

SETTLEMENT AND RELEASE

This Settlement and Release is made and entered into by and between Plaintiff Chiemi Maningas-Ng, an individual, on behalf of herself, all aggrieved employees, and the State of California as a private attorney general, on the one hand, and Defendant Apple American Group LLC, on the other hand.

I. REPRESENTATIONS AND DEFINITIONS

1. “Aggrieved Employees” or “Aggrieved Employee” means Plaintiff and all persons who are or were employed by Apple American Group LLC or Apple American Group II LLC and who hold or held job positions that they classified as “non-exempt” employees in the State of California during the Covered Period.

2. “Aggrieved Employee List” means the list of Aggrieved Employees that Defendant shall provide to the Settlement Administrator as described in paragraph 58 below.

3. “Counsel for Defendant” means Mara Curtis, Michele Gehrke, and Mary Tumanyan of Reed Smith LLP.

4. “Court” means the Los Angeles County Superior Court of California.

5. “Covered Claims” are defined in paragraph 51 below.

6. “Covered Period” means the period from April 6, 2019 to the date this Agreement is approved by the Court.

7. “Defendant” or “AAG” means Apple American Group LLC.

8. “Effective Date” means after all of the following have occurred:

- a) this Settlement Agreement has been executed by all Parties and by PAGA Counsel and Counsel for Defendant;
- b) the Court has approved the Settlement;
- c) the Court has issued its Order and Judgment in accordance with the terms described herein; and
- d) In the event no appeal is filed, then sixty (60) days after the entry of the Order and Judgment, or, if an appeal is filed, upon final dismissal of the appeal, writ

or other appellate proceeding opposing this Settlement. In this regard, it is the intention of the Parties that the Settlement shall not become effective until the Court's order approving the Settlement has become completely final, and there is no timely recourse by an appellant who seeks to contest the Settlement.

9. "Eligible Pay Periods" means the total number of pay periods worked by each Aggrieved Employee during the Covered Period.

10. "Gross Settlement Payment" means the maximum amount of One Million Two Hundred Seventy-Five Thousand Dollars and Zero Cents (\$1,275,000.00) that Defendant shall be required to pay under this Settlement Agreement.

11. "Individual PAGA Payment(s)" means the amount payable from the PAGA Fund to an individual Aggrieved Employee.

12. "Individual Settlement" means the separate individual settlement agreement between Plaintiff and Defendant.

13. "Lawsuit" means the civil action filed in the Superior Court of the State of California for the County of Los Angeles, entitled *Chiemi Maningas-Ng v. Apple American Group, LLC*, Case No. 20STCV31468, filed on August 17, 2020.

14. "LWDA" means the California Labor and Workforce Development Agency.

15. "Order and Judgment" means the order and judgment to be entered by the Court granting approval of the Settlement Agreement as binding upon the Parties, the State of California acting by and through the LWDA and the Aggrieved Employees.

16. "PAGA" means the California Labor Code Private Attorneys General Act of 2004, codified at Labor Code Sections 2698, *et seq.*

17. "PAGA Counsel" means Marcus J. Bradley, Kiley L. Grombacher and Lirit A. King of Bradley/Grombacher, LLP and Sahag Majarian II of Law Offices of Sahag Majarian II.

18. "PAGA Fund" means the amount of money remaining after PAGA Counsel's attorneys' fees and costs, and settlement administration costs are deducted from the Gross Settlement Payment.

19. “PAGA Letter” means the letter that Plaintiff caused to be sent to the LWDA and AAG stating her intent to pursue a representative action pursuant to PAGA on behalf of herself and the State of California as well as on behalf of a proposed group of aggrieved employees on August 17, 2020.

20. “Parties” means Plaintiff and Defendant, collectively.

21. “Pay Period Amount” means the gross amount that an Aggrieved Employee shall receive for each Eligible Pay Period. The Pay Period Amount shall be determined as described in paragraph 44 below.

22. “Plaintiff” means named Plaintiff Chiemi Maningas-Ng.

23. “Releasees” means Defendant, Apple American Group II LLC, Flynn Restaurant Group LP, and each of their respective present and former parents, subsidiaries, divisions, affiliates, acquired companies, and each of their respective present and former officers, directors, employees, partners, shareholders, agents, trustees, representatives, attorneys, insurers, predecessors, successors, assigns, affiliated companies and entities, and any individual or entity that could be jointly liable with any of the foregoing.

24. “Settlement” or “Settlement Agreement” means the terms and conditions set forth in this Settlement and Release agreement.

25. “Settlement Administrator” means ILYM.

