsel will not receive any fees or costs other than those provided by the Settlement and approved by the Court.
- Enhancement Award: an amount not to exceed \$5,000.00 to Plaintiff as payment for his service in pursuing the Lawsuit as the Class Representative.
- PAGA Payment: an amount of \$25,000.00 allocated towards penalties under PAGA and the release of Released PAGA Claims of which 75% (i.e., \$18,750) will be paid to the State of California Labor and Workforce Development Agency (“LWDA”) and the remaining 25% (i.e., \$6,250) will be paid to PAGA Members.
- Settlement Administration Costs: an amount not to exceed \$6,100.00 to the Settlement Administrator, Simpluris, for the costs of administering the Settlement.

You may be eligible to receive two payments under the Settlement, as follows: (i) all Class Members who do not opt-out of the Settlement (i.e., Settlement Class Members) will receive a Class Settlement Payment; and (ii) all PAGA Members will receive a PAGA Penalties Payment. The Class Settlement Payment and PAGA Penalties Payment will be calculated, as follows:

Class Settlement Payments

Your estimated gross Class Settlement Payment is \$[] and you have been allocated [] Compensable Weeks
--

The Net Settlement Amount will be distributed to Settlement Class Members in proportion to the number of workweeks the class member worked during the class period, so that the individual payment becomes larger with each workweek. Each week is assigned a Work Week Value.

“Defendant’s Employees Weeks” means all weeks in which a Class Member worked for Defendant as Defendant’s direct employee in California during the Class Period.

For tax purposes, Class Settlement Payments will be allocated as follows: 10% wages (to be reported on an IRS Form W-2) and 90% interest/penalties/non-wage damages (to be reported on an IRS Form 1099). Settlement Class Members will be issued their Class Settlement Payments after reduction of required employee-side taxes and withholdings with respect to the wages portion of the Class Settlement Payments. Defendant will pay employer-side taxes with respect to the wages portion of the Class Settlement Payments separately and in addition to the Maximum Settlement Amount.

PAGA Penalties Payments

Your estimated PAGA Penalties Payment is \$[] and you have been allocated [] Compensable Pay Periods.

The PAGA Payment of \$25,000 will be distributed as follows: 75% (i.e., \$18,750.00) to the State of California and the LWDA pursuant to California Labor Code section 2698, *et seq.* and the remaining 25% (i.e., \$6,250, the “PAGA Settlement Amount”) will be distributed to PAGA Members according to the following formula:

- Individual PAGA Member’s PAGA Penalties Payment = individual Class Member’s Compensable Pay Periods x Pay Period Value
- Pay Period Value = PAGA Settlement Amount ÷ total Compensable Pay Periods

“Compensable Pay Periods” means all pay periods in which a PAGA Member performed worked for Defendant in California during the PAGA Period as an hourly or non-exempt employee of Defendant.

For tax purposes, PAGA Penalties Payments will be entirely allocated as penalties (to be reported on an IRS Form 1099).

The Parties are not providing tax or legal advice or making representations regarding tax obligations or consequences, if any, related to any settlement amounts paid to Class and PAGA Members. Each Class and PAGA Member will assume any tax obligations or consequences that may arise from any amount paid to him or her under the Settlement and should consult with a tax expert if he or she has questions.

5. What am I giving up in exchange for the settlement benefits?

As of the date on which Defendant funds the Settlement, Plaintiff and each Class Member who does not submit a timely and valid Request for Exclusion (i.e., Settlement Class Members) shall release the Released Parties from the Released Class Claims. With respect to Released Class Claims which arise under the Fair Labor Standards Act (“FLSA”), by endorsing, cashing, and/or depositing the Class Settlement Payment check, Settlement Class Members, including Plaintiff, shall be deemed to have opted-in under FLSA, 29 U.S.C. § 216(b), and shall have, by operation of the Final Approval Order and Judgment, fully, finally, and forever released, relinquished, and discharged each and all of the Released Parties from any and all Released Class Claims that arise under the FLSA.

All PAGA Members (including those who opt out of the Settlement) release the Released Parties from the Released PAGA Claims.

“Released Parties” means Defendant (i.e., Positive Investments, Inc.) and all of its current and former parents, subsidiaries, predecessors and successors, and affiliated entities, and each of their respective officers, directors, employees, partners, shareholders, and agents, and any other successors, assigns, or legal representatives.

