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

JESUS GONZALEZ, an individual, on behalf of
himself and all others similarly situated,

Plaintiff,

vs.

GOLD COAST BAKERIES, LLC, a
Delaware limited liability company; and DOES
1-50, inclusive,

Defendants.

Case No. 30-2021-01184280-CU-OE-CXC

**JOINT STIPULATION RE: CLASS
ACTION SETTLEMENT**

[Assigned for all purposes to
The Honorable Lon F. Hurwitz, Dept. CX-101]

Action Filed: April 14, 2021
Trial Date: None

**TO THE COURT AND TO ALL PARTIES AND THEIR RESPECTIVE COUNSEL
OF RECORD:**

This Joint Stipulation Re: Class Action Settlement (hereinafter, “Stipulation”) is made and entered into by and between plaintiff Jesus Gonzalez (“Plaintiff”), on behalf of himself and on behalf of others similarly situated; and defendant Gold Coast Bakeries, LLC (“Defendant”), hereinafter collectively referred to as the “Parties.” Subject to the approval of the Court, the Action is hereby being compromised and settled pursuant to the terms and conditions set forth in this Stipulation. This Stipulation shall be binding on Plaintiff and the class he purports to represent, Defendant, and on their respective counsel, subject to the terms and conditions hereof and the approval of the Court.

THE PARTIES STIPULATE AND AGREE as follows:

I. DEFINITIONS

1. The following terms, as used throughout this Stipulation are defined as follows:

a) Action. The term “Action” shall mean and refer to the legal action pending in the Superior Court of California for the County of Orange County, entitled *Jesus Gonzalez, vs. Gold Coast Bakeries, LLC*, Case No. 30-2021-01184280-CU-OE-CXC.

b) Check Cashing Deadline. The term “Check Cashing Deadline” shall mean one hundred eighty (180) days after an Individual Settlement Award is issued to a Class Member by check.

c) Class. The term “Class” shall mean and refer, collectively, to all Class Members.

d) Class Counsel. The term “Class Counsel” shall mean and refer, collectively to Koul Law Firm, APC, and the Law Offices of Sahag Majarian, II, and all of their lawyers.

e) Class Members. The term “Class Members” shall mean: “All current and former hourly, non-exempt employees of Defendant in California, at any time during the Covered Period.”

f) Class Representative. The term “Class Representative” shall mean and refer to plaintiff Jesus Gonzalez. The term “Class Representative” shall be synonymous with the term “Plaintiff”.

g) Court. The term “Court” shall refer to the Honorable Lon F. Hurwitz of the Superior Court of California for the County of Orange County, before whom the Action is pending.

h) Covered Period. The term “Covered Period” shall mean the time period from April 20, 2019 through the Preliminary Approval Date.

i) Defendant. The term “Defendant” shall mean and refer to Gold Coast Bakeries, LLC.

j) Defendant’s Counsel. The term “Defendant’s Counsel” shall refer to Ogletree, Deakins, Nash, Smoak & Stewart, P.C., and its attorneys.

k) Document Receipt Deadline. The term “Document Receipt Deadline” shall mean thirty (30) days after the Notices are mailed to Class Members by the Settlement Administrator.

l) Effective Date. The term “Effective Date” shall mean the date on which the Court’s Judgment becomes final, as further detailed in Paragraph 8, herein.

m) Final Approval. The term “Final Approval” shall mean and refer to the Court finally and fully approving the Stipulation and the settlement contemplated as fair, reasonable, and adequate as further detailed in Paragraph 30, herein.

n) Final Approval Hearing. The term “Final Approval Hearing” shall mean and refer to a hearing before the Court to finally approve the Settlement as fair, reasonable, and adequate, as further detailed in Paragraph 30, herein.

o) Final Settlement Papers. The term “Final Settlement Papers” shall refer to and include a Motion for Final Approval of Settlement, Motion for Attorneys’ Fees and Costs, and [Proposed] Final Approval Order and Judgment.

p) Funding Settlement Payment(s). The term “Funding Settlement Payment(s)” shall mean and refer to the monthly payment(s) Defendant makes to the Settlement Administrator to fund the Maximum Settlement Amount.

q) Individual Settlement Amount. The term “Individual Settlement Amount” shall mean a Class Member’s share of the Net Settlement Amount, as further detailed in Paragraph 20, subparagraph (f), herein.

1 r) Maximum Settlement Amount. The term “Maximum Settlement Amount” shall
2 mean Two Hundred and Fifty Thousand Dollars and Zero Cents (\$250,000). This is the maximum
3 possible amount that may be paid by Defendant to resolve the Action. The Maximum Settlement
4 Amount is a common fund, non-reversionary amount.

5 s) Net Settlement Amount. The term “Net Settlement Amount” shall mean and refer
6 to the balance of the Maximum Settlement Amount, after all Court-approved deductions for
7 attorneys’ fees and actual costs to Class Counsel, the Settlement Administrator’s cost and fees, the
8 Class Representative’s enhancement awards, and the PAGA Allocation. The Net Settlement
9 Amount is the maximum amount that will be available for distribution to Class Members.

10 t) Notice. The term “Notice” shall mean the Notice of Class Action Settlement,
11 attached hereto as Exhibit 1.

12 u) PAGA Group Members. The term “PAGA Group Members” shall mean “All
13 current and former non-exempt employees employed in California at any time during the PAGA
14 Period.”

15 v) PAGA Period. The term “PAGA Period” shall mean the time period between
16 January 22, 2020 through the Preliminary Approval Date.

17 w) Parties. The term “Parties” shall mean and refer collectively to plaintiff Jesus
18 Gonzalez, on behalf of the Class, and Defendant.

19 x) Plaintiff. The term “Plaintiff” shall mean and refer to plaintiff Jesus Gonzalez. The
20 term “Plaintiff” shall be synonymous with the term “Class Representative”.

21 y) Preliminary Approval Date. The term “Preliminary Approval Date” shall mean the
22 date that the Court enters the Preliminary Approval Order.

23 z) Released Parties. The term “Released Parties” shall mean and refer to Defendant
24 and all of Defendant’s current or former parent companies, including Gold Coast Baking
25 Company, LLC, subsidiary companies, and/or related companies, partnerships, joint ventures,
26 affiliates, divisions, and/or staffing agencies, and, with respect to each of them, all of their and/or
27 such related entities’ predecessors and successors, and, with respect to each such entity, all of its
28 past, present, and/or future, direct and/or indirect, employees, officers, partners, principals,

1 directors, stockholders, managers, owners, representatives, assigns, attorneys, agents, insurers,
2 employee benefit programs (and the trustees, administrators, fiduciaries, and insurers of such
3 programs), investors, and any other persons acting by, through, under, or in concert with any of the
4 persons or entities listed in this subsection, and their successors.

5 aa) Settlement Administrator. The term “Settlement Administrator” shall refer to
6 ILYM Group, Inc., or any other third-party class action settlement administrator agreed to by the
7 Parties and approved by the Court for the purposes of administering this Settlement. If a
8 Settlement Administrator is not agreed upon by the Parties, Class Counsel shall select a Settlement
9 Administrator on the bases of cost and competence, with the best interest of the Class in mind,
10 subject to approval by the Court for purposes of administering this Settlement.

11 bb) Stipulation. The term “Stipulation” shall refer to this document, entitled “Joint
12 Stipulation Re: Class Action Settlement”, including all exhibits attached hereto.

13 2. Date Of This Stipulation: This Stipulation is made as of the date of the last
14 signature to appear on the bottom of the Stipulation, exclusive of exhibits and attachments, as set
15 forth below by and between Plaintiff, on behalf of themselves and the Class, on the one hand, and
16 Defendant, on the other hand, subject to approval of the Court.

17 **II. BACKGROUND OF THE LEGAL ACTION**

18 3. Brief Procedural History. The Parties briefly summarize the procedural history in
19 the Action.

20 a) Plaintiff filed the instant Action entitled *Gonzalez v. Gold Coast Bakeries, LLC.*,
21 Case No. 30-2021-01184280-CU-OE-CXC on February 16, 2021, in the Superior Court for the
22 County of Orange. The complaint alleges the following causes of action against Defendant: (1)
23 Failure to Pay All Wages, Including Overtime Wages; (2) Failure to Pay Minimum Wages; (3)
24 Failure to Provide Timely Meal Breaks; (4) Failure to Provide Rest Breaks; (5) Failure to Provide
25 Safe Working Conditions; (6) Late Pay and Waiting Time Penalties; (7) Failure to Provide
26 Accurate Itemized Wage Statements and Maintain Accurate Records; (8) Failure to Maintain
27 Complete and Accurate Payroll Records; and (9) Unfair Business Practices in Violation of
28 California Business and Professions Code Section 17200 et seq.

1 b) On April 14, 2021, Plaintiff filed a First Amended Complaint adding an additional
2 cause of action for penalties under the California Private Attorneys General Act pursuant to
3 California Labor Code section 2698 et seq. (“PAGA”).

4 c) On August 25, 2021 Plaintiff served his First Set of Special Interrogatories and the
5 First Set of Requests for Production of Documents to Defendant.

6 d) On April 29, 2022, after Defendant filed a Notice of Related Case in the Action, the
7 Court issued a Minute Order in identifying a related action pending before the same court entitled,
8 *Arevalo, et al., v. Gold Coast Baking Company, Inc.*, Case No. 30-2022-01243370-CU-OE-CXC
9 (the “Related Action”), taking notice that Related Action is related to the Action. The Related
10 Actions alleges the same causes of action based on the same primary rights and facts as the instant
11 Action, with the exception that the Related Action does not allege a PAGA cause of action.

12 4. Mediation And Settlement Agreement Reached By The Parties. On June 22, 2022,
13 the Parties, by and through their counsel, participated in a private mediation before Hon. Carl J.
14 West (Ret.). Those mediation efforts were ultimately unsuccessful with both Parties failing to
15 agree to resolve the Action. On July 14, 2022, Plaintiff’s Counsel re-served the discovery requests
16 listed in Paragraph 3, subparagraph (c). The Parties continued settlement negotiations through
17 Hon. West (Ret.), and then through their counsel directly. As part of its settlement negotiations,
18 Defendant shared various financial audits and accounting documents with Plaintiff, including a
19 Writ of Attachment. On June 18, 2024, Parties agreed to settle the matter.

