

DIVERSITY LAW GROUP, P.C.
Larry W. Lee (State Bar No. 228175)
lwlee@diversitylaw.com
Simon L. Yang (State Bar No. 260286)
sly@diversitylaw.com
515 South Figueroa Street, Suite 1250
Los Angeles, California 90071
Telephone: (213) 488-6555
Facsimile: (213) 488-6554

POLARIS LAW GROUP
William L. Marder (State Bar No. 170131)
bill@polarislawgroup.com
501 San Benito Street, Suite 200
Hollister, California 95023
Telephone: (831) 531-4214
Facsimile (831) 634-0333

Attorneys for Plaintiff and the Class

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA

FNU LINAKI, as an individual and on behalf of
all others similarly situated, and as a private
attorney general,

Plaintiff,

vs.

GENJI PACIFIC, LLC, (also known as HANA
GROUP OPS, LLC) a Delaware limited liability
company; and DOES 1 through 50, inclusive,

Defendants.

Case No. RG20074795

[Hon. Stephen Kaus, Department 19]

**DECLARATION OF SIMON L. YANG IN
SUPPORT OF PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: October 5, 2022
Time: 3:00 p.m.
Department: 19

Reservation ID: 386125078699

Complaint Filed: September 23, 2020

1 I, Simon L. Yang, declare as follows:

2 1. I am an attorney admitted to practice in the State of California and, with the law firm
3 Diversity Law Group, P.C., am counsel of record for Plaintiff. I make this declaration on the basis of my
4 own personal knowledge, except as to those matters stated on information and belief and, as to those
5 matters, I believe them to be true. If called as a witness, I could testify competently as to the facts stated
6 in this declaration.

7 2. On September 23, 2020, Plaintiff initiated this class and private attorney general action.
8 The lawsuit seeks to remedy (i) alleged underpayments of overtime as a result of failing to factor non-
9 discretionary compensation into the regular rate of pay and (ii) untimely payment of wages more than
10 seven days after the close of a pay period. The initial complaint pled claims for failure to pay proper
11 overtime, failure to timely pay wages during and upon separation of employment, failure to issue
12 accurate itemized wage statements, unfair competition, and penalties pursuant to PAGA.

13 3. Plaintiff and Defendant met and conferred about the alleged claims. On February 22,
14 2021, Defendant served written discovery, and on April 23, 2021, Plaintiff served responses. Likewise,
15 On April 12, 2021, Plaintiff served written discovery, and on June 3, 2021, Defendant served responses.
16 Plaintiff continued investigating the claims, and the Parties supplemented formal discovery by
17 continuing to exchange information and documentation pursuant to informal methods to assist them in
18 exploring the possibility of a mediated resolution. Defendant's willingness to supplement formal
19 discovery with informal discovery enabled Plaintiff to evaluate the full scope of Defendant's potential
20 liability. Ultimately, the Parties agreed to schedule a mediation.

21 4. On January 13, 2022, the Parties attended mediation with Deborah Saxe, an experienced
22 mediator knowledgeable of both the wage and hour laws and class and representative action claims at
23 issue. With the mediator's assistance and based on a mediator's proposal, the Parties were able to
24 negotiate the settlement terms in the Joint Stipulation of Class Action and Representative Action
25 Settlement (the "Agreement"), a true and correct copy of which is attached as **Exhibit 1**.

26 5. There are approximately 647 Class Members. It is expected that, on average, each Class
27 Member would be allocated \$597.37 (*after* all requested payments from the Gross Settlement Amount).
28 Plaintiff contended that late paid wages under Sections 204 and 210 result in a \$100 penalty per pay

1 period. Lab. Code §§ 204, 210.¹ With respect to overtime-based claims, Plaintiff contended that
2 underpaid overtime resulted in Section 203 penalties of up to 30 days wages. Lab. Code § 203.²

3 6. Defendant contested the merits and denied it was liable at all. Moreover, even if Plaintiff
4 prevailed on the merits, Defendant contested the extent of liability. For example, Defendant contended
5 that there were pay periods in which all work was performed during either the first through fifteenth day
6 of a month or the sixteenth through last day of a month—such that its payments of wages were not
7 untimely under Section 204. Likewise, with respect to overtime liability, Defendant contended that it
8 would not be subject to Section 203 penalties, based on a good faith defense.

9 7. While the Parties disagree on the application of the law to the facts, each Party
10 recognized in negotiations that, if taken to trial, the other Party would at least have reasonable
11 arguments, such that the Gross Settlement Amount to which the Parties ultimately agreed was
12 reasonable. Ultimately, based on data available at mediation through October 26, 2021, Plaintiff argued
13 that the potential total recovery exceeded \$2,250,000—which included \$1,063,900 in Section 210
14 penalties and \$1,201,781 in Section 203 penalties.³ Plaintiff contends that the Gross Settlement Amount
15 of \$750,000—nearly one third (or 33.10%) of the potential total recovery of \$2,265,681—is an excellent
16 result.

17 8. Although I am confident that litigation of the claims would result in a classwide judgment
18 against Defendant, I recognize the inherent risks in litigation, including the specific risks that class
19 certification could be denied, liability could not be established at trial, or the applicable law could
20 change. I recognize that the settlement resulting from extensive arm’s length negotiations between the
21 Parties is fair, reasonable, and adequate for each participating Class Member, given the inherent risks of
22 litigation, as well as the potential for appeals and the costs of pursuing litigation.

23 9. I am one of the primary attorneys on this matter. My qualifications are as follows: After
24 completing my undergraduate education at The Wharton School at the University of Pennsylvania in
25

26 ¹ Except as otherwise noted, all “Section” references are to the Labor Code.

27 ² Actual underpayments of overtime and other penalties amount to comparatively smaller sums.

28 ³ Section 203 penalties are calculated based on 281 former employees working 8 hours per day for 30 days at an average hourly rate of \$17.81. Section 210 penalties are calculated based on 10,639 pay periods.

1 2004 with concentrations in Management and Human Resources, I continued studying labor and
2 employment issues by enrolling in post-graduate education at the School of Labor and Employment
3 Relations at the University of Illinois. I determined before enrolling in law school that I wanted to
4 practice labor and employment law in California. I thus received my J.D. from UCLA School of Law in
5 2008. During law school, I spent the summer of 2006 with the National Labor Relations Board, Region
6 21, and the summer of 2007 with the law firm of Seyfarth Shaw LLP in 2007.

7 10. Upon graduating from law school in 2008, I practiced labor and employment law at
8 Seyfarth Shaw LLP, a well-regarded labor and employment firm. I was elevated to partner in 2019. My
9 practice focused on wage and hour class, collective, and representative actions, with a particular
10 emphasis on matters involving the Labor Code Private Attorneys General Act of 2004 ("PAGA").
11 During my time with Seyfarth Shaw LLP, I was a primary attorney on numerous wage and hour class,
12 collective, and representative actions that resulted in published opinions, including for example, *Ehret v.*
13 *WinCo Foods, LLC*, 26 Cal. App. 6th 1 (2018) (affirming summary judgment in PAGA action based on
14 absence of meal period violations in light of collectively bargained waiver of meal periods on shifts of
15 not more than six hours), and *Ruelas v. Costco Wholesale Corporation*, 67 F. Supp. 3d 1137 (C.D. Cal.
16 Sept. 8, 2014) (obtaining dismissal of wage statement allegations in PAGA representative action). I was
17 also able to obtain experience litigating representative claims or wage and hour matters through trial and
18 appeal. *E.g.*, *Velazquez v. Costco Wholesale Corporation*, 603 Fed. App'x 584 (9th Cir. Mar. 25, 2015)
19 (reversing award of waiting-time penalties based on lack of evidence supporting any willful failure to
20 pay wages); *Ward v. Costco Wholesale Corporation*, 552 Fed. App'x 631 (9th Cir. Jan. 9, 2014)
21 (affirming bench-trial judgment in favor of defendant against named plaintiff and 18 opt-in plaintiffs in
22 collective action with involving deductions from final paychecks). I also litigated class certification on
23 numerous matters. *E.g.*, *Martinez v. Guess?, Inc.*, Los Angeles Superior Court Case No. BC 498326
24 (denial of class certification on behalf of retail employees alleging off-the-clock work).

25 11. Based on my experience in wage and hour class, collective, and representative actions, I
26 have been interviewed and quoted in articles published in the Northern California Record about
27 legislative efforts to reform PAGA. I also have published articles on myriad topics relevant to wage and
28 hour class and representative action litigation, including for example articles on California kin care

requirements in *Employee Relations Law Journal* (Vol. 36, No. 2), the extraterritorial application of California employment laws in *The Recorder* (134RD Year No. 28), and California meal and rest break laws in *California Transportation News*, a publication of the California Construction Trucking Association.

12. In 2020 I left Seyfarth Shaw LLP and joined my current firm, Diversity Law Group, P.C., which also focuses primarily on employment law. I have handled a number of wage and hour class and representative actions and continue litigating such matters in numerous Superior Courts and District Courts. From matters with both Seyfarth Shaw LLP and Diversity Law Group, P.C., I have successfully mediated the resolution of dozens of wage and hour class, collective, and representative actions. I have obtained class certification and been appointed class counsel. No court has ever found me to be inadequate class counsel.

13. My co-counsel and I will adequately represent the Class Members in this action. Plaintiff's Counsel have and will zealously represent Plaintiff and the Class and pursue this lawsuit to its conclusion.

14. Along with the filing of the motion for preliminary approval of the settlement in this matter, I have directed my office staff to simultaneously upload a copy of the motion papers to the Labor and Workforce Development Agency ("LWDA") in compliance with Section 2699(1)(2) and (4). Similarly, upon approval of a settlement in this matter, my regular practice would be to direct my office staff to upload a copy of the Court's judgment, papers, or other orders awarding civil penalties under PAGA.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 9th day of September 2022, at Pasadena, California.

