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Attorneys for Plaintiff ADELA GASTELUM  
on behalf of herself and others similarly situated

*ADDITIONAL COUNSEL ON NEXT PAGE*

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

ADELA GASTELUM, on behalf of herself  
and others similarly situated,

Plaintiff,

vs.

HAIR CLUB FOR MEN, LLC; HAIR  
CLUB FOR MEN LTD., INC.; and DOES 1  
to 100, inclusive,

Defendant.

Case No. 20STCV29390

**JOINT STIPULATION OF CLASS AND  
REPRESENTATIVE ACTION  
SETTLEMENT**

|                  |                   |
|------------------|-------------------|
| Complaint filed: | August 3, 2020    |
| FAC filed:       | August 12, 2020   |
| SAC filed:       | December 30, 2020 |
| Trial date:      | Not set           |

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HAIR CLUB FOR MEN LTD., INC.  
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## **JOINT STIPULATION OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT**

This Joint Stipulation of Class and Representative Action Settlement (“Joint Stipulation of Settlement” or “Settlement” or “Agreement”) is made and entered into by and between Plaintiff Adela Gastelum, individually, and on behalf of all others similarly situated (“Plaintiff” or “Class Representative”), and Defendants Hair Club For Men, LLC and Hair Club for Men Ltd., Inc. (collectively, “HCM” or “Defendant”). Plaintiff and Defendant are collectively referred to herein as “the Parties.”

THE PARTIES STIPULATE AND AGREE as follows:

### **DEFINITIONS**

1. For purposes of this Settlement, “Complaint” refers to the Second Amended Complaint for Damages and Restitution, filed and pending in Los Angeles County Superior Court, Case No. 20STCV29390, or any subsequent operative complaint at the time the Court grants Preliminary Approval of this Settlement.

2. For purposes of this Settlement, this matter entitled *Gastelum v. Hair Club for Men, LLC, et al.*, Los Angeles County Superior Court Case No. 20STCV29390, is referred to herein as the “Action.”

3. For purposes of this Settlement, the “Class Period” is August 3, 2016 through December 31, 2022.

4. For purposes of this Settlement, the “Class” or “Class Members” consist of: All current and former non-exempt Stylists who worked for HCM within the State of California at any time during the Class Period. “Settlement Class Members” are those Class Members who do not submit timely exclusion requests to the Settlement Administrator. The Parties’ best estimate is that the Class includes approximately 173 individuals who worked 22,486 workweeks.

5. For purposes of this Settlement, “Class Counsel” means Lavi & Ebrahimian, LLP.

6. For purposes of this Settlement, “Covered Workweeks” means any week during which a Class Member worked at Defendant’s locations in California for at least one day, during the Class Period.

7. For purposes of this Settlement, “Response Deadline” means the date sixty (60) days after the Settlement Administrator initially mails the Notice of Class Settlement to the Class Members and the last date on which Class Members may submit a request for exclusion or written objection to the

1 Settlement. In the case of a re-mailed Notice, the Response Deadline will be the later of 45 calendar days  
2 after initial mailing or 15 calendar days from re-mailing. The Response Deadline may be extended only as  
3 expressly described herein.

4 8. For purposes of the Settlement, “Defendant’s Counsel” means Seyfarth Shaw LLP.

5 9. For purposes of this Settlement, “PAGA” means the California Labor Code’s Private  
6 Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*).

7 10. For purposes of this Settlement, “PAGA Allocation” means the portion of the Gross  
8 Settlement Amount that the Parties have agreed to allocate to resolution of the Released PAGA Claims.  
9 The Parties have agreed that the PAGA Allocation will be \$35,000.00 from the Gross Settlement Amount.  
10 Pursuant to the PAGA, Seventy Five Percent (75%), or \$26,250.00, of the PAGA Allocation will be paid  
11 to the Labor and Workforce Development Agency (“LWDA”) (“PAGA Penalty Payment”), and Twenty  
12 Five Percent (25%), or \$8,750.00, of the PAGA Allocation will be included in the Net Settlement Amount  
13 for PAGA Employees (“PAGA Settlement Payment”).

14 11. For purposes of this Settlement, “PAGA Period” means the period between August 4, 2019  
15 through December 31, 2022.

16 12. For purposes of this Settlement, “PAGA Employee” means all Class Members that worked  
17 for Defendant during the PAGA Period. It is stipulated by the Parties that, for purposes of this Settlement  
18 only, all PAGA Employees are “aggrieved employees” as defined pursuant to PAGA.

19 13. For purposes of this Settlement, “PAGA Pay Periods” means any pay period during which  
20 a PAGA Employee worked for Defendant for at least one day during the PAGA Period.

21 14. For purposes of this Settlement, “PAGA Representative” means Plaintiff.

22 15. For purposes of this Settlement, “Released Class Claims” mean any and all claims stated in  
23 the Action, or that could have been stated based on the facts alleged in the Action, implicitly or explicitly,  
24 including but not limited to state wage and hour claims (including all claims under the California Labor  
25 Code) for rest period violations, wage statement violations, recordkeeping, unreimbursed expenses,  
26 interest, penalties, and attorneys’ fees, waiting time penalties, withholding from wages and the related  
27 provisions of the Labor Code including but not limited to Labor Code §§ 201-203, 218.6, 226, 226.3,  
28 226.7, 2802, derivative claims under California Business & Professions Code §§ 17200, *et seq.*, and all

1 claims under the governing Wage Orders.

2 16. For purposes of this Settlement, “Released PAGA Claims” means all claims that have been  
3 pleaded or could have been pleaded, based upon the factual allegations and issues set forth in the Notice to  
4 the LWDA and alleged in the Complaint, including civil penalties under PAGA, fees, and all other claims  
5 and allegations made or which could have been made in the Action based on the facts and allegations  
6 pleaded in Plaintiff’s Notice to the LWDA and the Complaint, including claims for failure to authorize rest  
7 periods, failure to provide accurate wage statements, failure to timely pay final wages, failure to indemnify  
8 necessary business expenditures, and failure to provide suitable seats.

9 17. For purposes of this Settlement, “Settlement Payments” means all of the payments to  
10 Settlement Class Members (the “Settlement Class Payments”) and all of the payments to PAGA  
11 Employees (the “PAGA Settlement Payments”).

12 **STIPULATED BACKGROUND**

13 18. On August 3, 2020, Plaintiff filed a class action alleging various wage and hour claims.  
14 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely notice to Defendant and the LWDA  
15 by sending a Notice of PAGA claims. On August 12, 2020, Plaintiff filed a First Amended Complaint  
16 adding an expense reimbursement claim under Labor Code section 2802. On December 30, 2020,  
17 Plaintiff filed a Second Amended Complaint adding a cause of action as a representative action under the  
18 California Private Attorney General Act (“PAGA”) pursuant to Labor Code Section 2698, *et seq.* to  
19 recover civil penalties that are owed to Plaintiff, the State of California, and past and present employees.

