

STIPULATION OF SETTLEMENT

This Stipulation of Settlement (“Settlement Agreement” or “Settlement”) is reached by and between Plaintiff Jose I. Vasquez Carranza (“Plaintiff”), individually and on behalf of all members of the Settlement Class (defined below) and the PAGA Allegedly Aggrieved Employees (defined below), on the one hand, and Defendant Fantasy Cookie Corporation (“Fantasy Cookie” or “Defendant”), on the other hand. Plaintiff and Defendant are referred to herein collectively as the “Parties.” Plaintiff, the Settlement Class, and the PAGA Employees are represented by Amir Nayebedadash, Heather Davis, and S. Emi Minne of Protection Law Group LLP (“Class Counsel”). Fantasy Cookie is represented by Joshua Mizrahi and Graham G. Lambert of Buchalter, APC (“Defense Counsel”).

Plaintiff filed a class action complaint against Fantasy Cookie in Los Angeles County Superior Court (the “Court”), titled *Jose I. Vasquez Carranza v. Fantasy Cookie Corporation*, Case No. 21STCV08877, on March 5, 2021 (the “Lawsuit”). Plaintiff thereafter filed a First Amended Complaint on June 21, 2021. The operative First Amended Complaint (“Complaint”) alleges that Defendant (1) failed to pay overtime wages owed; (2) failed to provide meal periods and premium pay for non-compliant meal periods; (3) failed to authorize and permit rest periods and premium pay for non-compliant rest periods; (4) failed to pay all minimum wages owed; (5) failed to reimburse all reimburse business expenses; (6) failed to pay all wages due at separation; and (7) failed to issue accurate itemized wage statements. Based on the foregoing alleged violations the Complaint also alleges that Fantasy Cookie engaged in unlawful business practices pursuant to California Business & Professions Code § 17200 *et seq.* and is liable for civil penalties pursuant to the Private Attorneys General Act of 2004 (“PAGA”), California Labor Code § 2698 *et seq.*

Given the uncertainty of litigation, Plaintiff and Defendant wish to settle both individually and on behalf of the Settlement Class, PAGA Allegedly Aggrieved Employees and the State of California. Accordingly, Plaintiff and Defendant agree as follows:

1. **Settlement Class.** For purposes of this Settlement Agreement only, Plaintiff and Fantasy Cookie stipulate to the certification of a “Settlement Class”, defined as:

All current and former non-exempt employees of Defendant employed by Defendant in the State of California at any time during the Class Period.

The “Class Period” shall be defined as commencing on March 5, 2017 and ending on September 24, 2021.

“Participating Class Members” shall refer to all members of the Settlement Class who do not submit a valid request to be excluded from the Settlement.

The Parties agree that certification of the Settlement Class for purpose of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure in a non-settlement context. If for any reason this Settlement is not approved or is terminated, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into the Settlement.

2. **PAGA Allegedly Aggrieved Employees.** For purposes of this Settlement Agreement only, Plaintiff and Fantasy Cookie agree to settle with the “PAGA Allegedly Aggrieved Employees,” defined as:

All current and former non-exempt employees employed by Defendant in the State of California during the PAGA Period.

PAGA Period shall be defined as commencing on February 24, 2020 and ending on September 24, 2021.

3. **Releases.**

- A. **Release by Settlement Class.** Upon remittance of the Gross Settlement Amount by Defendant to the Settlement Administrator, Plaintiff and every Participating Class Member will unconditionally and irrevocably forever release and discharge Fantasy Cookie, and its current and former members, managers, owners, shareholders, officers, directors, employees, attorneys, representatives, agents, benefit plans, parent companies, subsidiaries, affiliates, related entities, successors, and assigns (“Released Parties”) from any and all claims, causes of action, damages, wages, benefits, expenses, penalties, debts, liabilities, losses, agreements, compensation, demands, obligations, attorneys’ fees, costs, and any other form of relief or remedy in law, equity, or whatever kind or nature, which have been alleged in the Complaint, or that could have been alleged based on the factual allegations in the Complaint, including claims for (i) failure to pay overtime wages under Cal. Labor Code §§ 510 and 1198; (ii) failure to provide meal periods under Cal. Labor Code §§ 226.7 and 512, and Industrial Welfare Commission Wage Order Nos. 1-2001, 5-2001, and 7-2001; (iii) failure to authorize and permit rest breaks under Cal. Labor Code §§ 226.7 and Industrial Welfare Commission Wage Order Nos. 1-2001, 5-2001, and 7-2001; (iv) failure to pay minimum wages under Cal. Labor Code §§ 1194, 1192.4, 1197, 1197.1 (v) failure to pay all wages upon termination under Cal. Labor Code §§ 201-203; (vi) failure to provide accurate wage statements under Cal. Labor Code §§ 226, 1174, 1175; (vii) failure to reimburse all necessary business expenses under Cal. Labor Code §§ 2800 and 2802; (viii) failure to maintain required payroll records; (ix) and claims for unfair competition (Cal. Bus. & Prof. Code § 17200 *et seq.*) based on the above violations and/or Labor Code §§ 204, 221, 226.3, 558, and 1199. (“Class Released Claims”)

The Class Released Claims shall run from March 5, 2017 through September 24, 2021.

- B. **Release of PAGA Claims:** In addition, upon remittance of the Gross Settlement Amount by Defendants to the Settlement Administrator, Plaintiff, all PAGA Allegedly Aggrieved Employees, the LWDA, and the State of California unconditionally and irrevocably forever release and discharge the Released Parties from any and all claims for PAGA civil penalties that could have been premised on the claims, causes of action, or legal theories described above or any of the claims, causes of action, or legal theories of relief pleaded in the operative Complaint. (“PAGA Released Claims”). The PAGA Released Claims shall run for the duration of the PAGA Period. All PAGA Allegedly Aggrieved Employees

shall release PAGA Release Claims regardless of whether they request to be excluded from the Class Settlement.

4. **Gross Settlement Amount.** As consideration, Fantasy Cookie shall pay a “Gross Settlement Amount” or “GSA” of Eight Hundred Fifty Thousand Dollars and Zero Cents (\$850,000.00) in full and complete settlement of this matter, as follows:
 - A. The Parties have agreed to engage ILYM Group, Inc. (“ILYM”) as the “Settlement Administrator” to administer this Settlement.
 - B. The Gross Settlement Amount shall be deposited with the Settlement Administrator within fourteen (14) calendar days after the Effective Date. Fantasy Cookie shall also provide all necessary information for the Settlement Administrator to calculate the necessary payroll taxes, including its official name, 8 digit state unemployment insurance tax ID number, and other information requested by the Settlement Administrator no later than fourteen (14) calendar days of the Effective Date. The Effective Date shall be the later of the following: (a) if no timely objections are filed or if all objections are withdrawn, the date upon which the Court enters Final Approval; (b) if an objection is filed and not withdrawn, the day after the last day to file if no appeal is filed; or (c) if any timely appeals are filed, the date of the resolution (or including withdrawal) of the last such appeal in a way that does not alter the terms of the settlement. For purposes of this Settlement, “Final Approval” means the date the Court enters an order granting final approval of the Settlement.
 - C. This is a non-reversionary settlement. The Gross Settlement Amount includes:
 - (1) All payments (including interest) to the Participating Class Members;
 - (2) All payments (including interest) to the PAGA Employees;
 - (3) All costs of the Settlement Administrator and settlement administration, which are anticipated to be no greater than \$10,000.00
 - (4) Up to \$7,500.00 for Plaintiff’s Class Representative Incentive Award, in recognition of his contribution to the Lawsuit and his service to the Settlement Class;
 - (5) Class Counsel attorney fees of 35% of the GSA (i.e., \$297,500.00), plus litigation costs and expenses incurred by Class Counsel in relation to the Lawsuit as supported by declaration, in an amount not to exceed \$20,000.00. In the event the Court reduces or does not approve the requested Class Counsel attorneys’ fees and costs, Class Counsel shall not have the right to revoke this settlement, and it will remain binding (although Class Counsel will retain the right to appeal the Court’s award if it is less than amount sought);
 - (6) The Parties have set aside \$85,000.00 of the Gross Settlement Amount as PAGA civil penalties. Per Labor Code § 2699(i), 75% of such penalties, or

\$63,750.00, will be payable to the Labor & Workforce Development Agency ("LWDA"), and the remaining 25%, or \$21,250.00, will be payable to certain of the PAGA Allegedly Aggrieved Employees as the "PAGA Amount," based on the allocation described below.