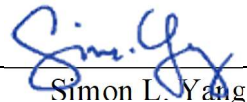

Simon L. Yang

EXHIBIT 1

1 CHERYL D. ORR (SBN 143196)
2 cheryl.orr@faegredrinker.com
3 FAEGRE DRINKER BIDDLE & REATH LLP
4 Four Embarcadero Center, 27th Floor
5 San Francisco, California 94111
6 Telephone: 1 415 591 7500 / Facsimile: 1 415 591 7510

7 AMANDA SEMAAN (SBN 293896)
8 amanda.semaan@faegredrinker.com
9 FAEGRE DRINKER BIDDLE & REATH LLP
10 1800 Century Park East, Suite 1500
11 Los Angeles, California 90067
12 Telephone: 1 310 203 4000 / Facsimile: 1 310 229 1285

13 Attorneys for Defendant
14 GENJI PACIFIC, LLC (also known as
15 HANA GROUP OPS, LLC)

16 DIVERSITY LAW GROUP, P.C.
17 LARRY W. LEE (SBN 228175)
18 lwlee@diversitylaw.com
19 SIMON L. YANG (SBN 260286)
20 sly@diversitylaw.com
21 515 South Figueroa Street, Suite 1250
22 Los Angeles, California 90071
23 Telephone: 213 488 6555 / Facsimile: 1 213 488 6554

24 POLARIS LAW GROUP
25 WILLIAM L. MARDER (SBN 170131)
26 bill@polarislawgroup.com
27 501 San Benito Street, Suite 200
28 Hollister, California 95023
Telephone: 1 831 531 4214 / Facsimile: 1 831 634 0333

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA

FNU LINAKI, as an individual and on behalf
of all others similarly situated, and as a private
attorney general,

Case No. RG20074795

[Assigned to Judge Stephen Kaus, Dept. 19]

Plaintiffs,

vs.

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

GENJI PACIFIC, LLC, (also known as HANA
GROUP OPS, LLC), a Delaware limited
liability company; and DOES 1 through 50,
inclusive,

Defendants.

Complaint Filed: September 23, 2020
FAC Filed: February 3, 2022
Trial Date: None

1 This Joint Stipulation of Class and Representative Action Settlement (“Settlement” or
 2 “Settlement Agreement”) is made and entered into by and between Plaintiff Fnu Linaki (“Plaintiff
 3 or “Linaki”), individually, and on behalf of all others similarly situated and the California Labor
 4 & Workforce Development Agency (“LWDA”), and Defendant Genji Pacific, LLC, also known
 5 as Hana Group Ops, LLC (“Hana Group” or “Defendant”) (collectively, Plaintiff and Defendant
 6 are referred to herein as the “Parties”).

7 DEFINITIONS

8 The following definitions are applicable to this Settlement Agreement; definitions
 9 contained elsewhere in this Settlement Agreement will also be effective:

10 1. “Action” means the action filed by Plaintiff against Defendant, currently pending
 11 in the Alameda County Superior Court, entitled *Linaki v. Genji Pacific, LLC*, Case No.
 12 RG20074795.

13 2. “Aggrieved Employees” means (1) all individuals who were employed by Hana
 14 Group in California as non-exempt employees who earned overtime and non-discretionary
 15 compensation, including the Ooiri bonus, in the same month during the PAGA Period, as defined
 16 below and (2) all individuals who were employed by Hana Group in California as either non-
 17 exempt or exempt employees whose wages were not paid within seven days of the last day of the
 18 pay period at any point during the PAGA Period, as defined below.

19 3. “Attorneys’ Fees and Costs” means attorneys’ fees and out-of-pocket litigation
 20 expenses agreed upon by the Parties and approved by the Court for Class Counsel’s litigation and
 21 resolution of the Action, as well as all costs (other than Settlement Administration Costs, as
 22 defined below) incurred and to be incurred by Class Counsel in the Action and approved by the
 23 Court, including but not limited to, costs associated with documenting the Settlement, providing
 24 any notices required as part of the Settlement or Court order, securing the Court’s approval of the
 25 Settlement, administering the Settlement, obtaining entry of the Dismissal terminating the Action,
 26 and expenses for any experts. In connection with the settlement of the Action, Class Counsel will
 27 request attorneys’ fees not in excess of one third (33 ⅓%) of the Gross Settlement Amount, or
 28 Two Hundred and Fifty Thousand Dollars (\$250,000.00), and an award of up to Thirty Thousand

1 Dollars (\$30,000), to be deducted from the Gross Settlement Amount, for their out-of-pocket
2 litigation expenses. Defendant has agreed not to oppose Class Counsel's request for fees and
3 reimbursement of costs as set forth above. However, a ruling by the Court to award Class
4 Counsel amounts less than the amounts stated above shall not be a basis for Plaintiff or Class
5 Counsel to rescind or withdraw from this Settlement, and any such difference will remain in the
6 Gross Settlement Amount and will be available to the Class Members.

7 4. "Class Claims" means the First Through Third Causes of Action in the First
8 Amended Complaint (and corresponding requests for relief) asserted by Plaintiff on behalf of
9 herself and the Class.

10 5. "Class Counsel" and/or "Plaintiff's Counsel" means Larry W. Lee and Simon L.
11 Yang, Diversity Law Group, P.C. and William L. Marder, Polaris Law Group.

12 6. "Class List" means a complete list of all Class Members that Defendant will
13 diligently and in good faith compile from its records and provide to the Settlement Administrator
14 within ten (10) business days after Preliminary Approval of this Settlement Agreement by the
15 Court. The Class List will be formatted in Microsoft Office Excel, encrypted, and password
16 protected, and will include: (i) each Class Member's full name; (ii) last known mailing address
17 and telephone number; (iii) Social Security number; (iv) the respective number of Qualifying
18 Months that each Overtime Class Member worked during Overtime Class Period (if applicable);
19 (v) the respective number of Qualifying Pay Periods that each Late Paid Class Member worked
20 during Late Paid Class Period (if applicable); and (vi) the respective number of PAGA Qualifying
21 Pay Periods that each Aggrieved Employee worked during the PAGA Period. At no time during
22 the Settlement process will any Class Member's address, Social Security number, or telephone
23 number be filed with the Court, except under seal as may be ordered.

24 7. "Class Member(s)" or "Class" means (1) all individuals who were employed by
25 Hana Group in California as non-exempt employees who earned overtime and non-discretionary
26 compensation, including the Ooiri bonus, in the same month at any time during Overtime Class
27 Period, as defined below ("Overtime Class Members"), and (2) all individuals who were
28 employed by Hana Group in California as either exempt or non-exempt employees whose wages

1 were not paid within seven days of the last day of the pay period at any time during Late Paid
2 Class Period, as defined below (“Late Paid Class Members”).

3 8. “Class Period” and “Overtime Class Period” mean the period between September
4 1, 2016 through January 13, 2022, inclusive. “Late Paid Class Period” and “PAGA Period” mean
5 the period between August 26, 2019 through January 13, 2022, inclusive.

6 9. “Complaint” means Plaintiff’s Complaint, filed on or about September 23, 2020 in
7 Alameda County Superior Court.

8 10. “Court” means Judge Stephen Kaus and/or Alameda County Superior Court or any
9 other court exercising jurisdiction over the Settlement.

10 11. “Effective Date” means the date on which the Judgment becomes a Final
11 Judgment.

12 12. “Final Approval/Settlement Fairness Hearing” means the hearing at which the
13 Court considers whether to approve the Settlement and to enter Judgment.

14 13. “Final Judgment” means the latest of: (a) the date of final affirmance on an appeal
15 of the Judgment; (b) the date of final dismissal with prejudice of the last pending appeal from the
16 Judgment; or (c) if no appeal is filed, the expiration date of the time for the filing or noticing of
17 any form of valid appeal from the Judgment (*i.e.*, 60 days after the entry of judgment, pursuant to
18 California Rule of Court 8.104 and California Code of Civil Procedure section 904.1). The Parties
19 intend that the final approval order will encompass an order entering judgment.

20 14. “First Amended Complaint” means Plaintiff’s First Amended Complaint, filed on
21 or about February 3, 2022 in Alameda County Superior Court.

22 15. “Gross Settlement Amount” means Seven Hundred Fifty Thousand Dollars
23 (\$750,000.00), to be paid by Defendant in full satisfaction of all claims arising from the Action
24 which includes Individual Settlement Payments to Participating Class Members and Individual
25 PAGA Payments to Aggrieved Employees; the Incentive Award to Plaintiff; Attorneys’ Fees and
26 Costs to Class Counsel as described above at Paragraph 3; interest; Settlement Administration
27 Costs to the Settlement Administrator; the Participating Class Members’ share of employment
28 taxes; the LWDA Payment; and all other costs associated with the settlement. This Gross

1 Settlement Amount has been agreed to by Plaintiff and Defendant based on the aggregation of the
2 agreed-upon settlement value of individual claims. In no event will Defendant be liable for more
3 than the Gross Settlement Amount; however, Defendant shall pay all employer-side payroll taxes
4 with funds outside of the Gross Settlement Amount. There will be no reversion of the Gross
5 Settlement Amount to Defendant.

6 16. "Incentive Award" means the amount to be paid from the Gross Settlement
7 Amount to Plaintiff in exchange for executing a general release. Plaintiff will request, and
8 Defendant will not oppose, up to Ten Thousand Dollars (\$10,000.00) as an Incentive Award. A
9 ruling by the Court to award Plaintiff an amount less than the requested amount stated above shall
10 not be a basis for Plaintiff or Class Counsel to rescind or withdraw from this Settlement and any
11 such difference will remain in the Gross Settlement Fund and available to the Class.