20 19. On August 25, 2022, the Parties participated in a day-long mediation with mediator Todd  
21 A. Smith.

22 20. The Court has not granted class certification.

23 21. Solely for purposes of settling this case, the Parties and their respective counsel stipulate  
24 and agree that the requisites for establishing class certification with respect to the Class Members have  
25 been met and are met.

26 22. Should, for whatever reason, the Settlement not become effective, the fact that the Parties  
27 were willing to stipulate to certification as part of the Settlement shall have no bearing on, and shall not be  
28 admissible in connection with, the issue of whether the Class Members and/or the Class Claims should be

1 certified in a non-Settlement context in this Action or in any other lawsuit. Defendant expressly reserves  
2 its right to oppose claim or class certification in this or any other action should this Settlement not become  
3 effective.

4 23. Defendant denies any liability or wrongdoing of any kind whatsoever associated with the  
5 claims alleged in the Complaint, and Defendant further denies that, for any purpose other than settling this  
6 lawsuit, the action is appropriate for class or representative treatment. With respect to Plaintiff's claims,  
7 Defendant contends, among other things, that Plaintiff and the Class Members have been provided  
8 compliant rest periods, have been reimbursed for all employment-related expenditures, have been provided  
9 suitable seating, have been paid timely wages upon separation of employment, and have been provided  
10 with accurate itemized wage statements. Defendant contends, among other things, that it has complied at  
11 all times with the California Labor Code and the applicable Wage Orders of the Industrial Welfare  
12 Commission. Furthermore, with respect to all claims, Defendant contends that it has complied at all times  
13 with the California Business and Professions Code.

14 24. It is the desire of the Parties to fully, finally, and forever settle, compromise, and discharge  
15 all disputes and claims arising from or related to the Complaint and PAGA Notice.

16 25. Class Counsel has conducted a thorough investigation into the facts of this Action,  
17 including an extensive review of relevant documents, and has diligently pursued an investigation of the  
18 claims of the Class against Defendant. Based on its own independent investigation and evaluation, Class  
19 Counsel is of the opinion that the Settlement with Defendant for the consideration and on the terms set  
20 forth in this Joint Stipulation of Settlement is fair, reasonable, and adequate and is in the best interest of the  
21 Class in light of all known facts and circumstances, including the risk of significant delay, the risk the  
22 Class will not be certified by the Court, defenses asserted by Defendant, and numerous potential appellate  
23 issues. Defendant and Defendant's Counsel also agree that the Settlement is fair and in the best interest of  
24 the Class.

25 26. The Parties agree to cooperate and take all steps necessary and appropriate to obtain  
26 preliminary and final approval of this Settlement.

27 27. The Parties agree to stay all proceedings in the Action, except such proceedings necessary  
28 to implement and complete the Settlement, pending the Final Approval hearing to be conducted by the

1 Court.

2 28. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any  
3 other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

4 **PRIMARY TERMS OF SETTLEMENT**

5 29. NOW THEREFORE, in consideration of the mutual covenants, promises and agreements  
6 set forth herein, the Parties agree, subject to the Court's approval, as follows:

7 (a) It is agreed by and among the Settlement Class Members, PAGA Employees, and  
8 Defendant that this case and any claims, damages, or causes of action arising out of  
9 the disputes which are the subject of this case, be settled and compromised as  
10 between the Settlement Class Members, PAGA Employees, and Defendant,  
11 subject to the terms and conditions set forth in this Settlement and the approval of  
12 the Court.

13 (b) Effective Date: The terms of settlement embodied in this Settlement shall become  
14 effective when all of the following events have occurred: (i) this Joint Stipulation  
15 of Settlement has been executed by all Parties and their respective counsel; (ii) the  
16 Court has given preliminary approval to the Settlement; (iii) the Notice has been  
17 given to the Class, providing them with an opportunity to dispute information  
18 contained in the Notice, to opt out of the Settlement, or to object to the Settlement;  
19 (iv) the Court has held a final approval hearing and entered a final order and  
20 judgment certifying the Class and approving this Settlement; and (v) the later of the  
21 following events: (a) seven calendar days have passed since final approval is  
22 granted if there are no objections to the settlement; (b) 65 days following notice of  
23 entry of the Court's final order approving the Settlement if there are any objections  
24 by any Class Member; (c) or if any appeal, writ or other appellate proceeding  
25 opposing this Settlement has been filed, then 21 days after when any appeal, writ or  
26 other appellate proceeding opposing the Settlement has been resolved finally and  
27 conclusively with no right to pursue further remedies or relief. In this regard, it is  
28 the intention of the Parties that the Settlement shall not become effective until the

1 Court's order approving the Settlement is completely final, and there is no further  
2 recourse by an appellant or objector who seeks to contest the Settlement.

3 (c) Gross Settlement Amount: Defendant's maximum total payment under the  
4 Settlement, including all attorney's fees and costs, the Service Payment to the  
5 named Plaintiff, the costs of settlement administration, the PAGA Allocation, and  
6 any other payments provided by this Settlement, is \$350,000.00 ("Gross Settlement  
7 Amount"), except that, to the extent that any portions of the Class Members'  
8 Settlement Payments constitute wages, Defendant will be separately responsible  
9 for any employer payroll taxes required by law, including the employer FICA,  
10 FUTA, and SDI contributions.

11 (d) Non-reversionary Settlement: No portion of the Gross Settlement Amount will  
12 revert to Defendant.

13 (e) No Claim Forms Required: Class Members will not be required to submit a claim  
14 form to receive their Settlement payment.

15 (f) Net Settlement Amount: The Net Settlement Amount shall be calculated by  
16 deducting from the Gross Settlement Amount (\$350,000.00) the following sums,  
17 subject to approval by the Court: (1) attorney's fees (not to exceed 35% of the  
18 Gross Settlement Amount, or \$122,500.00); (2) reasonable litigation costs (not to  
19 exceed \$25,000.00); (3) the Service Payments (not to exceed \$10,000.00 to the  
20 named Plaintiff); (4) the PAGA Penalty Payment in the amount of \$26,250.00  
21 (which is 75% of the PAGA Allocation); and (5) costs of settlement administration  
22 (estimated not to exceed \$7,000.00). Settlement Payments to the Class Members  
23 will be calculated by the Settlement Administrator and paid out of the Net  
24 Settlement Amount as set forth below.