“Released Class Claims” means any and all California state and federal law wage-and-hour claims, rights, demands, liabilities, and/or causes of action of every nature and description, arising from or related to any and all claims during the Class Period that were asserted or could have been asserted based on the facts alleged in the Complaint, including, without limitation, statutory, constitutional, contractual, and/or common law claims for wages, reimbursements, employer-related tenancy, damages, unpaid costs, penalties, liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs, restitution, or equitable relief.

“Released PAGA Claims” means any and all individual and representative claims during the PAGA Period under California Labor Code section 2698, *et seq.* that were or could have been asserted based on the facts alleged in the LWDA Letters and the Complaint, including, but not limited to any and all claims for civil penalties based on alleged violations of California Labor Code sections 201, 202, 203, 204, 206, 207, 208, 210, 218.5, 218.6, 221, 223, 224, 225.5, 226(a), 226.3, 226.7, 226.8, 510, 512, 551, 552, 558, 750, 750.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1720.9, 1771, 1775, 1776, 1777.5, 2800-2804, and 2810.5 *et al*, any applicable IWC Wage Order, and any resulting claim for attorneys’ fees and costs under PAGA.

HOW TO GET A SETTLEMENT PAYMENT

6. How do I receive my Class Settlement Payment and PAGA Penalties Payment?

If the Court grants final approval of the Settlement, thereafter, you will automatically be issued your (i) Class Settlement Share as described in Section 4, if you do not opt out of the Settlement, and (ii) PAGA Penalties Payment (if eligible). You will be mailed your Class Settlement Share and PAGA Penalties Payment by check at the last address that Defendant has on file for you (unless you timely provide an updated address to the Settlement Administrator). If your address changes after you receive this notice, you can contact the Settlement Administrator at [ADMINISTRATOR'S PHONE NUMBER] and provide your updated address.

7. When will I get my payment(s)?

Payments will be distributed only after the Court grants final approval and the Settlement is effective pursuant to the terms of the Settlement Agreement and the Court's orders. The timing of distribution of payments will depend on the date of entry of an order by the Court granting final approval of the Settlement and entry of judgment based thereon. For more information about the estimated timing of payments, you can check with the Settlement Administrator.

Payments will remain valid for one hundred eighty (180) calendar days after the date it is mailed to you, thereafter it will be voided. The funds associated with such voided checks will be transmitted to the Unclaimed Property Fund maintained by the State Controller's Office in the names of the Settlement Class Members whose checks are voided.

8. How do I dispute the Compensable Weeks and/or Compensable Pay Periods?

If you disagree with the Compensable Weeks and/or Compensable Pay Periods that are credited to you based on Defendant's records, which are stated in Section 4 of this Notice, and you wish to dispute this information, you must do so by submitting a written letter to the Settlement Administrator ("Dispute"). A complete and timely Dispute must: (1) contain the name, address, telephone number, last four digits of the Social Security number, and signature of the Class Member; (2) contain the case name and number of the Lawsuit (in this Lawsuit: *Salgado v. Positive Investments, Inc.*, Case No. 20STCV47082); (3) clearly state that the Class and/or PAGA Member seeks to dispute his or her Compensable Weeks and/or Compensable Pay Periods; (4) include documentation and/or an explanation to show contrary Compensable Weeks and/or Compensable Pay Periods; and (5) be postmarked or fax-stamped by [the Response Deadline] and returned to the Settlement Administrator at the following address or fax telephone number:

[insert Settlement Administrator's information]

EXCLUDING YOURSELF FROM THE SETTLEMENT

9. How do I ask the Court to exclude me from the settlement of the Released Class Claims?

If you do not wish to participate in the release of the class action portion of the Settlement and release of Released Class Claims, you can request exclusion from the Settlement (i.e., Opt Out) by submitting a written request for exclusion ("Request for Exclusion"). A complete and timely Request for Exclusion must: (1) contain the name, address, telephone number, last four digits of the Social Security number, and signature of the Class Member; (2) contain the case name and number of the Lawsuit (in this Lawsuit: *Salgado v. Positive Investments, Inc. et al.*, Case No. 20STCV47082); (3) clearly indicate that the Class Member seeks to exclude him or herself from the Settlement; and (4) be postmarked or fax-stamped on or before [the Response Deadline] and returned to the Settlement Administrator at the specified address or fax telephone number that is listed above in Section 8. If you signed an arbitration agreement and you opt out of this Settlement and Release, you will continue to be bound by such arbitration agreement.