20 5. Investigation. The Parties have conducted a detailed and comprehensive
21 investigation of the claims asserted against Defendant and of the applicable law. The Parties
22 exchanged informal discovery, which included: (a) analysis by the Parties of certain records, data,
23 and policies pertaining to Plaintiff, Class Members, and the claims asserted in the Action; (b)
24 research of the law applicable to Plaintiff’s claims and Defendant’s affirmative defenses, as well as
25 the damages alleged by Plaintiff; (c) examination and analysis of information and documents; and
26 (d) consideration of information disclosed at and in connection with mediation. Defendant also
27 shared various accounting audits and other financial documents, including a Writ of Attachment
28 against it, with Plaintiff to allow Plaintiff to evaluate Defendant’s financial position.

1 6. Benefits of Settlement. The Class Representative and Class Counsel recognize the
2 uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in
3 such litigation. The Class Representative and Class Counsel also are aware of the burdens of proof
4 necessary to establish liability for the claims asserted in the Action, the defenses thereto, and the
5 difficulties inherent in the Action. Based on the foregoing, the Class Representative and Class
6 Counsel have determined that the settlement set forth in this Stipulation is a fair, adequate, and
7 reasonable settlement, and that it is in the best interest of the Class Members. Based on their
8 discovery and investigation, Class Counsel has determined that the settlement is well within the
9 range of reasonableness. The settlement embodied and documented in this Stipulation is the
10 product of extensive, arms-length negotiations, and is not the product of collusion. Likewise,
11 Defendant has concluded that any further defense of the Action would be protracted and expensive.
12 Substantial amounts of time, energy, and resources have been, and will continue to be, devoted to
13 the defense of the Action unless this settlement is made. Therefore, Defendant has agreed to settle,
14 in the manner and upon the terms set forth in this Stipulation, in order to fully and finally resolve
15 the claims asserted in the Action.

16 7. Denial of Wrongdoing. Defendant has denied and continue to deny each of the
17 claims asserted by Plaintiff in the Action and the Related Action, as identified and referenced in
18 Paragraph 3, above. Defendant contends, among other things, that it complied at all times with the
19 California Labor Code and applicable California Wage Orders, that it paid all wages owed to
20 Plaintiff and Class Members, and that any claim for wage payments or penalties owed is not
21 actionable and/or does not give rise to any liability under the California Labor Code. Defendant
22 further contends that it complied at all times with the provisions of the California Business &
23 Professions Code § 17200 *et seq.* Neither this Stipulation nor any action taken to carry out the
24 Stipulation may be construed as an admission by Defendant of any fault, wrongdoing, or liability
25 whatsoever.

III. DATE OF SETTLEMENT

8. Effective Date. The Court's Judgment shall become final when all of the following events have occurred:

- a) The Stipulation has been executed by all Parties, Class Counsel, and Defendant's Counsel;
- b) The Court has given preliminary approval to the Stipulation;
- c) The Court has held a Final Approval Hearing and approving the Stipulation; and
- d) In the event that objections are presented at the Final Approval Hearing either in writing or through personal attendance, upon the later of:
 - i. The date of final affirmance on an appeal of the Judgment; the expiration of the time for a petition to review the Judgment; and, if review is granted, the date of final affirmance of the Judgment following review; or
 - ii. The date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding to review the Judgment; or
 - iii. If no appeal is filed, the expiration date for filing any appeal from the Judgment.
- e) In the event that no objections are presented at or before to the Final Approval Hearing, or that any filed written objections are withdrawn prior to the Final Approval Hearing, the Court's Judgment shall become final when the conditions set forth in subparagraphs (a) through (c) of this Paragraph 8, hereinabove, have been fulfilled.

IV. CLASS MEMBERS INCLUDED IN THE SETTLEMENT

9. Scope Of The Class. The Class is defined as follows: "Class Members" shall mean: "All current and former hourly, non-exempt employees of Defendant in California, at any time during the Covered Period."

10. Class Members' Objection To This Settlement. Any Class Member may object to the Stipulation and the settlement contemplated therein by mailing a written objection to the Settlement Administrator at the address detailed in the Notice by no later than the Document Receipt Deadline which is forty-five (45) calendar days after the date that the Settlement Administrator originally mails Notices to Class Members. Even if a Class Member fails to timely

1 submit a written objection to the Settlement Administrator, he or she may appear at the Final
2 Fairness Hearing to object to the settlement. Any Class Member who does not object to the
3 settlement through a written objection and/or by appearing at the Final Fairness Hearing, however,
4 may not appeal the Final Judgment. In the event that the Court approves this settlement
5 notwithstanding the objections of any Class Members, Class Members who object to the settlement
6 will nonetheless be bound by the Stipulation and settlement. Class Members who have opted out
7 of the settlement as detailed in Paragraph 22, subparagraph (d), herein do not have standing to
8 object to the settlement or to file an appeal for purposes of Paragraph 8.

9 11. Class Members' Exclusion ("Opt-Out") From This Settlement. Any Class Member
10 may request to be excluded ("opt-out") from this settlement by mailing a written Request for
11 Exclusion to the Settlement Administrator as prescribed in Paragraph 22, subparagraph (d), herein.
12 Each Class Member who submits a valid Request for Exclusion shall not be a Class Member and
13 shall not be bound by the Stipulation and settlement, except that if he or she is a PAGA Group
14 Member he or she will still be bound by the PAGA Release and will receive his or her
15 proportionate share of the portion of the PAGA Payment that is allocated to PAGA Group
16 Members. Each Class Member who has not validly and timely opted-out as prescribed in
17 Paragraph 22, subparagraph (d), herein, will be subject to the Release.

18 12. Class Members and PAGA Group Members' Disputes Regarding The Number Of
19 Qualifying Workweeks or Qualifying Pay Periods Attributable to Them. If a Class Member and/or
20 PAGA Group Member wishes to dispute the number of Qualifying Workweeks or Qualifying Pay
21 Periods attributed to them and listed on the Class Notice, the Class or PAGA Group Member must
22 notify the Settlement Administrator and should produce any available supporting evidence to the
23 Settlement Administrator of the dates the Class Member or PAGA Group Member contends he or
24 she worked during the Class Period or PAGA Period by no later than the Document Receipt
25 Deadline. Defendant will review their records and provide information to the Settlement
26 Administrator in response to any such disputed claim. Defendant's records will be presumed to be
27 determinative, but the Settlement Administrator will evaluate the evidence submitted by the Class
28 Member or PAGA Group Member and make the decision as to which dates should be applied. The

determination by the Settlement Administrator will be final and binding, subject to oversight by the Court. The Settlement Administrator will evaluate the evidence submitted and make the decision as to which dates should be applied. Upon re-determining the number of qualified workweeks or pay periods, the disputing Class Member and/or PAGA Group Member will receive a re-mailed notice and will have fourteen (14) days from the date of re-mailing of the notice to object, or dispute their estimated share of the individual settlement or PAGA allocation.

If a person believes that he or she was wrongly excluded from being a member of the Class or PAGA Group, that person must notify the Settlement Administrator by the Document Receipt Deadline or he or she will be excluded from the Class or PAGA Group. The Parties will endeavor to resolve the issue informally. If they are unable to do so, the Parties will refer the matter to the Court for a final determination on whether relief should be provided to that individual.

13. Termination Provision. Defendant reserves the right to revoke this Stipulation and the settlement provided for herein prior to the Final Approval Hearing in the event that ten percent (10%) or more Class Members opt out of the Settlement by submitting timely and valid Requests for Exclusion in the manner set forth in Paragraph 22, subparagraph (d), below, in which case this Stipulation will not have any force and/or effect. Defendant shall make their election within seven (7) calendar days of receipt from the Settlement Administrator of the total percentage of opt-outs. The Parties and their Counsel agree not to take any action to encourage any Class Members to opt out of and/or object to the Stipulation and the settlement contemplated therein. If the Stipulation is voided, no payment will be made by Defendant to Plaintiff, any Class Member, or Class Counsel; and all Parties and third parties referenced in this Stipulation will bear their own costs, fees, and expenses associated with the Litigation. However, Defendant will be responsible for the costs incurred by the Settlement Administrator.

14. Finality Of Settlement. As of the Effective Date, the settlement contained herein, including the Release outlined below, shall be final and binding upon all Class Members who do not exclude themselves from the settlement, referred to as "Participating Class Member" or "Participating Class Members."

1 **V. RELEASES**

2 15. Release By Plaintiff And Participating Class Members. As of the date the
3 Settlement Amount has been fully funded, Plaintiff and Class Members (including the Class
4 Representative) release the Released Parties from the following, collectively referred to as the
5 “Released Class Claims”:

6 All causes of action and factual or legal theories/allegations that were alleged in the operative
7 complaint in the Action, including but not limited to all of the following claims for relief: (a)
8 failure to pay minimum wages, including overtime wages; (b) failure to pay minimum wages;
9 (c) failure to provide timely uninterrupted meal breaks; (d) failure to provide and/or authorize
10 rest periods; (e) failure to provide safe working conditions; (f) waiting time penalties for
11 failure to pay earned wages upon discharge; (g) failure to provide timely, accurate itemized
12 wage statements; (h) failure to maintain complete and accurate payroll records; (i) unlawful
13 business practices pursuant to California’s Business & Professions Code section 17200, et
14 seq.; (j) any other claims or penalties under the wage and hour laws pleaded in the Action;
15 (k) all damages, penalties, interest and other amounts recoverable under said claims, causes
16 of action or legal theories of relief (collectively, the “Released Claims”). The period of the
17 Release shall extend to the limits of the Covered Period. The res judicata effect of the
18 Judgment will be the same as that of the Release. Defendant shall be entitled to a release of
19 Released Claims which occurred during the Covered Period only during such time that the
20 Class Members were classified as non-exempt, and expressly excluding all other claims,
21 including claims for vested benefits, wrongful termination, unemployment insurance,
22 disability, social security, workers’ compensation, claims while classified as exempt, and
23 claims outside of the Covered Period.