25 (g) Payroll Taxes and Required Withholdings: To the extent that any portions of the  
26 Settlement Class Members' Settlement Payments constitute wages, Defendant will  
27 be separately responsible for any employer payroll taxes required by law, including  
28 the employer FICA, FUTA, and SDI contributions. Except for any employer

1 payroll taxes, it is understood and agreed that Defendant's maximum total liability  
2 under this Settlement shall not exceed the Gross Settlement Amount. The  
3 Settlement Administrator will calculate and submit the Defendant's employer share  
4 of payroll taxes after advising Defendant of the total amount owed, in aggregate, as  
5 employer-side payroll taxes and receiving a lump sum payment from Defendant in  
6 that amount when the Gross Settlement Amount is delivered to the Settlement  
7 Administrator.

8 (h) Settlement Class Payments (Excludes PAGA Settlement Payments): Settlement  
9 Class Payments will be paid out of the Net Settlement Amount. Each Settlement  
10 Class Member will be paid a pro-rata share of the Net Settlement Amount (less the  
11 PAGA Settlement Payment totalling \$8,750.00), as calculated by the Settlement  
12 Administrator. The pro-rata share will be determined by comparing the individual  
13 Settlement Class Member's Covered Workweeks employed during the Class  
14 Period in California to the total Covered Workweeks of all the Settlement Class  
15 Members during the Class Period as follows: [Workweeks worked by a Settlement  
16 Class Member] ÷ [Sum of all Covered Workweeks worked by all Settlement Class  
17 Members] × [Net Settlement Amount – all PAGA Settlement Payments] =  
18 individual Settlement Payment for a Settlement Class Member. Settlement Class  
19 Payments in the appropriate amounts will be distributed by the Settlement  
20 Administrator by mail to the Settlement Class Members. Un-cashed, unclaimed or  
21 abandoned checks, shall be transmitted to the California Controller's Office, as set  
22 forth below.

23 (i) PAGA Payments: PAGA Settlement Payments will be paid out of the Net  
24 Settlement Amount. Each PAGA Employee will be paid a pro-rata share of the  
25 PAGA Employees' PAGA Settlement Payment, as calculated by the Settlement  
26 Administrator. Class Members will not be permitted to exclude themselves from  
27 this portion of the Settlement. The pro-rata share will be determined by comparing  
28 the individual PAGA Employees' PAGA Pay Periods during the PAGA Period to

1 the total PAGA Pay Periods of all the PAGA Employees during the PAGA Period  
2 as follows: [PAGA Pay Periods worked by a PAGA Employee] ÷ [Sum of all  
3 PAGA Pay Periods worked by all PAGA Employees] × [PAGA Settlement  
4 Payment] = individual PAGA Employee's portion of the PAGA Settlement  
5 Payment. PAGA Settlement Payments to PAGA Employees in the appropriate  
6 amounts will be distributed by the Settlement Administrator by mail to the PAGA  
7 Employees at the same time Settlement Class Payments issue to the Settlement  
8 Class. Un-cashed, unclaimed or abandoned checks, shall be transmitted to the  
9 California Controller's Office, as set forth below. The LWDA's PAGA Penalty  
10 Payment will issue to the LWDA at the same time Settlement Payments issue to  
11 the Settlement Class.

12 (j) Allocation of Settlement Payments: The Parties have agreed that Settlement Class  
13 Payments will be allocated as follows: one-third to wages, two-thirds to penalties  
14 and interest. The PAGA Settlement Payment shares to PAGA Employees will be  
15 entirely allocated to penalties. Appropriate federal, state and local withholding  
16 taxes will be paid separately and in addition to the GSA, and each Class Member  
17 will receive an IRS Form W-2 with respect to this portion of the Settlement  
18 Payment. The employer's share of payroll taxes and other required withholdings  
19 will be paid as set forth above, including but not limited to the Defendant's FICA  
20 and FUTA contributions, based on the payment of claims to the Class Members.  
21 Class Members are responsible to pay appropriate taxes due on the Settlement  
22 Payments they receive. The Settlement Administrator will issue to each Settlement  
23 Class Member an Internal Revenue Service Form W-2 and comparable state forms  
24 with respect to the wage allocation and a Form 1099 with respect to the penalties  
25 and interest allocations, to the extent required by law.

26 (k) Settlement Payments Do Not Give Rise to Additional Benefits: All Settlement  
27 Payments to individual Class Members shall be deemed to be paid to such Class  
28 Member solely in the year in which such payments actually are received by the

1 Class Member. It is expressly understood and agreed that the receipt of such  
2 Settlement Payments will not entitle any Class Member to additional compensation  
3 or benefits under any company bonus, contest or other compensation or benefit  
4 plan or agreement in place during the period covered by the Settlement, nor will it  
5 entitle any Class Member to any increased retirement, 401(k) benefits or matching  
6 benefits or deferred compensation benefits. It is the intent that the Settlement  
7 Payments provided for in this Settlement are the sole payments to be made by  
8 Defendant to the Class Members, and that the Class Members are not entitled to  
9 any new or additional compensation or benefits as a result of having received the  
10 Settlement Payments (notwithstanding any contrary language or agreement in any  
11 benefit or compensation plan document that might have been in effect during the  
12 period covered by this Settlement).

13 (l) Attorney's Fees and Costs: Subject to approval by the Court, Defendant will not  
14 object to Class Counsel's application for attorney's fees not to exceed 35% of the  
15 Gross Settlement Amount (\$122,500.00) and reimbursement of litigation costs and  
16 expenses not to exceed \$25,000.00. Approved attorney's fees and litigation costs  
17 shall be paid at the same time Settlement Payments issue to the Settlement Class.  
18 Should the Court approve attorney's fees and costs in an amount less than that set  
19 forth above, the difference between the lesser amount(s) approved by the Court and  
20 the attorney's fees and costs set forth above shall be added to the Net Settlement  
21 Amount.

22 (m) General Release and Service Payment: Subject to Court approval, and in exchange  
23 for a general release, Defendant will not object to Class Counsel's application for  
24 an additional payment of up to \$10,000.00 to the Plaintiff as consideration for a  
25 general release of all claims and as a payment for service as Class Representative  
26 ("Service Payment"). It is understood that the Service Payment is in addition to the  
27 individual Settlement Payment to which Plaintiff is entitled to along with the other  
28 Class Members. In exchange, Plaintiff has agreed to a general release of all

1 claims, whether known or unknown, under federal law or state law against the  
2 Releasees, to the extent permitted by law, through the Class Period (“Plaintiff’s  
3 Released Claims”). Plaintiff understands that this release includes unknown  
4 claims and that Plaintiff is, as a result, waiving all rights and benefits afforded  
5 by Civil Code section 1542, which provides:

6 **A GENERAL RELEASE DOES NOT EXTEND TO**  
7 **CLAIMS THAT THE CREDITOR OR RELEASING**  
8 **PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN**  
9 **HIS OR HER FAVOR AT THE TIME OF EXECUTING**  
10 **THE RELEASE. WHICH IF KNOWN BY HIM OR HER**  
11 **MUST HAVE MATERIALLY AFFECTED HIS OR HER**  
12 **SETTLEMENT WITH THE DEBTOR OR RELEASED**  
13 **PARTY.**

14 Specifically excluded from Plaintiff’s Released Claims are any claims for workers’  
15 compensation benefits. The Service Payment will issue at the same time all  
16 Settlement Payments are mailed to the Settlement Class.