II. NATURE OF ACTION

26. On August 17, 2020, Plaintiff filed the complaint in this Lawsuit in Los Angeles Superior Court against Defendant on behalf of herself and a class of “all persons who have been, or currently are, employed by Defendants and who held, or hold, job positions which Defendants have classified as ‘non-exempt’ in the State of California.” The complaint stated claims against Defendant for alleged: (1) failure to pay all wages in violation of California Labor Code §§ 200, 203, 206, 218.5, 226, 510, 1194, 1197, 1198, and the IWC Wage Order; (2) failure to provide proper meal periods in violation of California Labor Code §§ 200, 226, 226.7, 512, 1198, and the IWC Wage Order; (3) failure to provide proper rest periods in violation of California Labor Code

§§ 200, 218.5, 226.7, 512, and the IWC Wage Order; (4) failure to provide accurate itemized wage statements in violation of California Labor Code § 226; (5) failure to reimburse for all expenses in violation of California Labor Code § 2802; (6) failure to comply with California Labor Code § 204 in violation of California Labor Code §§ 204, 210, 218.6 and California Civil Code § 3289; and (7) violation of Business and Professions Code §§ 17200 *et seq.*

27. On August 17, 2020 Plaintiff sent a letter to the LWDA and AAG stating her intent to pursue a representative action pursuant to PAGA on behalf of herself and the State of California as well as on behalf of aggrieved employees based on Defendant's alleged failure to: (1) pay for all hours worked in violation of California Labor Code §§ 510, 1194, 1194.2, 1197, 1198 and the IWC Wage Order; (2) provide proper meal breaks in violation of California Labor Code §§ 226, 226.7, 512, 1198 and the IWC Wage Order; (3) provide proper rest breaks in violation of California Labor Code §§ 226, 226.7, 512, 1198 and the IWC Wage Order; (4) provide proper wage statements in violation of California Labor Code § 226(a); (5) reimburse business-related expenses in violation of California Labor Code § 2802; and (6) pay wages within seven days of the ending date in the pay period in violation of California Labor Code § 204. Plaintiff's PAGA Letter alleged that Defendant violated the IWC Wage Order and California Labor Code §§ 200, 204, 226, 226.7, 510, 512, 1194, 1194.2, 1197, 1198, and 2802.

28. On January 26, 2021, Plaintiff filed a First Amended Complaint to add an eighth claim for penalties pursuant to PAGA, Labor Code Sections 2698 *et seq.*, for Defendant's alleged failure to: (1) pay all wages due, including overtime wages; (2) authorize and permit rest periods; (3) authorize and permit meal periods; (4) provide accurate wage statements; (5) timely pay wages; and (6) reimburse for business expenses.

29. On February 8, 2021, the Court ordered the dismissal of causes of action one through seven in Plaintiff's First Amended Complaint, without prejudice as to Plaintiff, pursuant to the Parties' joint stipulation regarding the same. Following the Court's order, Plaintiff's only remaining cause of action was the eighth cause of action seeking penalties under PAGA.

30. The Parties agreed to private mediation of this action. The Parties engaged in

informal fact discovery and exchanged pertinent information voluntarily in anticipation of the mediation to understand the nature of the allegations and the scope of potential liability.

31. The Parties attended mediation on July 8, 2021, with respected mediator Jeffrey Krivis. The case did not settle at the mediation but subsequently resolved pursuant to a mediator's proposal made by Mr. Krivis and accepted by the Parties.

32. Defendant denies that any penalties or any relief of any kind should be awarded for the claims alleged in the Lawsuit, including for the Covered Claims, and further denies that this Lawsuit is appropriate for representative treatment for any purpose other than settling this Lawsuit.

33. Neither the existence of this Settlement nor anything contained in this Settlement shall be construed or deemed as an admission of liability, culpability, negligence, or wrongdoing on the part of any of the Releasees. Nothing herein shall constitute an admission by any of the Releasees that the Lawsuit was properly brought as a representative action, other than for settlement purposes. Settlement of the Lawsuit, the negotiation and execution of this Settlement Agreement, and all acts performed or documents executed pursuant to or in furtherance of this Settlement or the settlement of the Lawsuit: (a) are not, shall not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or liability on the part of any of the Releasees or of the truth of any of the factual allegations in the operative complaint in the Lawsuit; (b) are not, shall not be deemed to be, and may not be used as, an admission or evidence of any fault or omissions on the part of any of the Releasees in any civil, criminal, or administrative proceeding in any court, administrative agency or other tribunal; (c) are not, shall not be deemed to be, and may not be used as, an admission or evidence of the appropriateness of these or similar claims for representative treatment, or administration other than for purposes of administering this Settlement; and (d) shall not constitute or be deemed a waiver of any of the Releasees' right to compel arbitration of any dispute with Aggrieved Employees that are not the subject of the releases in this Settlement Agreement.

34. The Parties recognize that the issues presented in the Lawsuit are likely only to be resolved with extensive and costly trial proceedings and expert analysis, and that further litigation

will cause inconvenience, distraction, disruption, delay and expense disproportionate to the potential benefits of litigation. The Parties have taken into account the risk and uncertainty of the outcome inherent in any litigation.

35. Plaintiff and PAGA Counsel have diligently pursued an investigation of the Aggrieved Employees' claims against Defendant.

36. Based on their own independent investigations and evaluations, the Parties and their counsel are of the opinion that settlement for the consideration and on the terms set forth in this Settlement is fair, reasonable, adequate, and is in the best interests of Plaintiff, the Aggrieved Employees, and Defendant in light of all known facts and circumstances and the risks inherent in litigation, including potential appellate issues.

