

1 **BIBIYAN LAW GROUP, P.C.**

2 David D. Bibiyan (SBN. 287811)

3 *david@tomorrowlaw.com*

4 Jeffrey D. Klein (SBN. 297296)

5 *jeff@tomorrowlaw.com*

6 Diego Aviles (SBN. 315533)

7 *diego@tomorrowlaw.com*

8 8484 Wilshire Boulevard, Suite 500

9 Beverly Hills, California 90211

10 Tel: (310) 438-5555; Fax: (310) 300-1705

11 Attorneys for Plaintiff, ROLAND J. ARZOOIAN,
12 on behalf of himself and all others similarly situated

13 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

14 **FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE**

15 ROLAND J. ARZOOIAN, an individual and
16 on behalf of all others similarly situated and
17 aggrieved,

18 Plaintiffs,

19 v.

20 A & M ADMINISTRATION, LLC., a New
21 Jersey limited liability company;
22 CHARLOTTE RUSSE HOLDING, INC., a
23 Delaware corporation; YM INC., an unknown
24 corporation; YM INC. (SALES), an unknown
25 corporation, CHARLOTTE RUSSE
26 DELAWARE INC., a Delaware corporation,
27 MICHAEL GOLD, an individual, and DOES 1
28 through 100, inclusive,

Defendants.

CASE NO: 21STCV05576

CLASS ACTION

**FIRST AMENDED JOINT
STIPULATION RE: CLASS ACTION
AND REPRESENTATIVE ACTION
SETTLEMENT**

Action Filed: February 11, 2021

FAC Filed: April 2, 2021

Trial Date: None Set

23 This First Amended Joint Stipulation re: Class Action and Representative Action
24 Settlement ("Settlement" or "Agreement" or "Settlement Agreement") is made by, between and
25 among plaintiff Roland Arzooian ("Plaintiff"), individually and on behalf of the Settlement
26 Class, as defined below, on the one hand; and defendants A&M Administration, LLC, YM Inc.,
27 YM Inc. (Sales), CR Bricks (2019) LLC, CR California (2019) LLC, Cosa Nova Holdings, Inc.

1 USA, and Michael Gold (collectively, "Defendants"), on the other hand, in the lawsuit entitled
2 *Roland J. Arzooian v. A&M Administration, LLC, et al.* filed in Los Angeles County Superior
3 Court, Case No. 21STCV05576 (the "Action"). Plaintiff and Defendants shall be, at times,
4 collectively referred to as the "Parties." This Agreement is intended by the Parties to fully,
5 finally, and forever resolve, discharge and settle the claims as set forth herein, based upon and
6 subject to the terms and conditions of this Agreement.

7 **1. DEFINITIONS**

8 **A. "Action"** means *Roland J. Arzooian v. A&M Administration, LLC, et al.* filed in
9 Los Angeles County Superior Court, Case No. 21STCV05576.

10 **B. "PAGA Employees"** means all current and former employees who worked for
11 Defendants in California at any time from January 26, 2020 through and including September
12 27, 2021 in non-exempt, hourly-paid positions.

13 **C. "Class Counsel"** means: David D. Bibiyan, Esq., Jeffrey Klein, Esq., and Diego
14 Alves, Esq., of Bibiyan Law Group, P.C, and Steven I. Azizi of Miracle Mile Law Group, LLP.
15 The term "Class Counsel" shall be used synonymously with the term "Plaintiff's Counsel."

16 **D. "Class Period"** means the period from May 19, 2019 through and including
17 September 27, 2021.

18 **E. "Class Settlement"** means the settlement and resolution of the Class Released
19 Claims.

20 **F. "Court"** means the Superior Court of the State of California for the County of
21 Los Angeles.

22 **G. "Defendants"** shall refer to Defendants A&M Administration, LLC; YM Inc.;
23 YM Inc. (SALES); CR Bricks (2019) LLC; CR California (2019) LLC; Cosa Nova Holdings,
24 Inc. USA; and Michael Gold.

25 **H. "Defense Counsel"** means Nicole Sheth, Esq. and Stephanie S. Ponek, Esq. of
26 Kaufman, Borgeest, and Ryan LLP.

27 **I. "Employer Taxes"** means employer's portion of payroll taxes and contributions
28 imposed on the wage portions of the Individual Settlement Shares under the Federal Insurance

Contributions Act, the Federal Unemployment Tax Act, and any similar state and federal taxes and contributions required of employers, such as for unemployment insurance.

J. “Final Approval Date” means the later of: (1) the date on which the Court enters an Order granting final approval of this Settlement (“Final Approval”) and Judgment; (2) if there is an objector, 60 days from the date on which the Court enters the Final Approval and Judgment; or (3) to the extent any appeals have been filed, the date on which they have been resolved or exhausted.

K. “First Amended Complaint” or “Operative Complaint” means the First Amended Class Action Complaint filed with the Court in the Action.

L. “General Release” means the broader release of claims by Plaintiff as a class representative, which is in addition to his limited release of claims as a Participating Class Member.

M. “Gross Settlement Amount” means a non-reversionary fund in the sum of Five Hundred Ninety Thousand Dollars and Zero Cents (\$590,000),¹ which shall be paid by Defendants, jointly and severally, from which all payments for the Individual Settlement Payments to Participating Class Members, Individual PAGA Shares to PAGA Employees, the Court-approved amounts for attorneys’ fees and reimbursement of litigation costs and expenses to Class Counsel, Settlement Administration Costs to the Settlement Administrator, Service Award to Plaintiff, and the LWDA Payment to the Labor and Workforce Development Agency (“LWDA”) for resolution of Plaintiff’s cause of action for civil penalties under the Private Attorneys General Act, codified at California Labor Code section 2698, *et seq.* (“PAGA”), interest and certain taxes shall be paid. In no event will Defendants be required to pay more than the Gross Settlement Amount set forth in this Paragraph for resolution of the Action, except for payment of Employer Taxes, which shall be paid by Defendants separate and apart from the Gross Settlement Amount, and as provided in Paragraph 17.

¹ As the same may be increased in accordance with Paragraph 17, below.

1 **N. “Individual Settlement Payment”** means a payment to a Participating Class
2 Member of his or her net share of the Net Settlement Amount.