17 (n) Defendant or the Settlement Administrator will issue an IRS Form 1099 for the  
18 Service Payment to the Plaintiff. The Plaintiff will be individually responsible for  
19 correctly characterizing this compensation on personal income tax returns for tax  
20 purposes and for paying any taxes on the amounts received. Should the Court  
21 approve a Service Payment in an amount less than that set forth above, the  
22 difference between the lesser amount approved by the Court and the Service  
23 Payment amount set forth above shall be added to the Net Settlement Amount.  
24 Plaintiff agrees not to opt out or object to the Service Payments as the Class  
25 Representative.

26 (o) Settlement Administrator: The Settlement Administrator will be Phoenix  
27 Settlement Administrators, or such other Settlement Administrator as may be  
28 mutually agreeable to the Parties and approved by the Court. The Settlement  
Administrator’s bid for settlement administration services in the amount of  
\$7,000.00 was selected for the reasonable price and the quality of administration  
services provided by Phoenix Settlement Administrators. The costs of the

1 Settlement Administrator for work done shall be paid regardless of the outcome of  
2 this Settlement.

3 (p) Funding of Settlement Account: Defendant will fund the settlement account with  
4 the Gross Settlement Amount and all employer-related payroll taxes within 30  
5 calendar days of the Effective Date of the Settlement provided that the Settlement  
6 Administrator has provided the Parties with an accounting of the amounts to be  
7 paid by Defendant pursuant to the terms of this Settlement.

8 (q) Mailing of Settlement Payments: The Settlement Administrator shall cause the  
9 Settlement Payments to be mailed to the Class Members within 45 calendar days of  
10 the Effective Date of the Settlement, provided that the Settlement Administrator  
11 has provided the Parties with an accounting of the amounts to be paid by  
12 Defendant pursuant to the terms of this Settlement and Defendant has fully funded  
13 the Settlement within 30 calendar days of the Effective Date.

14 (r) Notice of Settlement: Within 21 calendar days of the Court's preliminary approval  
15 of the Settlement, Defendant will provide to the Settlement Administrator a list in  
16 Microsoft Excel format containing each Class Member's (i) full name, (ii) last  
17 known address, (iii) Social Security Number, and (iv) the total number of Covered  
18 Workweeks for each Class Member during the Class Period ("Class List"). Within  
19 15 calendar days of receipt of the Class List, the Settlement Administrator will  
20 perform an NCOA check and will mail the notice to the Class Members setting  
21 forth the material terms of the proposed Settlement, along with instructions about  
22 how to object or request exclusion from the proposed class action Settlement  
23 ("Class Notice"). The Administrator will skip-trace returned mail and re-mail the  
24 notice to the new addresses within five calendar days. These deadlines are subject  
25 to court approval. For each Class Member, there will be pre-printed information on  
26 the mailed Class Notice, based on Defendant's records, stating the Class Member's  
27 Covered Workweeks during the Class Period and the estimated total Settlement  
28 Payment under the Settlement, including the Settlement Class Payment and the

1 PAGA Settlement Payment that will be distributed irrespective of any exclusion  
2 request. The pre-printed information based on Defendant's records shall be  
3 presumed to be correct. A Class Member may dispute the pre-printed information  
4 on the Notice as to his or her Covered Workweeks during the Class Period. Class  
5 Members must submit any dispute regarding the information on the Class Notice to  
6 the Settlement Administrator as to his or her Covered Workweeks within the  
7 Response Deadline. Unless a disputing Class Member submits documentary  
8 evidence in support of his or her dispute, the records of Defendant will be  
9 dispositive.

10 (s) Class Members Cannot Exclude Themselves from the Released PAGA Claims:

11 Class Members submitting a Request for Exclusion will nevertheless receive their  
12 pro-rata share of the PAGA Settlement Payment. If the Court approves the  
13 compromise of the PAGA Claim, all Class Members are bound by the Court's  
14 resolution of that Claim. Plaintiff shall serve a notice of settlement on the  
15 California Labor and Workforce Development Agency at or before the time  
16 Plaintiff files the motion for preliminary approval.

17 (t) Resolution of Workweek Disputes: If a Class Member disputes the accuracy of  
18 Defendant's records used to calculate Covered Workweeks, and the Parties'  
19 counsel cannot resolve the dispute informally, the matter will be referred to the  
20 Settlement Administrator. The Settlement Administrator will review Defendant's  
21 records and any information or documents submitted by the Class Member and  
22 issue a decision regarding the dispute. If the Settlement Administrator's decision is  
23 not accepted by the Parties and the disputing Class Member, the dispute will be  
24 submitted to the Court for resolution at the time of the final approval hearing. The  
25 Class Member must submit information or documents supporting his or her  
26 position to the Settlement Administrator prior to the expiration of the Response  
27 Deadline. Information or documents submitted after the expiration of the  
28 Response Deadline will not be considered by the Settlement Administrator, unless

1 otherwise agreed to by the Parties. In the event that the number of Covered  
2 Workweeks is increased for any Class Member, then the Settlement Administrator  
3 will recalculate the Individual Settlement Payments accordingly; in no event will  
4 Defendant be required to increase the Gross Settlement Amount.

- 5 (u) Right of Class Member to Request Exclusion from the Settlement: Any Class  
6 Member may request to be excluded from the Class by mailing a “Request for  
7 Exclusion” from the Settlement within the Response Deadline. A Request for  
8 Exclusion must clearly and unequivocally state a desire to be excluded from the  
9 Class, with a statement comparable to the following:

10 “I want to be excluded from the class in *Gastelum v. Hair Club*  
11 *For Men*, LASC Case No. 20STCV29390.

12 No specific wording is required to state a Request for Exclusion, so long as it is  
13 clear and unequivocal. Any Request for Exclusion must include the name, address,  
14 telephone number, last four digits of the Class Member’s Social Security Number,  
15 and the signature of the Class Member requesting exclusion to protect against  
16 falsified Requests for Exclusion. Any such request must be made in accordance  
17 with the terms of the Class Notice, and the Class Notice will advise Class Members  
18 of these requirements. Any Class Member who timely requests exclusion in  
19 compliance with these requirements (i) shall not have any rights under this  
20 Settlement other than a right to receive a pro-rata share of the portion of the PAGA  
21 payment allocated to the Class Members if the Class Member is also PAGA  
22 Employee; (ii) shall not be entitled to receive any Settlement Payments under this  
23 Settlement other than as stated in (i) in this paragraph; and (iii) shall not be bound  
24 by this Settlement or the Court’s Order and Final Judgment other than as it applies  
25 to the PAGA Claim.