37. The purpose of this Settlement is to settle and compromise the Lawsuit, and all Covered Claims that Plaintiff, the Aggrieved Employees and the State of California may have against the Releasees.

38. Separate from this PAGA Settlement, Plaintiff and Defendant have also agreed to an Individual Settlement to fully and finally settle all differences between them.

III. TERMS OF SETTLEMENT

39. In consideration of the mutual covenants, promises and representations set forth in this Settlement, Plaintiff, on behalf of herself, the State of California, and all Aggrieved Employees, and Defendant, agree to settle and compromise the Lawsuit and the Covered Claims.

A. The Amount of Settlement

40. As consideration for the Settlement described herein and the release contained in this Settlement, Defendant agrees to pay the Gross Settlement Payment of **\$1,275,000**. The Gross Settlement Payment will include:

- a) claims administration costs of approximately **\$37,495.00**;
- b) Plaintiff's litigation costs of **up to \$15,000.00**, subject to Court approval;
- c) Plaintiff's attorneys' fees of 33.33% of the Gross Settlement Payment (\$425,000.00), subject to Court approval; and

d) PAGA Fund of approximately **\$797,505.00** to be divided between the LWDA and the Aggrieved Employees as required by Cal. Labor Code Section 2699(i), with **\$598,128.75** (75%) going to the LWDA and **\$199,376.25** (25%) going to the Aggrieved Employees.

41. If the actual amount of claims administration, litigation costs and/or attorneys' fees are less or more than the amounts set forth above, those funds shall be added to or subtracted from the PAGA Fund for allocation to the LWDA and Aggrieved Employees. Under no circumstances will the total amount of the Gross Settlement Payment exceed **\$1,275,000**.

42. The Settlement Administrator shall be authorized to establish a Qualified Settlement Fund ("QSF") pursuant to Internal Revenue Service ("IRS") rules and regulations in which the Gross Settlement Payment shall be placed and from which payments required by the Settlement shall be made.

B. Allocation of the PAGA Fund

43. The asserted claims in the Lawsuit may be difficult to quantify and are subject to disputed calculations and formulas. Plaintiff and Defendant agree that the formula for allocating Individual PAGA Payments to Aggrieved Employees provided herein is reasonable and that the Individual PAGA Payments are designed to provide a fair settlement, despite the uncertainties of the amount allegedly owed and the calculation of the same.

44. Each Aggrieved Employee shall receive a portion of the PAGA Fund. 75% of the PAGA Fund shall be paid to the LWDA. The remaining 25% of the PAGA Fund shall be divided by the total number of Eligible Pay Periods for all Aggrieved Employees. The result of this division shall yield a Pay Period Amount. The gross amount of each Individual PAGA Payment shall be calculated by multiplying the number of Eligible Pay Periods worked by the individual Aggrieved Employee by the Pay Period Amount.

C. PAGA Counsel's Fees and Costs.

45. As part of the request for approval of this Settlement, PAGA Counsel will request court approval of attorneys' fees of \$425,000.00, which is 33.33% of the Gross Settlement

Payment, and reimbursement of already-incurred costs of up to \$15,000.00. Defendant will not oppose PAGA Counsel's request for attorneys' fees and costs. Should PAGA Counsel request a lesser amount for attorneys' fees and costs and/or the court approve a lesser amount, the difference shall be considered part of, and added to, the PAGA Fund. Any attorneys' fees and costs awarded to PAGA Counsel shall fully compensate and reimburse PAGA Counsel for any and all work already performed in connection with the Lawsuit and all work remaining to be performed in fully and finally resolving the Lawsuit.

D. Tax Treatment of Individual PAGA Payments to Aggrieved Employees.

46. The Parties agree that Individual PAGA Payments to Aggrieved Employees will be characterized 100% as penalties and the Settlement Administrator shall issue IRS Forms 1099 if necessary. The Releasees shall not be required to provide any additional form of compensation to any Aggrieved Employee as a result of this allocation of the Individual PAGA Payments. Each Aggrieved Employee shall be responsible for paying all applicable state, local, and/or federal income taxes on all amounts the Aggrieved Employee receives pursuant to this Settlement Agreement. The Releasees are not responsible for any employee tax obligations regarding the allocation of the settlement payments.

47. Payments made to Plaintiff or the Aggrieved Employees pursuant to this Settlement are not intended to count as wages earned by Plaintiff or the Aggrieved Employees.

48. It is expressly understood and agreed that the receipt of an Individual PAGA Payment shall not entitle any Aggrieved Employee to additional compensation or benefits under any company bonus, contest, or other compensation, benefit plan, or agreement in place during the Covered Period, nor shall it entitle any Aggrieved Employee to any increased retirement, 401(k) or matching benefits, or deferred compensation benefits. The Parties agree that any Individual PAGA Payments made to Aggrieved Employees under the terms of this Settlement Agreement shall not represent any modification of previously credited length of service or other eligibility criteria under any bonus plan, employee pension benefit plan or employee welfare plan sponsored by any of the Releasees, or to which any of the Releasees are required to make contributions.