3 **O. “Individual Settlement Share”** means the gross amount of the Net Settlement
4 Amount that a Settlement Class Member is eligible to receive based on the number of Workweeks
5 that he or she worked as a Settlement Class Member during the Class Period if he or she does not
6 submit a timely and valid Request for Exclusion.

7 **P. “LWDA Payment”** means the payment to the LWDA for its seventy-five percent
8 (75%) share of the total amount allocated toward penalties under the PAGA, which is to be paid
9 from the Gross Settlement Amount. The Parties have agreed that Ten Thousand Dollars and
10 Zero Cents (\$10,000.00) shall be allocated toward PAGA penalties (“PAGA Payment”), of which
11 Seven Thousand, Five Hundred Dollars and Zero Cents (\$7,500.00) will be paid to the LWDA
12 (*i.e.*, the LWDA Payment) and Two Thousand, Five Hundred Dollars and Zero Cents (\$2,500.00)
13 will be distributed to PAGA Employees on a *pro rata* basis.

14 **Q. “Net Settlement Amount”** means the portion of the Gross Settlement Amount
15 that is available for distribution to Participating Class Members after deductions for the Court-
16 approved allocations for Settlement Administration Costs to the Settlement Administrator, a
17 Service Award to Plaintiff, an award of attorneys’ fees and reimbursement of litigation costs and
18 expenses to Class Counsel, and the PAGA Payment.

19 **R. “Individual PAGA Share”** is the payment made to PAGA Employees in addition
20 to their Individual Settlement Share.

21 **S. “PAGA Period”** means the period from January 26, 2020 through and including
22 September 27, 2021.

23 **T. “Participating Class Members”** means all Settlement Class Members who do
24 not submit a timely and valid Request for Exclusion.

25 **U. “Parties”** shall refer to Plaintiff and Defendants collectively.

26 **V. “Plaintiff”** shall refer to Plaintiff Roland Arzooian.

27 **W. “Preliminary Approval Date”** means the date on which the Court enters an
28 Order granting preliminary approval of the Settlement.

1 **X. “Released Parties”** shall mean Defendants and each of their past, present, and
2 future respective affiliates, parents, subsidiaries, predecessors, successors, divisions, brands,
3 joint ventures and assigns, and each of these entities’ past or present directors, officers,
4 employees, partners, members, owners, principals, agents, insurers, co-insurers, re-insurers,
5 shareholders, attorneys, and personal or legal representatives.

6 **Y. “Response Deadline”** means the deadline for Settlement Class Members to mail
7 any Requests for Exclusion, Objections, or Workweek Disputes to the Settlement Administrator,
8 which is forty-five (45) calendar days from the date that the Class Notice is first mailed in English
9 and Spanish by the Settlement Administrator, or, in the case of a re-mailed Class Notice, sixty
10 (60) calendar days from the date that the Class Notice is first mailed in English and Spanish by
11 the Settlement Administrator. The date of the postmark shall be the exclusive means for
12 determining whether a Request for Exclusion, Objection, or Workweek Dispute was submitted
13 by the Response Deadline.

14 **Z. “Request for Exclusion”** means a written request to be excluded from the Class
15 Settlement pursuant to Section 9.C below.

16 **AA. “Service Award”** means monetary amount to be paid to Plaintiff of up to Seven
17 Thousand, Five Hundred Dollars and Zero Cents (\$7,500) which, subject to Court approval, will
18 be paid out of the Gross Settlement Amount.

19 **BB. “Settlement Administration Costs”** means all costs incurred by the Settlement
20 Administrator in administration of the Settlement, including, but not limited to, translating the
21 Class Notice to Spanish, the distribution of the Class Notice to the Settlement Class in English
22 and Spanish, calculating Individual Settlement Shares, Individual Settlement Payments, and
23 Individual PAGA Shares and associated taxes and withholdings, providing declarations,
24 generating Settlement Checks and related tax reporting forms, doing administrative work related
25 to uncashed checks, transmitting payment to Class Counsel for the Court-approved amounts for
26 attorneys’ fees and reimbursement of litigation costs and expenses, to Plaintiff for his Service
27 Award, and to the LWDA from the LWDA Payment, providing weekly reports of Requests for
28 Exclusion, objections and related information, and any other actions of the Settlement

1 Administrator as set forth in this Agreement, all pursuant to the terms of this Agreement. The
2 Settlement Administration Costs are estimated not to exceed \$17,000. If the actual amount of the
3 Settlement Administration Costs is less than \$17,000, the difference between \$17,000 and the
4 actual Settlement Administration Costs shall be a part of the Net Settlement Amount. If the
5 Settlement Administration Costs exceed \$17,000, then such excess will be paid solely from the
6 Gross Settlement Amount and Defendants will not be responsible for paying any additional funds
7 in order to pay these additional costs.

8 **CC. "Settlement Administrator"** means the third-party administrator chosen by
9 Plaintiff that will be responsible for the administration of the Settlement including, without
10 limitation, translating the Class Notice in Spanish, the distribution of the Individual Settlement
11 Payments and Individual PAGA Shares to be made by Defendants from the Gross Settlement
12 Amount and related matters under this Agreement. The Parties each represent that they do not
13 have any financial interest in the Settlement Administrator or otherwise have a relationship with
14 the Settlement Administrator that could create a conflict of interest.

15 **DD. "Settlement Class", "Settlement Class Members" or "Class Members"** means
16 all current and former non-exempt, hourly-paid employees who worked in California for
17 Defendants at any time during the Class Period.

18 **EE. "Workweeks"** means the number of workweeks that a Settlement Class Member
19 actually worked for Defendants in California as a non-exempt, hourly-paid employee. If a
20 Settlement Class Member disputes his/her Individual Settlement Share, it shall be termed a
21 "Workweek Dispute."