- 26 (v) Right of Settlement Class Member to Object to The Settlement: Any Class  
27 Member may object to the Settlement. To object, the Class Member may  
28 (1) appear in person (including through an audio or video call appearance as

required or authorized by the Court) at the Final Approval Hearing to explain any objection, (2) have an attorney object for the Class Member, or (3) submit a simple written brief or statement of objection to the Settlement Administrator. If any Class Member chooses to submit a written objection, the written objection should contain sufficient information to confirm the identity of the objector and the basis of the objection, including (1) the full name of the Settlement Class Member; (2) the signature of the Settlement Class Member; (3) the grounds for the objection; and (4) be postmarked within the Response Deadline to permit adequate time for processing and review by the Parties of the written statement or objection. Class Counsel shall ensure that any written objections are transmitted to the Court for the Court's review (either by Class Counsel or as an attachment to declaration from the Settlement Administrator). A Class Member who does not object prior to or at the Final Approval Hearing, will be deemed to have waived any objections and will be foreclosed from making any objections (whether at the Final Approval Hearing, by appeal, or otherwise) to the Settlement. If the Court rejects the Class Member's objection, the Class Member will still be bound by the terms of this Agreement. Class Counsel and Defendant's Counsel may file responses to any written objections submitted to the Court.

(w) Tax Liability: Class Counsel and Defendant make no representations as to the tax treatment or legal effect of payments called for hereunder, and Plaintiff and the Settlement Class Members are not relying on any statement or representation by Class Counsel or Defendant in this regard. Plaintiff, Settlement Class Members understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on their respective payments described herein. The amount of federal income tax withholding will be based upon a flat withholding rate for supplemental wage payments in accordance with Treas. Reg. § 31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also be made pursuant to applicable state and/or local withholding codes or regulations. Forms

1 W-2 and/or Forms 1099 will be distributed at times and in the manner required by  
2 the Internal Revenue Code of 1986 (the “Code”) and consistent with this  
3 Agreement. If the Code, the regulations promulgated thereunder, or other  
4 applicable tax law, is changed after the date of this Agreement, the processes set  
5 forth in this Section may be modified in a manner to bring Defendant into  
6 compliance with any such changes.

7 (x) CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS AGREEMENT  
8 (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY”  
9 AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE  
10 ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES  
11 AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO  
12 WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG  
13 THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR  
14 WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR  
15 DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON  
16 AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES  
17 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS  
18 AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED  
19 EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL  
20 AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN  
21 CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO  
22 THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY  
23 OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER  
24 PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY  
25 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER  
26 TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE  
27 IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY  
28 OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION

1 THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S  
2 OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH  
3 LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE  
4 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX  
5 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION  
6 CONTEMPLATED BY THIS AGREEMENT.

7 **THE SETTLEMENT ADMINISTRATOR'S PRIMARY DUTIES**

8 30. Subject to the Court's approval, and subject to reconsideration by the Parties after a  
9 competitive bidding process, the Parties have agreed to the appointment of Phoenix Settlement  
10 Administrators to perform the customary duties of Settlement Administrator. The Settlement  
11 Administrator will mail the Notice to the Class Members.

12 31. The Settlement Administrator will independently calculate and/or review the Covered  
13 Workweeks and PAGA Pay Periods attributed to each Class Member and will calculate the estimated  
14 amounts due to each Class Member and the actual amounts due to each Settlement Class Member and  
15 PAGA Employee in accordance with this Settlement. The Settlement Administrator shall report, in  
16 summary or narrative form, the substance of its findings. The Settlement Administrator shall be granted  
17 reasonable access to Defendant's records in order to perform its duties.

18 32. In accordance with the terms of this Settlement, and upon receipt of Gross Settlement  
19 Amount from Defendant, the Settlement Administrator will issue and send out the Settlement Payment  
20 checks to the Class Members. Tax treatment of the Settlement Payments will be as set forth herein, and in  
21 accordance with state and federal tax laws. All disputes relating to the Settlement Administrator's  
22 performance of its duties shall be referred to the Court, if necessary, which will have continuing  
23 jurisdiction over the terms and conditions of this Settlement until all payments and obligations  
24 contemplated by this Settlement have been fully carried out.

25 33. The Settlement Administrator will post the final judgment approving the Settlement on a  
26 website maintained by the Settlement Administrator for a period of not less than 90 calendar days after the  
27 final judgment is entered. The website will use a page on the Settlement Administrator's website, and not  
28 a custom domain for this Settlement. The address of that website will be included in the Class Notice.

**ATTORNEY'S FEES AND COSTS**

34. In consideration for resolving this matter and in exchange for the release of all claims by the Class Members, including Plaintiff, and subject to approval by the Court, Defendant will not object to Class Counsel's application for attorney's fees not to exceed 35% of the Gross Settlement Amount (\$122,500.00 of \$350,000.00) and litigation costs not to exceed \$22,000. The amounts set forth above will cover all work performed and all fees and costs incurred to date, and all work to be performed and all fees and costs to be incurred in connection with the approval by the Court of this Settlement and administration of the Settlement. Should Class Counsel request a lesser amount and/or the Court approve a lesser amount(s) of attorney's fees and/or attorneys' costs, the difference between the lesser amount(s) and the maximum amount set forth above shall be added to the Net Settlement Amount. As with the Settlement Payments to the Settlement Class, the attorney's fees and costs approved by the Court shall be paid to Class Counsel, within 45 calendar days of the Effective Date of the Settlement, provided that the Settlement Administrator has provided the Parties with an accounting of the amounts to be paid by Defendant pursuant to the terms of this Settlement and Defendant has fully funded the Settlement within 30 calendar days of the Effective Date. Class Counsel shall disclose to the Court any fee sharing agreements in existence. In the event that the Court awards less than 25% of the Gross Settlement Amount for attorney's fees, Class Counsel shall retain the right to appeal that portion of any Final Approval Order and Judgment.

**THE NOTICE PROCESS**

35. A Notice in approximately the form attached hereto as Exhibit "A," and as approved by the Court, shall be sent by the Settlement Administrator to the Class Members by first class mail. Any returned envelopes from this mailing with forwarding addresses will be utilized by the Settlement Administrator to forward the Notices to the Class.