Further, any Individual PAGA Payments made under this Settlement Agreement shall not be considered compensation in any year for purposes of determining eligibility for, or benefit accrual within, any employee pension benefit plan or employee welfare benefit plan sponsored by any of the Releasees or to which any of the Releasees are required to make contributions. It is the Parties' intent that the Individual PAGA Payments provided for in the Settlement Agreement are the sole payments to be made by any of the Releasees to the Aggrieved Employees, and that the Aggrieved Employees are not entitled to any new or additional compensation or benefits as a result of having received the Individual PAGA Payments, notwithstanding any contrary terms in any agreement, contract, benefit or compensation plan document that might have been in effect during the Covered Period.

E. Taxes and Withholding and Indemnification

49. The Settlement Administrator shall be responsible for ensuring that all tax obligations associated with the Settlement are timely paid to the appropriate governmental taxing authorities.

The Settlement Administrator's responsibilities include the following:

- (i) filing all federal, state, and local tax returns associated with the taxes;
 - (ii) timely and proper filing of all required federal, state and local information returns (*e.g.*, 1099s, etc.); and
 - (iii) completion of any other steps necessary for compliance with any tax obligations applicable to payments made under this Settlement Agreement under federal, state, and/or local law.
50. Each party to this Settlement Agreement acknowledges and agrees that:
- (i) No provision of this Settlement Agreement and no written communication or disclosure between or among the Parties or their attorneys or other advisers is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended);

- (ii) She or it (a) has relied exclusively upon her or its own, independent legal and tax advisers for advice (including tax advice) in connection with this Settlement Agreement, (b) has not entered into this Settlement Agreement based upon the recommendation of any other party or any attorney or adviser to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on him or her; and
- (iii) No attorney or adviser to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by him or her of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Settlement Agreement.

IV. RELEASE

A. Release By All Aggrieved Employees.

51. As of the Effective Date, each Aggrieved Employee (including Plaintiff on behalf of herself, the State of California, and all Aggrieved Employees), individually and on behalf of all their respective successors, assigns, agents, attorneys, executors, heirs and personal representatives, shall fully release and forever discharge the Releasees from any and all claims, causes of action, demands, rights, liabilities, penalties, attorneys' fees, costs, damages, interest, restitution, and/or liability of any kind under PAGA, whether known or unknown, that were or could have been asserted against any of the Releasees in the Lawsuit and/or the PAGA Letter, including, but not limited to, claims for failure to pay wages including, but not limited to, overtime wages and minimum wages, failure to provide meal and rest periods, unpaid compensation or premium pay arising out of missed, late, on-duty and/or short meal and rest periods, failure to pay wages at termination or during employment at designated times, failure to provide accurate itemized wage statements, and failure to reimburse employees for business expenses, including but not limited to all PAGA claims under Cal. Labor Code Sections 200-204, 206, 210, 218, 218.5,

218.6, 221-224, 225.5, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1175, 1194, 1194.1, 1194.2-1194.5, 1197, 1197.1, 1198, 1199 and 2802, IWC Wage Order 5 or any other applicable Wage Order, or under any common, local, state, or federal law. This release shall extend to all such claims arising from or relating to any and all acts, events and omissions that occurred and/or accrued during the Covered Period.

B. Release by Plaintiff.

52. In addition, Plaintiff expressly waives the rights provided under California Civil Code Section 1542, which states that:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

53. Plaintiff understands the significance and consequences of a California Civil Code Section 1542 waiver.

54. Nothing contained in this Settlement Agreement shall be deemed a release or waiver by Plaintiff of claims Plaintiff may have against any Releasees for: (a) unemployment, disability and paid family leave insurance benefits pursuant to the terms of applicable California law; (b) workers' compensation insurance injury or pay benefits pursuant to Division 4 of the Cal. Labor Code, under the terms of any worker's compensation insurance policy or fund of the Plaintiff; and (c) any claims that, under applicable federal, state or local law, are not waivable.

V. DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL

55. The Parties recognize in accordance with Cal. Labor Code Section 2699(l)(2) that Court approval is required in the event of any settlement of a PAGA action. In accordance with this provision, Plaintiff will schedule a hearing before the Court and file and serve a Motion to Approve PAGA Settlement and a Motion to Approve PAGA Counsel's Fees and Costs. PAGA Counsel will be responsible for drafting all documents necessary to obtain approval of the Settlement Agreement, subject to reasonable approval by Defendant. Plaintiff shall provide a draft

of the Motion to Approve PAGA Settlement to Defendant's counsel at least ten (10) working days prior to the filing deadline. Defendant agrees not to challenge or otherwise oppose Plaintiff's Motion to Approve PAGA Settlement and Motion to Approve PAGA Counsel's Fees and Costs. Plaintiff agrees to submit this Settlement Agreement to the LWDA at the time that it is submitted to the Court for approval pursuant to Cal. Lab. Code Section 2699(l)(2).