22 **2. BACKGROUND**

23 **A.** On February 11, 2021, Plaintiff filed a Class Action Complaint against A&M
24 Administration, LLC, Charlotte Russe Holding, Inc., YM Inc.; YM Inc. (SALES), Charlotte
25 Russe Delaware Inc., and Michael Gold, in the Superior Court of California for the County of
26 Los Angeles, Case Number 21STCV05576, thereby commencing the Action. Plaintiff alleged
27 that during the Class Period, with respect to himself and the Settlement Class Members,
28 Defendants failed to pay the Settlement Class Members' due wages (including overtime and

1 minimum wages); failed to provide compliant meal and rest periods and associated premium
2 payments; failed to issue compliant and accurate itemized wage statements; failed to timely pay
3 all wages due and owing at the time of termination or resignation; failed to reimburse business
4 expenses; and engaged in unfair competition due to the alleged violations of the California Labor
5 Code.

6 **B.** On January 26, 2021, Plaintiff filed with the LWDA and served on Defendants a
7 notice under California Labor Code section 2699.3 (the "PAGA Notice") stating Plaintiff
8 intended to serve as a proxy of the LWDA to recover civil penalties for PAGA Employees. The
9 PAGA Notice includes violations of law pled in the Action, in addition to a request for penalties
10 for failure to comply with other provisions of the California Labor Code.

11 **C.** On April 2, 2021, after sixty-five (65) days passed without any communication
12 from the LWDA, Plaintiff amended the complaint in the Action to add among other things, a
13 cause of action under PAGA for civil penalties based on alleged violations of the California
14 Labor Code, on behalf of himself and all other PAGA Employees.

15 **D.** Shortly after the filing of this Action, the Parties agreed to exchange informal
16 discovery and attend an early mediation. Prior to and during mediation, Class Counsel was
17 provided with, among other things: (1) the number of workweeks and Settlement Class Members;
18 (2) the number of Settlement Class Members separated from employment for the purpose of
19 calculating waiting time penalties; (3) the number of Settlement Class Members working from,
20 and pay periods worked, from February 2020 through mediation for the purpose of calculating
21 wage statement violations; (4) the number of Class Members and pay periods worked from
22 January 26, 2020 through mediation for the purpose of calculating PAGA penalties; (5) a 10%
23 sampling of time records and pay records; (6) an employee list containing the dates of
24 employment, employment status, and hourly rates of pay of all non-exempt employees; (7) store
25 list; and (8) timekeeping policies and practices.

26 **E.** On July 27, 2021, the Parties participated in a full-day mediation before mediator
27 Paul Grossman, Esq., a well-regarded mediator experienced in mediating complex wage-and-
28 hour cases. With the aid of the mediator's evaluation, the Parties reached the Settlement to

1 resolve the Action in its entirety.

2 F. Class Counsel has conducted significant investigation of the law and facts relating
3 to the claims asserted in the Action and has concluded that that the Settlement set forth herein is
4 fair, reasonable, adequate, and in the best interests of the Settlement Class, taking into account
5 the sharply contested issues involved, the expense and time necessary to litigate the Action
6 through trial and any appeals, the risks and costs of further litigation of the Action, the risk of an
7 adverse outcome, the uncertainties of complex litigation, the information learned through
8 informal discovery regarding Plaintiff's allegations, and the substantial benefits to be received
9 by the Settlement Class Members.

10 G. Defendants have concluded that, because of the substantial expense of defending
11 against the Action, the length of time necessary to resolve the issues presented herein, the
12 inconvenience involved, and the concomitant disruption to their business operations, it is in their
13 best interest to accept the terms of this Agreement. Defendants deny each of the allegations and
14 claims asserted against them in the Action. However, Defendants nevertheless desire to settle
15 the Action for the purpose of avoiding the burden, expense and uncertainty of continuing
16 litigation and for the purpose of putting to rest the controversies engendered by the Action.

17 H. This Agreement is intended to and does effectuate the full, final, and complete
18 resolution of all Released Claims of Plaintiff and Settlement Class Members, other than those
19 Settlement Class Members who submit a timely and valid Request for Exclusion.

20 **3. JURISDICTION**

21 The Court has jurisdiction over the Parties and the subject matter of the Action. The
22 Action includes claims that, if proven, would authorize the Court to grant relief pursuant to the
23 applicable statutes. After the Court has granted Final Approval of the Settlement and entered
24 Judgment, the Court shall retain jurisdiction over the Parties to enforce the terms of the Judgment
25 pursuant to California Rule of Court, rule 3.769, subdivision (h).

26 **4. STIPULATION OF CLASS CERTIFICATION**

27 The Parties stipulate to the certification of the Settlement Class under this Agreement for
28 purposes of settlement only. This stipulation does not constitute, in this or any other proceeding,

1 an admission of any kind by Defendants or any of the Released Parties that certification of a class
2 for trial or any other purpose is appropriate or proper or that Plaintiff could establish any of the
3 requisite elements for class treatment of any of the claims in this Action. If, for any reason, the
4 Settlement is not approved, the stipulation to certification will be void and the certification of the
5 Settlement Class for purposes of settlement will be automatically vacated. The Parties further
6 agree that this Agreement will not be admissible in this or any other proceeding as evidence that
7 either (i) a class action should be certified or (ii) Defendants or any of the Released Parties are
8 liable to Plaintiff or any Settlement Class Member. In the event that the Settlement is not
9 approved or otherwise voided, Defendants expressly reserve all rights to challenge certification
10 of a class in this Action or in any other action on all available grounds as if no class had been
11 certified for settlement purposes in this Action, and no reference to the prior certification of a
12 class, or any documents related thereto, shall be made for any purpose.

13 **5. MOTION FOR PRELIMINARY APPROVAL**

14 Plaintiff will move for an order granting preliminary approval of the Settlement,
15 approving and directing the mailing of the proposed Notice of Class Action Settlement ("Class
16 Notice") attached hereto as Exhibit "A", conditionally certifying the Settlement Class for
17 settlement purposes only, and approving the deadlines proposed by the Parties for the submission
18 of Requests for Exclusion, Workweek Disputes, and Objections, the papers in support of Final
19 Approval of the Settlement, and any responses to Objections or opposition papers to the Motion
20 for Final Approval.