- (a) Within 21 calendar days from the date of preliminary approval of this Settlement by the Court, Defendant shall provide to the Settlement Administrator a class database containing the following information for each Class Member a list in Microsoft Excel format (or other format acceptable to the Settlement Administrator) containing each Settlement Class Member's (1) full name, (2) last

1 known address, (3) Social Security Number, and (4) the total number of Covered  
2 Workweeks for each Class Member in California during the Class Period as a non-  
3 exempt employee ("Class List"). This database shall be based on Defendant's  
4 payroll and other business records. The Settlement Administrator will run a check  
5 of the Class Members' addresses against those on file with the U.S. Postal  
6 Service's National Change of Address List; this check will be performed only once  
7 per Class Member by the Settlement Administrator. Absent mutual written  
8 agreement of counsel for the Parties or Court order, the Settlement Administrator  
9 will keep this database confidential and secure and use it only for the purposes  
10 described herein, and will return this database to Defendant upon final approval of  
11 the settlement or destroy electronic records containing the database after the  
12 Settlement is final and all payments are distributed as required under this  
13 Agreement. However, Plaintiff's Counsel shall be entitled to review anonymized  
14 data showing the workweeks worked by each Class Member, with Class Member  
15 identity concealed through use of an employee number or number assigned by the  
16 Settlement Administrator.

17 (b) Within 15 calendar days after the Class database is provided to the Settlement  
18 Administrator, the Settlement Administrator will mail the Notices to the Class  
19 Members by First Class United States mail.

20 (c) Class Notices returned to the Settlement Administrator as non-deliverable on or  
21 before the initial Response Deadline shall be resent to the forwarding address, if  
22 any, on the returned envelope. A returned Class Notice will be forwarded by the  
23 Settlement Administrator any time that a forwarding address is provided with the  
24 returned mail. If there is no forwarding address, the Settlement Administrator will  
25 do a computer search for a new address using the Class Member's social security  
26 number and/or other information. In any instance where a Class Notice is re-  
27 mailed, that Class Member will have until the extended Response Deadline as  
28 described above. A letter prepared by the Settlement Administrator will be

1 included in the re-mailed Class Notice in that instance, stating the extended  
2 Response Deadline if different than the original Response Deadline. Upon  
3 completion of these steps by the Settlement Administrator, Defendant and the  
4 Settlement Administrator shall be deemed to have satisfied their obligations to  
5 provide the Class Notice to the affected Class Member. The affected Class  
6 Member shall remain a member of the Settlement Class and shall be bound by all  
7 the terms of the Settlement and the Court's Order and Final Judgment.

8 (d) Class Counsel shall provide to the Court a declaration by the Settlement  
9 Administrator of due diligence and confirming mailing of the Notices.

10 **DISPOSITION OF SETTLEMENT PAYMENTS AND UNCASHED CHECKS**

11 36. As set forth above, each Class Member will have until the expiration of the applicable  
12 Response Deadline to submit to the Settlement Administrator any challenge or dispute to the Class  
13 Member's Covered Workweek information on the Notice. No disputes will be honored if they are  
14 submitted after the Response Deadline, unless the Parties mutually agree to accept the untimely dispute.  
15 Each Class Member is responsible to maintain a copy of any documents sent to the Settlement  
16 Administrator and a record of proof of mailing.

17 37. The Settlement Administrator shall cause the Settlement Payments to be mailed to the  
18 Settlement Class Members and PAGA Employees as provided herein. Settlement Class Payments and  
19 PAGA Payments may be combined into one check. Settlement Payment checks shall remain valid and  
20 negotiable for 180 calendar days from the date of their issuance. Settlement Payment checks will  
21 automatically be cancelled by the Settlement Administrator if they are not cashed by the Class Member  
22 within that time, and the Class Member's relevant claims will remain released by the Settlement.  
23 Settlement Payment checks which have expired will not be reissued.

24 38. Funds from un-cashed or abandoned Settlement Payment checks, based on a 180-day void  
25 date, shall be transmitted to the California State Controller's Office for Unclaimed Property in the name of  
26 each Class Member who failed to cash their Settlement Payment check prior to the void date.

27 39. Upon completion of its calculation of Settlement Payments, the Settlement Administrator  
28 shall provide Class Counsel and Defendant's Counsel with a report listing the amounts of all payments to

be made to Class Members (to be identified anonymously by employee number or other identifier). A Declaration attesting to completion of all payment obligations will be provided to Class Counsel and Defendant's Counsel and filed with the Court by Class Counsel.

**RELEASE BY THE CLASS AND PAGA EMPLOYEES**

40. Upon the final approval by the Court of this Settlement and Defendant's payment of all sums due pursuant to this Settlement, and except as to such rights or claims as may be created by this Settlement, the Class Representative, the Class and each Class Member who has not submitted a valid and timely request for exclusion as to claims other than the PAGA claim, and each PAGA Employee, regardless of whether they have requested exclusion from the Settlement of Class claims, will release claims as follows:

- (a) **Identity of Released Parties.** The released parties are Defendants Hair Club For Men, LLC and Hair Club for Men Ltd., Inc., and their subsidiaries, affiliates, parents, agents, employees, partners, directors, officer, attorneys, trustees, insurers, representatives, predecessors, successors, assigns, agents, payroll services, staffing services, and joint employers (collectively "Releasees").
- (b) **Date Release Becomes Active.** The Released Class Claims and Released PAGA Claims will be released upon the later of (1) the Settlement's Effective Date, or (2) the satisfaction of Defendant's obligation to provide to the Settlement Administrator a sum in the amount required to satisfy all required payments and distributions pursuant to this Settlement and the Order and Judgment of final approval. Class Members will not release the Released Class Claims or Released PAGA Claims until both the Effective Date of the Settlement has occurred, and Defendant has paid all amounts owing under the Settlement.
- (c) **Claims Released by Settlement Class Members.** Each and every Class Member, on behalf of himself or herself and his or her heirs and assigns, unless he or she has submitted a timely and valid Request for Exclusion (which will not effectuate an opt-out from the release of Released PAGA Claims), hereby releases the Releasees from the following claims for the entire Class Period:

Any and all claims stated in the Action, or that could have been stated based on the facts alleged in the Action, implicitly or explicitly, including but not limited to state wage and hour claims (including all claims under the California Labor Code) for rest period violations, wage statement violations, recordkeeping, unreimbursed expenses, interest, penalties, and attorneys' fees, waiting time penalties, withholding from wages and the related provisions of the Labor Code including but not limited to Labor Code §§ 201-203, 218.6, 226, 226.3, 226.7, 2802, derivative claims under California Business & Professions Code §§ 17200, *et seq.*, and all claims under the governing Wage Orders (*see* Paragraph 15, above).