Class Members who fail to submit a valid and timely Request for Exclusion on or before the above-specified deadline shall be bound by all terms of the Settlement and any judgment entered in the Action if the Settlement is approved by the Court. Class Members who submit a Request for Exclusion will still be subject to the release of the Released PAGA Claims and, if eligible, will receive a PAGA Penalties Payment.

10. If I exclude myself, can I get anything from the settlement?

If you exclude yourself from the Settlement you will not receive a Class Settlement Payment and you will not release the Released Class Claims. But, even if you exclude yourself from the Settlement, you may still receive a PAGA Penalties Payment (see Section 4 for eligibility) and you will release the Released PAGA Claims.

11. If I don't exclude myself, can I sue later?

No. If you do not exclude yourself, you give up the right to sue Defendant and the Released Parties for the Released Class Claims and the Released PAGA Claims described above. You must exclude yourself from the Settlement to start or continue your own lawsuit to pursue any of the Released Class Claims and the Released PAGA Claims.

OBJECTING TO THE SETTLEMENT

12. How do I object to the Settlement?

Any Settlement Class Member may object to the Settlement by submitting a written objection ("Notice of Objection") to the Settlement Administrator. A complete and timely Notice of Objection must: (1) contain the name, address, telephone number, last four digits of the Social Security number, and signature of the Class Member; (2) contain the case name and number of the Lawsuit (in this Lawsuit: *Salgado v. Positive Investments, Inc.*, Case No. 20STCV47082); (3) clearly state that the Class Member seeks to object to the Settlement; (4) state the legal and factual basis for the objection; (5) state whether the Settlement Class Member intends to appear at the Final Approval Hearing; and (6) be postmarked or fax-stamped on or before [the Response Deadline] and returned to the Settlement Administrator at the specified address or tax telephone number that is listed above in Section 8.

If a Settlement Class Member wishes to appear at the Final Approval Hearing and orally present his or his objection to the Court, they may do so even if they have not submitted a Notice of Objection. Settlement Class Members who submit a Notice of Objection will still be subject to the release of Released Class Claims and Released PAGA Claims and will receive monetary compensation from the Settlement. Class Members who submit Requests for Exclusion may not object to the Settlement.

13. What's the difference between objecting and asking to be excluded?

Objecting is telling the Court you do not like something about the Settlement. Excluding yourself is telling the Court that you do not want to be part of the Settlement.

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

The Court will hold a hearing to decide whether to grant final approval of the Settlement ("Final Approval Hearing"). You are not required to attend this hearing. The Final Approval Hearing will be held on [insert time/date] in Department 71 at the Superior Court of California for the County of Los Angeles, located at 111 North Hill Street, Los Angeles, California 90012. The Final Approval Hearing may be moved to a different date and/or time without additional notice. For more information and/or updates regarding the date and/or time of the Final Approval Hearing visit <http://www.lacourt.org/online/civil> and search for case number 20STCV47082.

At the Final Approval Hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. If the Court approves the settlement and enters judgment, notice of final judgment will be posted on the Settlement Administrator's website: XXXXX

15. Do I have to come to the Final Approval Hearing?

No. Class Counsel will answer any questions the judge may have. But you are welcome to come. If you submit a Notice of Objection in conformity with the requirements set forth herein, you do not have to come to the Final Approval Hearing to talk about it, and the Court will consider your objection. **The Court will hear from any Class Member who attends the Final Approval Hearing and asks to speak. Thus, regardless of whether you have submitted a Notice of Objection, you may attend the Final Approval Hearing and request to be heard.** You may also pay another lawyer to attend on your behalf, but it is not required and you will be independently responsible for the costs of your attorney and any costs associated therewith. If you wish to appear at the Final Approval Hearing, you may do so remotely by making a reservation using the LA Court Connect system. Instructions can be found here: www.lacourt.org/lacc/.

If you choose to attend the hearing (or otherwise come to the Court to review files), you must comply with the Court's social distancing procedures. Specifically, all persons are required to wear face coverings over their mouth and nose and must maintain at least six feet of distance from all other persons while in the courthouse. For more information regarding the Court's social distancing procedures visit www.LACourt.org.