56. Plaintiff shall file and serve a Proposed Final Judgment concurrently with the Motion to Approve PAGA Settlement.

57. Because this Settlement Agreement must be approved by the Court, Plaintiff and Defendant enter into this Settlement Agreement on a conditional basis. If the Court, or any other court, agency or tribunal taking jurisdiction over this matter, does not approve all material aspects of the Settlement or makes any ruling substantially altering the material terms of the Settlement, the Settlement shall be voidable and unenforceable as to Plaintiff and Defendant, at the option of any party. Under these circumstances only, any party may exercise her or its option to void this Settlement by giving notice, in writing, to the other Parties and to the Court at any time before approval by the Court of this Settlement. In the event that the Effective Date does not occur: (i) this Settlement shall be considered null and void; (ii) neither this Settlement nor any of the related negotiations or proceedings shall be of any force or effect nor shall they be referred to or utilized for any purpose; 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. The request for attorneys' fees and costs shall not be considered material term(s) of this Settlement Agreement.

VI. DUTIES AFTER COURT APPROVAL AND ADMINISTRATION OF THE SETTLEMENT

58. Within forty (40) calendar days after the Court enters the order approving the Settlement, Defendant will send a list of all Aggrieved Employees to the Settlement Administrator, containing each Aggrieved Employee's: (1) full name; (2) last known home address; (3) total number of Eligible Pay Periods; and (4) social security number. Defendant shall transmit this list in Microsoft Office Excel format to the Settlement Administrator. This data shall only be used by

the Settlement Administrator for the purpose of calculating the Individual PAGA Payments and notifying the Aggrieved Employees of the Settlement. This data shall not be disclosed to PAGA Counsel, the Plaintiff, or any other Aggrieved Employees without the written consent of Defendant or order by the Court. The Settlement Administrator shall be responsible for following all privacy laws and taking appropriate steps to ensure that Aggrieved Employees' personal information is safeguarded and protected from improper disclosure or use.

59. Within twenty (20) calendar days after the Effective Date, Defendant shall transmit the Gross Settlement Payment due under this Settlement Agreement to the Settlement Administrator.

60. Within five (5) calendar days after receipt of the Aggrieved Employee List, the Settlement Administrator shall send an email to the Parties confirming receipt of the Aggrieved Employee List.

61. Within seven (7) calendar days of receipt of the Aggrieved Employee List, the Settlement Administrator shall cross-reference all the addresses provided in the Aggrieved Employee List with the United States Postal Service NCOA database (which provides updated addresses for any individual who has moved in the previous four years who has notified the U.S. Postal Service of a forwarding address) to obtain current address information.

62. Within ten (10) calendar days after the Effective Date, the Settlement Administrator shall mail a letter approved by the Parties in advance of Plaintiff filing the Motion to Approve PAGA Settlement to the Aggrieved Employees. The letter, which will be substantially in the form of **Exhibit "A"** hereto, will explain the terms of the Settlement, and will notify each Aggrieved Employee of the binding nature of the release and of the number of Eligible Pay Periods that Defendant's records show the Aggrieved Employee worked during the Covered Period. Aggrieved Employees may dispute their number of Eligible Pay Periods worked during the Covered Period by notifying the Settlement Administrator of their dispute in writing, signed under penalty of perjury, and by providing any evidence supporting their dispute within twenty (20) calendar days of the date of mailing of the letter. The Settlement Administrator will notify Counsel for Defendant

and PAGA Counsel of any dispute raised by any Aggrieved Employee, or any claim by anyone purporting to be an Aggrieved Employee, no later than two (2) business days after receiving notice of the dispute. In the case of a dispute, Defendant's records shall be presumed accurate unless clear and compelling documentary evidence is provided by the Aggrieved Employee to the Settlement Administrator that establishes that a mistake was made by Defendant. The Settlement Administrator shall investigate the dispute, and make the final determination of whether any additional amount is owed. In no case shall a dispute result in payment by Defendant in excess of the Gross Settlement Payment.

63. Within sixty (60) calendar days after the Effective Date, the Settlement Administrator shall mail via U.S. First Class mail each Individual PAGA Payment to each Aggrieved Employee's last known address with directions to the Postmaster to deliver the checks to any applicable forwarding address and to return all undeliverable checks to the Settlement Administrator. It will be conclusively presumed that an Aggrieved Employee's Individual PAGA Payment was received if the check has not been returned within thirty (30) days of the original mailing of the check. The date of the initial mailing of the check shall be conclusively determined according to the records of the Settlement Administrator.

64. The Settlement Administrator shall transmit 75% of the PAGA Fund to the LWDA and shall transmit attorneys' fees and costs to PAGA Counsel within sixty (60) calendar days after the Effective Date.