- (d) **Claims Released by PAGA Employees.** All PAGA Employees employed during the Released PAGA Claims Period (whether requesting exclusion from the Settlement or not) will release the Released PAGA Claims (*see* Paragraph 16, above).

**EMPLOYMENT BY DEFENDANT NOT CONSIDERATION FOR THIS SETTLEMENT  
OR A CONDITION OF THIS SETTLEMENT**

41. Employment of Plaintiff by Defendant is not consideration for, or a condition of, this Settlement.

**DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

42. The Parties shall submit this Joint Stipulation of Class Action Settlement to the Court in support of Plaintiff's unopposed motion for preliminary approval for determination by the Court as to its fairness, adequacy, and reasonableness. Upon execution of this Joint Stipulation of Class Action Settlement, the Parties shall apply to the Court for the entry of an order:

- (a) Scheduling a final approval and fairness hearing on the question of whether the proposed Settlement, including payment of attorney's fees and costs, and the Class Representative's service payment, should be finally approved as fair, reasonable, and adequate as to the members of the Class;
- (b) Certifying a Class for purposes of this Settlement only;

- (c) Approving as to form and content the proposed Notice;
- (d) Directing the mailing of the Notice;
- (e) Preliminarily approving the Settlement subject only to the objections of Class Members and final review by the Court;
- (f) Conditionally appointing Plaintiff and Class Counsel as representatives of the proposed Class Members; and,
- (g) Appointing Phoenix Settlement Administrators as the Settlement Administrator, and order the Settlement Administrator to issue Notices as outlined above.

**DUTIES OF THE PARTIES FOLLOWING FINAL COURT APPROVAL**

43. In conjunction with the hearing of a motion for final approval by the Court of the Settlement provided for in this Joint Stipulation of Settlement, Class Counsel will provide to Defendant's Counsel for review and approval at least five days in advance and then submit to the Court a proposed final order and judgment containing provisions sufficient to accomplish the following:

- (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;
- (b) Approving Class Counsel's application for an award of attorney's fees and costs;
- (c) Approving the Settlement Administration Costs;
- (d) Approving the Service Payment to the Class Representative;
- (e) Adjudging the Settlement Administrator has fulfilled its initial notice and reporting duties under the Settlement.
- (f) Adjudging Plaintiff and Class Counsel may adequately represent the Final Settlement Class for the purpose of entering into and implementing the Agreement;
- (g) Entering a final judgment in the action;
- (h) Adjudging that notwithstanding the submission of a timely request for exclusion, Class Members are still bound by the settlement and release of the Released PAGA Claims or remedies under the Judgment pursuant to *Arias v. Superior Court*, 46 Cal. 4th 969 (2009), as requests to be excluded from the Settlement do not apply to the Released PAGA Claims, and further affirms that the State's claims for civil

penalties pursuant to PAGA are also extinguished;

- (i) Directing the posting of the final judgment on a website maintained by the Settlement Administrator for a period of not less than 90 calendar days after entry of final judgment.

Any revised final judgments will also be provided to Defendant's Counsel for review and approval before they are submitted to the Court.

#### **NULLIFICATION AND TERMINATION**

44. This Settlement will be null and void if any of the following occur: (a) the Court should for any reason fail to certify a class for settlement purposes; (b) the Court should for any reason fail to preliminarily or finally approve of this Settlement in the form agreed to by the Parties, other than adjustments made to the attorney's fees and costs or granting of the Service Payment (c) the Court should for any reason fail to enter the final judgment; (d) the final judgment is reversed, modified, or declared or rendered void; or (e) the Settlement does not become final for any other reason.

45. If five percent (5%) or more of the Class Members opt out of this Settlement, then Defendant in its sole discretion may terminate, nullify and void this Settlement. The Settlement Administrator shall provide Defendant's Counsel with the information necessary to effectuate this provision on a regular basis, but no less frequently than on a monthly basis. To terminate this Settlement under this paragraph, Defendant's Counsel must give Plaintiff's Counsel written notice, by facsimile, e-mail, or mail, no later than 10 court days after the Response Deadline. If this option is exercised by Defendant, Defendant shall be solely responsible for the costs incurred by the Settlement Administrator for the settlement administration.

46. In the event this Settlement is nullified or terminated as provided above: (i) this Settlement shall be considered null and void, (ii) neither this Settlement nor any of the related negotiations or proceedings shall have any force or effect and no party shall be bound by any of its terms, and (iii) all Parties to this Settlement shall stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court.

#### **PARTIES' AUTHORITY**

47. The signatories hereto hereby represent that they are fully authorized to enter into this

1 Settlement and bind the Parties hereto to the terms and conditions thereof.

2 **MUTUAL FULL COOPERATION**

3 48. The Parties agree to fully cooperate with each other to accomplish the terms of this  
4 Settlement including, but not limited to, execution of such documents and taking such other action as  
5 reasonably may be necessary to implement the terms of this Settlement. The Parties to this Settlement  
6 shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that  
7 may become necessary by order of the Court, or otherwise, to effectuate this Settlement and the terms set  
8 forth herein. As soon as practicable after execution of this Settlement, Class Counsel shall, with the  
9 assistance and cooperation of Defendant and Defendant's Counsel, take all necessary steps to secure the  
10 Court's preliminary and final approval of this Settlement.

11 **NO PRIOR ASSIGNMENTS**

12 49. The Parties and their respective counsel represent, covenant, and warrant that they have not  
13 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to  
14 any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein  
15 released and discharged except as set forth herein.

16 **NO ADMISSION OF LIABILITY**

17 50. Nothing contained herein, nor the consummation of this Settlement, is to be construed or  
18 deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant.  
19 Defendant denies all the claims and contentions alleged by the Plaintiff in this case. Defendant has entered  
20 into this Settlement solely with the intention to avoid further disputes and litigation with the attendant  
21 inconvenience and expenses.

22 **ENFORCEMENT ACTIONS**

23 51. In the event that one or more of the Parties to this Settlement institutes any legal action or  
24 other proceeding against any other party or parties to enforce the provisions of this Settlement or to declare  
25 rights and/or obligations under this Settlement, the successful party or parties shall be entitled to recover  
26 from the unsuccessful party or parties reasonable attorney's fees and costs, including expert witness fees  
27 incurred in connection with any enforcement actions.