24 16. PAGA Release. As of the date the Maximum Settlement Amount has been fully
25 funded, Plaintiff, the PAGA Group Members (including the Class Representative), and the State of
26 California will release the Released Parties from the following claims for civil penalties,
27 collectively referred to as the “Released PAGA Claims” during the PAGA Period:
28

1 All causes of action and factual or legal theories for civil penalties, both potential and
 2 actual, that were alleged or reasonably could have been alleged based on the facts and
 3 theories of the operative complaints in the Action, including but not limited to claims for:
 4 (a) failure to pay minimum wages, including overtime wages; (b) failure to pay minimum
 5 wages; (c) failure to provide timely uninterrupted meal breaks; (d) failure to provide and/or
 6 authorize rest periods; (e) failure to provide safe working conditions; (f) waiting time
 7 penalties for failure to pay earned wages upon discharge; (g) failure to provide timely,
 8 accurate itemized wage statements; (h) failure to maintain complete and accurate payroll
 9 records; (i) any other claims for civil penalties under the wage and hour laws pleaded in the
 10 Action or that are based on the same predicate facts or primary rights associated with such
 11 laws; and (j) all statutory penalties and other amounts recoverable under said causes of
 12 action under California law, to the extent permissible, including but not limited to the
 13 California Labor Code and the applicable Wage Orders (collectively, the “PAGA Released
 14 Claims”). The period of the Release shall extend to the limits of the PAGA Period. The res
 15 judicata effect of the Judgment will be the same as that of the Release. These PAGA
 16 Released Claims will be released for PAGA Group Members regardless of whether they
 17 request exclusion from the class pursuant to Paragraph 11.

18 17. General Release By The Class Representative. In addition to the release set forth in
 19 the above Paragraph 15, as of the date the Maximum Settlement Amount is fully funded, the Class
 20 Representative makes the additional general release of all of their individual claims as follows:
 21 The Class Representative releases the Released Parties from any and all claims, actions, demands,
 22 causes of action, suits, debts, obligations, damages, rights, or liabilities of any nature and
 23 description whatsoever, known or unknown, that the Class Representative individually may
 24 possess against the Released Parties arising from the Class Representative’s employment with
 25 Defendant, except as may be prohibited by law. The Class Representative hereby acknowledges
 26 that, upon receiving the sums provided pursuant to this Stipulation, they will have received all
 27 potential wages, damages, and penalties allegedly owing to them by the Released Parties, and,
 28

1 further, that they are not owed any additional wages, penalties, or damages from the Released
2 Parties.

3 The Class Representative also agrees to expressly waive the provisions of California Civil
4 Code section 1542, which provides as follows:

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

9 The Class Representative's general releases shall cover the time period from April 20, 2019 up to
10 the Preliminary Approval Date.

11 18. Representation Regarding Claims. Plaintiff and Class Counsel make a binding
12 representation that Plaintiff and Class Counsel are not currently aware of any: (a) unalleged claims
13 in addition to, or different from, those which are finally and forever settled and released against the
14 Released Parties by this Stipulation; and (b) unalleged facts or legal theories upon which any
15 claims or causes of action could be brought against Defendant, except such facts and theories
16 specifically alleged in the operative complaint in this Action. Plaintiff and Class Counsel further
17 represent that, other than the actions being resolved by this Stipulation, they have no current
18 intention of asserting any other claims against Defendant in any judicial or administrative forum.
19 Plaintiff and Class Counsel represent that they do not currently know of or represent any persons
20 who have expressed any interest in pursuing litigation or seeking any recovery against Defendant.
21 The Parties acknowledge, understand and agree that the representations described in this paragraph
22 are essential to the Stipulation and that this Agreement would not have been entered into were it
23 not for this representation. Any misrepresentation regarding the above are deemed material
24 breaches of this Stipulation and cause for nullification of the Stipulation pursuant to Paragraph 34.

25 Plaintiff, and the Class Members hereafter discover facts or legal arguments in addition to
26 or different from those they now know or currently believe to be true with respect to the claims,
27 causes of action and legal theories of recovery in this Action, which are the subject matter of the
28 Released Class Claims. Regardless, the discovery of new facts or legal arguments shall in no way

limit the scope or definition of the Released Class Claims, and by virtue of this Stipulation, Plaintiff and Class Members shall be deemed to have, and by operation of the final judgment approved by the Court, shall have, fully, finally, and forever settled and released all of the Released Class Claims as defined in this Stipulation.

VI. AMOUNT AND DISTRIBUTION OF SETTLEMENT

19. Settlement Amount. The Maximum Settlement Amount shall be Two Hundred Fifty Thousand Dollars and Zero cents (\$250,000.00). Defendant will pay the Maximum Settlement Amount through (18) equal monthly Funding Settlement Payments to be paid over eighteen (18) calendar months following the Effective Date by wiring that amount to the Settlement Administrator. Funding Settlement Payments will be made in monthly installments to the Settlement Administrator. The Settlement Administrator will provide Defendant with a funding schedule identifying each monthly payment date and the precise amount to pay each month. Defendant's first Funding Settlement Payment shall be made within twenty-one (21) days of the Effective Date. Subsequent Funding Settlement Payments will be made monthly and no sooner than thirty (30) days after the previous Funding Settlement Payment, until the full Maximum Settlement Amount is funded. Under no circumstances will Defendant be obligated to pay more than the amount of \$250,000 as a result of this Stipulation.

20. Deduction From Settlement Amount. Deductions from the Maximum Settlement Amount, all subject to Court approval, shall be made for:

a) Attorneys' Fees. Class Counsel may apply for an award of attorneys' fees, not to exceed 33.33% of the Maximum Settlement Amount which is equal to Eighty-Three Thousand, Three Hundred Twenty-Five Dollars and Zero Cents (\$83,325). The attorneys' fees award shall be paid from the Maximum Settlement Amount. Defendant agrees not to oppose any such applications that are consistent with this paragraph. The amount of attorneys' fees shall include all past and future attorneys' fees incurred in the Action – including, without limitation, all time expended by Class Counsel in the Action or in defending the Stipulation and securing Final Approval of the Stipulation (including any appeals thereof). Even in the event that the Court reduces or does not approve the award of attorneys' fees discussed in this paragraph, Class

Representative and Class Counsel shall not have the right to revoke this Stipulation. The Settlement Administrator will disburse this payment within ten (10) calendar days after the final Funding Settlement Payment is remitted to the Settlement Administrator.

b) Attorneys' Costs. In addition to attorneys' fees, Class Counsel may apply for an award of costs, not to exceed the sum of Twenty Thousand Dollars and Zero Cents (\$20,000.00). The costs award shall be paid from the Maximum Settlement Amount. Defendant agrees not to oppose any such applications that are consistent with this paragraph. The amount of costs shall include all past and future costs associated with the Action – including, without limitation, all costs expended by Class Counsel in the Action on in defending the Stipulation and securing Final Approval of the Stipulation (including any appeals thereof). Even in the event that the Court reduces or does not approve the award of costs discussed in this paragraph, Class Representative and Class Counsel shall not have the right to revoke this Stipulation. The Settlement Administrator will disburse this payment within ten (10) calendar days after the final Funding Settlement Payment is remitted to the Settlement Administrator.

c) Class Representative's Enhancement Award. Class Counsel may apply for an enhancement award to the Class Representative in an amount not to exceed Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00). The enhancement award shall be paid from the Maximum Settlement Amount. This enhancement payment is in addition to the payment to which Plaintiff is entitled to as a Class Member. Defendant agrees not to oppose any such application that is consistent with this paragraph. Even in the event that the Court reduces or does not approve the enhancement awards discussed in this paragraph, Class Representative and Class Counsel shall not have the right to revoke this Stipulation. The Settlement Administrator will disburse this payment within ten (10) calendar days after the final Funding Settlement Payment is remitted to the Settlement Administrator.

d) Claims Administration Costs and Fees. All actual costs for claims administration, including related accounting costs, in an amount not to exceed \$8,250.00, shall be paid from the Maximum Settlement Amount. The Parties contemplate that the Settlement Administrator shall be ILYM Group, Inc., or any other third-party class action settlement administrator agreed to by the

Parties and approved by the Court for the purposes of administering this Stipulation. If a Settlement Administrator is not agreed upon by the Parties, Class Counsel shall select a Settlement Administrator on the bases of cost and competence, with the best interest of the Class in mind, subject to approval by the Court for purposes of administering this Stipulation. To the extent actual costs for claims administration are less than \$8,250.00, those amounts will be credited to the Total Class Action Settlement Amount prior to distribution of the Net Settlement Amount to Class Members. Defendant agrees not to oppose any such applications that are consistent with this paragraph. Defendant's counsel shall not bear any responsibility for errors or omissions in the calculation or distribution of the settlement payments or development of the list of recipients of settlement payments. The Settlement Administrator will not deduct its costs and fees pursuant to this subparagraph until ten (10) calendar days after the final Funding Settlement Payment is remitted to the Settlement Administrator.

e) PAGA Allocation. The Parties agree to allocate Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) of the Maximum Settlement Amount to resolve the Class Members' claims arising under PAGA (the "PAGA Allocation"). Pursuant to PAGA, seventy-five percent (75%) of the PAGA Allocation, or Eighteen Thousand, Seven Hundred Fifty Dollars and Zero Cents (\$18,750.00), shall be paid to the State of California Labor and Workforce Development Agency (the "LWDA"), with the remaining twenty-five percent (25%), or Six Thousand, Two Hundred Fifty Dollars and Zero Cents (\$6,250.00), paid pro rata to the PAGA Group Members as set forth below. The Settlement Administrator will disburse this payment to the LWDA within ten (10) calendar days after the final Funding Settlement Payment is remitted to the Settlement Administrator.

f) Payment of Individual Settlement Awards To Participating Class Members. After the amounts described in Paragraph 20, subparagraphs (a) through (e), above, have been deducted from the Maximum Settlement Amount, the remainder – the Net Settlement Amount – shall be distributed to each Participating Class Member, in the following manner:

The Net Settlement Amount shall be divided by the number of aggregate Qualified Weeks worked by all Participating Class Members during the Covered Period to produce a

1 “Weekly Settlement Value.” A “Qualified Week” shall be a week where a Participating
 2 Class Member was employed by Defendant in California as a non-exempt employee, at any
 3 time from April 20, 2019 through the Preliminary Approval Date. If possible, Defendant
 4 may exclude from these calculation any weeks where the Participating Class Member did
 5 not perform any work for Defendant. Each Participating Class Member shall be eligible to
 6 receive a settlement payment in the amount of the total number of Qualified Weeks
 7 attributable to the Participating Class Member during the Covered Period multiplied by the
 8 Weekly Settlement Value, less applicable withholdings, provided that the Participating
 9 Class Member has not submitted a Request for Exclusion.

10 The Settlement Administrator will disburse this payment within ten (10) calendar days after
 11 the final Funding Settlement Payment is remitted to the Settlement Administrator.