65. Individual PAGA Payment checks shall remain valid and negotiable for one hundred sixty (160) calendar days from the date of their issuance. If there are uncashed checks following this period, the uncashed funds shall escheat to the State of California Unclaimed Property Fund. The Settlement Administrator shall pay the funds represented by such uncashed checks to the State of California Unclaimed Property Fund, with an identification of the Aggrieved Employee to whom the funds belong. In that event, the Aggrieved Employee nonetheless shall be bound to the terms of this Settlement Agreement.

66. Upon completion of administration of the Settlement, the Settlement Administrator

will provide a written declaration under oath to certify such completion to counsel for all Parties.

VII. SUFFICIENT NOTICE

67. The Parties agree that compliance with the procedures described in this Agreement constitutes due and sufficient notice to the Aggrieved Employees of this Settlement, and satisfies the requirements of due process, and that nothing else shall be required to provide notice of this Settlement to the Aggrieved Employees.

VIII. PARTIES' AUTHORITY

68. The signatories hereto represent that they are fully authorized to enter into this Settlement and bind the Parties hereto to the terms and conditions hereof.

IX. MUTUAL FULL COOPERATION

69. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement, including, but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Settlement. The Parties shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement and the terms set forth herein. As soon as practicable after execution of this Settlement, PAGA Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the approval of this Settlement from the Court.

X. NO PRIOR ASSIGNMENTS

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

XI. NO ADMISSION

71. Nothing contained herein shall be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of any of the Releasees. Each of the Parties hereto has entered into this Settlement with the intention to avoid further disputes and litigation

with the attendant inconvenience and expenses.

XII. NON-EVIDENTIARY USE

72. Whether or not the Effective Date occurs, neither this Settlement Agreement nor any of its terms nor the Settlement itself shall be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to any of the Releasees, including but not limited to, evidence of a presumption, concession, indication, or admission by any of the Releasees of any liability, fault, wrongdoing, omission, concession, or damage, or (b) disclosed, referred to, or offered in evidence against any of the Releasees in any further proceeding in the Lawsuit, or any other civil, criminal, or administrative action or proceeding except for the purposes of effectuating the Settlement pursuant to this Settlement Agreement or for Defendant to establish that an Aggrieved Employee has resolved any of his/her claims released through this Settlement Agreement.

XIII. ATTORNEYS' FEES, COSTS AND EXPENSES

73. No party shall be considered a prevailing party for any purpose. Except as specifically set forth herein, each party shall bear its/her own attorneys' fees, costs and expenses, taxable or otherwise, incurred by her/it arising out of the Lawsuit, and shall not seek reimbursement thereof from any other party to this Settlement Agreement.

XIV. CONSTRUCTION

74. The Parties hereto agree that the terms and conditions of this Settlement are the result of lengthy, intensive arm's-length negotiations between the Parties and that this Settlement Agreement constitutes the entire agreement between Plaintiff and Defendant regarding actual or potential claims asserted by Plaintiff against the Releasees. This Settlement Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or her or its counsel participated in the drafting of this Settlement Agreement.

XV. CAPTIONS AND INTERPRETATIONS

75. 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.

XVI. MODIFICATION

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

XVII. NO INDUCEMENTS

77. Plaintiff and Defendant acknowledge that they are entering into this Settlement as a free and voluntary act without duress or undue pressure or influence of any kind or nature whatsoever, and that neither Plaintiff nor Defendant have relied on any promises, representations or warranties regarding the subject matter hereof other than as set forth in this Settlement Agreement.

XVIII. INTEGRATION CLAUSE

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

XIX. BINDING ON ASSIGNS

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

XX. COUNTERPARTS

80. This Settlement may be executed in counterparts, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Settlement, which shall be binding upon and effective as to all Parties. The counterparts may be transmitted electronically by Portable Document Format (.pdf) ("PDF") or by facsimile, and facsimile or PDF signatures shall be valid as original signatures.

XXI. ENFORCEABILITY

81. The Parties agree that upon approval by the Court, this Settlement shall be enforceable by the Court, and the Court shall retain exclusive and continuing equity jurisdiction pursuant to California Code of Civil Procedure Section 664.6 of this action over all Parties and Aggrieved Employees to interpret and enforce the terms, conditions, and obligations set forth in this Settlement.

XXII. CALIFORNIA LAW

82. All terms of this Settlement Agreement and its exhibit shall be governed and interpreted by and according to the laws of the State of California, without giving effect to any conflict of law principals or choice of law principals.

XXIII. SUBMISSION OF COURT'S JUDGMENT OR ORDERS TO LWDA

83. PAGA Counsel shall submit a copy of the Court's Order and Judgment to the LWDA within ten (10) days after entry of the Final Order and Judgment in accordance with California Labor Code Section 2699(1)(3). In the event that the Settlement is not approved by the Court, PAGA Counsel will make all required submissions to the LWDA in accordance with California Labor Code Section 2699(1)(3).

XXIV. ADMINISTRATION COSTS IF SETTLEMENT FAILS

84. If the Settlement is not approved by the Court, voided or rescinded, any costs incurred by the Settlement Administrator shall be paid equally by the Parties (half by Plaintiff and/or PAGA Counsel and half by Defendant).