IF YOU DO NOTHING

16. What happens if I do nothing at all?

If you do nothing, you will automatically receive a Class Settlement Payment from this Settlement and if eligible, a PAGA Penalties Payment as described above and you will be bound by the Settlement (including and not limited to the release of Released Class Claims against Released Parties and Released PAGA Claims) and the judgment entered based thereon.

THE LAWYERS REPRESENTING YOU

17. Do I have a lawyer in this case?

The Court has appointed the following lawyers, who represent Plaintiff, to serve as counsel for the Class ("Class Counsel"):

LAW OFFICES OF BUCHSBAUM & HAAG, LLP
BRENT S. BUCHSBAUM, ESQ.
brent@buchsbaumhaag.com
LAUREL N. HAAG, ESQ.
laurel@buchsbaumhaag.com
100 Oceangate, Suite 1200
Long Beach, CA 90802
Phone: (562) 733-2498
Fax: (562) 733-2498

GETTING MORE INFORMATION

18. How do I get more information?

This notice summarizes the Settlement. More details are in the Stipulation of Class Action and PAGA Settlement and Release ("Settlement" or "Settlement Agreement"). You may contact Class Counsel or the Settlement Administrator for more information. The Settlement Administrator may be contacted at the previously-mentioned mailing address and fax telephone number, as well as at the following toll-free telephone number: **[Settlement Administrator's toll-free telephone number]**. You may also view the Settlement Agreement and documents filed in the actions by visiting the Office of the Clerk of the Los Angeles Superior Court at the Stanley Mosk Courthouse located at 111 North Hill Street, Los Angeles, California 90012 ("Office of the Clerk"). In light of COVID-19, you must call the Office of the Clerk at (213) 830-0800, between 8:30 a.m. and 4:30 p.m. Monday through Friday, to make a reservation to view the records.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT OR THE JUDGE WITH QUESTIONS
ABOUT THE SETTLEMENT.

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 100 Oceangate, Suite 1200, Long Beach, California 90802.

On August 4, 2021, I served the foregoing document described as:

The true copies thereof were enclosed in a sealed envelope and addressed as follows:

Trinity E. Taylor
FISHMAN LARSEN & CALLISTER
 7112 North Fresno Street, Suite 450
 Fresno, California 93720

Telephone: (559)256-5000
Facsimile: (559)256-5005
E-Mail: taylor@flclaw.net

— **BY U.S. MAIL:** By placing a true copy thereof enclosed in a sealed envelope(s) addressed as above, and placing each for collection and mailing on that date following ordinary business practices. I am “readily familiar” with this business’ practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in ordinary course of business with the U.S. Postal Service in Long Beach, California, in a sealed envelope with postage fully prepaid.

— **BY OVERNIGHT DELIVERY:** I enclosed the document(s) in an envelope or package provided by an overnight delivery carrier and addressed as above. I placed the envelope or package for collection and overnight delivery at an office or a regularly utilized drop box of the overnight delivery carrier.

— **BY PERSONAL SERVICE:** I caused such envelope(s) to be delivered by hand to the office(s) of the addressee(s). (C.C.P. Section 1011)

____ **BY FACSIMILE:** Based on an agreement of the parties to accept service by fax transmission, I faxed the document(s) to the person(s) at the fax number(s) listed above. The sending facsimile machine issued a transmission report confirming that the transmission was complete and without error.

BY CASE ANYWHERE ELECTRONIC SERVICE: I certify that a true and correct copy

1 of the above referenced document(s) was electronically served on counsel of record by
2 transmission to CASE ANYWHERE.

3 **XX BY E-MAIL OR ELECTRONIC TRANSMISSION:** Based on a court order or an
4 agreement of the parties to accept service by e-mail or electronic transmission, I caused the
document(s) to be sent from ***kim@buchsbaumhaag.com*** to the person(s) at the e-mail
address(es) listed above.

5 **XX STATE** I declare under penalty of perjury under the laws of the State of California that the
6 above is true and correct.

7 I declare that I am employed in the office of a member of the bar of this court at whose
direction the service was made.

8 Executed, August 4, 2021, at Long Beach, California.

9 
10 _____
KIMBERLY KELLY, Declarant