12 g) Payment of Portion of PAGA Allocation to PAGA Group Members. Twenty-five
 13 percent (25%), or Six Thousand Two Hundred Fifty Dollars and Zero Cents (\$6,250.00), of the
 14 PAGA Allocation to be paid to the PAGA Group Members shall be divided by the number of
 15 aggregate Qualified Pay Periods worked by all PAGA Group Members during the PAGA Period to
 16 produce a “Pay Period Settlement Value.” A “Qualified Pay Period” shall be a pay period where a
 17 PAGA Group Member was employed by Defendant in California as a non-exempt employee, at
 18 any time from February 8, 2020 through Preliminary Approval. Each PAGA Group Member shall
 19 be eligible to receive a settlement payment in the amount of the total number of Qualified Pay
 20 Periods attributable to the PAGA Group Member during the PAGA Period multiplied by the Pay
 21 Period Settlement Value.

22 The Settlement Administrator will disburse this payment within ten (10) calendar days after
 23 the final Funding Settlement Payment is remitted to the Settlement Administrator.

24 h) No Payment Of Attorney’s Fees and Costs, Settlement Administrator Fees and
 25 Costs, nor Class Representative Enhancement Award Until Disbursement of Individual Settlement
 26 Awards and Individual Portion of PAGA Allocation to PAGA Group Members. No payments of
 27 Attorney’s Fees and Costs, Settlement Administrator Fees and Costs, nor Class Representative
 28 Enhancement Award described in Paragraph 20, subparagraphs (a) through (e), shall be made until

after disbursements of Individual Settlement Awards and individual portions of PAGA Allocation to Participate Class Members and PAGA Group Members.

21. Non-Reversionary Settlement. There will be no reversion to Defendant following the claims process. In the event that an Individual Settlement Award is paid to a Participating Class Member by check and the check is not cashed on or before the Check Cashing Deadline, the amount of the Individual Settlement Award shall be considered unclaimed. Each unclaimed Individual Settlement Award paid to a Class Member but not cashed on or before the Check Cashing Deadline shall be tendered to the State of California State Controller's Office, Unclaimed Property Fund in the Participating Class Member's name. If the Court does not approve this allocation then the parties will meet and confer in good faith to agree upon alternative cy pres recipient(s).

VII. SETTLEMENT ADMINISTRATION

22. Settlement Administrator's Duties. The Settlement Administrator shall be responsible for (a) processing the data provided by Defendant to be used in calculating Individual Settlement Awards; (b) preparing, printing, and mailing to Class Members the Notice (attached hereto as Exhibit 1), as well as following up with reasonable skip tracing; (c) notifying the Parties of the identity of Class Members who submit timely Requests for Exclusion; (d) calculating and mailing Individual Settlement Awards to Class Members; (e) filing any required federal and state tax forms and related agency reporting; (f) filing any required reports with the Court; and (g) any and all such other tasks as to which the Parties mutually agree, or which the Court orders the Settlement Administrator to perform. The claims process shall be anonymous to the extent possible.

Specifically, the Settlement Administrator shall perform the following duties:

a) Processing Of Data Provided By Defendant Regarding Class/PAGA Group Members. Upon receipt of the data provided by Defendant pursuant to Paragraph 27 herein, the Settlement Administrator shall determine, for each Class Member and/or PAGA Group Member: (i) the Class Member and/or PAGA Group Member's name, (ii) the Class Member and/or PAGA Group Member's last known address, (iii) the last four digits of the Class Member and/or PAGA

1 Group Member's social security number, (iv) the Class Member's number of Qualified Weeks; (v)
2 the Weekly Settlement Value to be paid to the Class Member pursuant to Paragraph 20,
3 subparagraph (f), above; (vi) the PAGA Group Member's number of Qualified Pay Periods; (vii)
4 and the Pay Period Settlement Value to be paid to the PAGA Group Members Periods pursuant to
5 Paragraph 20, subparagraph (g), above.

6 b) Mailing Of Documents. Within thirty (30) calendar days of preliminary approval
7 and receipt of the database containing the information to be provided by Defendant pursuant to
8 Paragraph 27 herein, the Settlement Administrator shall mail a copy of the Notice to all Class
9 Members by first class regular U.S. Mail, using the most current mailing address information
10 provided by Defendant and/or obtained by the Settlement Administrator. Prior to mailing the
11 Notice to Class Members, the Settlement Administrator shall run the addresses in the data provided
12 by Defendant through the National Change of Address Database for any address updates and
13 update the data as necessary. The Settlement Administrator will engage in address searches
14 consistent with its normal practices in administering settlements of wage claims, including skip
15 tracing. Such search efforts shall include, where necessary, using social security numbers to obtain
16 better address information and attempting to call such Class Members. Any returned envelopes
17 from this mailing with forwarding addresses will be utilized by the Settlement Administrator to
18 forward the Notices to the Class Members.

19 c) Re-Mailing Of Returned Notices. The Settlement Administrator will skip-trace and
20 re-mail all returned, undelivered mail after receiving notice that a Notice was undeliverable.
21 Notices returned to the Settlement Administrator as non-delivered shall be re-sent to the
22 forwarding address, if any, on the returned envelope within five (5) days of receipt of the returned
23 notice. A returned Notice will be forwarded only once per Class Member by the Settlement
24 Administrator. Such Class Members will then have the longer of fourteen (14) calendar days from
25 the date of re-mailing or the remaining notice period to opt-out, object, or submit a pay period
26 dispute. Upon completion of these steps by the Settlement Administrator, the Parties shall be
27 deemed to have satisfied their obligation to provide the Notice to the affected Class Member. The
28

1 affected Class Member shall be a Participating Class Member and shall be bound by all the terms
2 of this Stipulation and the Court's Final Order and Judgment.

3 d) Processing Requests For Exclusion ("Opt-Outs") From Settlement. In the event that
4 a Class Member wishes to be excluded ("opts out") from the settlement provided herein, he or she
5 must mail a written Request for Exclusion to the Settlement Administrator by first class U.S. Mail,
6 or equivalent, postage paid and postmarked, by no later than the Document Receipt Deadline,
7 which is forty-five (45) calendar days after the date that the Settlement Administrator originally
8 mails Notices to Class Members. To be valid, the written Request for Exclusion must include (i)
9 the Class Member's name, (ii) the Class Member's address, (iii) a request that the Class Member
10 wishes to be excluded from the settlement, and (iv) the Class Member's signature. No specific
11 language is required to be included in the Class Member's Request for Exclusion in order for the
12 request to be valid. The Settlement Administrator shall notify Class Counsel and Defendant's
13 Counsel of its receipt of all valid Requests for Exclusion within five (5) business days after having
14 received each such Request for Exclusion.

15 e) Payment of Individual Settlement Awards. The Settlement Administrator shall be
16 solely responsible for the disbursement of the Individual Settlement Award payments.

17 f) Declaration Of Due Diligence. No later than ten (10) calendar days prior to the
18 Final Approval Hearing, the Settlement Administrator shall provide both Parties with a declaration
19 of due diligence to be filed with the Court.

20 g) Allocating Portions Of the Individual Settlement As Wages. The Settlement
21 Administrator shall be responsible for calculating the portion of each Individual Settlement Award
22 to be allocated as wages. Twenty percent (20%) of each Individual Settlement Award shall be
23 allocated as wages, and eighty percent (80%) of each Individual Settlement Award shall be
24 allocated as interest and penalties.

25 h) Taxation Of Individual Settlement Awards. The portion of each Individual
26 Settlement Award allocated as wages shall be subject to payroll withholding. The Settlement
27 Administrator shall be responsible for paying the employees' share of federal, state, and local
28 payroll and income taxes. Appropriate withholding of the employee's share of income taxes shall

1 be deducted from each Individual Settlement Awards. The employer's share of payroll taxes shall
2 be paid outside of the Maximum Settlement Amount.

3 i. Federal Tax Reporting. The Settlement Administrator shall issue an IRS
4 Form W-2 to each Class Member for the portion of the Individual Settlement Award that is
5 designated as wages. The Settlement Administrator shall issue an IRS Form 1099 to each
6 Class Member for the portion of the Individual Settlement Awards that is not designated as
7 wages. The Settlement Administrator shall issue an IRS Form 1099 to the Class
8 Representative for any enhancement award paid pursuant to Paragraph 20, subparagraph
9 (c), above, in connection with their role as the Class Representative.

10 ii. State Tax Reporting. The Settlement Administrator shall file, with the
11 California Employment Development Department ("EDD"), the required reports of
12 Personal Income Tax ("PIT") wages withheld from the Individual Settlement Awards, as
13 well as the amounts to be paid as Unemployment Insurance ("UI"), Employment Training
14 Tax ("ETT"), and State Disability Insurance ("SDI"). For purposes of this reporting, prior
15 to disbursement of the Individual Settlement Awards, the Settlement Administrator shall
16 provide Defendant with a list of all Class Members, and Defendant shall provide to the
17 Settlement Administrator with its Form DE 2088, Notice of Contribution Rates and
18 Statement of UI Account, for the current calendar year (if unavailable, Defendant may
19 provide instead their California State Employer's Identification Number and applicable UI
20 and ETT Rates).

21 iii. Responsibility For Tax Obligations. All Class Members and the Class
22 Representative will be responsible for correctly characterizing the compensation they
23 receive for tax purposes and for paying any taxes on the amounts received, except for the
24 employer contributions, which will be handled as provided by this Stipulation. Defendant
25 is not liable for any amounts assessed by a tax authority on account of the Class Members'
26 or the Class Representative's failures to pay all taxes due on amounts they receive
27 hereunder, except if the failure results from Defendant's failure to pay their own portion of
28

1 taxes due. The liability of each Class Member and Class Representative is limited to the
2 liability caused by that individual's own failure.

3 i) Taxation of Payment of Portion of PAGA Allocation. One Hundred Percent (100%)
4 of the payment to PAGA Group Members as part of the PAGA Allocation will be treated as
5 penalties and the Settlement Administrator shall issue to PAGA Group Members an IRS Form
6 1099 for that portion of the payment.

7 j) Mailing Of Individual Settlement Awards and Portion of PAGA Allocation to
8 PAGA Group Members. Within ten (10) calendar days after Defendant's final Funding Settlement
9 Payment to the Settlement Administrator, the Settlement Administrator shall mail all Participating
10 Class Members and PAGA Group Members their full Individual Settlement Awards and/or portion
11 of the PAGA Allocation. Each check issued to a Class Member shall remain valid and negotiable
12 for one hundred eighty (180) days from the date of issuance. Those Individual Settlement Awards
13 and/or portion of the PAGA Allocation payment not cashed by the Check Cashing Deadline shall
14 be canceled automatically, in which event the Participating Class Member's and/or PAGA Group
15 Member's check will be deemed void and the unclaimed funds shall be sent to the California State
16 Controller's Office Unclaimed Property Fund in the name of the Participating Class Member
17 and/or PAGA Group Member to whom the funds were distributed.