- D. Fantasy Cookie's share of payroll taxes on any wage portion of the payments to the Settlement Class shall be paid by Fantasy Cookie separately from, and in addition to, the Gross Settlement Amount.
- E. The Gross Settlement Amount is based on Fantasy Cookie's representation that the Settlement Class worked a total of 21,168 Workweeks during the Class Period. Should the total Workweeks worked by the Settlement Class during the Class Period ultimately increase by more than 10% (i.e., by more than 2,117 Workweeks), Defendant shall increase the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the total number of Workweeks worked by the Settlement above 10%. For example, if the number of Workweeks increases by 11% to 23,496 Workweeks, the Gross Settlement Amount will increase by 1%. For purposes of this Settlement, "Workweek" refers to any calendar week (i.e., a week beginning with Sunday and ending with Saturday), in which a Settlement Class Member or PAGA Allegedly Aggrieved Employee worked at least one (1) day.

5. **Payments to the Settlement Class and PAGA Employees.** Settlement Class members and PAGA Allegedly Aggrieved Employees are not required to submit a claim form to receive a payment from the Settlement.

The amounts to be paid to Participating Class Members and PAGA Allegedly Aggrieved Employees from the Settlement will be determined and paid as follows:

- A. The Settlement Administrator shall first deduct from the Gross Settlement Amount the amounts approved by the Court for Class Counsel's attorneys' fees, Class Counsel's costs and expenses, Plaintiffs' Class Representative Incentive Award, the Settlement Administrator's administration costs, and the PAGA Amount. The remaining amount shall be known as the "Net Settlement Amount" or "NSA."
- B. Individual Settlement Shares to Participating Class Members from the Net Settlement Amount: The Net Settlement Amount, (estimated to be \$430,000.00) shall be allocated to Participating Class Members only. The Settlement Administrator will calculate each Participating Class Member's payment from the NSA based on the following formula:
 - i. Payments to Participating Class Members: The Net Settlement Amount will be distributed to all Participating Class Members on a pro-rata basis based on each Participating Class Member's proportionate Workweeks worked during the Class Period, by multiplying the Net Settlement Amount by a fraction, the numerator of which is the Participating Class Member's number of Workweeks worked during the Class Period, and the

denominator of which is the total Workweeks worked by all Participating Class Members during the Class Period. ("Individual Settlement Share.")

- C. PAGA Payment: \$85,000.00 of the GSA has been designated as the "PAGA Amount," as described above. Of that 75% (\$63,750.00) shall be allocated as payment to the LWDA and 25% (\$21,250.00) shall be allocated to the PAGA Allegedly Aggrieved Employees. Each PAGA Allegedly Aggrieved Employee who worked for Fantasy Cookie during the PAGA Period shall receive a portion of the \$21,250.00 in proportion to the number of pay periods worked by the PAGA Allegedly Aggrieved Employee during the PAGA Period, and which will be calculated by multiplying the \$21,250.00 by a fraction, the numerator of which is the PAGA Allegedly Aggrieved Employee's number of pay periods worked as a non-exempt employee for Fantasy Cookie in California during the PAGA period, and the denominator of which is the total number of pay periods worked by all PAGA Allegedly Aggrieved Employees as non-exempt employees for Fantasy Cookie in California during the PAGA Period. (the "PAGA Individual Payment.") All Allegedly Aggrieved Employees shall receive a PAGA Individual Payment irrespective of whether or not they request to be excluded from the class settlement.
- D. Within five (5) business days of the Effective Date the Settlement Administrator will calculate the final Individual Settlement Shares and Individual PAGA Payments (including the Defendants' share of payroll taxes from the Settlement Class payments), and provide the same to Class Counsel and Defense Counsel for review and approval. Class Counsel and Defense Counsel shall provide their approval within five (5) business days of receiving the Settlement Administrator's final calculations. Within seven (7) calendar days of funding of the Gross Settlement Amount Settlement Administrator will prepare and mail Individual Settlement Shares and Individual PAGA Payments, less applicable taxes and withholdings for payments to the Settlement Class, to Participating Class members and the PAGA Allegedly Aggrieved Employees, as well as the Incentive Award to Plaintiff, Class Counsel's attorney's fees and costs, and the PAGA payment to the LWDA. The Settlement Administrator shall simultaneously pay all applicable withholdings to the applicable authorities with the necessary reports, submitting copies to Defense Counsel. Fantasy Cookie shall also remit the employer's share of payroll taxes within this time frame to the Settlement Administrator, who shall promptly transmit such sum to the appropriate taxing authorities.
- E. For purposes of calculating applicable taxes and withholdings for payments to Participating Class Members, each Individual Settlement Share shall be allocated as follows: twenty percent (20%) as wages; forty percent (40%) as penalties; and forty percent (40%) as interest. For purposes of calculating applicable taxes and withholdings for PAGA Employees, each PAGA Individual Payment shall be allocated one hundred percent (100%) as penalties. The Settlement Administrator will be responsible for issuing to participating Settlement Class Members and PAGA Allegedly Aggrieved employees an IRS Form W-2 for amounts deemed "wages" and an IRS Form 1099 for the portions allocated as penalties and

interest. As stated above, Fantasy Cookie is responsible for its share of the payroll taxes on the wages portion of the Individual Settlement Shares, and these taxes will not be deducted from the Gross Settlement Amount. Notwithstanding the treatment of the payments to each Participating Class Member and/or PAGA Allegedly Aggrieved Employee above, none of the payments called for by this Settlement Agreement, are to be treated as earnings, wages, pay, or compensation for any purpose of any applicable bonus, benefit or retirement plan to which any Participating Class Member may be eligible, including, but not limited to, profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan, unless required by such plans. Rather, it is the Parties' intention that this Settlement will not affect any rights, contributions, or amounts to which any Participating Class Members may be entitled under any benefit plans.

F. Each Participating Class Member and PAGA Allegedly Aggrieved Employee who is mailed an Individual Settlement Share and/or Individual PAGA Payment must cash their check within 180 days from the date the Settlement Administrator issues it. The Individual Settlement Share and Individual PAGA Payment checks shall prominently state that the check will expire in one hundred eighty (180) days, or alternatively, such a statement may be made in a letter accompanying the check(s). Any funds payable to participating Settlement Class members and PAGA Employees whose checks were not cashed within 180 days after mailing will be deposited by the Settlement Administrator with the California State Controller to be deposited in the Unclaimed Property Fund, to be held pursuant to California Civil Code § 1500, et seq., in the name of the Participating Class Member or PAGA Employee who did not cash their check(s). The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to Participating Class Members and PAGA Allegedly Aggrieved Employees, whether or not they all cash their settlement checks. Therefore, Defendant will not be required to pay any interest on such amounts.