12 17. "Individual Settlement Payment" means each Participating Class Member's
13 respective share of the Total Net Settlement Amount, minus the amount of the PAGA Allocation
14 allocated to payments to Aggrieved Employees.

15 18. "Individual PAGA Payments" means each Aggrieved Employee's respective share
16 of the amount of the PAGA Allocation allocated to payments to Aggrieved Employees.

17 19. "Judgment" means the judgment to be rendered by the Court pursuant to this
18 Settlement Agreement.

19 20. "LWDA Payment" means the payment from the Gross Settlement Amount
20 allocated to the LWDA's seventy-five percent (75%) share of the portion of the Gross Settlement
21 Amount allocated by the Parties to Plaintiff's claims pursuant to the PAGA (*i.e.*, Plaintiff's
22 Fourth Cause of Action in the First Amended Complaint).

23 21. "Notice of Objection" means a Class Member's valid and timely written objection
24 to the Settlement (and/or the terms embodied therein). A written Notice of Objection must
25 include: (i) the objector's full name, signature, address, and telephone number; (ii) a written
26 statement of all grounds for the objection accompanied by any legal support for such objection (if
27 any); (iii) copies of any papers, briefs, or other documents upon which the objection is based; and
28

1 (iv) a statement describing whether the objector intends to appear at the Final
2 Approval/Settlement Fairness Hearing.

3 22. "Notice Packet" means the Notice of Class Action Settlement, substantially in the
4 forms attached as **Exhibit A**.

5 23. "PAGA Allocation" means the \$100,000 of the Gross Settlement Amount
6 allocated to settlement of the PAGA Claims.

7 24. "PAGA Claims" means the claim for penalties pursuant to the Labor Code Private
8 Attorneys General Act ("PAGA") asserted by Plaintiff in her Fourth Cause of Action in the First
9 Amended Complaint.

10 25. "PAGA Period" means the period between August 26, 2019 through January 13,
11 2022, inclusive.

12 26. "PAGA Qualifying Pay Periods" means pay periods during the PAGA Period that
13 Aggrieved Employees either (i) earned overtime and non-discretionary compensation, including
14 the Ooiri bonus, in the same month, or (ii) were not paid within seven days of the last day of the
15 pay period. All Aggrieved Employees will be credited with at least one PAGA Qualifying Pay
16 Period.

17 27. "Participating Class Members" means all Class Members who do not submit
18 timely and valid Requests for Exclusion.

19 28. "Preliminary Approval" means the Court order granting preliminary approval of
20 the Settlement.

21 29. "Qualifying Months" means months that Overtime Class Members earned both
22 overtime and non-discretionary compensation during Overtime Class Period. All Participating
23 Class Members will be credited with at least one Qualifying Month *or* one Qualifying Pay Period.

24 30. "Qualifying Pay Periods" means pay periods that Late Paid Class Members
25 worked during Late Paid Class Period. All Participating Class Members will be credited with at
26 least one Qualifying Month *or* one Qualifying Pay Period.

27 31. "Released Claims" means Released Overtime Claims and Released Late Paid
28 Claims.

- 1 a. “Released Overtime Claims” means all claims, rights, demands, liabilities, and
2 causes of action of Overtime Class Members which accrued during Overtime Class
3 Period and which were pled or could have been pled based on the facts alleged in the
4 First Amended Complaint, whether known or unknown, contingent or accrued,
5 including but not limited to all claims, rights, demands, liabilities, and causes of
6 action based on any federal, state, or local wage and hour law, including but not
7 limited to: (i) claims for overtime wages (Cal. Lab. Code §§ 218, 510, 1194); (ii)
8 claims for failure to timely pay wages during employment (Cal. Lab. Code §§ 204,
9 210); (iii) claims for failure to timely pay wages upon termination of employment
10 (Cal. Lab. Code §§ 201-203); (iv) claims for failure to furnish accurate itemized
11 wage statements (Cal. Lab. Code § 226(a)); (v) claims for violations of California
12 Business & Professions Code, Section 17200, *et seq.*; and (vi) claims of the LWDA
13 pursuant to the PAGA (Cal. Lab. Code §§ 2698 *et seq.*) for PAGA penalties against
14 the Released Parties for Labor Code or Wage Order violations suffered by
15 Aggrieved Employees which accrued during the PAGA Period and are based on the
16 facts alleged in the First Amended Complaint.
- 17 b. “Released Late Paid Claims” means all claims, rights, demands, liabilities, and
18 causes of action of Late Paid Class Members which accrued during Late Paid Class
19 Period and which were pled or could have been pled based on the facts alleged in the
20 First Amended Complaint for violations of Labor Code §§ 204 and 210, whether
21 known or unknown, contingent or accrued, including but not limited to all claims,
22 rights, demands, liabilities, and causes of action based on any federal, state, or local
23 wage and hour law, including but not limited to (i) claims for failure to timely pay
24 wages during employment (Cal. Lab. Code §§ 204, 210); and (ii) claims of the
25 LWDA pursuant to the PAGA (Cal. Lab. Code §§ 2698 *et seq.*) for PAGA penalties
26 against the Released Parties for Labor Code or Wage Order violations suffered by
27 Aggrieved Employees which accrued during the PAGA Period and are based on the
28

1 facts alleged in the First Amended Complaint for violations of Labor Code §§ 204
2 and 210.

3 32. “Released Parties” means Defendant and all of its parent, subsidiary, affiliated and
4 related companies and entities, including all of its/their officers, directors, employees, partners,
5 shareholders, investors, and agents, and any entities or partnerships which they are affiliated with.

6 33. “Request for Exclusion” means a timely letter submitted by a Class Member to the
7 Settlement Administrator pursuant to the terms set forth herein indicating a request to be excluded
8 from the Settlement. To be valid, a Request for Exclusion must: (i) set forth the full name,
9 address, telephone number, and last four digits of the Social Security number of the Class
10 Member requesting exclusion; (ii) be signed by the Class Member; (iii) be returned to the
11 Settlement Administrator; (iv) state “I wish to opt-out from this Settlement”; and (v) be
12 postmarked on or before the Response Deadline.

13 34. “Response Deadline” means the deadline by which Class Members must postmark
14 to the Settlement Administrator Requests for Exclusion or serve Notices of Objection to the
15 Settlement, as set forth in Paragraphs 62 and 65 below.

16 35. “Settlement Administration Costs” means all costs incurred by the Settlement
17 Administrator in administering the Settlement, including, but not limited to, all costs, expenses
18 and fees associated with preparing, issuing and mailing any and all notices, computing,
19 processing, reviewing and mailing Individual Settlement Payments and Individual PAGA
20 Payments, generating Individual Settlement Payment and Individual PAGA Payment checks and
21 related tax reporting forms, preparing any tax returns and other filings required by any
22 governmental authority or agency, preparing any other checks, notices, reports or filings,
23 administering the process set forth in this Agreement regarding unclaimed checks, administering
24 disbursements from the Total Net Settlement Amount, and generating checks to Class Counsel for
25 attorneys’ fees and costs, and to Plaintiff for her Incentive Award. The Settlement
26 Administration Costs shall be paid from the Gross Settlement Amount. The Settlement
27 Administrator shall agree to a not-to-exceed cost of \$13,500.00.
28

1 36. "Settlement Administrator" means Phoenix Settlement Administrators, the third-party
2 class action settlement administrator agreed to by the Parties and approved by the Court for the
3 purposes of administering this Settlement. The Parties each represent that they do not have any
4 financial interest in the Settlement Administrator or otherwise have a relationship with the
5 Settlement Administrator that could create a conflict of interest.

6 37. "Total Net Settlement Amount" means the portion of the Gross Settlement Amount
7 remaining after deducting the Incentive Award; Attorneys' Fees and Costs to Class Counsel as
8 described above at Paragraph 3; Settlement Administration Costs to the Settlement Administrator;
9 and the LWDA Payment. The Total Net Settlement Amount will be distributed to Participating
10 Class Members and Aggrieved Employees by the Settlement Administrator; there will be no
11 reversion of the Total Net Settlement Amount to Defendant.

12 LITIGATION BACKGROUND

13 38. On September 9, 2020, Plaintiff provided written notice by U.S. Certified Mail to
14 Defendant and the LWDA of various provisions of the California Labor Code that she alleged
15 Defendant had violated.

16 39. On September 23, 2020, Plaintiff filed her Complaint, pleading claims for failure to pay
17 proper overtime, by failing to factor non-discretionary compensation into the regular rate of pay,
18 failure to timely pay wages during and upon separation of employment, failure to issue accurate
19 itemized wage statements, unfair competition, and penalties pursuant to PAGA. Plaintiff sought
20 relief for herself all non-exempt California employees of Defendant who earned overtime and
21 non-discretionary compensation in the same month at any time between September 1, 2016 and
22 January 13, 2022. In addition, Plaintiff sought to recover PAGA penalties on behalf of herself
23 and all other alleged "aggrieved employees," which included (1) all non-exempt California
24 employees of Defendant who earned overtime and non-discretionary compensation in the same
25 month at any time between August 26, 2019 and January 13, 2022 and (2) all non-exempt and
26 exempt California employees of Defendant who were not paid within seven days of the last day
27 of a pay period at any time from August 26, 2019 through January 13, 2022. Defendant timely
28 answered the Complaint with a general denial and asserted various affirmative defenses.

1 40. On February 3, 2022, Plaintiff filed her First Amended Complaint, specifying that Genji
2 Pacific, LLC is also known as Hana Group Ops, LLC, amending the definition of the putative
3 class to include all non-exempt and exempt California employees of Defendant who were not
4 paid within seven days of the last day of a pay period at any time from August 26, 2019 through
5 January 13, 2022, and specifying that allegations in certain causes of action also apply to other
6 causes of action. Defendant timely answered the First Amended Complaint. At all times,
7 Defendant disputed that it had violated any California wage and hour law and, further, maintained
8 that Plaintiff's claims were not appropriate for class or representative adjudication for numerous
9 reasons.