21 **6. STATEMENT OF NO ADMISSION**

22 Defendants deny any wrongdoing of any sort and further deny any liability to Plaintiff
23 and the Settlement Class with respect to any claims or allegations asserted in the Action. This
24 Agreement shall not be deemed an admission by Defendants of any claims or allegations asserted
25 in the Action. Except as set forth elsewhere herein, in the event that this Agreement is not
26 approved by the Court, or any appellate court, is terminated, or otherwise fails to be enforceable,
27 Plaintiff will not be deemed to have waived, limited or affected in any way any claims, rights or
28 remedies, or defenses in the Action, and Defendants will not be deemed to have waived, limited,

1 or affected in any way any of its objections or defenses in the Action. The Parties shall be
2 restored to their respective positions in the Action prior to the entry of this Settlement.

3 **7. RELEASE OF CLAIMS**

4 **A. Release by Participating Class Members and PAGA Employees.**

5 Effective only upon the entry of an Order granting Final Approval of the Settlement, entry
6 of Judgment, and payment by Defendants to the Settlement Administrator of the full Gross
7 Settlement Amount (as the same may be escalated pursuant to this Agreement) and Employer
8 Taxes necessary to effectuate the Settlement, Plaintiff and all Participating Class Members
9 forever release, settle, compromise, relinquish, and discharge the Released Parties of all claims,
10 rights, demands, liabilities, causes of action, whether statutory, in tort, contract, or otherwise,
11 asserted in the First Amended Complaint filed in the Action, or any and all claims for violation
12 of any state or federal statute, rule, law or regulation that could have been asserted against the
13 Released Parties based on the factual allegations in the First Amended Complaint, including and
14 not limited to: (a) all claims for unpaid wages (including, but not limited to, unpaid minimum,
15 overtime, and double-time wages, and failure to pay wages based on the proper calculation of the
16 regular rate of pay); (b) all claims for failure to provide compliant meal and rest periods and
17 associated premium pay; (c) all claims for the failure to timely pay wages upon termination and
18 during employment; (d) all claims for non-compliant wage statements; (e) all claims for waiting
19 time penalties; (f) all claims for failure to reimburse business expenses; (g) all claims asserted
20 through California Business & Professions Code section 17200, *et seq.* arising out of the
21 California Labor Code violations referenced in the First Amended Complaint; and (h) claims for
22 violation of California Labor Code sections 96, 98.6, 200, 201, 202, 203, 204, 210, 226, 226.7,
23 227.3, 246, *et seq.*, 404, 432, 510, 512, 1102.5, 1174, 1194, 1194.2, 1197, 1198.5, 1199, 2802,
24 and 2810.5 and portions of the applicable Wage Order; and (i) all other claims for compensation,
25 penalties, interest, attorneys' fees and costs, and/or other payments, however characterized,
26 associated with the foregoing ("Class Released Claims").

27 Any Settlement Class Members who do not affirmatively opt out of the Class Settlement
28 by submitting a timely and valid Request for Exclusion will be bound by all of the Settlement

1 Agreement's terms, including those pertaining to the Class Released Claims, as well as any
2 Judgment that may be entered by the Court if it grants final approval to the Settlement.

3 Effective upon the entry of an Order granting Final Approval of the Settlement and
4 payment by Defendants to the Settlement Administrator of the Gross Settlement Amount and
5 Employer Taxes, all PAGA Employees will forever release, settle, compromise, relinquish, and
6 discharge for the duration of the PAGA Period, all claims for civil penalties under PAGA that
7 arise out of or relate to the factual allegations and California Labor Code sections alleged to have
8 been violated in both the PAGA Notice and the First Amended Complaint, which includes,
9 without limitation, failure to pay wages (including minimum wages, overtime and double time
10 wages, and failure to pay wages based on the proper calculation of the regular rate of pay), failure
11 to provide compliant meal and rest periods and associated premium pay, failure to provide
12 compliant wage statements, failure to timely pay wages upon termination of employment and
13 during employment, failure to provide compliant wage statements, failure to reimburse
14 business expenses, and violation of California Labor Code sections 96, 98.6, 200, 201, 202, 203,
15 204, 210, 226, 226.3, 226.7, 227.3, 232, 232.5, 246, *et seq.*, 404, 432, 510, 512, 558 (to the extent
16 tethered to the allegations in the PAGA Notice and First Amended Complaint in the Action),
17 1102.5, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198.5, 1199, 2802, and 2810.5
18 ("PAGA Released Claims"). In light of the binding nature of a judgment under PAGA on non-
19 party employees pursuant to *Arias v. Superior Ct. (Dairy)* (2009) 46 Cal. 4th 969, PAGA
20 Employees who submit a timely and valid Request for Exclusion to exclude themselves from the
21 Class Settlement will still receive an Individual PAGA Share and release the PAGA Released
22 Claims.

23 **B. General Release.**

24 Effective only upon the entry of an Order granting Final Approval of the Settlement, entry
25 of Judgment, and payment by Defendants to the Settlement Administrator of the full Gross
26 Settlement Amount and Employer Taxes necessary to effectuate the Settlement, in addition to
27 the Released Claims, Plaintiff makes the additional following General Release: Plaintiff releases
28 the Released Parties from all claims, demands, rights, liabilities and causes of action of every

1 nature and description whatsoever, known or unknown, asserted or that might have been asserted,
2 whether in tort, contract, or for violation of any state or federal statute, rule, law or regulation
3 arising out of, relating to, or in connection with any act or omission of the Released Parties in
4 connection with his employment or the termination thereof. For the purpose of implementing a
5 full and complete release and discharge of the Released Parties, Plaintiff expressly acknowledges
6 that the release in this Paragraph is intended to include in its effect, without limitation, all claims
7 he did not know or suspect at the time of execution hereof, regardless of whether the knowledge
8 of such claims, or the facts upon which they might be based, would materially have affected the
9 settlement of this matter, and that the consideration given under this Settlement is also for the
10 release of those claims and contemplates the extinguishment of any such claims. With respect to
11 the General Release, Plaintiff stipulates and agrees that, through the Final Approval Date,
12 Plaintiff shall be deemed to have, and by operation of the Final Judgment and payment to the
13 Settlement Administrator shall have, expressly waived and relinquished, to the fullest extent
14 permitted by law, the provisions, rights and benefits of section 1542 of the California Civil Code,
15 or any other similar provision under federal or state law, which provides:

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

23 Plaintiff's General Release shall exclude any claims by Plaintiff arising under the Fair
24 Employment and Housing Act, the California Family Rights Act, intentional infliction of
25 emotional distress, and for wrongful termination in violation of public policy, and for retaliation
26 under the Labor Code, including, without limitation, under sections 98.6 and 1102.5.