G. Neither Plaintiff nor Fantasy Cookie nor their respective counsel shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

6. **Attorneys' Fees and Costs.** Class Counsel will request a total award of attorneys' fees of 35% of the Gross Settlement Amount (i.e., \$297,500.00), plus actual costs and expenses as supported by declaration in an amount not to exceed \$20,000.00. Fantasy Cookie shall not object to, oppose, or impede any application or motion by Plaintiff or Class Counsel for attorneys' fees and costs in these amounts. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. The Settlement Administrator will mail Class Counsel the attorneys' fees and cost award when it mails the Individual Settlement Shares. The

Settlement Administrator will issue Class Counsel IRS Forms 1099 when the Settlement Administrator pays the fee and cost award allowed by the Court. Any attorneys' fees and costs provided for by this Settlement which are not approved by the Court shall become part of the Net Settlement Amount to be distributed to Participating Class Members.

7. **Class Representative Incentive Award.** Plaintiff will request a Class Representative Incentive Award of \$7,500.00 to Plaintiff from the Gross Settlement Amount for Plaintiff's general release of claims, his time and risk in prosecuting this Lawsuit and his service to the Settlement Class. Fantasy Cookie shall not object to, oppose, or impede any application or motion by Plaintiff for a Class Representative Incentive Award in this amount. This award will be in addition to Plaintiff's Individual Settlement Share and Individual PAGA Payment as a Settlement Class member and PAGA Allegedly Aggrieved, Employee, and shall be reported on an IRS Form 1099 by the Settlement Administrator. The Settlement Administrator will mail Plaintiff the Class Representative Incentive Award and issue Plaintiff's IRS Forms 1099 when it mails the Settlement Shares. In the event the Court reduces or does not approve the Class Representative Incentive Award to Plaintiff, any amounts which are not approved by the Court shall become part of the Net Settlement Amount to be distributed to Participating Class Members.
 8. **Class Settlement Administrator.** The parties will request the appointment of ILYM Group, Inc. as Settlement Administrator. Fantasy Cookie will not object to, oppose or impede Plaintiff's application or motion to pay up to \$10,000.00 from the Gross Settlement Amount for the Settlement Administrator's services. To the extent the cost of the Settlement Administrator's services is ultimately less than \$10,000.00, the remainder shall become part of the Net Settlement Amount to be distributed to Participating Class Members. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Amount only after Individual Settlement Shares have been mailed to all participating Settlement Class members.
- The Parties agree to cooperate in the administration of the Settlement and to make all reasonable efforts to control and minimize the expenses incurred in administration of the Settlement. The Settlement Administrator shall provide the following services:
- A. Establishing and maintaining a Qualified Settlement Fund.
 - B. Calculating Individual Settlement Shares for each Participating Class Member.
 - C. Calculating Individual PAGA Payments to PAGA Allegedly Aggrieved Employees.
 - D. Translating the Class Notice and Notice of Estimated Settlement Award (attached hereto as Exhibits A and B, collectively "Notice Packet") from English to Spanish.
 - E. Printing and mailing the Notice Packet to the Settlement Class and PAGA Allegedly Aggrieved Employees.
 - F. Performing address searches, as detailed more fully below, including conducting additional address searches and skip traces for any Notice Packets that are subsequently returned as undeliverable.

- G. Processing Exclusion Letters and Objections from Settlement Class Members.
 - H. Responding to inquiries from Settlement Class members and PAGA Allegedly Aggrieved Employees.
 - I. Printing and issuing Settlement payment checks.
 - J. Preparing and IRS W2 and 1099 tax forms and any other filings required by any governmental taxing authority for all amounts paid pursuant to the Settlement, and forwarding all payroll taxes and penalties to the appropriate government authorities.
 - K. Providing declarations and/or other information to Counsel for the Parties and the Court as requested by the Parties and/or the Court.
 - L. Providing weekly status reports to counsel for the Parties which certify: (1) the number of Settlement Class Members who have submitted requests for exclusion or objections, (2) the number of re-mailed and/or undeliverable Notice Packets, and (3) whether any Settlement Class Members has submitted a dispute to any information contained in the Notice Packet.
 - M. Providing a notice of final judgment, after Final Approval, online at the Settlement Administrator's website for a period of sixty (60) days pursuant to California Rules of Court, Rule 3.769.
 - N. Performing all other duties as described in this Settlement and as necessary to complete administration of the Settlement.
9. **Preliminary Approval.** Within a reasonable time after execution of this Settlement Agreement by the Parties, Plaintiff shall file a Motion for Preliminary Approval of the Settlement, and request that the Court enter an Order:
- A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;
 - B. Appointing Amir Nayebdadash, Heather Davis, S. Emi Minne of Protection Law Group, LLP as Class Counsel;
 - C. Appointing Plaintiff as Class Representative for the Settlement Class;
 - D. Approving ILYM Group, Inc. as Settlement Administrator;
 - E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
 - F. Approving the form and content of the Notice Packet (which is comprised of the Class Notice and the Notice of Estimated Settlement Award, attached hereto as Exhibits A and B, respectively), and directing the mailing of same; and
 - G. Scheduling a Final Approval hearing.

Defendant Fantasy Cookie shall either file a notice of non-opposition that states it either joins in Plaintiff's Motion for Preliminary Approval or it will not file any response to Plaintiff's unopposed Motion for Preliminary Approval. Any failure by the Court to fully and completely approve the Agreement as to the Action, or the entry of any Order by another Court with regard to any of the Action which has the effect of preventing the full

and complete approval of this Settlement Agreement as written and agreed to by the Parties, will result in this Settlement Agreement and the Memorandum of Understanding entered into by the Parties, and all obligations under this Settlement Agreement and the Memorandum of Understanding being nullified and voided only after the Parties have returned to mediation to attempt to reconcile the issues raised by the Court for the grounds for the denial.

10. **Employee Data.** Within fourteen (14) business days after entry of an order preliminarily approving this Agreement, Fantasy Cookie will provide the Settlement Administrator with the full name, last known address, last known phone number, social security number, dates of employment for the Class Period and PAGA Period, the number of Workweeks worked in California during the Class Period for each Settlement Class member, the number of pay periods worked during the PAGA Period for each PAGA Employee, and any other information required by the Settlement Administrator in order to effectuate the Settlement (the "Employee Data"). This is a material term of the Settlement, and if Fantasy Cookie fails to comply, Plaintiff shall have the right to void the Settlement.
11. **Notice to Settlement Class.**
 - A. Within seven (7) calendar days from receipt of the Class Data, the Settlement Administrator shall (i) run the names of all Settlement Class members and PAGA Allegedly Aggrieved Employees through the National Change of Address ("NCOA") database to determine any updated addresses for Settlement Class members and PAGA Allegedly Aggrieved Employees; (ii) update the addresses of any Settlement Class member and PAGA Allegedly Aggrieved Employee for whom an updated address was found through the NCOA search; (iii) calculate the estimated Individual Settlement Share for each Settlement Class member and Individual PAGA payment for each PAGA Allegedly Aggrieved Employee; (iv) provide Class Counsel and Defense Counsel with (a) the number of Settlement Class members, the number of PAGA Allegedly Aggrieved Employees as well as the Settlement Administrator's estimated Individual Settlement Shares and Individual PAGA Payment for each Settlement Class member and PAGA Allegedly Aggrieved Employee (with the names of Settlement Class members and PAGA Allegedly Aggrieved Employees anonymized) and (b) formatted versions of the Notice Packets to be sent to Settlement Class members and PAGA Allegedly Aggrieved Employees; and (v) after receiving approval from all counsel, mail a Notice Packet (in English and Spanish) to each Settlement Class member PAGA Allegedly Aggrieved Employee at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing. The Parties shall provide their approval of or revisions to the Settlement Administrator's format versions of the Notice Packets within five (5) business days of receipt from the Settlement Administrator. The envelope containing the Notice Packet shall contain the following statement on its face, in bold print "IMPORTANT LEGAL DOCUMENT – YOU ARE ENTITLED TO MONEY FROM A CLASS ACTION SETTLEMENT."
 - B. Requests for Exclusion. Any Settlement Class member who wishes to opt-out of the settlement must complete and return an Exclusion Letter (defined below) to

the Settlement Administrator by either mail, facsimile or e-mail on or before sixty (60) calendar days after the date of the initial mailing of the Notice Packets (the "Response Deadline").