10 41. Since the filing of the Action and through execution of this Settlement Agreement, Class
11 Counsel has conducted a thorough investigation into the facts underlying the claims asserted in
12 the First Amended Complaint. Class Counsel has also engaged in extensive informal and formal
13 discovery, including, obtaining Defendant's relevant written non-discretionary compensation
14 policies and procedures in effect during the Class Period, obtaining timekeeping and payroll
15 records for Plaintiff, and obtaining payroll data for putative Class Members. The Parties
16 conferred extensively over the scope of the Parties' informal information exchange.

17 42. Prior to mediation, Defendant provided Class Counsel with detailed information regarding
18 the size of the Class, the average amount of non-discretionary compensation earned by the Class
19 Members, the average hourly rate of the Class Members, the average number of regular and
20 overtime hours worked by the Class Members during the months they earned non-discretionary
21 compensation, and the number of Aggrieved Employees and the number of pay periods at issue
22 during the PAGA Period, in addition to other relevant information.

23 43. On January 13, 2022, the Parties participated in a day-long private mediation with the
24 assistance of mediator Deborah Crandall Saxe.

25 **TERMS OF AGREEMENT**

26 Plaintiff, on behalf of herself and the Class and Aggrieved Employees, and Defendant
27 agree as follows:
28

1 44. Conditional Stipulation to Class Certification. Solely for purposes of implementing this
2 Settlement Agreement and effectuating settlement, the Parties hereby conditionally stipulate to
3 class certification. Should this Settlement not be approved by the Court, or the Parties proceed to
4 litigation for any reason, Defendant reserves the right to object to and oppose certification of any
5 class and this Settlement Agreement may not be used as evidence in support of class certification.

6 45. Funding of the Gross Settlement Amount. Within sixty (60) calendar days of entry of
7 final approval of the Class Settlement, Defendant will make a one-time deposit of the Gross
8 Settlement Amount into a qualified settlement account to be established by the Settlement
9 Administrator. After the Effective Date, the Gross Settlement Amount will be used to satisfy all
10 of Defendant's liabilities arising from this Settlement, including interest; Individual Settlement
11 Payments; Individual PAGA Payments; the Incentive Award to Plaintiff; the LWDA Payment;
12 Attorneys' Fees and Costs; and Settlement Administration Costs.

13 46. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application or
14 motion for Attorneys' Fees and Costs in the amounts set forth in Paragraph 3 above, which will
15 be paid from the Gross Settlement Amount, subject to approval by the Court. The Parties agree
16 that the Court's approval of an award of fees in an amount less than \$250,000.00 shall not permit
17 or be grounds for Plaintiff or Class Counsel to cancel, void, back out, or otherwise revoke their
18 acceptance of this Settlement and the Parties shall proceed with the Settlement notwithstanding.

19 47. Incentive Award to Plaintiff. Subject to Court Approval, an Incentive Award will be paid
20 to Plaintiff of not more than Ten Thousand Dollars (\$10,000.00). The Incentive Award to
21 Plaintiff will be paid from the Gross Settlement Amount.

22 48. Settlement Administration Costs. The Settlement Administrator will be paid for the
23 reasonable costs of administration of the Settlement and distribution of payments from the Class
24 Settlement Amount, which the Settlement Administrator agrees will be capped at \$13,500.00.

25 49. Payment and Notice to the LWDA. In consideration of claims made in the Action
26 pursuant to the PAGA, Class Counsel will request that the Court approve a PAGA Allocation of
27 One Hundred Thousand Dollars (\$100,000.00) of the Gross Settlement Amount to these claims.
28 Seventy-five percent (75%) of this amount will be paid by the Settlement Administrator to the

1 LWDA – *i.e.*, the LWDA Payment – from the Gross Settlement Amount and the remaining
 2 twenty-five percent (25%) will be distributed from the Total Net Settlement Amount to
 3 Aggrieved Employees as set forth in Paragraph 53. The Court’s adjustment, if any, of the amount
 4 allocated to Plaintiff’s PAGA claim(s), will not invalidate this Settlement Agreement. In
 5 accordance with section 2699(1)(2) of the California Labor Code, a copy of this Settlement
 6 Agreement shall be provided to the LWDA on the same day that Plaintiff files her motion for
 7 preliminary approval of this Settlement with the Court.

8 50. Total Net Settlement Amount. The entire Total Net Settlement Amount will be
 9 distributed to Participating Class Members and Aggrieved Employees. No portion of the Total
 10 Net Settlement Amount will revert to or be retained by Defendant.

11 51. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated
 12 and apportioned from the 25% of the PAGA Allocation allocated to payment to Aggrieved
 13 Employees, based on the number of PAGA Qualifying Pay Periods an Aggrieved Employee
 14 worked during the PAGA Period, as follows:

- 15 a. Defendant will calculate the total number of PAGA Qualifying Pay Periods worked
 16 by each Aggrieved Employee during the PAGA Period and the aggregate total
 17 number of PAGA Qualifying Pay Periods worked by all Aggrieved Employees
 18 during the PAGA Period.
- 19 b. To determine each Aggrieved Employee’s estimated share of the PAGA Allocation,
 20 the Settlement Administrator will use the following formula: The 25% share of the
 21 PAGA Allocation distributable to Aggrieved Employees will be divided by the
 22 aggregate total number of PAGA Qualifying Pay Periods, resulting in the “PAGA
 23 Pay Period Value.” Each Aggrieved Employee’s payment will be calculated by
 24 multiplying each individual Aggrieved Employee’s total number of PAGA
 25 Qualifying Pay Periods by the PAGA Pay Period Value.

26 52. Individual Settlement Payment Calculations. Individual Settlement Payments will be
 27 calculated and apportioned from the Total Net Settlement Amount (minus the Individual PAGA
 28

1 Payments) based on the number of Qualifying Months during Overtime Class Period and

2 Qualifying Pay Periods during Late Paid Class Period a Class Member worked, as follows:

3 a. For Participating Class Members who are Overtime Class Members, Defendant will
4 calculate the total number of Qualifying Months worked by each Participating Class
5 Member during the Class Period and the aggregate total number of Qualifying
6 Months worked by all Participating Overtime Class Members during the Class
7 Period.

8 b. For Participating Class Members who are Late Paid Class Members, Defendant will
9 calculate the total number of Qualifying Pay Periods worked by each Participating
10 Late Paid Class Member during the Late Paid Class Period and the aggregate total
11 number of Qualifying Pay Periods worked by all Participating Late Paid Class
12 Members during the Late Paid Class Period.

13 c. To determine each Participating Class Member's Individual Settlement Payment
14 from the Total Net Settlement Amount (minus the Aggrieved Employees' share of
15 the PAGA Allocation), the Settlement Administrator will use the following formula:
16 The Total Net Settlement Amount (minus the Aggrieved Employees' share of the
17 PAGA Allocation) will be divided by the aggregate total number of Qualifying
18 Months and Qualifying Pay Periods for Participating Class Members, resulting in
19 the "Share Value." Each Participating Class Member's Individual Settlement
20 Payment will be calculated by multiplying each individual Participating Class
21 Member's total number of Qualifying Months and Qualifying Pay Periods by the
22 Share Value.

23 d. The entire Total Net Settlement Amount (minus the Individual PAGA Payments)
24 will be disbursed to Participating Class Members.

25 53. No Credit Towards Benefit Plans. The Individual Settlement Payments and Individual
26 PAGA Payments made to Participating Class Members and/or Aggrieved Employees under this
27 Settlement, as well as any other payments made pursuant to this Settlement, will not be utilized to
28 calculate any additional benefits under any benefit plans to which any Class Members and/or

1 Aggrieved Employees may be eligible, including, but not limited to: profit-sharing plans, bonus
2 plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any
3 other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not
4 affect any rights, contributions, or amounts to which any Class Members and/or Aggrieved
5 Employees may be entitled under any benefit plans.

6 54. Administration Process. The Parties agree to cooperate in the administration of the
7 Settlement and to make all reasonable efforts to control and minimize the costs and expenses
8 incurred in administration of the Settlement.

9 55. Delivery of the Class List. Within ten (10) business days after Preliminary Approval of
10 this Settlement, Defendant will provide the Class List to the Settlement Administrator.

11 56. Notice by First-Class U.S. Mail. Within ten(10) calendar days after receiving the Class
12 List from Defendant, the Settlement Administrator will mail a Notice Packet to all Class
13 Members via regular First-Class U.S. Mail, using the most current, known mailing addresses
14 identified in the Class List.

15 57. Confirmation of Contact Information in the Class Lists. Prior to mailing the Notice
16 Packets, the Settlement Administrator will perform a search based on the National Change of
17 Address Database in order to update and correct any addresses that may have changed. Any
18 Notice Packets returned to the Settlement Administrator as non-deliverable with a forwarding
19 address on or before the Response Deadline will be sent promptly via regular First-Class U.S.
20 Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the
21 date of such re-mailing on the Notice Packet. If no forwarding address is provided, the
22 Settlement Administrator will promptly attempt to determine the correct address using a skip-
23 trace, or other search using the name, address, and/or Social Security number of the Class
24 Member involved, and will then perform a single re-mailing. In the event the procedures in this
25 Paragraph are followed and the intended recipient of a Notice Packet still does not receive the
26 Notice Packet, the Class Member shall be bound by all terms of the Settlement and any Judgment
27 entered by the Court if the Settlement is approved by the Court. The Settlement Administrator
28 shall at all times protect the privacy rights of Class Members.