18 k) Certifying The Class Members Bound By The Settlement. Within fifty (50)
19 calendar days from the Effective Date, the Settlement Administrator shall file written certification
20 with the Court with copies to counsel for all Parties that all Class Members have been mailed their
21 Individual Settlement Awards.

22 l) Payments To Class Counsel. Within ten (10) calendar days after Defendant's
23 transfer of funds to the Settlement Administrator, the Settlement Administrator shall pay the
24 attorneys' fees and costs, as detailed in Paragraph 20, subparagraphs (a) and (b), above.

25 m) Payment Of PAGA Allocation. Within ten (10) calendar days after Defendant's
26 initial Funding Settlement Payment to the Settlement Administrator, the Settlement Administrator
27 shall pay seventy-five percent (75%) of the PAGA Allocation to the LWDA as civil penalties, as
28 detailed in Paragraph 20, subparagraphs (e), above.

23. Disputes Regarding The Settlement Administrator's Performance of Duties. All disputes relating to the Settlement Administrator's performance of its duties shall be referred to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions of this Stipulation until all payments and obligations contemplated by this Stipulation have been fully carried out.

VIII. DUTIES OF THE PARTIES PRIOR TO PRELIMINARY COURT APPROVAL

24. Submission Of Stipulation To Court. The Parties shall promptly submit this Stipulation to the Court in support of Plaintiff's motion for preliminary approval and determination by the Court as to the fairness, adequacy, and reasonableness of this Stipulation, and shall apply to the Court for the entry of an order substantially in the following form:

a) Scheduling a fairness hearing on the question of whether the proposed settlement contemplated by the Stipulation – including payment of attorneys' fees, attorneys' costs, appointment of the Class Representative and the amount of their enhancement awards, and the method of determining Individual Settlement Awards to be paid to Class Members– should be finally approved as fair, reasonable, and adequate as to the Class;

b) Approving as to form and content the proposed Notice (attached as **Exhibit 1**);

c) Directing the mailing to Class Members of the Notice, by first class U.S. Mail, pursuant to the terms specified herein;

d) Preliminarily approving the Stipulation, subject only to the objections of Class Members and final review by the Court; and

e) Enjoining the Class Representative and all Participating Class Members from filing or prosecuting any claims, suits, or administrative proceedings (including filing claims with the California Division of Labor Standards Enforcement) regarding claims released by the Stipulation unless such individuals have submitted valid Requests for Exclusion to the Settlement Administrator.

25. Amendment Of This Stipulation To Conform To The Court's Order. To the extent the Court does not approve this Stipulation, or any term contained herein, and instead allows the Parties to amend this Stipulation, the Parties agree to cooperate in good faith to amend the

1 Stipulation in accordance with the Court's direction, and to retain all other terms of the Stipulation
2 that the Court approves.

3 **IX. DUTIES OF THE PARTIES FOLLOWING PRELIMINARY COURT APPROVAL**

4 26. Timely Approval Of Documents To Be Mailed By The Settlement Administrator.
5 Counsel for the Parties shall respond to requests by the Settlement Administrator to approve all
6 claims administration documents, including the Notice to be mailed to the Class, within four (4)
7 business days of the Settlement Administrator's request for approval.

8 27. Defendant's Provision Of Class Member Data To Settlement Administrator. No
9 later than twenty-one (21) calendar days following preliminary approval of this Settlement by the
10 Court, Defendant shall provide the Settlement Administrator with data that is within Defendant's
11 possession containing, for each Class Member and/or PAGA Group Member: (a) the Class
12 Member/PAGA Group Member's name; (b) the Class Member/PAGA Group Member's last
13 known address; (c) the Class Member/PAGA Group Member's social security number; (d) the
14 Class Member/PAGA Group Member's first date of employment in California as a non-exempt
15 employee; and (e) the Class Member/PAGA Group Members' last date of employment (if any) in
16 California as a non-exempt employee. This Class Member/PAGA Group Member information is
17 confidential and not to be disclosed to anyone other than the Settlement Administrator. In the
18 event that a dispute arises about the number of Qualifying Workweeks or Qualifying Pay Periods
19 for a Class Member and/or PAGA Group Member, Class Counsel may be provided with
20 information identifying each Class Member and/or PAGA Group Member by number (with all
21 other identifying information removed), and reflecting the number of Qualifying Workweeks or
22 Qualifying Pay Periods during the Class Period and PAGA Period. This information shall be based
23 on Defendant's payroll and other business records, and shall be in a format readily accessible to
24 Defendant. In the event that approval of the documents pursuant to Paragraph 26 takes more than
25 four (4) business days, the Settlement Administrator shall mail the Notice to the Class Members
26 within three (3) business days of receiving approval of the documents pursuant to Paragraph 26.

27 28. Disputes Arising From Claims Administration. Any disputes arising during the
28 claims administration process must be resolved informally by counsel for the Parties and, if the

Parties cannot agree, by the Settlement Administrator, within ten (10) calendar days of the Document Receipt Deadline.

29. Motions By Class Counsel.

a) Motions Required For Final Approval Of The Settlement. Class Counsel shall timely prepare, subject to Defendant's review and right to comment, Final Settlement Papers in conformance with the terms of this Settlement, including (1) a motion for Final Approval of the settlement; (2) a motion for award of attorneys' fees and costs; (3) a motion for the Class Representative's enhancement awards; (4) the [Proposed] Final Approval Order and Judgment; and (5) any other documents, petitions, or motions required to effectuate this Stipulation— including, but not limited to, any additional proposed orders requested by the Court. Class Counsel will endeavor to submit the Final Settlement Papers to Defendant's Counsel no later than five (5) court days prior to the deadline for filing the motion for Final Approval of the stipulation. In the event that Class Counsel and Defendant's Counsel cannot resolve any dispute regarding the Final Settlement Papers arising from Defendant's right to review and comment, Defendant's Counsel shall submit its objections to the Final Settlement Papers to the Court before or during the Final Approval Hearing.

b) [Proposed] Final Approval Order and Judgment. The [Proposed] Final Approval Order and Judgment shall include a proposed Final Order and Judgment ordering:

- i. Approval of the Stipulation, adjudging the terms thereof to be fair, reasonable, adequate, and directing consummation of its terms and provisions;
- ii. Approval of Class Counsel's application for an award of attorneys' fees and costs (Class Counsel will separately submit a motion for award of attorneys' fees and costs);
- iii. Approval of the enhancement award to the Class Representative;
- iv. Dismissal of the Action with prejudice and permanently barring and enjoining the Class Representative and all Class Members from prosecuting against the Released Parties any claims released herein pursuant to Paragraphs 15 and 16, above, including any Released Class Claims and, with respect to the Class

1 Representative, any claims covered by the general release, upon satisfaction of
 2 all payments and obligations hereunder; and
 3 v. Reserving jurisdiction over the construction, interpretation, implementation, and
 4 enforcement of the Parties' Stipulation, and over the administration and
 5 distribution of the settlement amounts.

6 30. Fairness Hearing. Upon expiration of the Document Receipt Deadline, the Parties
 7 shall attend a Final Approval Hearing with the Court to finally approve the Stipulation as fair,
 8 reasonable, and adequate as to (a) Class Members; (b) attorneys' fees and costs to Class Counsel;
 9 (c) the enhancement awards to the Class Representative; (d) the costs and fees for claims
 10 administration; (e) the PAGA Allocation; and (f) the Individual Settlement Awards to be paid to
 11 the Class Members, including the methodology used to calculate such awards.

12 **X. DUTIES OF THE PARTIES FOLLOWING COURT APPROVAL**

13 31. Final Approval, And Entry Of Judgment. At or before the Final Approval Hearing,
 14 Class Counsel shall submit the [Proposed] Final Approval Order and Judgment to the Court for the
 15 Court's approval and entry. After entry of the Final Approval Order and Judgment, the Court shall
 16 have continuing jurisdiction over the administration of the Stipulation.

17 32. Payment Of Maximum Settlement Amount. The Settlement Administrator shall
 18 provide Defendant with a funding schedule identifying each Funding Settlement Payment monthly
 19 payment date and the precise Funding Settlement Payment amount to be paid each month. Not
 20 later than twenty-one (21) calendar days following the Effective Date, Defendant shall deposit the
 21 initial Funding Settlement Payment into an account established by the Settlement Administrator.
 22 Defendant's subsequent Funding Settlement Payments will be made monthly and no sooner than
 23 thirty (30) days after the previous Funding Settlement Payment, until the full Maximum Settlement
 24 Amount is fully funded according to the funding scheduled. The Settlement Administrator will
 25 retain authority over the deposited funds, which are to be used in accordance with this Stipulation
 26 and any orders of the Court. The Settlement Administrator shall make all payments and other
 27 disbursements required by this Stipulation from the Maximum Settlement Amount. Defendant
 28 shall have no further obligations over the distribution of the Maximum Settlement Amount.

33. Provision Of Final Approval Order And Judgment To Settlement Administrator.

Within two (2) business days of Final Approval by the Court of the settlement provided for in this Stipulation, Class Counsel shall provide the Settlement Administrator with a copy of the Final Approval Order and Judgment.

XI. ADDITIONAL TERMS

34. Nullification Of Settlement. This Stipulation shall be null and void, and any order of judgment entered by the Court in furtherance of the Settlement shall be vitiated *nunc pro tunc*, if any of the following occurs:

- a) The Court does not enter the Final Approval Order and Judgment as provided for herein or contemplated by this Stipulation;
- b) The Court does not grant Final Approval of the settlement as provided for herein;
- c) The Court does not enter a Final Approval Order and Judgment as provided for herein that becomes final as a result of the occurrence of the Effective Date;
- d) The Stipulation does not become final for any other reason; or
- e) Plaintiff or Class Counsel misrepresented their awareness of any unalleged claims against the Released Parties or unalleged facts or legal theories upon which claims or causes of actions could be brought against Defendant, pursuant to Paragraph 18.

In such a case, the Parties shall be returned to their respective statuses prior to the settlement, and the Parties shall proceed in all respects as if this Stipulation had not been executed. If an appeal is filed from the Court's Final Approval Order and Judgment prior to the Effective Date, administration of the Stipulation shall be immediately stayed pending final resolution of the appeal process.

35. No Admissions. Nothing contained herein is to be construed or deemed to be an admission of liability or wrongdoing by Defendant. This Stipulation and the attached exhibits are settlement documents, and, pursuant to California Evidence Code section 1152, these documents shall be inadmissible in any proceeding except in an action or proceeding to approve, interpret, or enforce this Stipulation.