- i. The Notice Packet shall state that Settlement Class members who wish to exclude themselves from the settlement must submit an Exclusion Letter by the Response Deadline by either mail, facsimile or e-mail. The Exclusion Letter is a document prepared by the Settlement Class member that must: (1) contain the Settlement Class member's name, address, telephone number, and last four digits of his/her Social Security number; (2) contain a statement that the Settlement Class member wishes to be excluded from the Settlement; (3) be signed by the Settlement Class member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice.
- ii. If a Settlement Class member's Exclusion Letter is defective as to any of the foregoing requirements, that Settlement Class member will be given an opportunity to cure the defect. The Settlement Administrator shall mail the Settlement Class Member a cure letter within three (3) business days of receiving the defective Exclusion Letter to advise the Settlement Class Member that their submission is defective. An Exclusion Letter will not be presumptively invalidated if it does not comply with all of the foregoing requirements will have until the later of (a) the Response Deadline or (b) fifteen (15) calendar days from the date of the cure letter, whichever date is later, to return a corrected Exclusion Letter. An Exclusion Letter shall not be presumptively invalid if it does not contain all of the information requested if the Settlement Administrator can ascertain the identity of the class member and ascertain that the class member wants to opt-out. However, timeliness is still required and the date of the fax, email, or postmark will be deemed the exclusive means for determining that the Exclusion Letter is timely. Any dispute regarding the validity of a Request for Exclusion falls solely within the discretion of the Settlement Administrator unless both Parties stipulate otherwise..
- iii. Any Settlement Class member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement, will not be bound by the terms of the Settlement Agreement, and will not have any right to object, appeal, or comment thereon. Any Settlement Class Member who does not affirmatively request to be excluded by submitting a timely and valid Exclusion Letter will be bound by all terms of the Settlement, as well as any judgment that may be entered by the Court if it grants Final Approval of the Settlement. The Settlement Administrator will notify the Parties of the total number of Exclusion Letters received within seven (7) calendar days after the Response Deadline.
- iv. The Parties and their counsel agree not to take any action to encourage any Settlement Class member to opt out of or object to the settlement.

- v. A request for exclusion shall only apply to participation in the Settlement Class. A PAGA Allegedly Aggrieved Employee who timely submits a request for exclusion from the Settlement Class shall nonetheless remain bound to the portion of the agreement pertaining to PAGA, including releasing all claims under PAGA as described above and will still receive his or her Individual PAGA Payment. There is no right for PAGA Allegedly Aggrieved Employees to exclude themselves from the PAGA portion of this settlement.
 - vi. If more than 10% of the Class Members request to be excluded (“opt-out”) of the Settlement, Defendant may, in its sole discretion, withdraw from the settlement, subject to paying any Settlement Administration expenses incurred to date. Defendant shall meet and confer with Plaintiff’s counsel before withdrawing from the Settlement pursuant to this provision.
- C. Objections. Members of the Settlement Class who do not request exclusion may object to the Settlement Agreement by submitting a written objection to the Settlement Administrator by mail, facsimile or e-mail, as explained in the Class Notice. The Settlement Administrator shall, within two (2) business days of receipt, serve any written objection(s) as received on Class Counsel and Defense Counsel, Class Counsel shall then promptly file all such objections with the Court. Defense Counsel and Class Counsel shall file and serve any responses to written objections no later than five (5) calendar days prior to the Final Approval hearing. To be valid, any written objection must: (1) contain the objecting Settlement Class member’s full name, current address, and telephone number, as well as, if applicable, contact information for any attorney representing the objecting Settlement Class member for purposes of the objection; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence supporting the objection; and (4) be submitted to the Settlement Administrator no later than the Response Deadline. Objections will not be presumptively invalidated if they do not comply with all of the foregoing requirements if the Settlement Administrator can ascertain the identity of the Settlement Class member and ascertain that the Settlement Class member wants to object. However, timeliness is still required and the date of the fax, email, or postmark will be deemed the exclusive means for determining whether the Objection is timely. Any dispute regarding the validity of an Objection falls solely within the discretion of the Settlement Administrator unless both Parties stipulate otherwise. A Settlement Class member who wishes to submit a written object but who fails to comply with the procedures set forth herein and/or in the Class Notice shall nonetheless be permitted to appear and object at the Final Approval Hearing in order to have their objections heard by the Court. Any attorney who intends to represent an objecting Settlement Class member at the Final Approval hearing must submit a Notice of Appearance to the Court and serve it on all Parties on or before the Response Deadline.
- D. Notice of Estimated Settlement Award / Disputes. Each Notice Packet mailed to Settlement Class members and PAGA Allegedly Aggrieved Employees shall

contain a Notice of Estimated Settlement Award, in which shall be disclosed the amount of the Settlement Class member's and/or PAGA Allegedly Aggrieved Employee's estimated Individual Settlement Share and/or Individual PAGA Payment as well as all of the information that was used from Fantasy Cookie's records in order to calculate the Individual Settlement Share and Individual PAGA Payment, including the number of Workweeks and pay periods worked in California during the Class Period and PAGA Period. Settlement Class members and PAGA Allegedly Aggrieved Employees will have the opportunity, should they disagree with Fantasy Cookie's records regarding the information stated in their Notice of Estimated Settlement Award, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be submitted to the Settlement Administrator by mail, facsimile or email by the Response Deadline. The date of the fax, email, or postmark will be deemed the exclusive means for determining whether the dispute is timely. If there is a dispute, the Settlement Administrator will consult with counsel for the Parties to determine whether an adjustment to the Individual Settlement Share or Individual PAGA Payment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Share under the terms of this Settlement. The Settlement Administrator's determination of the eligibility for and amount of any Settlement Share shall be binding upon the Settlement Class member/PAGA Allegedly Aggrieved Employee and the Parties.

- E. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within three (3) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member/PAGA Allegedly Aggrieved Employee within two (2) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class member/PAGA Allegedly Aggrieved Employee. It will be conclusively presumed that, if an envelope so mailed has not been returned within thirty (30) days of the mailing, the Notice Packet was received. Settlement Class members/PAGA Allegedly Aggrieved Employees to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline, whichever is later, to submit an Exclusion Letter, Objection, or dispute, as applicable. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline, if applicable. If a Settlement Class member's Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet need not be mailed. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defense Counsel to provide notice of the proposed settlement.

12. **Final Approval.** Following preliminary approval and the close of the period for submitting Exclusion Letters, Objections, or disputes under this Settlement Agreement, a final fairness hearing will be conducted to request Final Approval of the Settlement and entry of Final Judgment. In advance of the final fairness hearing, Plaintiff shall file a Motion for Final Approval, requesting that the Court enter an Order:

- A. Granting final approval of the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;
- B. Approving Plaintiff's and Class Counsel's application for attorneys' fees, costs, Class Representative Incentive Award, and settlement administration costs;
- C. Order disbursement of Individual Settlement Shares to Participating Class Members and Individual PAGA Payments to PAGA Allegedly Aggrieved Employees; and
- D. Entering judgment pursuant to California Rule of Court 3.769.

Defendant Fantasy Cookie shall either file a notice of non-opposition that states it either joins in Plaintiff's Motion for Final Approval or it will not file any response to Plaintiff's unopposed Motion for Final Approval. Fantasy Cookie shall be provided five (5) days to review the Motion for Final Approval and for the Parties to resolve any concerns Fantasy Cookie may have regarding the motion.

13. **Non-Admission of Liability.** Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code § 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code § 1152. Should the Court fail to approve this settlement for any reason, the Parties agree that they will return to and attend mediation with Marc Feder, Esq. in an effort to reach a settlement that may be approved by the Court.