1 58. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice Packet
2 will provide: (i) information regarding the nature of the Action; (ii) a summary of the
3 Settlement's principal terms; (iii) the Class definition; (iv) the total number of Qualifying Months
4 and/or Qualifying Pay Periods the respective Class Member worked for Defendant during the
5 Class Period (according to Defendant's records); (v) the Class Member's estimated Individual
6 Settlement Payment; (vi) the formula for calculating Individual Settlement Payments; (vii) the
7 dates which comprise the Class Period; (viii) instructions on how to submit Requests for
8 Exclusion and/or Notices of Objection; (ix) the Response Deadline; and (x) the claims to be
9 released pursuant to the Settlement of the Action. The Response Deadline shall be sixty (60)
10 calendar days from the date the Settlement Administrator initially mails the Notice Packet to the
11 Class Member; if the 60-day deadline falls on a Sunday or federal holiday, the Response Deadline
12 will be extended to the next day on which the U.S. Postal Service is open.

13 59. Disputed Information on Notice Packets. Class Members will have an opportunity to
14 dispute the information provided in their Notice Packets. To the extent Class Members dispute
15 the number of Qualifying Months and/or Qualifying Pay Periods with which they have been
16 credited, Class Members may produce – by no later than the Response Deadline – evidence to the
17 Settlement Administrator showing that such information is inaccurate. The Settlement
18 Administrator will decide the dispute. Defendant's records will be presumed correct, but the
19 Settlement Administrator will evaluate the information and evidence submitted by the Class
20 Member and will make the final decision as to the merits of the dispute. All disputes will be
21 decided within five (5) business days of the Response Deadline.

22 60. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the
23 Settlement Agreement must sign and postmark a written Request for Exclusion to the Settlement
24 Administrator by the Response Deadline. The postmark date will be the exclusive means to
25 determine whether a Request for Exclusion has been timely submitted. At no time will any of the
26 Parties or their counsel seek to solicit or otherwise encourage Class Members to opt-out from the
27 Settlement.
28

1 61. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the
2 requirements listed herein, the Settlement Administrator will mail the Class Member a cure letter
3 within three (3) business days of receiving the defective submission to advise the Class Member
4 that his or her submission is defective and that the defect must be cured to render the Request for
5 Exclusion valid. If a revised Request for Exclusion is not postmarked by the Response Deadline,
6 it will be deemed untimely.

7 62. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class Member
8 who does not affirmatively opt-out of the Settlement by submitting a timely and valid Request for
9 Exclusion will be bound by all of its terms, including those pertaining to the Released Claims, as
10 well as any Final Judgment that may be entered by the Court if it grants final approval to the
11 Settlement.

12 63. Objection Procedures. To object to the Settlement, or any term of it, the person making
13 the objection must not submit a Request for Exclusion (*i.e.*, must not opt-out), and must mail the
14 Settlement Administrator a Notice of Objection by the Response Deadline. The Notice of
15 Objection must be signed by the Class Member and contain all information required by this
16 Settlement Agreement. The postmark date of the mailing will be deemed the exclusive means for
17 determining whether a written Notice of Objection is timely. The date of the initial mailing of the
18 Notice Packet, and the date the signed Notice of Objection was postmarked, shall be conclusively
19 determined according to the records of the Settlement Administrator. The Settlement
20 Administrator shall deliver any Notice of Objections it receives to Class Counsel and counsel for
21 Defendant within five (5) calendar days of receipt. Counsel for the Parties shall file with the
22 Court any response to the objections submitted by objecting Class Members at least five (5) court
23 days before the date of the Final Approval/Settlement Fairness Hearing. In addition or as an
24 alternative to a written Notice of Objection, Class Members may appear at the Final
25 Approval/Settlement Fairness Hearing to raise any objections; the Court retains final authority
26 with respect to the consideration and admissibility of any Class Member Notice of Objection and
27 any in-person objections by Class Members at the Final Approval/Settlement Fairness Hearing.
28 Class Members who fail to object in writing in accordance with the above requirements or in

1 person at the Final Approval/Settlement Fairness Hearing by the date the Court issues an order
2 granting final approval of the Settlement will be deemed to have waived all objections to the
3 Settlement and will be foreclosed from making any objections, whether by appeal or otherwise, to
4 the Settlement. At no time will any of the Parties or their counsel seek to solicit or otherwise
5 encourage Class Members to submit written objections to the Settlement or appeal from the
6 Judgment. To the extent a timely Notice of Objection is withdrawn before final approval, such an
7 objection shall be treated as though no objection has been made.

8 64. Certification Reports Regarding Individual Settlement Payment Calculations. The
9 Settlement Administrator will provide counsel for Defendant and Class Counsel a weekly report
10 that: (i) certifies the number of Class Members who have submitted valid Requests for Exclusion
11 and the number of Notices of Objection to the Settlement it has received to date; and (ii) states
12 whether any Class Member has submitted a challenge to any information contained in their
13 Notice Packet. Additionally, the Settlement Administrator will provide to Class Counsel and
14 Defendant's counsel any updated reports regarding the administration of the Settlement
15 Agreement as needed or requested.

16 65. Access to Information. The Settlement Administrator will maintain all Requests for
17 Exclusion and Notices of Objection received from Class Members. The Settlement Administrator
18 will provide copies to the Parties of all documents, including, but not limited to the Requests for
19 Exclusion returned by any Class Member upon reasonable request, or as otherwise set forth
20 herein. To protect the privacy of the Class Members, the Settlement Administrator shall redact
21 the private personal information of the Class Members prior to providing such copies. Private
22 personal information includes: birthdates, addresses, social security numbers, and phone numbers.

23 66. Distribution Timing of Individual Settlement Payments and Individual PAGA Payments.
24 Within fifteen (15) calendar days after Defendant deposits the funds comprising the Gross
25 Settlement Amount into the account, per Paragraph 47 above, the Settlement Administrator will
26 issue payments to: (i) Participating Class Members (including the Incentive Award to Plaintiff);
27 (ii) Aggrieved Employees; and (iii) Class Counsel. Within thirty (30) calendar days of the
28 Effective Date, the Settlement Administrator will also issue a payment to itself for Court-

1 approved services performed in connection with the Settlement. Also within thirty (30) calendar
2 days of the Effective Date, the Settlement Administrator shall provide to the Parties, for filing
3 with the Court, a declaration verifying, under oath, that it has mailed payments to each
4 Participating Class Member and/or Aggrieved Employee.

5 67. Un-cashed Settlement Checks. Funds represented by Individual Settlement Payment and
6 Individual PAGA Payment checks returned as undeliverable and Individual Settlement Payment
7 and Individual PAGA Payment checks remaining un-cashed for more than one-hundred and
8 eighty (180) calendar days after issuance shall be distributed within fifteen (15) business days of
9 the expiration of the 180-day check-cashing period by the Settlement Administrator to the State
10 Controller Unclaimed Property Fund in the name(s) of the corresponding Class Member(s) and/or
11 Aggrieved Employee(s) or jointly agreed cy pres recipient approved by the Court.

12 68. Certification of Completion. No later than twenty (20) calendar days prior to the Final
13 Approval/Settlement Fairness Hearing, the Settlement Administrator will provide a written
14 declaration under oath to: (i) certify completion of administration of the Notice Packets to the
15 Court and counsel for all Parties; and (ii) provide all Settlement-related data, including the
16 number of Class Members who submitted valid Requests for Exclusion and/or Notices of
17 Objection to the Settlement.

18 69. Tax Treatment of Individual Settlement Payments. All Individual Settlement Payments
19 will be allocated as (i) 20% as payment for alleged back wages, for which IRS Forms W-2 will be
20 issued; and (ii) 80% as alleged liquidated damages, penalties, and interest, for which IRS Forms
21 1099-MISC will be issued.

22 70. Tax Treatment of Individual PAGA Payments. All Individual PAGA Payments will be
23 allocated as 100% alleged liquidated damages, penalties, and interest, for which IRS Forms 1099-
24 MISC will be issued.

25 71. Administration of Taxes by the Settlement Administrator. The Settlement Administrator
26 will be responsible for, *inter alia*: (i) issuing to Plaintiff, Participating Class Members, Aggrieved
27 Employees, and Plaintiff's Counsel any W-2, 1099, or other tax forms as may be required by law
28 for all amounts paid pursuant to this Settlement; and (ii) forwarding all payroll taxes, if any,

1 including Defendant's separately funded share of payroll taxes, and penalties to the appropriate
2 government authorities.

3 72. Tax Liability. The Parties make no representations as to the tax treatment or legal effect
4 of the payments called for hereunder, and Plaintiff, Participating Class Members, Aggrieved
5 Employees, and Class Counsel are not relying on any statement, representation, or calculation by
6 Defendant or by the Settlement Administrator in this regard. Plaintiff, Participating Class
7 Members, Aggrieved Employees, and Class Counsel understand and agree that they will be solely
8 responsible for the payment of any taxes and penalties assessed on the payments described herein.

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

1 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
2 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
3 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
4 AGREEMENT.

5 74. California Labor Code Section 206.5. In consideration of Defendant's payment of the
6 sums provided herein, each and every Participating Overtime Class Member will be deemed to
7 have also acknowledged and agreed that California Labor Code section 206.5 is not applicable to
8 any Participating Overtime Class Member because there is a good faith dispute as to whether any
9 wages are due at all to any such Participating Overtime Class Member.

10 75. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that
11 they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
12 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action,
13 cause of action or right herein released and discharged.

14 76. Nullification of Settlement Agreement. In the event that (a) the Court does not finally
15 approve the Settlement as provided herein or (b) the Settlement does not become final for any
16 other reason, then this Settlement Agreement, and any documents generated to bring it into effect,
17 will be null and void. Any order or Judgment entered by the Court in furtherance of this
18 Settlement Agreement will likewise be treated as void from the beginning.