27 **8. SETTLEMENT ADMINISTRATOR**

28 Plaintiff and Defendants, through their respective counsel, have selected the ILYM
Group, Inc. to administer the Settlement, which includes but is not limited to translating the Class
Notice to Spanish, distributing and responding to inquiries about the Class Notice and calculating

all amounts to be paid from the Gross Settlement Amount. Charges and expenses of the Settlement Administrator, currently estimated to be \$17,000, will be paid from the Gross Settlement Amount. If the actual Settlement Administrator fees are less than \$17,000, the difference will remain a part of the Net Settlement Amount.

9. NOTICE, WORKWEEK DISPUTE, OBJECTION, AND EXCLUSION PROCESS

A. Notice to the Settlement Class Members.

(1) Within fourteen (14) calendar days after the Preliminary Approval Date, Defense Counsel shall provide the Settlement Administrator with information with respect to each Settlement Class Member, including his or her: (1) name, last known address(es) and last known telephone number(s) currently in Defendants' possession, custody, or control; (2) Social Security Number in Defendants' possession, custody, or control; (3) the hire dates and termination dates for each Settlement Class Member; and (4) the actual number of workweeks during the Class Period and PAGA Period (if applicable) ("Class List"). The Settlement Administrator shall perform an address search using the United States Postal Service National Change of Address ("NCOA") database and update the addresses contained on the Class List with the newly found addresses, if any. Within fourteen (14) calendar days of receiving the Class List from Defendants, the Settlement Administrator shall mail the Class Notice in English and Spanish to the Settlement Class Members via first-class U.S. Mail using the most current mailing address information available. The Settlement Administrator shall maintain a list with names and all addresses to which notice was given, and digital copies of all the Settlement Administrator's records evidencing the mailing of notice to any Settlement Class Member, for at least four (4) years from the Final Approval Date. Such information shall be available to Class Counsel and Defense Counsel upon request.

(2) The Class Notice will set forth:

- (a) the Settlement Class Member's estimated payment and the basis for it;
- (b) the information required by California Rule of Court, rule 3.766, subdivision (d);

- (c) the material terms of the Settlement;
- (d) the proposed Settlement Administration Costs;
- (e) the definition of the Settlement Class;
- (f) a statement that the Court has preliminarily approved the Settlement;
- (g) how the Settlement Class Member can obtain additional information, including contact information for Class Counsel;
- (h) information regarding opt-out and objection procedures;
- (i) the date and location of the Final Approval Hearing; and
- (j) that the Settlement Class Member must notify the Settlement Administrator no later than the Response Deadline if the Settlement Class Member disputes the accuracy of the number of Workweeks as set forth on his or her Class Notice (i.e., Workweek Dispute). If a Settlement Class Member fails to timely dispute the number of Workweeks attributed to him or her in conformity with the instructions in the Class Notice, then he or she shall be deemed to have waived any objection to its accuracy and any claim to any additional settlement payment based on different data.

(3) If a Class Notice from the initial notice mailing is returned as undeliverable, the Settlement Administrator will attempt to obtain a current address for the Settlement Class Member to whom the returned Class Notice had been mailed, within five (5) calendar days of receipt of the returned Class Notice, by undertaking an additional address search (e.g., skip tracing). If the Settlement Administrator is successful in obtaining a new address, it will promptly re-mail the Class Notice to the Settlement Class Member. Further, any Class Notices that are returned to the Settlement Administrator with a forwarding address before the Response Deadline shall be promptly re-mailed to the forwarding address affixed thereto. Settlement Class Members who are re-mailed a Class Notice shall have an additional fifteen (15) calendar days to submit a Request for Exclusion, objection or Workweek Dispute.

1 (4) No later than seven (7) calendar days from the Response Deadline, the
2 Settlement Administrator shall provide counsel for the Parties with a declaration attesting to the
3 completion of the notice process, including the number of attempts to obtain valid mailing
4 addresses for and re-sending of any returned Class Notices, as well as the number of Requests
5 for Exclusion and objections/comments received by the Settlement Administrator.

6 **B. Objections.**

7 Only Settlement Class Members who do not opt out of the Class Settlement (*i.e.*,
8 Participating Class Members) may object to the Settlement. In order for any Settlement Class
9 Member to object to this Settlement in writing, he or she must do so by mailing a written objection
10 to the Settlement Administrator at the address or phone number provided on the Class Notice no
11 later than the Response Deadline. The Settlement Administrator shall email a copy of the
12 Objection forthwith to Class Counsel and Defense Counsel. Class Counsel shall lodge a copy of
13 the Objection with the Court at least sixteen (16) court days before the hearing on the Motion for
14 Final Approval. The Objection should set forth in writing: (1) the objector's name, address, and
15 signature; (2) the last four digits of the objector's Social Security number; (3) the grounds for the
16 Objection, along with whatever legal authority, if any, the objector asserts in support of the
17 Objection; and (4) the case name and number of the Action. Responses to written objections
18 may be filed and served by Plaintiff, Defendants, or any interested party up to five (5) court days
19 before the hearing on the Motion for Final Approval. If a Settlement Class Member objects to
20 the Settlement, the Settlement Class Member will remain a member of the Settlement Class and
21 if the Court approves this Agreement, the Settlement Class Member will be bound by the terms
22 of the Settlement in the same way and to the same extent as a Settlement Class Member who
23 does not object. The date of mailing of the Class Notice to the objecting Settlement Class
24 Member shall be conclusively determined according to the records of the Settlement
25 Administrator. Settlement Class Members need not object in writing to be heard at the Final
26 Approval Hearing; they may object or comment in person at the hearing at their own expense.
27 Class Counsel will not represent any Settlement Class Members with respect to any such
28 objections to this Settlement.