**NOTICES**

52. Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by United States registered or certified mail, return receipt requested, addressed as follows:

**Class Counsel:**

LAVI & EBRAHIMIAN, LLP  
 Joseph Lavi, Esq. (SBN 209776)  
[jlavi@lelawfirm.com](mailto:jlavi@lelawfirm.com)  
 Vincent C. Granberry, Esq. (SBN 276483)  
[vgranberry@lelawfirm.com](mailto:vgranberry@lelawfirm.com)  
 Pooja V Patel, Esq. (SBN 317891)  
[ppatel@lelawfirm.com](mailto:ppatel@lelawfirm.com)  
 Courtney M. Miller, Esq. (SBN 327850)  
[cmiller@lelawfirm.com](mailto:cmiller@lelawfirm.com)  
 8889 W. Olympic Boulevard, Suite 200  
 Beverly Hills, California 90211  
 Telephone: (310) 432-0000  
 Facsimile: (310) 432-0001

**Counsel for Defendant:**

SEYFARTH SHAW LLP  
 Justin T. Curley, Esq. (SBN 233287)  
[jcurley@seyfarth.com](mailto:jcurley@seyfarth.com)  
 560 Mission Street, 31st Floor  
 San Francisco, California 94105  
 Telephone: (415) 397-2823  
 Facsimile: (415) 397-8549

SEYFARTH SHAW LLP  
 Reiko Furuta, Esq. (SBN 169206)  
[rfuruta@seyfarth.com](mailto:rfuruta@seyfarth.com)  
 2029 Century Park East, Suite 3500  
 Los Angeles, California 90067-3021  
 Telephone: (310) 277-7200  
 Facsimile: (310) 201-5219

**CONSTRUCTION**

53. The Parties hereto agree that the terms and conditions of this Settlement are the result of lengthy, intensive arms-length negotiations between the Parties, and this Settlement shall not be construed in favor of or against any party by reason of the extent to which any party or his, her or its counsel participated in the drafting of this Settlement.

**CAPTIONS AND INTERPRETATIONS**

54. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement or any provision hereof. Each term of this Settlement is contractual and not merely a recital.

**MODIFICATION**

55. This Settlement may not be changed, altered, or modified, except in writing and signed by the Parties hereto, and approved by the Court. This Settlement may not be discharged except by

1 performance in accordance with its terms or by a writing signed by the Parties hereto.

2 **INTEGRATION CLAUSE**

3 56. This Settlement contains the entire agreement between the Parties relating to the  
4 Settlement and transaction contemplated hereby, and all prior or contemporaneous agreements,  
5 understandings, representations, and statements, whether oral or written and whether by a party or such  
6 party's legal counsel regarding this Settlement and transaction are merged herein. No rights hereunder  
7 may be waived except in writing.

8 **WAIVER OF APPEALS**

9 57. The Parties agree to waive appeals and to stipulate to class certification for purposes of  
10 implementing this Settlement only, with the exception that Class Counsel retains the right to appeal the  
11 amount awarded as attorney's fees in the event that the Court awards less than twenty-five percent (25%)  
12 of the Gross Settlement Amount as attorney's fees.

13 **BINDING ON ASSIGNS**

14 58. This Settlement shall be binding upon and inure to the benefit of the Parties hereto and  
15 their respective heirs, trustees, executors, administrators, successors and assigns.

16 **CLASS COUNSEL SIGNATORIES**

17 59. It is agreed that because the members of the Class are so numerous, it is impossible or  
18 impractical to have each member of the Class execute this Settlement. The Notice will advise all Class  
19 Members of the binding nature of the Released Class Claims and Released PAGA Claims, and the release  
20 shall have the same force and effect as if this Settlement were executed by each member of the Class.

21 **COUNTERPARTS**

22 60. This Settlement may be executed in counterparts and by electronic or facsimile signatures,  
23 and when each party has signed and delivered at least one such counterpart, each counterpart shall be  
24 deemed an original, and, when taken together with other signed counterparts, shall constitute one  
25 Settlement, which shall be binding upon and effective as to all Parties.

26 **CONFIDENTIALITY & PUBLIC COMMENT**

27 61. The Class Representative and Class Counsel agree they will not make any disparaging  
28 comments about Defendant relating to this Settlement of this class action or disclose the negotiations of

the Settlement. Class Members may receive information about the Settlement that is not in the public record after the Court has preliminarily approved the Settlement. Other than as to Class Members or as expressly allowed below, the Parties and attorneys will keep the settlement confidential until the filing of the motion for preliminary approval of the class settlement. Thereafter, the Parties agree to make no comments to the media or otherwise publicize the terms of the Settlement, other than in court filings. Any communication about the Settlement to Class Members prior to the Court-approved mailing will be limited to (1) a statement that a settlement has been reached, (2) a statement of any of the details that would necessarily be included in any Court-approved Notice if a Class Member requests details about the proposed Settlement, and (3) a warning that the terms of the proposed Settlement have not yet been approved by the Court. Prior to preliminary approval, the Class Representative is prohibited from discussing the terms or the fact of the settlement with third parties other than (1) a spouse, (2) accountants or lawyers as necessary for tax purposes, or (3) Class Members. At all times, the Class Representative is prohibited from communicating about the terms or the fact of the settlement on any form of social media. Class Counsel will take all steps necessary to ensure the Class Representative is aware of, and will adhere to, the restrictions against any public disclosure of the Settlement. Class Counsel will not include or use the settlement for any marketing or promotional purposes.

### **FINAL JUDGMENT**

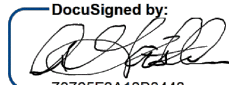
62. The Parties agree that, upon final approval of the Settlement, final judgment of this Action will be made and entered in its entirety. The final judgment may be included in the Order granting Final Approval of the Settlement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action Settlement between Plaintiff and Defendant as set forth below:

**IT IS SO STIPULATED.**

Dated: March 14, 2023, 2023

By: \_\_\_\_\_

DocuSigned by:  
  
70765F3A13B3443...

Plaintiff ADELA GASTELUM

1 Dated: March 21, 2023

HAIR CLUB FOR MEN, LLC

2  
3 By: 

Signature

4 M. Mike Nassar

5 Name

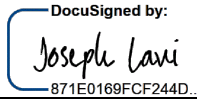
6 President & CEO

Title

7 AS TO FORM:

8  
9 Dated: March 15, 2023, 2023

LAVI & EBRAHIMIAN, LLP

10  
11 By:   
871E0169FCF244D...

Joseph Lavi

Vincent C. Granberry

Pooja Patel

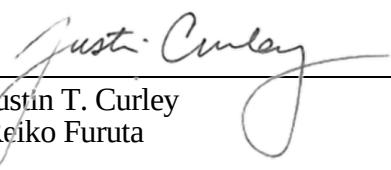
Courtney M. Miller

12 Attorneys for Plaintiff

13 ADELA GASTELUM

14  
15  
16 Dated: March 20, 2023

SEYFARTH SHAW LLP

17  
18 By: 

Justin T. Curley

Reiko Furuta

19 Attorneys for Defendants

20 HAIR CLUB FOR MEN, LLC and HAIR CLUB  
21 FOR MEN LTD., INC.

22 92124074v.1