XXV. LIMITATIONS ON DISCLOSURE

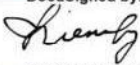
85. Plaintiff and Defendant and their respective counsel agree that they shall not issue, post, or otherwise publish or cause to be published any press, internet, or other media (including social media) release regarding this Settlement. Plaintiff, Defendant and their respective counsel agree that they shall not respond substantively to any press or other media inquiry or otherwise communicate with the press or media regarding this Settlement, nor utilize it in any way in their marketing or advertising materials or website. Notwithstanding the above, PAGA Counsel and

Defendant's counsel may communicate to any court, tribunal, or administrative agency including the LWDA the terms of the Settlement for purposes of approval of this Settlement and/or for purposes of enforcement of the Settlement.

86. This Settlement Agreement, the Settlement, and any proceedings or actions or negotiations in connection therewith shall be deemed settlement communications covered by California Evidence Code Sections 1152 and 1154, Federal Rule of Evidence 408, and any other similar provisions or law, and shall not be construed as an admission of truth of any allegation or the validity of any cause of action or claim asserted or of any liability therein.

I HAVE READ THE FOREGOING SETTLEMENT AND RELEASE. I ACCEPT AND AGREE TO THE PROVISIONS IT CONTAINS, AND HEREBY EXECUTE IT VOLUNTARILY WITH FULL UNDERSTANDING OF ITS CONSEQUENCES.

DATED: 10/15/2021

DocuSigned by:

D942864194E242A

Chiemi Maningas-Ng

DATED: _____

Apple American Group LLC

By: _____

Defendant's counsel may communicate to any court, tribunal, or administrative agency including the LWDA the terms of the Settlement for purposes of approval of this Settlement and/or for purposes of enforcement of the Settlement.

86. This Settlement Agreement, the Settlement, and any proceedings or actions or negotiations in connection therewith shall be deemed settlement communications covered by California Evidence Code Sections 1152 and 1154, Federal Rule of Evidence 408, and any other similar provisions or law, and shall not be construed as an admission of truth of any allegation or the validity of any cause of action or claim asserted or of any liability therein.

I HAVE READ THE FOREGOING SETTLEMENT AND RELEASE. I ACCEPT AND AGREE TO THE PROVISIONS IT CONTAINS, AND HEREBY EXECUTE IT VOLUNTARILY WITH FULL UNDERSTANDING OF ITS CONSEQUENCES.

DATED: _____

Chiemi Maningas-Ng

DATED: 10-6-2021

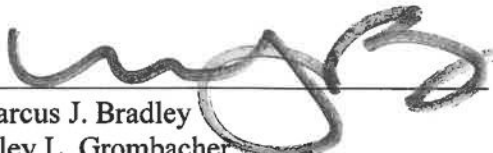
Apple American Group LLC

By: Dan Krebsbach, President

APPROVED AS TO FORM AND CONTENT:

DATED: 1/12/22

BRADLEY/GROMBACHER, LLP

By: 
Marcus J. Bradley
Kiley L. Grombacher
For Plaintiff Chiemi Maningas-Ng and the
Aggrieved Employees

DATED: 10/15/2021

LAW OFFICES OF SAHAG MAJARIAN II

By: 
Sahag Majarian II
For Plaintiff Chiemi Maningas-Ng and the
Aggrieved Employees

DATED: 1/12/22

REED SMITH LLP

By: 
Mara Curtis
For Defendant Apple American Group LLC

EXHIBIT “A”

[Mailing Date]

NOTICE OF SETTLEMENT

Re: *Chiemi Maningas-Ng v. Apple American Group, LLC*, Los Angeles Superior Court Case No. 20STCV31468 filed on August 17, 2020.

[Settlement Administrator's info]

[Employee/Former Employee]:

You are receiving this Notice because Apple American Group LLC's ("AAG") records indicate that you are/were employed as a non-exempt employee at AAG or Apple American Group II LLC in California during the time period from April 6, 2019 to [REDACTED] ("Covered Period").

A settlement has been reached in a representative action lawsuit brought by Plaintiff Chiemi Maningas-Ng ("Plaintiff") against AAG entitled *Chiemi Maningas-Ng, et. al. v. Apple American Group, LLC, et al.*, Los Angeles County Superior Court Case No. 20STCV31468 (the "Lawsuit"). In the Lawsuit, Plaintiff alleged a single claim under the California Labor Code Private Attorneys General Act, Labor Code Section 2698, *et seq.*, ("PAGA") for AAG's alleged failure to: (1) pay for all hours worked; (2) provide proper meal breaks; (3) provide proper rest breaks; (4) provide proper wage statements; (5) reimburse business-related expenses; and (6) timely pay wages. Plaintiff brought this claim on behalf of herself and a representative group that includes all persons who are or were employed by AAG and who hold or held job positions which AAG has classified as "non-exempt" employees in the State of California during the Covered Period.