1 **C. Requesting Exclusion.**

2 Any Settlement Class Member may request exclusion from (i.e., “opt out” of) the Class
3 Settlement by mailing a written request to be excluded from the Class Settlement (“Request for
4 Exclusion”) to the Settlement Administrator, postmarked on or before the applicable Response
5 Deadline. To be valid, a Request for Exclusion must include the following: (1) the case name
6 and number of the Action; (2) Class Member’s full name, last four digits of his/her Social
7 Security number and signature; and (3) the following statement: “Please exclude me from the
8 Settlement Class in the *Roland Arzooian v. A&M Administration, LLC* matter” or any clear
9 statement that the Settlement Class Member does not wish to be included in the Class Settlement.
10 The Settlement Administrator shall immediately provide copies of all Requests for Exclusion to
11 Class Counsel and Defense Counsel and shall report the number of Requests for Exclusion that
12 it receives, to the Court, in its declaration to be provided in advance of the Final Approval
13 Hearing. Any Settlement Class Member who requests exclusion using this procedure will not be
14 entitled to receive an Individual Settlement Share and will not be bound by the Class Settlement
15 or have any right to object to, appeal, or comment on the Class Settlement. Any Settlement Class
16 Member who does not opt out of the Class Settlement by submitting a timely and valid Request
17 for Exclusion will be bound by all terms of the Settlement, including those pertaining to the Class
18 Released Claims, as well as any Judgment that may be entered by the Court if Final Approval of
19 the Settlement is granted. A Settlement Class Member cannot submit both a Request for
20 Exclusion and an Objection. If a Settlement Class Members submits both an Objection and a
21 Request for Exclusion, the Request for Exclusion will control and the Objection will be void.
22 Settlement Class Members who submit a valid Request for Exclusion will still be deemed PAGA
23 Employees (if applicable), will still receive their *pro rata* share of 25% of the PAGA Payment
24 (i.e., Individual PAGA Payment), and will be bound by any release of PAGA Released Claims.

25 **D. Disputes Regarding Settlement Class Members’ Workweek Data.**

26 Settlement Class Members will have an opportunity to dispute the information provided
27 in their Class Notice. To the extent Settlement Class Members dispute the number of Workweeks
28 to which they have been credited, Settlement Class Members may produce evidence to the

1 Settlement Administrator showing that such information is inaccurate. Absent evidence
2 rebutting Defendants' records, Defendants' records will be presumed determinative. However,
3 if a Settlement Class Member produces evidence to the contrary, the Settlement Administrator
4 will evaluate the evidence submitted by the Settlement Class Member and will make the final
5 decision as to the number of Workweeks that should be applied. Should the Parties and the
6 Settlement Administrator be unable to resolve a Workweek Dispute in a manner that is
7 satisfactory to Plaintiff, Defendants, and the disputing party, the Court shall ultimately adjudicate
8 the dispute.

9 **10. PAYMENTS TO PARTICIPATING CLASS MEMBERS AND PAGA**
10 **EMPLOYEES**

11 Individual Settlement Payments will be calculated and distributed to Participating Class
12 Members from the Net Settlement Amount on a *pro rata* basis, based on the Participating Class
13 Members' respective number of Workweeks during the Class Period. Individual PAGA Shares
14 to PAGA Employees will be calculated and distributed to PAGA Employees from the 25%
15 portion of the PAGA Payment allocated to PAGA Employees (i.e., \$2,500) on a *pro rata* basis
16 based on the PAGA Employees' respective number of Workweeks during the PAGA Period.
17 Specific calculations of the Individual Settlement Shares and Individual PAGA Shares to
18 PAGA Employees will be made as follows:

19 **A.** The Settlement Administrator will determine the aggregate number of
20 Workweeks worked by all Participating Class Members during the Class Period ("Total Class
21 Workweeks"). Additionally, the Settlement Administrator will determine the aggregate number
22 of Workweeks worked by all PAGA Employees during the PAGA Period ("Total PAGA
23 Workweeks").

24 **B.** To determine each Participating Class Member's Individual Settlement Share,
25 the Settlement Administrator will use the following formula: Individual Settlement Share =
26 (Participating Class Member's Workweeks during the Class Period ÷ Total Class Workweeks)
27 × Net Settlement Amount.
28

1 C. The net amount of the Individual Settlement Share that is to be paid out to
2 Participating Class Members after reduction for the employee's shares of payroll taxes and
3 withholdings and Employer Taxes is referred to as Individual Settlement Payment(s).

4 D. To determine each PAGA Employee's Individual PAGA Share, the Settlement
5 Administrator will use the following formula: PAGA Employee's Individual PAGA Share =
6 (PAGA Employee's Workweeks during the PAGA Period ÷ Total PAGA Workweeks) x
7 \$2,500.00 (the portion of the PAGA Payment allocated to PAGA Employees).

8 E. Payments made to Settlement Class Members under this Agreement shall not be
9 utilized to calculate any additional benefits under any benefit plans to which any Settlement Class
10 Members may be eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k)
11 plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit
12 plan. Rather, it is the Parties' intention that this Settlement will not affect any rights,
13 contributions, or amounts to which any Settlement Class Members may be entitled under any
14 benefit plans.

15 **11. DISTRIBUTION OF PAYMENTS**

16 **A. Distribution of Individual Settlement Payments and Individual PAGA**
17 **Shares**

18 Settlement Class Members who do not submit a timely and valid Request for Exclusion
19 (i.e., Participating Class Members) will receive an Individual Settlement Payment. All PAGA
20 Employees, regardless of whether they submit a valid Request for Exclusion or not, will receive
21 their Individual PAGA Shares. Participating Class Members who are entitled to receive both
22 an Individual Settlement Payment and Individual PAGA Share will be paid by way of a single
23 check ("Settlement Check"). Settlement Checks to Participating Class Members and/or PAGA
24 Employees shall remain valid and negotiable for one hundred and eighty (180) calendar days
25 from the date on which the Settlement Checks are originally mailed. Within seven (7) calendar
26 days after expiration of the 180-day check-cashing period, Settlement Checks that are not
27 cashed, deposited, or negotiated shall be canceled, and funds associated with such Settlement
28 Checks shall be transmitted as follows: to Los Angeles Ronald McDonald House, 4560

1 Fountain Avenue, Los Angeles, California 90029. The Settlement Administrator shall prepare
2 a report regarding the distribution plan pursuant to Code of Civil Procedure section 384 and
3 the report shall be presented to the Court by Class Counsel along with a proposed amended
4 judgment that is consistent with the provisions of Code of Civil Procedure section 384.