14. **Nondisclosure and Nonpublication.** The Parties and their counsel agree to keep the terms of the Settlement confidential until the filing of Plaintiff's Motion for Preliminary Approval. Plaintiff and Class Counsel further agree that they will not at any time issue any press releases, initiate any contact with the press, respond to any press inquiry or have any communication with the press about the Action and/or the fact, amount or terms of the Settlement. In addition, Plaintiff and Class Counsel agree that they will not engage in any advertising or distribute any marketing materials relating to the Settlement, including but not limited to any postings on any websites maintained by Class Counsel; provided, however, that Class Counsel may state that it has settled a class action claim against a company so long as neither Defendant, nor the Plaintiff are identified. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the names of the Parties in this Action, the venue/case number of this Lawsuit, and a general description of the Lawsuit,

to a court in a declaration by Class Counsel. Notwithstanding anything in this provision, Class Counsel can discuss the Settlement with Plaintiff and with Class Members and can include it in all necessary Court and ancillary documents supporting the resolution of this Action. Nothing in this paragraph is intended to interfere with Class Counsel's duties and obligations to faithfully discharge their duties as Class Counsel, including but not limited to, communicating with Class Members regarding the settlement.

15. **Continuing Jurisdiction.** Except as otherwise specifically provided for herein, the Court shall retain jurisdiction to construe, interpret and enforce this Settlement, to supervise all notices and the administration of the Settlement, to hear and adjudicate any dispute arising from or related to the Settlement, and over any post-judgment matters as may be appropriate under court rules or as set forth in the Settlement. The Parties agree that the Court has jurisdiction over the Settlement pursuant to California Code of Civil Procedure, Section 664.6.
16. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by counsel for all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.
17. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Fantasy Cookie: Joshua Mizrahi and Graham G. Lambert, Buchalter, APC, 1000 Wilshire Boulevard, Suite 1500, Los Angeles, CA 90017; jmmizrahi@buchalter.com; glambert@buchalter.com

if to Plaintiff: Heather Davis and Amir Nayebdadash, Protection Law Group, LLP, 237 California St., El Segundo, CA 90245; heather@protectionlawgroup.com; amir@protectionlawgroup.com; emi@protectionlawgroup.com; Telephone: 424-290-3095
18. **Applicable Law.** All terms and conditions of this Settlement Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law or choice of law principles.
19. **Captions and Interpretations.** Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or any provision hereof. Each term of this Agreement is contractual and not merely a recital.
20. **Exhibits Incorporated By Reference.** The terms of this Settlement include the terms set forth in any attached Exhibits, which are incorporated by reference as though fully set forth herein. Any Exhibits to this Settlement are an integral part of this Settlement.

21. **Entire Agreement.** This Settlement Agreement, and any attached exhibits, contain the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof. No prior or contemporaneous written or oral agreements may be deemed binding on the Parties.
22. **Authorization to Enter into Settlement Agreement.** Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement.
23. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically. All of said executed counterparts taken together, including facsimile and scanned copies of signature pages and signatures obtained via electronic signature platform (i.e., DocuSign), shall be deemed to constitute one and the same instrument.
- Cooperation in Drafting.** The Parties have cooperated arms-length negotiations in the drafting and preparation of this Settlement, and have had a full opportunity to negotiate the terms and conditions of this Settlement. This Settlement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
24. **Agreement to Cooperate.** The Parties agree to cooperate to promote participation in the Settlement, and in seeking court approval of the Settlement. The Parties and their counsel agree not to take any action to encourage any Settlement Class members to opt out of and/or object to the Settlement. Defendant agrees not to obtain any settlement agreement waivers, Pick Up Stix agreements or arbitration agreements covering the Class Period from any Settlement Class member prior to the funding of the Gross Settlement Amount concerning claims released via this Agreement, or enter into any arbitration agreement with any Settlement Class member that covers the claims released via this Agreement during the Settlement approval process prior to the funding of the Gross Settlement Amount and that the Parties will work in good faith to reach an agreement approved by the Court. If for any reason the Court fails to approve this Settlement for any reason, the Parties agree that they will attend another session of private mediation with Marc Feder, Esq. in an effort to reach a settlement that is approved by the Court.
25. **Voluntary Agreement.** The Parties acknowledge that they have entered into this Settlement Agreement voluntarily, on the basis of their own judgment and without coercion, duress, or undue influence of any Party, and not in reliance on any promises, representations, or statements made by the other Parties other than those contained in this Settlement Agreement. Each of the Parties hereto expressly waives any right she/it might ever have to claim that this Settlement Agreement was in any way induced by fraud.
26. **Representation by Counsel.** The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and

that this Agreement has been executed with the consent and advice of counsel and reviewed in full.

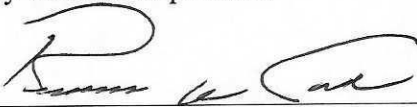
27. **Binding on Successors and Assigns.** This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.
28. **Acknowledgement that the Settlement is Fair and Reasonable.** The Parties have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.
29. **Neutral Employment Reference.** Fantasy Cookie agrees that it will adopt a neutral reporting policy regarding any future employment references related to Plaintiff. In the event that any potential or future employers of Plaintiff requests a reference regarding Fantasy Cookie's employment of Plaintiff, Fantasy shall only provide Plaintiff's dates of employment, job titles during employment, and final rate of pay. Fantasy Cookie shall not refer to the Action or this Settlement.
30. **Circular 230 Disclaimer.** Plaintiff and Fantasy Cookie acknowledge and agree that: (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department circular 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or advisor to any other party to avoid any tax penalty that may be imposed on the acknowledging party, and (3) no attorney or advisor to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.
31. **Waiver of Certain Appeals.** The Parties agree to waive appeals and to stipulate to class certification for purposes of this Settlement only; except, however, that either party may appeal any court order that materially alters the Settlement's terms.
32. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality provisions that otherwise might apply under federal or state law.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

[SIGNATURES ON FOLLOWING PAGE]

DATED: Nov 1, 2021

Fantasy Cookie Corporation

By: 

Name: RUSSELL M. CASE

Its: CEO

DATED: _____, 2021

Jose I. Vasquez Carranza

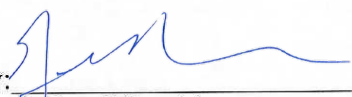
By: _____

Plaintiff and Class Representative

APPROVED AS TO FORM:

DATED: November 1, 2021

BUCHALTER, APC

By: 

Joshua Mizrahi

Graham G. Lambert

Attorneys for Defendant Fantasy

Cookie Corporation

DATED: _____, 2021

PROECTION LAW GROUP, LLP

By: _____

Heather Davis

Amir Nayebdadash

Attorneys for Plaintiff and the Settlement Class

DATED: _____, 2021

Fantasy Cookie Corporation

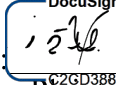
By: _____

Name: _____

Its: _____

DATED: 11/1/2021, 2021

Jose I. Vasquez Carranza

By:  _____
DocuSigned by:
62GD388B4FCB497
Plaintiff and Class Representative

APPROVED AS TO FORM:

DATED: _____, 2021

BUCHALTER, APC

By: _____

Joshua Mizrahi
Graham G. Lambert
Attorneys for Defendant Fantasy
Cookie Corporation

DATED: November 2, 2021

PROECTION LAW GROUP, LLP

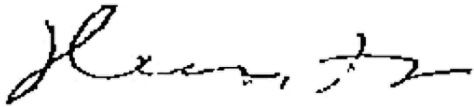
By:  _____
Heather Davis
Amir Nayebdadash
Attorneys for Plaintiff and the Settlement Class

EXHIBIT A

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

THIS IS NOTICE OF A PROPOSED CLASS ACTION SETTLEMENT

To: All current and former employees, who worked for Defendant Fantasy Cookie Corporation (“Fantasy Cookie” or the “Company”) in California from March 5, 2017 through September 24, 2021:

OFFICIAL COURT NOTICE

IMPORTANT PLEASE READ CAREFULLY

YOU DO NOT NEED TO TAKE ANY ACTION TO BE PAID AS PART OF THIS SETTLEMENT

YOU WILL BE PAID YOUR INDIVIDUAL CLASS SETTLEMENT AMOUNT UNLESS YOU EXCLUDE YOURSELF

[YOU WILL BE PAID YOUR INDIVIDUAL PAGA SETTLEMENT AMOUNT AND CANNOT EXCLUDE YOURSELF FROM THE GROUP OF PAGA ALLEGEDLY AGGRIEVED EMPLOYEES]

WHY IS THIS NOTICE BEING SENT TO YOU?