36. Amendment Or Modification. This Stipulation may be amended or modified only by a written instrument signed by counsel for all Parties.

37. Entire Agreement. This Stipulation and the accompanying exhibits constitute and comprise the entire agreement between the Parties. No oral or written representations, warranties, or inducements have been made to any of the Parties concerning this Stipulation other than the representations, warranties, and covenants contained and memorialized herein.

38. Construction. The Parties agree that the terms of this Stipulation and the accompanying exhibits are the result of lengthy, arms-length negotiations, and that this Stipulation shall not be construed in favor of or against any of the Parties by reason of the extent to which any of the Parties or their respective counsel participated in the drafting of this Stipulation.

39. Parties' Authority. The signatories to this Stipulation represent that they are fully authorized to enter into this Stipulation and to bind the Parties hereto to the terms and conditions hereof.

40. Successors And Assigns. This Stipulation is binding upon, and inures to the benefit of, the Parties' successors and assigns. The Parties represent and warrant that they have not, directly or indirectly, assigned, transferred, or encumbered to any person or entity any portion of any claim, demand, action, cause of action, or rights herein released and discharged except as set forth herein.

41. Enforcement Of Actions. In the event that any of the Parties to this Stipulation institutes any legal action, arbitration, or other proceeding against any of the other Parties to enforce the provisions of this Stipulation or to declare rights or obligations under this Stipulation, the successful Party shall be entitled to recover from the unsuccessful Party or Parties, reasonable attorneys' fees and costs, including expert witness fees, incurred in connection with any such enforcement proceedings.

42. Governing Law. All terms of this Stipulation shall be governed by and interpreted according to the laws of the State of California.

43. Jurisdiction Of The Court. The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Stipulation and all orders and judgments entered in connection therewith.

44. Counterparts. This Stipulation may be executed in one or more counterparts. All executed counterparts, and each of them, shall be deemed to be one and the same instrument. Signatures may be affixed either by original signatures, PDF, or facsimile.

45. Notices. Unless otherwise specifically provided in this Stipulation, all notices, demands, and/or other communications will be in writing and will be deemed to have been duly given as of the third (3rd) business day after mailing by U.S. Mail, addressed as follows:

To The Class:
KOUL LAW FIRM
Nazo Koulloukian
3435 Wilshire Blvd., Suite 1710
Los Angeles, CA 90010

LAW OFFICES OF SAHAG MAJARIAN, II
Sahag Majarian, II
18250 Ventura Blvd.
Tarzana, CA 91356

To Defendant:
OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
Linda Claxton
Omar M. Aniff
400 South Hope Street, Suite 1200
Los Angeles, CA 90071

46. Enforceability. The Parties intend for this Agreement to be enforceable in the Superior Court of California for the County of Orange, by and subject to the Court's pending jurisdiction.

47. Interpretation. This Stipulation shall be construed as a whole according to its fair meaning. It shall not be construed strictly for or against any Party. Unless the context indicates otherwise, the term "or" shall be deemed to include the term "and," and the singular or plural number shall be deemed to include the other. Captions and headings are intended solely for convenience of reference and shall not be used in the interpretation of this Stipulation.

48. Confidentiality.

1 a) General. Plaintiff and Class Counsel shall agree not to disclose or publicize this
2 Stipulation, its terms or contents, and the negotiations underlying the Stipulation, in any manner or
3 form, directly or indirectly, to any person or entity, except potential Class Members and as shall be
4 contractually required to effectuate the terms of the Stipulation. For avoidance of doubt, this
5 section means Plaintiff and Class Counsel agree not to issue press releases, communicate with or
6 respond to any media or publication entities, publish information in manner or form, whether
7 printed or electronic, on any medium or otherwise communicate, whether by print, video, recording
8 or another medium, with any person or entity concerning the Stipulation, including the fact of the
9 Stipulation, its terms or contents and the negotiations underlying the Stipulation, except as shall be
10 contractually required to effectuate the terms of the Stipulation. However, for the limited purpose
11 of allowing the Plaintiff's Counsel to prove adequacy as class counsel in other actions, Plaintiff's
12 Counsel may disclose the name of the Parties in this action and the venue/case number of this
13 actions (but not any other settlement details) for such purposes.

14 b) Media Comment. The Parties and their respective counsel agree that the terms of
15 this Stipulation (including, but not limited to, any settlement amounts), the negotiations leading to
16 this Stipulation, and all documents related to the Stipulation, shall not be discussed with,
17 publicized, or promoted to the media, except as necessary in order to enforce its terms. Class
18 Counsel and/or Plaintiff will not list or refer to the Action in any website, mailing, publicity or
19 similar materials – including, but not limited to, any radio or television stations, newspapers, or
20 magazines. In response to any inquiries, including those from media outlets, concerning the
21 settlement, the Parties and their respective counsel agree that they shall simply respond by stating,
22 “the matter has resolved.”

23 c) Class Counsel Marketing And Adequacy Declarations. Class Counsel agrees not to
24 use Defendant's name in marketing materials. Class Counsel and the Class Representative will not
25 make any posting on any website, instant message site, blog, or social networking site that uses
26 Defendant's name, and will not list or refer to the Action in any website, mailings, publicity, or
27 other similar fora or materials. However, for the limited purpose of allowing Class Counsel to
28 prove adequacy as class counsel in other actions, Class Counsel may disclose the name of the

1 Parties in this action and the venue/case number of this action (but not any other settlement details)
2 for such purposes.

3 49. Exhibits Incorporated By Reference. The terms of this Stipulation include the terms
4 set forth in any attached Exhibit, which are incorporated by this reference as though fully set forth
5 herein. Any Exhibit to this Stipulation is an integral part of the Stipulation.

6 50. Interim Stay Of Proceedings. The Parties agree to refrain from further litigation in
7 the Action, except such proceedings necessary to implement and obtain an Order granting Final
8 Approval of the terms of the Stipulation. The Parties further agree that the mutual, voluntary
9 cessation of litigation shall terminate either as of the Effective Date or the date upon which this
10 Stipulation has been denied by the Court and all subsequent attempts to cure deficiencies pursuant
11 to Paragraph 25 have ended.

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

16 52. Class Certification For Settlement Purposes Only. The Parties agree to stipulate to
17 class certification only for purposes of the Stipulation. If, for any reason, the Stipulation is not
18 approved, the Parties stipulate that class certification will be revoked without prejudice. The
19 Parties further agree that certification for purposes of the settlement is not an admission that class
20 certification is proper under the standard applied to contested certification motions and that this
21 Stipulation will not be admissible in this or any other proceeding as evidence that (i) a class should
22 or should not be certified or (ii) Defendant is or is not liable to the Class Representative or the
23 putative Class Members.

24 53. All Terms Subject To Final Court Approval. All amounts and procedures described
25 in this Stipulation shall be subject to final Court approval.

26 54. Execution Of Necessary Documents. All Parties shall execute all documents
27 reasonably necessary to effectuate the terms of this settlement.
28

7 | **PLAINTIFF JESUS GONZALEZ**

Firmado por:

 4EE25ACFAD74499...
 Jesus Gonzalez

3 Dated: _____ Name: Greg Yulish

8 | **KOUL LAW FIRM, APC**
LAW OFFICES OF SAHAG MAJARIAN

DocuSigned by:
Nazo Koulloukian
5F97388C1D414C7...

Nazo Koulloukian
Sahag Majarian, II
Attorneys for Plaintiff

26 Dated: _____
27 Linda Claxton
Omar M. Aniff
Attorneys for Defendant

55. Binding Agreement. The Parties intend that this settlement shall be fully enforceable and binding on all Parties, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

IT IS SO AGREED.

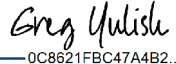
PLAINTIFF JOSE GONZALEZ

Dated: _____

Jose Gonzalez

**DEFENDANT GOLD COAST
BAKERIES, LLC**

Dated: 29-Oct-2024

DocuSigned by:

Nam 0C8621FBC47A4B2...

Title:

APPROVED AS TO FORM.

**KOUL LAW FIRM, APC
LAW OFFICES OF SAHAG MAJARIAN**

Dated: _____

Nazo Koulloukian
Sahag Majarian, II
Attorneys for Plaintiff

OGLETREE DEAKINS

Dated: October 30, 2024



Linda Claxton
Omar M. Aniff
Attorneys for Defendant

EXHIBIT A

NOTICE OF SETTLEMENT OF CLASS AND REPRESENTATIVE ACTION

Gonzalez v. Gold Coast Bakeries, LLC
Superior Court of the State of California, County of Orange
Case No. 30-2021-01184280-CU-OE-CXC

To: all individuals who were employed by Gold Coast Bakeries, LLC (“Defendant”) in the State of California at any time between April 20, 2019 and [REDACTED]:

THIS NOTICE is of a proposed settlement of a class action and representative lawsuit, and an announcement of a court hearing that you may choose to attend. Your rights may be affected by the legal proceedings in this action. The Court will conduct a hearing on [REDACTED], 2025, to address whether the proposed settlement should be approved (the “Final Approval Hearing”). You may be entitled to receive a payment under the terms of the proposed settlement if it is approved.

[IDENTIFYING INFORMATION]

You have been identified as a Class Member and/or PAGA Group Member in the above lawsuit. Under the terms of the proposed settlement, you are estimated to receive approximately \$[REDACTED] as your share of the settlement should the Court approve the settlement in full. This amount will be referred to as your “Individual Settlement Award.” Please note that this is only an estimate. Your actual Individual Settlement Award may be more or less than this estimate. Your estimate is based on the number of Qualifying Workweeks that you worked between April 20, 2019 and [REDACTED] (the “Class Period”) and the number of Qualifying Pay Periods that you worked between January 22, 2020 and [REDACTED] (“PAGA Period”). Your options and eligibility requirements for receiving payments are described below.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE A SETTLEMENT PAYMENT	If you want to receive your full Individual Settlement Award, then no further action is required on your part. You will automatically receive your Individual Settlement Award from the Settlement Administrator if the settlement receives final approval by the Court. You will be bound by the terms of the settlement agreement and will give up your right to sue on the Released Class Claims described in Section IV.
EXCLUDE YOURSELF	If you do not wish to participate in the settlement of the Class Claims, you may “opt out” of the settlement of the Class Claims. If you choose to opt out, you must submit a Request for Exclusion by [REDACTED], 2025 (see Section V for more details on how to opt-out). If you opt-out of the settlement of the Class Claims, you will no longer be a Class Member, and you will (1) <u>not</u> receive any settlement payment for the Class Claims, but you will preserve your right to pursue the Released Class Claims described in Section IV subject to applicable statutes of limitations, and (2) be barred from filing an objection to the settlement. However, you may not opt-out of the settlement of the PAGA Claim. As a result, if you are also a PAGA Group Member you still will receive a payment as part of the civil penalties paid pursuant to the California Private Attorneys General Act of 2004, California Labor Code sections 2698, <i>et seq.</i> (“PAGA”), and will release your claims for such civil penalties.
OBJECT	If you decide to object to the settlement with respect to the Class Claims because you find it unfair or unreasonable, you must submit an objection stating why you object to the settlement by [REDACTED], 2025 (see Section V for more details on how to object). However, you may not object to the settlement of the PAGA claim.
DISPUTE YOUR NUMBER OF QUALIFYING WORKWEEKS OR QUALIFYING PAY PERIODS CREDITED	If you believe the number of Qualifying Workweeks or Qualifying Pay Periods that you were credited with working during the Class Period or PAGA Period is incorrect, you may submit a written dispute to the Settlement Administrator (see Section IV for more details on how to dispute your credited Qualifying Workweeks or Qualifying Pay Periods). Defendant’s records will be presumed correct, but you may provide evidence to

	the Settlement Administrator showing that the Qualifying Workweeks or Qualifying Pay Periods calculation is inaccurate.
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I. Why did I get this Notice?