5 **B. Funding of Settlement.**

6 Defendants shall pay the Gross Settlement Amount (as the same may be escalated
7 pursuant to this Agreement) to the Settlement Administrator within fourteen (14) calendar days
8 of the Final Approval Date. After the Final Approval Date and within seven (7) calendar days
9 of being informed by the Settlement Administrator of the Employer Taxes owed, Defendants
10 shall pay the Employer Taxes to the Settlement Administrator. All amounts must be paid to the
11 Settlement Administrator pursuant to Internal Revenue Code section 1.468B-1 for deposit in an
12 interest-bearing qualified settlement account ("QSA") with an FDIC insured banking institution,
13 for distribution in accordance with this Agreement and the Court's Orders and subject to the
14 conditions described herein. All interest accrued in the QSA shall be for the benefit of
15 Participating Class Members and PAGA Employees and distributed on a *pro rata* basis.

16 Payments from the QSA shall be made for (1) the Service Award to Plaintiff as specified
17 in this Agreement and approved by the Court; (2) the attorneys' fees and costs to Class Counsel,
18 as specified in this Agreement and approved by the Court; (3) the Settlement Administration
19 Costs to the Settlement Administrator, as specified in this Agreement and approved the Court;
20 and (4) the LWDA Payment to the LWDA, as specified in this Agreement and approved by the
21 Court. Individual Settlement Payments and Individual PAGA Shares shall be made from the
22 QSA to Participating Class Members and/or PAGA Employees.

23 **C. Time for Distribution.**

24 No more than fourteen (14) calendar days after payment of the full Gross Settlement
25 Amount by Defendants, as well as Employer Taxes, the Settlement Administrator shall distribute
26 all payments due under the Settlement, including the Individual Settlement Payments to

1 total number of Workweeks worked between May 20, 2019 and July 3, 2021 exceeds 17,533
2 (representing a 10% margin of error), then the Gross Settlement Amount shall increase
3 proportionally to the extent the 17,533 threshold is exceeded (e.g., if the 17,533 threshold is
4 exceeded by 10%, amounting to 19,126 Workweeks the Gross Settlement Amount will increase
5 by 10%, or \$59,000).

6 **18. NOTICE OF JUDGMENT**

7 In addition to any duties set out herein, the Settlement Administrator shall provide
8 notice of the Final Judgment entered in the Action by posting the same on its website for a
9 period of sixty (60) calendar days after entry of the Final Approval Order and Judgment. No
10 individualized notice of the Final Approval Order and Judgment will be required.

11 **19. NULLIFICATION OF SETTLEMENT**

12 If five percent (5%) or more of the Settlement Class Members submit a timely and valid
13 Request for Exclusion, Defendants may, at their election, rescind the Settlement and all actions
14 taken in its furtherance of it will be thereby null and void. Defendants must exercise their option
15 to void the Settlement within ten (10) calendar days of learning of the final opt-out percentage.
16 In the event Defendants rescind the Settlement Agreement pursuant to this provision, they will
17 be solely responsible for payment of the Settlement Administration Costs in connection with
18 the rescinded Settlement. In the event that the Settlement does not become final for any other
19 reason, then this Settlement Agreement, and any documents generated to bring it into effect,
20 will be null and void and the Parties will be jointly responsible for payment of the Settlement
21 Administration Costs. Any order or judgment entered by the Court in furtherance of this
22 Settlement Agreement likewise will be deemed void *ab initio*.

23 **20. MISCELLANEOUS PROVISIONS**

24 **A. Interpretation of the Agreement.**

25 This Agreement constitutes the entire agreement between Plaintiff and Defendants with
26 respect to its subject matter. Except as expressly provided herein, this Agreement has not been
27 executed in reliance upon any other written or oral representations or terms, and no such extrinsic
28 oral or written representations or terms shall modify, vary or contradict its terms. In entering

1 into this Agreement, the Parties agree that this Agreement is to be construed according to its
2 terms and may not be varied or contradicted by extrinsic evidence. The Agreement will be
3 interpreted and enforced under the laws of the State of California, both in its procedural and
4 substantive aspects, without regard to its conflict of law provisions. Any claim arising out of or
5 relating to the Agreement, or the subject matter hereof, will be resolved solely and exclusively
6 in the Superior Court of the State of California for the County of Los Angeles, and Plaintiff and
7 Defendants hereby consent to the personal jurisdiction of the Court in the Action over it solely
8 in connection therewith. Plaintiff, on Plaintiff's own behalf and on behalf of the Settlement
9 Class, and Defendants participated in the negotiation and drafting of this Agreement and had
10 available to them the advice and assistance of independent counsel. As such, neither Plaintiff
11 nor Defendants may claim that any ambiguity in this Agreement should be construed against the
12 other. The Agreement may be modified only by a writing signed by counsel for the Parties and
13 approved by the Court.

14 **B. Further Cooperation.**

15 Plaintiff, Defendants, and their respective attorneys shall proceed diligently to prepare
16 and execute all documents, to seek the necessary approvals from the Court, and to do all things
17 reasonably necessary to consummate the Settlement as expeditiously as possible.

18 **C. Counterparts.**

19 The Agreement may be executed in one or more actual or non-original counterparts, all
20 of which will be considered one and the same instrument and all of which will be considered
21 duplicate originals.

22 **D. Authority.**

23 Each individual signing below warrants that he or she has the authority to execute this
24 Agreement on behalf of the party for whom or which that individual signs.

25 **E. No Third-Party Beneficiaries.**

26 Plaintiff, Participating Class Members, Class Counsel, and Defendants are direct
27 beneficiaries of this Agreement, but there are no third-party beneficiaries.

28 ///

1 **F. Deadlines Falling on Weekends or Holidays.**

2 To the extent that any deadline set forth in this Agreement falls on a Saturday, Sunday,
3 or legal holiday, that deadline shall be continued until the following business day.

4 **G. Severability.**

5 In the event that one or more of the provisions contained in this Agreement shall for any
6 reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or
7 unenforceability shall in no way effect any other provision if Defense Counsel and Class Counsel,
8 on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such
9 invalid, illegal, or unenforceable provision had never been included in this Agreement.