1. This notice is to inform you that a proposed settlement in the class action lawsuit entitled *Jose I. Vasquez Carranza v. Fantasy Cookie Corporation*, Case No. 21STCV08877 (the “Lawsuit”) has been reached by the Parties, and has been granted preliminary approval by the California Superior Court for the County of Los Angeles (the “Court”). This is **not** a notice of a lawsuit against you. **You are not being sued.** Your participation in the Settlement will not affect your employment with Fantasy Cookie in any way whatsoever.
2. The Court has ordered that this Notice be sent to you because Fantasy Cookie’s records indicate that you are a Class Member [and a PAGA Allegedly Aggrieved Employee]. The purpose of this notice is to inform you of the proposed Settlement of the Lawsuit. The notice is also intended (1) to describe the Settlement, including how the Settlement monies will be allocated and how the Settlement may affect you, and (2) to advise you of your rights and options with respect to the settlement.

WHO IS ELIGIBLE TO RECEIVE MONEY FROM THIS SETTLEMENT?

3. The Class includes all current and former employees, who worked for Fantasy Cookie in California from March 5, 2017, through September 24, 2021 (the “Class Period”).
4. The PAGA Allegedly Aggrieved Employees include all current and former employees, who worked for Fantasy Cookie in California from February 24, 2020 through September 24, 2021 (“PAGA Period”).

WHY YOU SHOULD READ THIS NOTICE

#. You should read this Notice because you may be entitled to money under this Settlement and because you will release any claims you may have as a Class Member under the Settlement unless you opt out as provided in this Notice.

WHAT IS A CLASS ACTION? [WHAT IS A PAGA ACTION?]

#. A class action is a lawsuit in which the claims and rights of many people are decided in a single court proceeding. One representative plaintiff or multiple representative plaintiffs, also known as the “class representative” or “class representatives” can assert claims on behalf of an entire class or group of people.

[#. A Private Attorneys General Act (“PAGA”) action is a lawsuit in which the claims and rights of many people are decided in a single court proceeding. One representative plaintiff or multiple representative plaintiffs, also known as the “PAGA representative” or “PAGA representatives” can assert claims on behalf of an entire group of people (also referred to as “aggrieved employees”).]

SUMMARY OF THE CLAIMS AND ALLEGATIONS

#. On March 5, 2021, Plaintiff Jose I. Vasquez Carranza filed a putative class action lawsuit in which he alleged that Fantasy Cookie owes wages, interest and other penalties to its employees who worked for Fantasy Cookie in California (the “Lawsuit”). On June 21, 2021, Plaintiff filed his First Amended Complaint alleging that the Company: (1) failed to pay overtime wages owed; (2) failed to provide meal periods, or premium pay for non-compliant meal periods; (3) failed to authorize and permit rest periods, or premium pay for non-compliant rest periods; (4) failed to pay all minimum wages owed; (5) failed to reimburse reasonable business expenses; (6) failed to pay all wages due at separation; (7) failed to issue accurate itemized wage statements; (8) violated California’s Unfair Competition Act; and (9) violated PAGA. (“the “Complaint”).

As a consequence, the Complaint asserts that Fantasy Cookie violated, among other statutes, California Labor Code sections, 201, 202, 203, 204, 221, 226, 226(a), 226.3, 226.7, 510, 512, 553, 558, 558.1, 1174.5, 1175, 1182.12, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, and 2802; California Industrial Welfare Commission Wage Order Nos. 1-2001, 5-2001, and 7-2001; California Code of Regulations, Title 8, section 11000(2); California Civil Code section 3287; and as a result of the foregoing allegations, Plaintiff further alleges that Fantasy Cookie violated Sections 17200 *et seq.* of the Business & Professions Code and Labor Code Sections 2698 *et seq.* The First Amended Complaint seeks declaratory relief, as well as recovery of compensatory damages, penalties, interest, and attorneys’ fees and costs.

Fantasy Cookie vigorously denies the allegations in the Lawsuit but preliminarily settled the Lawsuit due to the expense, time, and risk associated with protracted litigation and disruption to the Company.

#. On [DATE OF PRELIMINARY APPROVAL], the Court gave preliminary approval to

the settlement of the Lawsuit. The Court has only determined that the settlement is within the range of reasonableness that may be determined fair at the final approval hearing. The Court has not ruled in favor of either party and has made no opinion on the merits of the Lawsuit.

WHO REPRESENTS THE PARTIES?

#. The following attorneys represent the parties in this Lawsuit:

For the Class:

Amir Nayebdadash

Heather Davis

PROTECTION LAW GROUP, LLP

237 California Street

El Segundo, California 90245

Telephone: (424) 290-3095

Email: amir@protectionlawgoup.com

Email: heather@protectionlawgoup.com

For Fantasy Cookie:

BUCHALTER

A Professional Corporation

Joshua Mizrahi

Graham G. Lambert

1000 Wilshire Blvd., Ste. 1500

Los Angeles, CA 90017

Telephone: (213) 891-0700

Email: jmizrahi@buchalter.com

Email: glambert@buchalter.com

The Settlement Administrator is:

ILYM Group, Inc.

Re: *Carranza v. Fantasy Cookie Corp.*

[[administrator address/contact information](#)]

WHAT TO DO IF YOU WANT TO RECEIVE PART OF THE SETTLEMENT MONEY

#. You do not need to do anything to receive your payment except inform the Settlement Administrator if your mailing address changes. If you move following receipt of this Notice, or if the address to which this Notice was sent is not correct, you must immediately contact the Administrator, whose address and contact information is as follows:

ILYM Group, Inc.

Re: *Carranza v. Fantasy Cookie Corp.*

[[administrator address/contact information](#)]

It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your settlement payment. The Settlement will be paid to Class Members [[and PAGA Allegedly Aggrieved Employees](#)] within thirty (30) days of the Effective Date. Therefore, it is important to update the Settlement Administrator with any new address you have, or if you move, so you can be mailed any payments that you are owed from the Settlement.

#. If you are a Class Member, you will be entitled to money from Settlement and, you will

be bound by all of the provisions of the Settlement Agreement, including a release of claims that will prevent you from separately suing Fantasy Cookie unless you timely file a request for exclusion.

[#. If you are a PAGA Allegedly Aggrieved Employee, you are entitled to money from Settlement and, you are bound by all of the provisions of the Settlement Agreement, including a release of claims that will prevent you from separately suing Fantasy Cookie for PAGA violations. You cannot exclude yourself from the group of PAGA Allegedly Aggrieved Employees.]

WHAT SHOULD YOU DO IF YOU WANT TO PURSUE YOUR OWN CLAIMS SEPARATELY FROM THIS CLASS ACTION?