The Court has granted preliminary approval of a proposed settlement in *Gonzalez v. Gold Coast Bakeries, LLC*, Superior Court of the State of California, County of Orange, Case No. 30-2021-01184280-CU-OE-CXC (the “Lawsuit”). Because your rights may be affected by the settlement, it is important that you read this Notice carefully.

You received this Notice because the records show that you worked for Defendant at some point during the Class Period. The Court ordered this Notice be sent to you because you may be entitled to money under the settlement and because the settlement affects your legal rights.

NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE SETTLEMENT: If you meet the definition of a Class Member and received this Notice, you are automatically included in the settlement and do not need to take any further action to receive a payment.

The purpose of this Notice is to provide you with a brief description of the Lawsuit, to inform you of the terms of the proposed settlement, and to discuss your rights and options in connection with the Lawsuit and the settlement.

II. What is this lawsuit about?

Plaintiff and Class Representative Jesus Gonzalez filed a class and representative action lawsuit against Defendant on behalf of the Class Members and PAGA Group Members (which will be referred to as the “Action” or “Lawsuit”). The Action alleges the following Class Claims against Defendant on behalf of the Class Members: (1) Failure to Pay All Wages, Including Overtime Wages; (2) Failure to Pay Minimum Wages; (3) Failure to Provide Timely Meal Breaks; (4) Failure to Provide Rest Breaks; (5) Failure to Provide Safe Working Conditions; (6) Late Pay and Waiting Time Penalties; (7) Failure to Provide Accurate Itemized Wage Statements and Maintain Accurate Records; (8) Failure to Maintain Complete and Accurate Payroll Records; and (9) Unfair Business Practices in Violation of California Business and Professions Code Section 17200 et seq. (the “Class Claims”). The Lawsuit also seeks civil penalties on behalf of the California Labor Workforce Development Agency (“LWDA”) pursuant to PAGA during the PAGA Period (“PAGA Claim”).

Defendant has denied, and continues to deny, the factual and legal allegations in the Lawsuit and believes that it has valid defenses to Plaintiff’s claims. By agreeing to settle the Lawsuit, Defendant is not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action and/or a representative action. Rather, the Parties have agreed to settle the case as part of a compromise between Plaintiff and the Class Members and Defendant.

The Court has not ruled on the merits of Plaintiff’s claims. And, by approving the settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case if it went to trial. However, to avoid additional expense, inconvenience, and risks of continued litigation, Defendant and Plaintiff have concluded that it is in their respective best interests and the interests of the Class Members to settle the Lawsuit on the terms summarized in this Notice. After providing extensive information to Class Counsel, the settlement was reached following an arm’s length mediation with a respected and experienced mediator. In those negotiations, both sides recognized the substantial risk of the Court deciding against them at trial and determined that the proposed settlement was a good option to resolve the disputed claims.

The Class Representative and Class Counsel support this settlement. Among the reasons for their support are the defenses to liability potentially available to Defendant, the risk of denial of class certification or representative status, the inherent risk of trial on the merits, and the delays and uncertainties associated with litigation.

If you are still employed by Defendant this settlement will not affect your employment. California law strictly prohibits unlawful retaliation. Further, Defendant will not take any adverse action against or otherwise target, retaliate, or discriminate against any Class Member because of the Class Member’s participation or decision not to participate in this settlement. If a Class Member does not participate in the settlement, his/her share of the settlement of the Class Claims will be paid to those who do participate.

III. Who are the attorneys representing the Parties?

<u>Class Counsel:</u>	<u>Attorneys for Defendant:</u>
Nazo Koulloukian, Esq. <i>nazo@koullaw.com</i> KOUL LAW FIRM 3435 Wilshire Blvd., Suite 1710 Los Angeles, CA 90010 Tel: (213) 761-5484 Sahag Majarian, II <i>sahagii@aol.com</i> Garen Majarian <i>garen@majarianlawgroup.com</i> MAJARIAN LAW GROUP, APC 18250 Ventura Blvd. Tarzana, California 91356 Telephone: (818) 609-0807	Linda Claxton <i>Linda.Claxton@ogletreedeakins.com</i> Omar Aniff <i>omar.aniff@ogletree.com</i> OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C 400 South Hope Street, Suite 1200 Los Angeles, CA 90071 Telephone: 213-330-0811

IV. What are the terms of the settlement?

On [PA DATE], the Court certified a class, for settlement purposes only, of all current and former hourly, non-exempt employees of Defendant in California at any time from April 20, 2019 through [REDACTED] (the “Settlement Class” or “Class Members”). The Court also approved a representative group of all current and former hourly, non-exempt employees of Defendant in California at any time during the PAGA Period, which extends from January 22, 2020 until [REDACTED] (“PAGA Group Members”). Class Members who do not opt out of the Settlement Class pursuant to the procedures set forth in this Notice will be mailed Individual Settlement Awards, and in exchange will be bound by the settlement and release of certain wage and penalty claims against Defendant.

Without admitting any wrongdoing, Defendant has agreed to pay \$250,000 (the “Maximum Settlement Amount”) to fully resolve all claims in the Lawsuit. The Parties agreed to the following payments from the Maximum Settlement Amount:

Settlement Administration Costs. The Court has approved ILYM Group, Inc. to act as the “Settlement Administrator,” who is sending this Notice to you and will perform many other duties relating to the settlement. Under the settlement, up to \$8,250 will be paid from the Maximum Settlement Amount to pay the Settlement Administration Costs.

Penalties to the California Labor Workforce and Development Agency. PAGA authorizes employees to file lawsuits to attempt to recover civil penalties on behalf of other PAGA Group Members and the State of California for alleged Labor Code violations. Under the settlement, \$25,000 of the Maximum Settlement Amount will be allocated to Plaintiff’s PAGA Claim. Of this amount, \$18,750 will be paid to the LWDA in satisfaction of the claims for civil penalties under PAGA, and the remaining \$6,250 will be divided between all PAGA Group Members based on the number of pay periods worked during the PAGA Period, regardless of their receipt of Individual Settlement Awards for the Class Claims. If you are also a PAGA Group Member, you do not have the right to opt-out or exclude yourself from receiving the civil penalties paid to pursuant to PAGA and you will be bound by the settlement and release of certain wage and penalty claims against Defendant

Enhancement to Class Representative. Class Counsel will ask the Court to award Plaintiff a Class Representative Enhancement to compensate him for his service and extra work provided on behalf of the Class Members and in exchange for a general release of claims totaling up to \$7,500. The Class Representative also will receive his individual share of the settlement as a Class Member and PAGA Group Member.

Attorneys' Fees and Costs. Class Counsel have been prosecuting the Lawsuit on behalf of the Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will be paid from the Maximum Settlement Amount. Class Members are not personally responsible for any of Class Counsel's attorneys' fees or costs. Class Counsel will ask for fees of up to 33.33% of the Maximum Settlement Amount (which is \$83,325) as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit through the finalization of the settlement. Class Counsel also will ask for reimbursement of up to \$20,000 for the costs Class Counsel incurred in connection with the Lawsuit.

Calculation of Individual Settlement Awards to Class Members. After deducting the amounts above from the Maximum Settlement Amount, the balance will form the Net Settlement Amount for distribution to Settlement Class Members (Class Members who do not opt-out). The Net Settlement Amount will total approximately \$ [REDACTED]. Individual Settlement Awards to Class Members will be calculated and apportioned from the Net Settlement Amount based on the number of weeks a Class Member is credited with working during the Class Period ("Qualifying Workweeks"). A Class Member is credited with one Qualifying Workweek each time the Class Member worked at least one shift in a week for Defendant in California during the Class Period. Specific calculations of Individual Settlement Awards will be made as follows: (a) first, the Settlement Administrator will divide the total Qualifying Workweeks by all Settlement Class Members into the Net Settlement Amount to determine a per "Workweek Value;" then (b) the Workweek Value will be multiplied by the number of Qualifying Workweeks worked by each Settlement Class Member during the Class Period to determine the Individual Settlement Award, prior to legal deductions/withholdings, for each Class Member. If any Class Member opts out of the settlement, his/her Individual Settlement Award will be distributed to all Settlement Class Members.

Qualifying Workweeks During the Class Period	Your Share of the Net Settlement Amount
INSERT	\$INSERT

Calculation of Individual PAGA Payments to PAGA Group Members. The Settlement Administrator will (1) first calculate the total number of Qualifying Pay Periods worked by all PAGA Group Members, (2) second, divide \$6,250 (the 25% portion of the PAGA Payment distributed to PAGA Group Members) by the total number of Qualifying Pay Periods worked by all PAGA Group Members, and (3) third, multiply the quotient of the calculation in step (2) by each PAGA Group Member's individual number of Qualifying Pay Periods worked.

Do you Qualify as a PAGA Group Member?	Pay Periods Worked as a PAGA Group Member	Your Share of PAGA Penalties
YES/NO	INSERT	\$INSERT

Disputes to Qualifying Workweeks or Qualifying Pay Periods Credited. For each Settlement Class Member and PAGA Group Member, the numbers of Qualifying Workweeks and Qualifying Pay Periods will be calculated from Defendant's available records. If you disagree with the number of Qualifying Workweeks or Qualifying Pay Periods you are credited with above, you may submit evidence to the Settlement Administrator on or before [REDACTED], 2025 with documentation to establish the number of Qualifying Workweeks or Qualifying Pay Periods you claim to have actually worked for Defendant during the Class Period or PAGA Period. **DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED; DO NOT SEND ORIGINALS.** The Settlement Administrator will render a final decision.