10 **H. Confidentiality.**

11 The Parties hereby expressly agree that any settlement that occurs between the Parties,
12 including this Settlement Agreement, shall remain confidential until a stipulation for preliminary
13 approval is filed with the Court.

14 **I. Notices.**

15 All notices, requests, demands and other communications required or permitted to be
16 given pursuant to this Agreement shall be in writing, and shall be delivered personally or by first
17 class mail to the Settlement Administrator approved by the Court and the undersigned persons at
18 their respective addresses as set forth below:

19 **Class Counsel**

20 David D. Bibiyan, Esq.
21 Bibiyan Law Group, P.C.
22 8484 Wilshire Boulevard, Suite 500
23 Beverly Hills, California 90211
24 Telephone: (310) 438-5555

25 **Defense Counsel**

26 Nicole Sheth, Esq.
27 Kaufman, Borgeest, and Ryan, LLP
28 21700 Oxnard Street, Suite 1450
 Woodland Hills, California 91367-758
 Telephone: (818) 880-0992

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1 **J. Publicity.**

2 The Parties and their counsel agree that they will not publicize the Settlement, or issue
3 any press releases, initiate any contact with the media, respond to any media inquiry, or have any
4 communication with the press about the fact, amount or terms of the Settlement. In addition, the
5 Parties and their counsel agree that they will not engage in any advertising or distribute any
6 marketing materials relating to the Settlement of this case, including but not limited to any
7 postings on any websites, social media, and/or any professional organization, unless ordered by
8 the Court in any manner from which Defendants' identities can reasonably be ascertained.
9 Notwithstanding, the Parties shall undertake any and all disclosures which are required by the
10 PAGA statute to be provided to the LWDA. Moreover, nothing in this Paragraph shall prohibit
11 or inhibit Class Counsel from communicating with Class Members regarding the Settlement.

12 **K. Exhibits Incorporated by Reference.**

13 The terms of this Settlement include the terms set forth in any attached Exhibits, which
14 are incorporated by this reference as though fully set forth herein. Any Exhibits to this Agreement
15 are an integral part of the Settlement.

16 **L. California Law Governs.**

17 All terms of this Settlement Agreement and Exhibits hereto will be governed by and
18 interpreted according to the laws of the State of California.

19 **M. No Prior Assignment.**

20 Plaintiff, Settlement Class Members, and Class Counsel represent, covenant, and
21 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported
22 to assign, transfer, or encumber to any person or entity any portion of any liability, claim,
23 demand, action, cause of action or right herein released and discharged.

24 **N. Captions.**

25 The captions and section numbers in this Agreement are inserted for the reader's
26 convenience, and in no way define, limit, construe, or describe the scope or intent of the
27 provisions of this Agreement.
28

1 IT IS SO AGREED:

Roland Arzooian

Roland Arzooian (Mar 31, 2022 11:28 PDT)

2 Dated: **Mar 31, 2022**

3 _____, 2022

ROLAND ARZOOIAN

Plaintiff and Class Representative

4

5

6 Dated: _____, 2022

A&M ADMINISTRATION, LLC

Defendant

By:

Its:

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10 Dated: _____, 2022

YM INC.

Defendant

By:

Its:

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14 Dated: _____, 2022

YM INC. (SALES)

Defendant

By:

Its:

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18 Dated: _____, 2022

MICHAEL GOLD

Defendant

19

20

21 Dated: _____, 2022

CR Bricks (2019) LLC

Defendant

By:

Its:

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25 Dated: _____, 2022

CR California (2019) LLC

Defendant

By:

Its:

1 Dated: _____, 2022

Cosa Nova Holdings, Inc. USA

Defendant

By:

Its:

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7 **AGREED AS TO FORM:**

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9 Dated: April 4, 2022

Vedang J. Patel
DAVID D. BIBIYAN ; Vedang J. Patel
Bibiyan Law Group, P.C.
Counsel for Plaintiff Roland Arzooian

10
11
12 Dated: _____, 2022

Nicole Sheth
Stephanie Ponck
Kaufman Borgeest & Ryan, LLP
**Counsel for Defendants A&M
Administration, LLC, et al.**

1 IT IS SO AGREED:

2
3 Dated: _____, 2022

ROLAND ARZOOIAN
Plaintiff and Class Representative

4
5
6 Dated: Mar 31, 2022

[Signature]
A&M ADMINISTRATION, LLC
Defendant
By: ERIC GRUNDY
Its: CEO

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9
10 Dated: Mar 31, 2022

[Signature]
YM INC.
Defendant
By: ERIC GRUNDY
Its: CEO

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12
13 Dated: Mar 31, 2022

[Signature]
YM INC. (SALES)
Defendant
By: ERIC GRUNDY
Its: CEO

14
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16
17 Dated: Mar 31, 2022

[Signature]
MICHAEL GOLD
Defendant

18
19
20 Dated: Mar 31, 2022

[Signature]
CR Bricks (2019) LLC
Defendant
By: ERIC GRUNDY
Its: CEO

21
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23
24 Dated: Mar 31, 2022

[Signature]
CR California (2019) LLC
Defendant
By: ERIC GRUNDY
Its: CEO

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Dated: Mar 31, 2022

H. E. Eury
Cosa Nova Holdings, Inc. USA
Defendant

By: Eric Grundy
Its: CEO

AGREED AS TO FORM:

Dated: _____, 2022

DAVID D. BIBIYAN
Bibiyan Law Group, P.C.
Counsel for Plaintiff Roland Arzoolian

Dated: _____, 2022

Nicole Sheth
Stephanie Ponak
Kaufman Borgeest & Ryan, LLP
Counsel for Defendants A&M
Administration, LLC, et al.

1 Dated: _____, 2022

Cosa Nova Holdings, Inc. USA

Defendant

By:

Its:

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7 **AGREED AS TO FORM:**

8
9 Dated: _____, 2022

DAVID D. BIBIYAN

Bibiyon Law Group, P.C.

Counsel for Plaintiff Roland Arzooian

10
11
12 Dated: MARCH 31, 2022



Nicole Sheth

Stephanie Ponek

Kaufman Borgeest & Ryan, LLP

Counsel for Defendants A&M

Administration, LLC, et al.