#. You may retain your right to pursue any claims you may have separately from this Class Action by requesting to be excluded from the Settlement. You may exclude yourself from the Settlement by mailing a letter to the Settlement Administrator at the address above, on or before **[EXCLUSION DEADLINE DATE – 60 DAYS FROM DATE OF MAILING OR 14 DAYS AFTER REMAILING, WHICHEVER IS LATER]**:

Such written letter requesting exclusion must contain your name, address, telephone number and the last four digits of your Social Security Number, and clearly state that you wish to be excluded from the class. The request must also be signed by you. The request for exclusion must be returned by mail to the Settlement Administrator, and must be postmarked on or before **[EXCLUSION DEADLINE DATE – 60 DAYS FROM DATE OF MAILING OR 14 DAYS AFTER REMAILING, WHICHEVER IS LATER]**.

#. If you choose to exclude yourself, you will not receive any share of money allocated to the Settlement Class, and you will not have any right to object to the settlement. Any request for exclusion submitted after **[DEADLINE]** will be disregarded, and if you submit a late request for exclusion, you will not be able to pursue any claims separately from the Class Action or as part of the Lawsuit. If you are a PAGA Allegedly Aggrieved Employee, submitting a timely request for exclusion from the Settlement Class will not exclude from the PAGA portion of the settlement and you will still receive any award due to you under PAGA and will still release your PAGA claims as described below.

IF YOU DO NOT AGREE WITH THE SETTLEMENT

#. **IF YOU DO NOT AGREE WITH THE SETTLEMENT**, you can submit an Objection to the Settlement. However, if the Court approves the settlement, you will still be bound by the terms of the settlement. You may both object to the settlement and participate in it.

#. To object, you must submit a written objection by **[EXCLUSION DEADLINE DATE – 60 DAYS FROM DATE OF MAILING OR 14 DAYS AFTER REMAILING, WHICHEVER IS LATER]** by mailing it to ILYM at the address above. Your objection must contain your full name, current address, and telephone number as well as all factual and legal

bases for your objection. You should include any and all supporting papers, briefs, written evidence, and/or other evidence supporting your objection. If you are represented by an attorney, your objection should also include your attorney's name and contact information and your attorney should submit a notice of appearance to the Court on your behalf. You may also appear at the Final Approval Hearing and make an objection at the hearing. You may appear and make an oral objection at the Final Approval Hearing even if you do not make a written objection. **DO NOT TELEPHONE THE COURT.**

#. You may appear at the Final Approval Hearing in Court. The Final Approval Hearing will be held at the Los Angeles County Superior Court, Spring Street Courthouse, Department 7, located at 312 North Spring Street, Los Angeles, CA 90013. You can enter an appearance in *propria persona* (meaning you choose to represent yourself) or through your own attorney. To do so, you or your attorney must also file a Notice of Appearance with the Clerk of the Court of the Los Angeles Superior Court located at 111 North Hill Street, Los Angeles, CA 90013 and mail copies to each of the attorneys listed above no later than **[EXCLUSION DEADLINE DATE – 60 DAYS FROM DATE OF MAILING OR 14 DAYS AFTER REMAILING, WHICHEVER IS LATER]**. To ensure that your request to appear at the hearing is properly processed by the Court, the case name and case number stated in Paragraph 1 of this Notice must be on your Notice of Appearance at Final Approval Hearing.

#. If you object to the Settlement, you will remain a member of the Settlement Class and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way and to the same extent as a Settlement Class Member who does not object. ANY MEMBER OF THE SETTLEMENT CLASS WHO DOES NOT OBJECT TO THE PROPOSED SETTLEMENT NEED NOT APPEAR AT THE SETTLEMENT HEARING.

SUMMARY OF THE SETTLEMENT AGREEMENT

#. The description below is a summary of the terms of the settlement. You may obtain more information about the proposed settlement by contacting any of the attorneys listed above in Paragraph 8 or by reviewing the Settlement Agreement that is on file with the Court.

#. Settlement Fund, Net Settlement Amount, and General Terms. Fantasy Cookie and the Named Plaintiff have agreed that, in order to resolve this action, Fantasy Cookie will pay \$850,000.00 ("Gross Settlement Amount"), in exchange for the release of all claims against it. This amount, subject to approval by the Court, will be used to pay (1) the awards to Class Members that do not choose to exclude themselves from the Lawsuit ("Participating Class Members"), (2) the PAGA award payable to the PAGA Allegedly Aggrieved Employees, (3) Class Representative Incentive Award, (4) class counsel's attorney's fees and costs, (5) the PAGA award to the Labor Workforce and Development Agency ("LWDA"), and (6) the costs of settlement administration.

The Net Settlement Amount shall be the settlement consideration remaining after subtracting the following payment obligations approved by the Court from the Gross Settlement Fund of \$850,000.00:

- (1) Plaintiffs' attorneys' fees of no more than \$297,500.00 and costs of approximately \$20,000;
- (2) An Incentive Award to the Named Plaintiff in the amount of no more than \$7,500;
- (3) Settlement administration fees and costs estimated to be no more than \$10,000;
- (4) Payment to the PAGA Allegedly Aggrieved Employees of \$21,250.00
- (5) A payment to the LWDA of no more than \$63,750.00.

Subject to approval of the Court, based on the amounts requested by Plaintiffs' counsel and Plaintiffs and on the estimated administrative costs and agreed upon payments to the LWDA and PAGA Group, the estimated Net Class Settlement Amount is \$430,000.00, which will be paid to the Participating Class Members.

#. Payment Formula to Participating Class Members. Participating Class Members who do not file a Request for Exclusion will be entitled to a gross award ("Individual Settlement Share"). Each Individual Settlement Share (before deduction for payroll taxes) shall be determined as follows:

Subject to Approval of the Court, Participating Class Members will be entitled to a proportional share of the Net Settlement Amount (estimated to be \$430,000.00), based on dividing the number of weeks worked by each Participating Class Member during the Class Period by the total number of weeks worked by all Participating Class Member during the Class Period and multiplying this ratio by the Net Settlement Amount. Based on current estimates, each Participating Class Member is currently estimated to receive approximately \$20.31 for each week estimated to have been worked.

The estimated Individual Settlement Share that you will receive is included in the attached Notice of Estimated Settlement Award. The amount on the Notice of Estimated Settlement Award form represents an estimate, is subject to Court approval and may change.

If you do not agree with the number of workweeks noted on the enclosed Notice of Estimated Settlement Award, the Notice of Estimated Settlement Award contains instructions on how to contest any of the information provided.

[#. Payment Formula to PAGA Allegedly Aggrieved Employees. \$85,000.00 of the Gross Settlement Amount has been allocated to PAGA civil penalties. Of which 75% (63,750.00 is allocated to the LWDA and 25% (21,250.00) shall be allocated PAGA Allegedly Aggrieved Employees.

Subject to Approval of the Court, PAGA Allegedly Aggrieved Employees will be entitled to a proportional share of the PAGA Payment allocated to the PAGA Allegedly Aggrieved Employees (\$21,250.00), based on dividing the estimated number of pay periods worked by each PAGA Allegedly Aggrieved Employee during the PAGA Period by the total pay periods worked within the PAGA Period, and multiplying this ratio by the allocated PAGA

Payment. (“Individual PAGA Payment”.) Based on current estimates, each Participating PAGA Member is currently estimated to receive approximately \$4.67 for each pay period estimated to have been worked.

If you were a non-exempt employee during the PAGA Period (i.e. a PAGA Allegedly Aggrieved Employee, the estimated Individual PAGA Payment that you will receive is included in the attached Settlement Award Form in addition to the amount that you would receive as a Class Member. The Individual PAGA Payment on amount on the Notice of Estimated Settlement form represents an estimate, is subject to Court approval and could change. If you do not agree with the number of pay periods noted on the enclosed Settlement Award Form, the Settlement Award Form contains instructions on how to contest any of the information provided.]