AAG denies all liability in the Lawsuit and believes that it has strong legal and factual defenses to the claims, but it recognizes the risks, distractions, and costs associated with the litigation. AAG contends that its conduct is and has been lawful at all times relevant and that Plaintiff's claims do not have merit and do not meet the requirements to maintain a representative action. The Court has not ruled on the merits of Plaintiff's claims or AAG's defenses.

On XXXX, the Court issued an order approving the Settlement. You may be eligible to receive benefits under the Settlement.

The Aggrieved Employees eligible to receive a payment under this settlement are defined as: all persons who are or were employed by AAG or Apple American Group II LLC and who hold or held job positions that they classified as "non-exempt" employees in the State of California during the Covered Period ("Aggrieved Employees"). According to AAG's records, you are an Aggrieved Employee.

AAG has agreed to pay a Gross Settlement Payment of \$1,275,000, which is inclusive of all Individual PAGA Payments to the Aggrieved Employees, all attorneys' fees and costs, settlement administration costs and expenses, and all payments to the State of California Labor & Workforce Development Agency ("LWDA") for PAGA penalties. After accounting for Court-approved deductions from the Gross Settlement Payment for: (1) attorneys' fees and costs in the amount of \$XXX; and (2) administration of the settlement in the amount of approximately \$XXX, the remainder is estimated to be \$XXXX which is referred to hereinafter as the PAGA

Fund. Of the remainder, the law requires that 75% is to be allocated and paid to the LWDA and 25% is to be allocated and paid to the Aggrieved Employees. Therefore, the State of California is estimated to receive \$XXX (75% of the PAGA Fund) and the Aggrieved Employees will each receive a pro-rata share of the remaining \$XXX (25% of the PAGA Fund).

The calculation of your pro-rata share of the PAGA Fund is based on the following formula: 25% of the PAGA Fund (\$XXX) was divided by the total number of Eligible Pay Periods for all Aggrieved Employees. The result of this division yields a Pay Period Amount. The gross amount of your Individual PAGA Payment was calculated by multiplying the number of Eligible Pay Periods you worked by the Pay Period Amount.

Eligible Pay Periods means the total number of pay periods worked by each Aggrieved Employee during the Covered Period. According to AAG's records, you worked [redacted] Eligible Pay Periods during the Covered Period. If you disagree with the number of Eligible Pay Periods listed above, please write to the Settlement Administrator at the address listed below explaining the reason for your disagreement, the number of Eligible Pay Periods you believe you worked, and attach any documents that you have to support your position. Your written statement must be signed by you under the penalty of perjury and must be postmarked by [20 calendar days after mailing]. Please be advised that the number of Eligible Pay Periods listed above will be deemed correct unless you submit clear and compelling documentation to establish that AAG's records are wrong.

Your settlement check will be mailed to you on [insert date]. You may deposit or cash the check without any further obligation on your part, and there is no need for you to contact the Settlement Administrator, the parties, or the Court. Your check is valid for 160 days from the date of issuance. If you fail to cash your check within this time period, the funds represented by such uncashed check will be sent to the State of California Unclaimed Property Fund. You are bound to the release of the Covered Claims for the Covered Period, as defined below, regardless of whether you cash your check.

Pursuant to the Settlement Agreement and Judgment in the Lawsuit, you release AAG, Apple American Group II LLC, Flynn Restaurant Group LP, and each of their present and former parents, subsidiaries, divisions, affiliates, acquired companies and each of their respective present and former officers, directors, employees, partners, shareholders, agents, trustees, representatives, attorneys, insurers, predecessors, successors, assigns, affiliated companies and entities, and any individual or entity that could be jointly liable with any of the foregoing ("Releasees") from any and all claims, causes of action, demands, rights, liabilities, penalties, attorneys' fees, costs, damages, interest, restitution, and/or liability of any kind under the California Private Attorneys General Act of 2004, Labor Code Sections 2698, *et seq.* ("PAGA"), whether known or unknown, that were or could have been asserted against any of the Releasees in the Lawsuit and/or the PAGA Letter, including, but not limited to, claims for failure to pay wages including, but not limited to, overtime wages and minimum wages, failure to provide meal and rest periods, unpaid compensation or premium pay arising out of missed, late, on-duty and/or short meal and rest periods, failure to pay wages at termination or during employment at designated times, failure to provide accurate itemized wage statements, and failure to reimburse employees for business expenses, including but not limited to all PAGA claims under Cal. Labor Code Sections 200-204, 206, 210, 218, 218.5, 218.6, 221-224, 225.5, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1175, 1194, 1194.1, 1194.2-1194.5, 1197, 1197.1, 1198, 1199 and 2802, IWC Wage Order 5 or any other applicable Wage Order, or under any common, local, state, or federal law ("Covered Claims"). This release shall extend to all such claims arising from or relating to any and all acts, events and omissions that occurred and/or accrued during the Covered Period.

You are responsible for paying any federal, state or local taxes owed as a result of this payment.

This Notice only summarizes the Lawsuit, the Settlement and related matters. For more information, you may inspect the Court files at _____.

If you have any questions concerning this Settlement, please contact [Settlement Administrator] at XXXX.