19 77. Preliminary Approval. Within forty-five (45) calendar days after execution of this
20 Settlement Agreement by all Parties, Class Counsel shall file (and set for hearing at the earliest
21 available date) a motion for an order: (a) preliminarily approving this Settlement; (b) concluding
22 that the Settlement Class meets the prerequisites for class certification for settlement purposes
23 only; (c) approving the Notice Packet to be provided to Class Members; (d) establishing a
24 procedure for Class Members to request exclusion or object; (e) setting a date for a Final
25 Approval/Settlement Fairness Hearing; and (f) enjoining Class Members and/or Aggrieved
26 Employees from filing, initiating, or continuing to prosecute any actions, claims, complaints, or
27 proceedings in Court, with the LWDA or with any other entity or in any other forum regarding
28 the Released Claims. In conjunction with the Preliminary Approval hearing, Plaintiff will submit

1 this Settlement Agreement, which sets forth the terms of this Settlement, and will include the
2 proposed Notice Packet, which will include the proposed Notice of Class Action Settlement
3 document attached as **Exhibit A**. Prior to moving for Preliminary Approval, Class Counsel shall
4 share the draft motion with Defendant's counsel and provide Defendant five (5) business days to
5 review and propose revisions or to request an additional five (5) business days to do so.

6 78. **Final Settlement Approval Hearing and Entry of Judgment**. Upon expiration of the
7 deadlines to postmark Requests for Exclusion and/or Notices of Objection to the Settlement, and
8 with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to
9 determine the final approval of the Settlement along with the amounts properly payable for: (i)
10 Individual Settlement Payments; (ii) Individual PAGA Payments; (iii) the Incentive Award to
11 Plaintiff; (iv) Attorneys' Fees and Costs; (v) the LWDA Payment; and (vi) all Settlement
12 Administration Costs. The Final Approval/Settlement Fairness Hearing will not be held any
13 earlier than thirty (30) calendar days after the Response Deadline. Class Counsel will be
14 responsible for drafting all documents necessary to obtain final approval. Class Counsel will also
15 be responsible for drafting the attorneys' fees and costs application to be heard at the Final
16 Approval/Settlement Fairness Hearing.

17 79. **Final Judgment and Continued Jurisdiction**. At the Final Approval/Settlement Fairness
18 Hearing, Class Counsel shall petition the Court to enter an order in the Action, which shall
19 include a dismissal of the Action by Plaintiff, Participating Class Members and Aggrieved
20 Employees, with prejudice, and declare that Plaintiff and all Participating Class Members and/or
21 Aggrieved Employees are bound by the release of claims described in the Notice Packet and
22 herein. Prior to petitioning the Court, Class Counsel shall share the draft order with Defendant's
23 counsel and provide Defendant five (5) business days to review and propose revisions. After
24 entry of Judgment, the Court will have continuing jurisdiction solely for purposes of addressing:
25 (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement
26 administration matters, and (iii) such post-Judgment matters as may be appropriate under court
27 rules, the Code of Civil Procedure, and/or as set forth in this Settlement Agreement.
28

1 80. Releases by Plaintiff and by Participating Class Members. Upon the Effective Date: (i)
 2 Plaintiff and all Participating Class Members and/or Aggrieved Employees will be deemed to
 3 have expressly waived and relinquished, to the fullest extent permitted by law, any and all of the
 4 applicable Released Claims against any and all of the Released Parties; and (ii) Plaintiff will be
 5 deemed to have expressly waived and relinquished, to the fullest extent permitted by law, the
 6 provisions, rights, and benefits of Section 1542 of the California Civil Code, which provides:

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

11 Plaintiff agrees not to sue or otherwise make a claim against any of the Released Parties for the
 12 Released Claims after the Effective Date. In addition, as to Plaintiff only, the Released Claims
 13 shall also include any and all claims, known and unknown, under any local, state, or federal law,
 14 in tort, common law, or contract, whether pleaded in the First Amended Complaint or not, except
 15 any pending Workers' Compensation claims and any other claims that cannot be released as a
 16 matter of law ("Plaintiff's General Release").

17 81. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the
 18 terms set forth in any attached Exhibits, which are incorporated by this reference as though fully
 19 set forth herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement.

20 82. Headings. The descriptive headings of any paragraphs or sections of the Settlement
 21 Agreement are inserted for convenience of reference only and do not constitute a part of this
 22 Agreement.

23 83. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the
 24 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral
 25 agreements may be deemed binding on the Parties. The Parties expressly recognize California
 26 Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a), which provide
 27 that a written agreement is to be construed according to its terms and may not be varied or
 28

1 contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written
2 representations or terms will modify, vary, or contradict the terms of this Settlement Agreement.

3 84. Amendment or Modification. No amendment, change, or modification to this Settlement
4 Agreement will be valid unless in writing and signed, either by the Parties or their counsel.

5 85. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
6 represent they are expressly authorized by the Parties whom they represent to negotiate this
7 Settlement Agreement and to take all appropriate actions required or permitted to be taken by
8 such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any
9 other documents required to effectuate the terms of this Settlement. The Parties and their counsel
10 will cooperate with each other and use their best efforts to effect the implementation of the
11 Settlement and to promote and encourage 100% participation among the Class Members. If the
12 Parties are unable to reach agreement on the form or content of any document needed to
13 implement the Settlement, or on any supplemental provisions that may become necessary to
14 effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve
15 such disagreement.

16 86. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
17 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

18 87. California Law Governs. All terms of this Settlement Agreement will be governed by and
19 interpreted according to the laws of the State of California, without regard to choice of law
20 principles.

21 88. Execution in Counterparts. This Settlement Agreement is subject only to the execution of
22 all Parties. However, the Settlement Agreement may be executed in one or more counterparts.
23 All executed counterparts and each of them, including DocuSign, facsimile, and scanned portable
24 document format ("PDF") copies of the signature page, will be deemed to be one and the same
25 instrument. A facsimile or PDF copy shall be considered an original for all purposes.

26 89. Acknowledgement that the Settlement is Fair and Reasonable. The Parties and their
27 respective counsel believe this Settlement is a fair, adequate, and reasonable settlement of the
28

1 Action and have arrived at this Settlement after arm's-length negotiations and in the context of
2 adversarial litigation, taking into account all relevant factors, present and potential.

3 90. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement
4 invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible
5 consistent with applicable precedents so as to define all provisions of this Settlement Agreement
6 valid and enforceable.

7 91. Waiver of Certain Appeals. The Parties agree to waive appeals; except, however, that
8 Plaintiff or Class Counsel may appeal any reduction to the Attorneys' Fees and Costs below the
9 amount they request from the Court, and either party may appeal any court order that materially
10 alters the Settlement Agreement's terms.

11 92. Interim Stay of Proceedings. The Parties agree that all proceedings in the Action shall be
12 stayed, except such proceedings necessary to implement and complete the Settlement, pending
13 completion of the hearings referenced herein.

14 93. Notice To Counsel. All notices, requests, demands, and other communications required or
15 permitted to be given pursuant to this Settlement Agreement shall be in writing and shall be
16 delivered (i) personally or (ii) mailed, postage prepaid, by first-class U.S. Mail with a concurrent
17 copy by email, to the undersigned persons at their respective addresses as set forth herein:

18
19 Class Counsel

20 Larry W. Lee, Esq.
21 Simon L. Yang, Esq.
22 Diversity Law Group, P.C.
23 515 South Figueroa Street
24 Suite 1250
25 Los Angeles, CA 90071
26 Telephone: (213) 488-6555
27 Facsimile: (213) 488-6554
28 E-mail: lwlee@diversitylaw.com
E-mail: sly@diversitylaw.com

William L. Marder, Esq.
Polaris Law Group
501 San Benito Street
Suite 200
Hollister, CA 95023

Counsel for Defendant

Cheryl D. Orr, Esq.
Amanda Semaan, Esq.
Faegre Drinker Biddle & Reath LLP
Four Embarcadero Center
27th Floor
San Francisco, CA 94111
Telephone: (415) 591-7500
Facsimile: (415) 591-7510
E-mail: cheryl.orr@faegredrinker.com
E-mail:
amanda.semaan@faegredrinker.com

Telephone: (831) 531-4214
Facsimile: (831) 634-0333
E-mail: bill@polarislawgroup.com

94. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Settlement, Defendant does not admit – and in fact specifically denies – that it violated any federal, state, or local law; violated any common law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, will be construed as an admission or concession by Defendant of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement, this Settlement Agreement and its terms and provisions will not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendant or to establish the existence of any condition constituting a violation of, or non-compliance with, federal, state, local, or other applicable law.

95. Option to Rescind the Settlement Agreement. Defendant may elect to rescind the Settlement if twenty percent (20%) or more of the Class Members submit timely Requests for Exclusion and do not rescind them by the Response Deadline. If Defendant wishes to exercise its conditional right to rescind, it must do so by written communication to Class Counsel that is received by Class Counsel within twenty (20) calendar days of the Response Deadline. In the event that Defendant exercises their conditional right to rescind, the Parties will be restored to their litigation positions as of January 13, 2022, except that all deadlines and/or hearings pending as of January 13, 2022 will be rescheduled to afford the Parties sufficient time to resume litigation. Furthermore, in the event that Defendant exercises its conditional right to rescind, Defendant will be responsible for all Settlement Administration Costs incurred up to the date of rescission.

1 96. Excluded Class Members. Any Class Member who, through a settlement agreement with
2 Defendant or any of the Released Parties that was executed prior to the date of Preliminary
3 Approval, released the claims at issue in the Action for the entire Class Period will: (i) not be
4 included in the Class; (ii) be excluded from the settlement payment calculations discussed herein;
5 and (iii) not be entitled to notice (including a Notice Packet) as provided herein. Any release that
6 does not encompass the entire Class Period requires the claims of such individuals to be limited to
7 the time which is unaffected by the prior settlement(s).