#. Payroll Tax Withholding. Twenty percent (20%) of each gross Individual Class Settlement Payment shall be comprised of wages subject to payroll taxes and forty percent (40%) penalties, and forty percent (40%) interest.. The Settlement Administrator shall withhold the employee’s share of payroll taxes from the portions of the Individual Class Settlement Payments attributable to wage income. [No portion of the Individual PAGA Payment shall be considered wages.] Fantasy Cookie shall be responsible for paying the employer’s share of payroll taxes and it will not be paid for out of the Gross Settlement Amount.

EFFECT OF THE SETTLEMENT-RELEASE OF ALL CLAIMS

#. Release of Claims for Class Members [and PAGA Allegedly Aggrieve Employees].

Upon remittance of the Gross Settlement Amount by Defendant to the Settlement Administrator, Plaintiff and every Participating Class Member will unconditionally and irrevocably forever release and discharge Fantasy Cookie, and its current and former members, managers, owners, shareholders, officers, directors, employees, attorneys, representatives, agents, benefit plans, parent companies, subsidiaries, affiliates, related entities, successors, and assigns (“Released Parties”) from any and all claims, causes of action, damages, wages, benefits, expenses, penalties, debts, liabilities, losses, agreements, compensation, demands, obligations, attorneys’ fees, costs, and any other form of relief or remedy in law, equity, or whatever kind or nature, which have been alleged in the Complaint, or that could have been alleged based on the factual allegations in the Complaint, including claims for (i) failure to pay overtime wages under Cal. Labor Code §§ 510 and 1198; (ii) failure to provide meal periods under Cal. Labor Code §§ 226.7 and 512, and Industrial Welfare Commission Wage Order Nos. 1-2001, 5-2001, and 7-2001; (iii) failure to authorize and permit rest breaks under Cal. Labor Code §§ 226.7 and Industrial Welfare Commission Wage Order Nos. 1-2001, 5-2001, and 7-2001; (iv) failure to pay minimum wages under Cal. Labor Code §§ 1194, 1192.4, 1197, 1197.1 (v) failure to pay all wages upon termination under Cal. Labor Code §§ 201-203; (vi) failure to provide accurate wage statements under Cal. Labor Code §§ 226, 1174, 1175; (vii) failure to reimburse all necessary business expenses under Cal. Labor Code §§ 2800 and 2802; (viii) failure to maintain required payroll records; (ix) and claims for unfair competition (Cal. Bus. & Prof. Code § 17200 *et seq.*) based on the above violations and/or Labor Code §§ 204, 221, 226.3, 558, and 1199 (the “Class

Released Claims”)

The Class Released Claims shall run from March 5, 2017 through September 24, 2021.

In addition, upon remittance of the Gross Settlement Amount by Defendants to the Settlement Administrator, Plaintiff, all PAGA Allegedly Aggrieved Employees, the LWDA, and the State of California unconditionally and irrevocably forever release and discharge the Released Parties from any and all claims for PAGA civil penalties that could have been premised on the claims, causes of action, or legal theories described above or any of the claims, causes of action, or legal theories of relief pleaded in the operative Complaint. (“PAGA Released Claims”). The PAGA Released Claims shall run for the duration of the PAGA Period. All PAGA Allegedly Aggrieved Employees shall release PAGA Release Claims regardless of whether they request to be excluded from the Class Settlement.

The PAGA Released Claims shall run from February 24, 2020, through September 24, 2021.

With respect to the Released Claims, each Participating Class Member [and PAGA Allegedly Aggrieved Employee] is aware that he or she may hereafter discover facts in addition to or different from those now known or believed to be true with respect to the Released Claims. Nevertheless, it is the intention of each Participating Class Member [and PAGA Allegedly Aggrieved Employee] to fully, finally and forever settle all such matters which do now exist, may exist or heretofore have existed with respect to the Released Claims. In furtherance of such intention, the releases given herein shall be and remain in effect as full and complete releases of the Released Claims, notwithstanding the discovery or existence of any additional or different claims or facts relative thereto.

#. Conditions of the Settlement. This Settlement is conditioned upon the Court entering a judgment and order at or following the Final Approval Hearing approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class [and PAGA Allegedly Aggrieved Employees] and that judgment and order having become final.

FINAL SETTLEMENT APPROVAL HEARING

#. The Final Approval Hearing on the adequacy, reasonableness and fairness of the Settlement will be held on [REDACTED], 2021, at [REDACTED] in Department 7 of the Los Angeles County Superior, Spring Street Courthouse: 312 North Spring Street, Los Angeles, CA 90013. The Settlement Hearing may be continued without further notice. **You are not required to attend the Final Approval Hearing, but you may if you choose.** You may attend in person, but you may also attend remotely if you wish. Remote appearances may be scheduled through “LA Court Connect” at <https://www.lacourt.org/lacc/>.

#. Any Class Member who does not object at the hearing or in the manner provided above shall be deemed to have approved the Settlement and to have waived such objections and shall be forever foreclosed from making any objections (by appeal or otherwise) to the proposed Settlement.

NO RETALIATION

#. Applicable law prohibits Fantasy Cookie from retaliating against employees who exclude themselves or object to this Settlement.

WHAT TO DO IF YOU NEED ADDITIONAL INFORMATION

#. This notice only summarizes this Lawsuit, the settlement, and related matters. For more information about the Settlement or if you have any questions regarding the Settlement, you may contact Counsel for either party at the following addresses and telephone numbers:

For the Class:
Amir Nayebdadash
Heather Davis
PROTECTION LAW GROUP, LLP
237 California Street
El Segundo, California 90245
Telephone: (424) 290-3095
Email: amir@protectionlawgoup.com
Email: heather@protectionlawgoup.com

For Fantasy Cookie:
BUCHALTER
A Professional Corporation
Joshua Mizrahi
Graham G. Lambert
1000 Wilshire Blvd., Ste. 1500
Los Angeles, CA 90017
Telephone: (213) 891-0700
Email: jmizrahi@buchalter.com
Email: glambert@buchalter.com

You may also contact the Settlement Administrator at:

ILYM Group, Inc.
Re: *Carranza. v. Fantasy Cookie Corp.*
[administrator address/contact information]

Do not contact the Clerk of the Court about this matter.

EXHIBIT B

NOTICE OF ESTIMATED SETTLEMENT AWARD

JOSE I. VASQUEZ CARRANZA v. FANTASY COOKIE CORPORATION
LOS ANGELES COUNTY SUPERIOR COURT CASE NO. 21STCV08877

Please complete, sign, date and return this form to <<ADMINISTRATOR CONTACT INFO>> **ONLY IF** (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (III), below. It is your responsibility to keep a current address on file with the Settlement Administrator.

(I) Please type or print your name:

(First, Middle, Last)

(II) Please type or print the following identifying information if your contact information has changed:

Former Names (if any)

New Street Address

City

State

Zip Code

(III) Information Used to Calculate Your Individual Settlement Award:

According to Fantasy Cookie Corporation's records ("Fantasy Cookie"):

(a) You were employed by Fantasy Cookie and worked a total of workweeks during the time period between March 5, 2017 and September 24, 2021.

(b) You were employed by Fantasy Cookie and worked a total of pay periods during the time period between February 24, 2020 and September 24, 2021.

Based on the above, your Individual Settlement Share is estimated to be \$ [and your Individual PAGA Payment is estimated to be \$.

(IV) If you disagree with items (a) – (b) in Section (III) above, please explain why in the space provided below and include copies of any supporting evidence or documentation with this form:

If you dispute the above information from Fantasy Cookie's records, Fantasy Cookie's records will control unless you are able to provide documentation that establishes that Fantasy Cookie's records are mistaken. If there is a dispute about whether Fantasy Cookie's information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Parties and the Settlement Administrator, then the Settlement Administrator will render all final decisions on disputes.

**ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE POSTMARKED
NO LATER THAN <<RESPONSE DEADLINE>>**