Payments to Settlement Class Members and PAGA Group Members. After the Court grants Final Approval of the settlement and after Judgment is entered, Individual Settlement Awards will be mailed to all Class Members who did not timely request to be excluded. For those PAGA Group Members who requested to be excluded from the settlement of the Class Claims,

their settlement checks will be for their share of PAGA civil penalties only for release of the PAGA Claim, and they will not include any payment for settlement of the Class Claims. Class Members and PAGA Group Members will have 180 days from the issuance of their settlement check to cash the check. In the event that any Class Member or PAGA Group Member fails to timely cash a settlement check, a stop payment will be placed on the check and the funds will be paid to the California State Controller's Office in the name of the Class Member or PAGA Group Member, so that the Class Member or PAGA Group Member can attempt to collect the funds at a later date. You may search for unclaimed funds at the Controller's website: <https://ucpi.sco.ca.gov/en/Property/SearchIndex>.

Allocation and Taxes. Twenty percent (20%) of the Individual Settlement Award distributed to each Participating Class Member will be considered and reported as wages (IRS Form W-2 reporting). The remaining eighty percent (80%) will be considered and reported as interest and penalties (IRS Form 1099 reporting). The Settlement Administrator shall take all usual and customary deductions from the Individual Settlement Awards that are distributed as wages, including, but not limited to, state and federal tax withholdings, disability premiums, and unemployment insurance premiums. There will be no deduction taken from the interest and penalty distribution; however, the payments will be reported on IRS Form 1099 as income. Individual PAGA Payments shall be paid one hundred percent (100%) as civil penalties for which no taxes shall be withheld and for which payment will be reported on IRS Form 1099. Class Members and PAGA Group Members are responsible for the proper income tax treatment of the Individual Settlement Awards and their Individual PAGA Payments. The Settlement Administrator, Defendant and its counsel, and Class Counsel cannot provide tax advice and make no representations as to the tax treatment or legal effect of the Individual Settlement Awards or Individual PAGA Payments. Class Members and PAGA Group Members will be solely responsible for the payment of any taxes and penalties assessed on their Individual Settlement Awards or Individual PAGA Payments. Accordingly, Class Members and PAGA Group Members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the settlement.

Release of Class Claims (aka the "Released Class Claims"). Once the Court approves the proposed settlement and enters Judgment, and Defendant funds the settlement, then the settlement will bind all Class Members who have not opted out of the settlement and will bar them from bringing the Class Claims against Defendant and the Released Parties (defined below). Specifically, Class Members will fully release and discharge the Released Parties of any and all causes of action and factual or legal theories/allegations that were alleged in the operative complaint in the Action, including but not limited to all of the following claims for relief: (a) failure to pay minimum wages, including overtime wages; (b) failure to pay minimum wages; (c) failure to provide timely uninterrupted meal breaks; (d) failure to provide and/or authorize rest periods; (e) failure to provide safe working conditions; (f) waiting time penalties for failure to pay earned wages upon discharge; (g) failure to provide timely, accurate itemized wage statements; (h) failure to maintain complete and accurate payroll records; (i) unlawful business practices pursuant to California's Business & Professions Code section 17200, et seq.; (j) any other claims or penalties under the wage and hour laws pleaded in the Action; and (k) all damages, penalties, interest and other amounts recoverable under said claims, causes of action or legal theories of relief.

Release of PAGA Claim (aka the "Released PAGA Claim"). Also upon the Court's approval of the settlement, entry of Judgment, and Defendant's funding of the settlement, the settlement will bind the LWDA, Plaintiff, and all PAGA Group Members, and will bar them from bringing PAGA claims against Defendant and the Released Parties. Specifically, the LWDA, Plaintiff, and all PAGA Group Members will fully release and discharge the Released Parties of any and all causes of action and factual or legal theories for civil penalties, both potential and actual, that were alleged or reasonably could have been alleged based on the facts and theories of the operative complaints in the Action, including but not limited to claims for: (a) failure to pay minimum wages, including overtime wages; (b) failure to pay minimum wages; (c) failure to provide timely uninterrupted meal breaks; (d) failure to provide and/or authorize rest periods; (e) failure to provide safe working conditions; (f) waiting time penalties for failure to pay earned wages upon discharge; (g) failure to provide timely, accurate itemized wage statements; (h) failure to maintain complete and accurate payroll records; (i) any other claims for civil penalties under the wage and hour laws pleaded in the Action or that are based on the same predicate facts or primary rights associated with such laws; and (j) all statutory penalties and other amounts recoverable under said causes of action under California law, to the extent permissible, including but not limited to the California Labor Code and the applicable Wage Orders.

Released Parties. "Released Parties" means Defendant and all of Defendant's current or former parent companies, including Gold Coast Baking Company, LLC, subsidiary companies, and/or related companies, partnerships, joint ventures, affiliates, divisions, and/or staffing agencies, and, with respect to each of them, all of their and/or such related entities' predecessors and successors, and, with respect to each such entity, all of its past, present, and/or future, direct and/or indirect, employees, officers, partners, principals, directors, stockholders, managers, owners, representatives, assigns, attorneys, agents, insurers,

employee benefit programs (and the trustees, administrators, fiduciaries, and insurers of such programs), investors, and any other persons acting by, through, under, or in concert with any of the persons or entities listed in this subsection, and their successors.

Conditions of Settlement. This settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the settlement as fair, reasonable, adequate, and in the best interests of the Settlement Class, and the entry of Judgment.

V. What options do I have?

- A. **Do Nothing and Participate in the settlement.** Under the settlement, you will automatically receive an Individual Settlement Award unless you exclude yourself from the settlement by following the opt-out procedure set forth below. If you disagree with the number of Qualifying Workweeks, as described in this Notice, you may dispute the allocation of the settlement without excluding yourself or objecting, as described above. It is the responsibility of all Class Members to ensure that the Settlement Administrator has your current address on file, or you may not receive important information or an Individual Settlement Award.

If you are a current employee, your decision as to whether or not to participate in this settlement will not be considered by Defendant, who will not take any adverse employment action against you based on your participation in the settlement.

- B. **Exclude Yourself from the Class Claims in the settlement.** If you **do not** wish to take part in the release of the Class Claims in the settlement, you may exclude yourself by sending to the Settlement Administrator a “Request for Exclusion from the Class Action Settlement” letter postmarked no later than [REDACTED], 2025 with your full name, address, telephone number, last four digits of your social security number or your date of birth, and signature. The Request for Exclusion should state:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE GONZALEZ V. GOLD COAST BAKERIES, LLC, LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THE CLASS CLAIMS IN THIS LAWSUIT.”

Send the Request for Exclusion directly to the Settlement Administrator via U.S. Mail to [ADDRESS], postmarked **no later than** [REDACTED], 2025. Any person who files a timely Request for Exclusion from the Class Action Settlement, upon receipt: (1) will not have any rights under this settlement with respect to the Class Claims, including the right to object, appeal or comment on the settlement; (2) will not be entitled to receive any money for the Class Claims under this settlement; and (3) will not be bound by this settlement, or the Judgment, with respect to the Class Claims. You still will be bound by this settlement with respect to the release of the PAGA Claim.

- C. **Object to settlement.** You also have the right to object to the terms of the settlement with respect to the Class Claims if you believe they are unfair or unreasonable. However, if the Court rejects your objection, you will still be bound by the terms of the settlement. If you wish to object to the Class Claims portion of the settlement, you must submit a written objection stating your full name, address, telephone number, dates of employment at Defendant, the case name and number, the name and address of your attorney(s) if you are represented, and each specific reason in support of your objection. You must also include documentation or evidence in support of the objection, if any. Objections must be in writing and mailed to the Settlement Administrator, [ADDRESS], **by no later than** [REDACTED], 2025. Objections that do not include all required information, or that are not submitted timely, may not be considered by the Court. **You need not object to the settlement if you only dispute the number of Qualifying Workweeks.**

If you choose to object to the Class Claims portion of the settlement, you may also appear at the Final Approval Hearing scheduled for [REDACTED], 2025, at [REDACTED] a.m. in Department [REDACTED] of the Orange County Superior Court, located at [REDACTED]. You have the right to appear either in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the settlement must file a notice of appearance with the Court and serve counsel for all parties on or before [REDACTED], 2025. All objections or other

correspondence must state the name and number of the case. If you wish to appear at the Final Approval Hearing, please contact Class Counsel or the Settlement Administrator in advance of the scheduled hearing to ensure that the hearing has not been continued by the Court.

If you object to the settlement, you will remain a Class Member, and if the Court approves the settlement, you will be bound by the terms of the settlement in the same way as Class Members who do not object.

VI. What is the effect of the settlement?

Released Rights and Claims. The settlement is intended to settle all claims against the Released Parties that were asserted or could have been asserted in the Lawsuit regarding the alleged violations of wage and hour laws. If you were employed by Defendant in California at any time during the Class Period and do not elect to exclude yourself from the Settlement Class, you will be deemed to have entered into this Release and to have released the above-described Released Class Claims. All PAGA Group Members will be deemed to have entered into a release of the Released PAGA Claim. If the settlement is not approved by the Court or does not become final for some other reason, the Lawsuit may continue and the releases will not take effect.

VII. What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the settlement, and Class Counsel's request for attorneys' fees and reimbursement of documented litigation costs and the Class Representative Enhancement to Plaintiff on [REDACTED], 2025 at XX a.m. in Department XX of the Orange County Superior Court, located at XX.

You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

VIII. How can I get additional information?

This Notice is only a summary of the Lawsuit and the settlement. For more information, you may inspect the Court's files and the Joint Stipulation Re: Class Action Settlement at the Office of the Clerk, Orange County Superior Court, XX, during regular court hours. You may also contact Class Counsel or the Settlement Administrator using the contact information listed above for more information.

IX. Reminder as to time limits.

Class Members do not have to take any further action to participate in the settlement. The deadline for submitting a Request for Exclusion from the Settled Class Claims is [REDACTED], 2025. The deadline for mailing an objection to the Settlement Administrator is [REDACTED], 2025. These deadlines will be strictly enforced.

**PLEASE DO NOT CALL OR WRITE THE COURT
FOR INFORMATION ABOUT THIS SETTLEMENT.**