8 97. Proportional Increase in Gross Settlement Amount. Prior to the Parties' execution of their
9 Memorandum of Understanding, Defendant estimated that the size of the Class was/is 590. If the
10 number of Class Members exceeds 590 by more than 10% (*i.e.*, more than 649 Class Members),
11 or the number of Qualifying Pay Periods exceeds 12,000 by more than 10% (*i.e.*, 13,200) as of
12 the end of the Class Period, there will be a pro rata adjustment to the Gross Settlement Amount
13 equal to the same number of percentage points that the Class Size exceeds 590 or the Qualifying
14 Pay Periods exceed 13,200.

15 98. No Publicity. Except as provided herein or ordered by the court, the Parties and their
16 counsel agree that they will not issue any press releases, initiate any contact with the press,
17 respond to any press inquiry, or have any communication with the press about the fact, amount, or
18 terms of the Settlement; Class Counsel shall do nothing to publicize this Settlement or use it for
19 marketing purposes, including on websites or on the Internet.

20 99. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement
21 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
22 constitute a further waiver by such party of the same or any other condition, covenant, right, or
23 remedy.

24 100. Enforcement Actions. In the event that one or more of the Parties institutes any legal
25 action or other proceeding against any other Party or Parties to enforce the provisions of this
26 Settlement or to declare rights and/or obligations under this Settlement, the successful Party or
27 Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys'
28

1 fees and costs, including expert witness fees, incurred in connection with any enforcement
2 actions.

3 101. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
4 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be
5 construed more strictly against one party than another merely by virtue of the fact that it may
6 have been prepared by counsel for one of the Parties, it being recognized that, because of the
7 arm's-length negotiations between the Parties, all Parties have contributed to the preparation of
8 this Settlement Agreement.

9 102. Representation By Counsel. The Parties acknowledge that they have been represented by
10 counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
11 that this Settlement Agreement has been executed with the consent, recommendation, and advice
12 of counsel. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on
13 the Settlement Agreement.

14 103. All Terms Subject to Final Court Approval. All amounts and procedures described in this
15 Settlement Agreement will be subject to final Court approval.

16 104. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good
17 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
18 Settlement Agreement.

19 105. Binding Agreement. The Parties warrant that they understand and have full authority to
20 enter into this Settlement Agreement, and further intend that this Settlement Agreement will be
21 fully enforceable and binding on all Parties, and agree that it will be admissible and subject to
22 disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality
23 provisions that otherwise might apply under federal or state law. Plaintiff agrees that, by signing
24 this Settlement Agreement, he is bound by the terms herein stated and further agrees not to
25 request to be excluded from the Settlement and further warrants and represents that he has no
26 objection to any of the terms of this Settlement. Any attempt by Plaintiff to opt-out of the
27 Settlement or otherwise not comply with this Settlement Agreement shall be deemed void and of
28 no force or effect. Any such request for exclusion shall therefore be void and of no force or effect.

READ CAREFULLY BEFORE SIGNING

The Parties hereby agree to and execute this Joint Stipulation of Class and Representative Action Settlement agreement.

PLAINTIFF

Dated: 5/20/2022

DocuSigned by:

Fnu Linaki

Plaintiff Fnu Linaki

HANA GROUP OPS, LLC

Dated: 5/28/2022

Name: *Ashley Taylor*

Title: CEO

APPROVED AS TO FORM

Dated: May 31, 2022

**FAEGRE DRINKER BIDDLE & REATH
LLP**

By:

*Cheryl D. Orr*Cheryl D. Orr
Amanda Semaan

Attorneys for Defendant HANA GROUP OPS,
LLC

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Dated: 5/20/2022

DIVERSITY LAW GROUP, P.C.

By: 
Larry W. Lee
Simon L. Yang

Attorneys for Plaintiff FNU LINAKI

Dated: 5/20/2022

POLARIS LAW GROUP

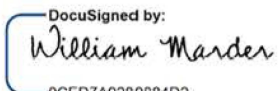
By: 
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William L. Marder
Attorneys for Plaintiff FNU LINAKI

EXHIBIT A

This notice is being sent pursuant to court order. This is not a solicitation from a lawyer.

NOTICE OF CLASS ACTION SETTLEMENT

Fnu Linaki v. Genji Pacific, LLC,
Superior Court of the State of California for the County of Alameda Case No. RG20074795

If you were employed by Genji Pacific, LLC (also known as Hana Group Ops, LLC) in California (i) as a non-exempt employee and earned overtime and non-discretionary compensation, including the Ooiri bonus, in the same month at any time from September 1, 2016 through January 13, 2022, or (ii) were not paid wages within seven days of the last day of a pay period at any time from August 26, 2019, through January 13, 2022, you may be a “Class Member” entitled to a payment from a class action settlement.

You are not being sued. Read this notice carefully, as your legal rights could be affected whether you act or not.

The Superior Court of the State of California for the County of Alameda (the “Court”) has preliminarily approved a class action settlement that may affect your legal rights. The settlement would resolve a class and representative action lawsuit filed by Plaintiff, Fnu Linaki, against Defendant, Genji Pacific, LLC (also known as Hana Group Ops, LLC) (“Hana Group”)—*Fnu Linaki v. Genji Pacific, LLC*, Court Case No. RG20074795 (the “Lawsuit”).

- The Lawsuit alleges Hana Group underpaid overtime to non-exempt California employees by failing to factor non-discretionary compensation, including the Ooiri bonus, when calculating their overtime rate of pay. It separately alleges Hana Group failed to timely pay California employees their wages. On those bases, the Lawsuit pursues class action claims as well as representative action claims under the Labor Code Private Attorneys General Act of 2004 (“PAGA”).
- Hana Group denies Plaintiff’s allegations and maintains it has fully complied with the law. By entering into this settlement, Hana Group in no way admits any violation of law or any liability whatsoever to Plaintiff or Class Members, individually or collectively, and expressly denies all such liability. Plaintiff and Hana Group have reached this settlement in light of all known facts and circumstances—including the risks of significant delay and uncertainty associated with litigation and various defenses asserted by Hana Group—with the assistance of an experienced mediator knowledgeable of both the wage and hour laws at issue.
- The settlement provides payments to Participating Class Members, based on (i) the number of relevant months a Class Member earned overtime and non-discretionary compensation in the same month from September 1, 2016 through January 13, 2022, and (ii) the number of relevant pay periods a Class Member worked from August 26, 2019, through January 13, 2022.
- Based on Hana Group’s records, your total number of relevant months and relevant pay periods is **XXX**, and an *estimate* of the amount that could be allocated to you is **\$XXX**. Whether you receive a payment depends on whether you opt out and whether the Court grants final approval. The actual amount you could receive depends on the terms the Court finally approves.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	You do not have to do anything in response to this notice. If you do nothing, you will be a Participating Class Member, remain eligible to receive a payment if the Court grants final approval of the settlement, and be bound by the release provisions of the settlement.
OPT OUT	You may opt out of the settlement by submitting a Request for Exclusion. If you opt out, you may not object to the settlement, will not be eligible to receive a payment, and will not be bound by the release provisions of the settlement.
OBJECT	You may object to the settlement by submitting a written objection. If the Court grants final approval of the settlement despite your objection, you will be a Participating Class Member, remain eligible to receive a payment if the Court grants final approval of the settlement, and be bound by the release provisions of the settlement.

NOTICE OF CLASS ACTION SETTLEMENT

Questions? Please contact the Administrator at (800) 523-5773.

1. Why Did I Receive This Notice?

You are receiving this Notice of Class Action Settlement (the “Notice”) because Hana Group’s records show that you are a “Class Member” because you were employed by Hana Group in California (i) as a non-exempt employee and earned overtime and non-discretionary compensation, including the Ooiri bonus, in the same month at any time from September 1, 2016 through January 13, 2022 (the “Overtime Class Period” or “Class Period”) (“Overtime Class Member”), or (ii) were not paid wages within seven days of the last day of a pay period at any time from August 26, 2019, through January 13, 2022 (the “Late Paid Class Period” or “PAGA Period”) (“Late Paid Class Member”). Overtime Class Members and Late Paid Class Members are collectively referred to herein as “Class Members.” As a Class Member, you may be entitled to share in the funds to be made available for settlement of the Lawsuit.

Because the settlement preliminarily approved by the Court would affect Class Members’ legal rights, the Court ordered that this Notice be sent to you. This Notice provides a brief description of the Lawsuit, informs you of the settlement terms preliminarily approved by the Court, and advises you of your legal rights with respect to the settlement. If finally approved by the Court, the settlement will fully resolve the Lawsuit and your legal rights may be affected by the settlement.

The terms of the settlement are set forth in detail in the Joint Stipulation of Class and Representative Action Settlement (“Agreement”). You may obtain a copy of the Agreement from Phoenix Settlement Administrators, the neutral third-party appointed by the Court to administer the settlement (the “Settlement Administrator”). Details about how to get additional information about the Agreement are provided at the end of this Notice.

2. What Is the Lawsuit About?

On September 23, 2020, Plaintiff, on behalf of herself and all others similarly situated, and as a proxy for the State of California, filed the complaint initiating the Lawsuit. On or about February 7, 2022, Plaintiff filed a first amended complaint. The Lawsuit alleges causes of action for miscalculating and underpaying overtime by failing to consider non-discretionary compensation when calculating employees’ overtime rate of pay, failing to timely pay wages during and upon separation of employment, and issuing inaccurate itemized wage statements. Based on these violations, the Lawsuit also alleges causes of action for unfair competition and PAGA penalties.

Hana Group denied and continues to deny (i) all of the allegations made by Plaintiff, (ii) that it violated any applicable laws, or (iii) that it is liable or owes damages, penalties, or other compensation or remedies to anyone with respect to the alleged facts or claims asserted in the Lawsuit. Nonetheless, without admitting or conceding any liability or wrongdoing whatsoever, Hana Group has agreed to settle the Lawsuit, to avoid the burden, expense, and uncertainty of continuing the Lawsuit.

The Court has preliminarily approved Larry W. Lee and Simon L. Yang of Diversity Law Group, P.C., and William L. Marder of Polaris Law Group as Class Counsel. Based on their investigation and evaluation, they believe that the terms of settlement are fair, reasonable, adequate, and in the best interests of Class Members.

3. What Are the Payments Under the Settlement?

Hana Group agrees to pay a “Gross Settlement Amount” of \$750,000.00. All payments from the Gross Settlement Amount must be approved by the Court. Payments requested for approval include those (i) to Class Counsel for Attorneys’ Fees and Costs associated with the litigation and resolution of the Lawsuit, (ii) to Plaintiff for her effort and work in prosecuting the Lawsuit on behalf of Class Members (the “Incentive Award”), (iii) to the Settlement Administrator for costs for administering the settlement, including, but not limited to, printing, distributing, or tracking notices, processing any required tax payments or reportings, providing any required tax forms, depositing settlement funds in an interest bearing account, distributing the settlement payments, or providing necessary reports and declarations (“Settlement Administration Costs”), and (iv) to the State of California Labor & Workforce Development Agency as required by the Labor Code (the “LWDA Payment”).

Except for and excluding any Court approved payments from the Gross Settlement Amount, the Total Net Settlement Amount will be allocated to Class Members. No sums will revert or be returned to Hana Group.

a. Individual Settlement Payments and Individual PAGA Payments

The Total Net Settlement Amount shall be distributed to Participating Class Members and Aggrieved Employees without the need to submit a claim. \$25,000.00 of the Total Net Settlement Amount shall be designated as PAGA penalties and allocated as Individual PAGA Payments among Aggrieved Employees (i.e., Class Members who worked during the PAGA Period). The remainder of the Total Net Settlement Amount shall be allocated as Individual Settlement Payments among Participating Class Members.

Each Aggrieved Employee's Individual PAGA Payment will be calculated and apportioned based on his or her number of PAGA Qualifying Pay Periods—i.e., pay periods during the PAGA Period that the Aggrieved Employee either (i) earned overtime and non-discretionary compensation, including the Ooiri bonus, in the same month, or (ii) were not paid within seven days of the last day of the pay period.

Each Participating Class Member's Individual Settlement Payment will be calculated and apportioned based on his or her total number of Qualifying Months and Qualifying Pay Periods. Qualifying Months are months during the Overtime Class Period in which a Class Member earned both overtime and non-discretionary compensation. Qualifying Pay Periods are pay periods that Class Members worked during the Late Paid Class Period.

20% of each Individual Settlement Payment will be designated as wages subject to an IRS Form W-2. The remainder and all Individual PAGA Payments will be subject to an IRS Form 1099-MISC. Class Members are advised and understand that they shall be solely responsible for paying applicable taxes on any settlement payments and shall hold harmless the Released Parties (defined as Hana Group and all of its parent, subsidiary, affiliated and related companies and entities, including all of its/their officers, directors, employees, partners, shareholders, investors, and agents, and any entities or partnerships which they are affiliated with) from any claim or liability for taxes or penalties for the payments.

All uncashed or undeliverable settlement checks will expire after 180 calendar days after the postmarked date of their initial mailing. After 180 calendar days, the Settlement Administrator shall direct the principal for any expired checks be distributed to the State Controller Unclaimed Property Fund in the name of the Class Member.

b. Attorneys' Fees and Costs

You do not need to pay individually any portion of Class Counsel's attorneys' fees and costs. Any payments for those attorneys' fees and costs will be deducted from the Gross Settlement Amount. Class Counsel intends to request that the Court approve an Attorneys' Fees and Costs Award in the amount of (a) 33⅓% of the of the Gross Settlement Amount, or \$250,000.00, and (b) up to \$30,000.00 in litigation costs.

c. Incentive Award

Class Counsel intends to request that the Court approve an Incentive Award of \$10,000.00 to Plaintiff both for the general release required of Plaintiff by the Agreement and for her effort and work in prosecuting the Lawsuit on behalf of Class Members.

d. Settlement Administration Costs

Class Counsel intends to request that the Court approve Administration Costs of up to \$6,750.00, payable to the Settlement Administrator for administering the settlement, including, but not limited to, printing, distributing, or tracking Notices, providing any required tax forms, processing any required tax payments, or reporting, and calculating and distributing settlement payments.

e. LWDA Payment

The Agreement designates \$100,000.00 as PAGA penalties. Pursuant to statute, Class Counsel intends to request that the Court approve payment of 75% of the PAGA penalties as an LWDA Payment. Also pursuant to statute, 25% of PAGA Penalties would be payable to Aggrieved Employees as Individual PAGA Payments.

f. All Payments Subject to Court Approval

All of the payments listed above will be made if and only if the Court grants final approval of the settlement and concludes it is reasonable, fair, and adequate for the Class. The Court may adjust the amounts of payments.

4. What Do I Release Under the Settlement?

If the Court grants final approval of the settlement and concludes it is reasonable, fair, and adequate for Class Members, Participating Class Members would release either or both Released Overtime Claims or Released Late Paid Claims, as applicable.

“Released Overtime Claims” means all claims, rights, demands, liabilities, and causes of action of Overtime Class Members which accrued during Overtime Class Period and which were pled or could have been pled based on the facts alleged in the First Amended Complaint, whether known or unknown, contingent or accrued, including but not limited to all claims, rights, demands, liabilities, and causes of action based on any federal, state, or local wage and hour law, including but not limited to: (i) claims for overtime wages (Cal. Lab. Code §§ 218, 510, 1194); (ii) claims for failure to timely pay wages during employment (Cal. Lab. Code §§ 204, 210); (iii) claims for failure to timely pay wages upon termination of employment (Cal. Lab. Code §§ 201-203); (iv) claims for failure to furnish accurate itemized wage statements (Cal. Lab. Code § 226(a)); (v) claims for violations of California Business & Professions Code, Section 17200, *et seq.*; and (vi) claims of the LWDA pursuant to the PAGA (Cal. Lab. Code §§ 2698 *et seq.*) for PAGA penalties against the Released Parties for Labor Code or Wage Order violations suffered by Aggrieved Employees which accrued during the PAGA Period and are based on the facts alleged in the First Amended Complaint.

“Released Late Paid Claims” means all claims, rights, demands, liabilities, and causes of action of Late Paid Class Members which accrued during Late Paid Class Period and which were pled or could have been pled based on the facts alleged in the First Amended Complaint for violations of Labor Code §§ 204 and 210, whether known or unknown, contingent or accrued, including but not limited to all claims, rights, demands, liabilities, and causes of action based on any federal, state, or local wage and hour law, including but not limited to (i) claims for failure to timely pay wages during employment (Cal. Lab. Code §§ 204, 210); and (ii) claims of the LWDA pursuant to the PAGA (Cal. Lab. Code §§ 2698 *et seq.*) for PAGA penalties against the Released Parties for Labor Code or Wage Order violations suffered by Aggrieved Employees which accrued during the PAGA Period and are based on the facts alleged in the First Amended Complaint for violations of Labor Code §§ 204 and 210.

5. How Do I Object to the Settlement?

If you want to participate in the settlement, you do not have to do anything and do not have to appear at the final approval hearing before the Court. You will receive your settlement payments automatically if the Court grants final approval of the settlement. If you want to object to the settlement, you must either appear at the final approval hearing or mail a Notice of Objection to the Settlement Administrator listed below.

A Notice of Objection must be postmarked by [60 calendar days from mailing of Class Notice] and include: (i) your full name, signature, address, and telephone number; (ii) a written statement of all grounds for the objection accompanied by any legal support for such objection (if any); (iii) copies of any papers, briefs, or other documents upon which the objection is based; and (iv) a statement describing whether you intend to appear at the final approval hearing.

If you submit an objection, you will remain bound by the settlement if finally approved. If you do not want to be bound by the settlement if finally approved, you must opt out of the settlement.

6. How Do I Opt Out of the Settlement?

If you do not want to participate in the settlement, you may opt out of the settlement by mailing a letter to the Settlement Administrator listed below. To be valid, the letter must be postmarked by [60 calendar days from mailing of Class Notice] and (i) include your full name, signature, address, telephone number, and last four digits

of your Social Security number and (ii) state “I wish to opt-out from this Settlement.” Any letter does not include all required information or that is not submitted on a timely basis will be deemed null, void, and ineffective.

If you opt out of the settlement, you may not object to the settlement, shall not receive any Individual Settlement Payment, and shall not be bound by the release provisions of the settlement.

7. Where Can I Get Additional Information?

This notice summarizes the Lawsuit, settlement, and related matters. For more information, you may contact the Settlement Administrator or Class Counsel:

Settlement Administrator:

Phoenix Settlement Administrators
P.O. Box 7208
Orange, California 92863
Telephone: (800) 523-5773

Class Counsel:

DIVERSITY LAW GROUP, P.C.
Larry W. Lee
lwlee@diversitylaw.com
Simon L. Yang
sly@diversitylaw.com
515 South Figueroa Street, Suite 1250
Los Angeles, California 90071
Telephone: (213) 488-6555
Facsimile: (213) 488-6554

POLARIS LAW GROUP
William L. Marder
bill@polarislawgroup.com
501 San Benito Street, Suite 200
Hollister, California 95023
Telephone: (831) 531-4214
Facsimile (831) 634-0333

PLEASE DO NOT CONTACT THE COURT FOR INFORMATION REGARDING THE SETTLEMENT