

**SIL AFFAMATO, INC. WAGE AND HOUR CLASS AND PAGA REPRESENTATIVE ACTION
SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS**

This Settlement Agreement and Release of Claims ("Settlement Agreement") is entered into by and between Defendants Sil Affamato, Inc., Michael Mangione and Anthony Mangione ("Defendants") and Plaintiff Christy Franco ("Representative Plaintiff") individually, and on behalf of all members of the Settlement Class and on behalf of all PAGA Members as described herein.

DEFINITIONS

1. "Agreement" or "Settlement Agreement" shall mean this Stipulation of Class and PAGA Representative Action Settlement Agreement and Release of Claims.
2. "Action" means the court proceeding captioned *Christy Franco, individually, and on behalf of all others similarly situated vs. Sil Affamato, Inc.; Michael Mangione; and Anthony Mangione; and DOES 1 through 100, inclusive* (Case No. 21STCV12228), filed in the Superior Court for the State of California, County of Los Angeles.
3. "Attorneys' Fees and Costs" means attorneys' fees for Class Counsel's litigation and resolution of the Action, and all costs incurred and to be incurred by Class Counsel in the Action, including but not limited to, costs associated with documenting the Settlement, providing any notices required as part of the Settlement and/or pursuant to Court Order, securing the Court's approval of the Settlement, administering the Settlement, obtaining entry of a Judgment terminating the Action, and expenses for any experts. Class Counsel will apply for, and Defendants will not oppose, attorneys' fees not to exceed 33 1/3% of the Gross Settlement Fund, or One Hundred and Sixty-Six Thousand, Six Hundred Sixty-Six Dollars and Sixty-Seven cents (\$166,666.67). The Attorneys' Fees and Costs will also mean and include the additional reimbursement of any costs/expenses associated with Class Counsel's litigation costs up to Twenty Thousand Dollars (\$20,000.00), subject to the Court's approval. Defendants have agreed not to

oppose Class Counsel's request for fees and reimbursement of costs as set forth above. If the Court does not approve an award of 33 1/3% of the Gross Settlement Fund and/or the full amount of costs requested, the difference between this/these amount(s) and the actual amount(s) approved shall be returned to the Net Settlement Fund to be distributed to the Settlement Class Members, according to the formula set forth below. These fees and costs are included in, and come from, the Gross Settlement Fund and will be paid directly to Class Counsel by the Settlement Administrator. Only Class Counsel will be issued an IRS Form 1099 for their award of attorneys' fees. No portion of these fees shall be part of any Form 1099 issued to the Representative Plaintiff.

4. "Class Counsel" means Cole & Van Note.

5. "Class List" shall mean a complete list of all members of the Plaintiff Class that Defendants will diligently and in good faith compile from their records and provide to the Settlement Administrator within twenty-one (21) calendar days after Preliminary Approval of this Agreement. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include each member of the Plaintiff Class': (1) full name; (2) last known home address; (3) social security number; and (4) dates of employment (including all separations and re-hires during the Settlement Period); in order for the Settlement Administrator to be able to calculate Workweeks. Because social security numbers are included in the list, the Settlement Administrator will maintain the list in confidence, and shall only access and use the list to administer the Settlement in conformity with the Court's orders.

6. "Class Notice" means a form substantially similar to the attached Exhibit "A," which shall be disseminated to all members of the Plaintiff Class, subject to Court approval. This Class Notice is incorporated by reference into this Settlement Agreement.

7. "Class Period" shall mean the time period between March 1, 2020 and the date of preliminary approval of this settlement, or as outlined in Paragraph 45(a) below.

8. "Defendants" means Sil Affamato, Inc., Michael Mangione and Anthony Mangione.

9. "Defendants' Counsel" means Lewis, Brisbois, Bisgaard & Smith, LLP.

10. "Released Parties" means Sil Affamato, Inc., Michael Mangione and Anthony Mangione and each of its past, present and/or future, direct and/or indirect, officers, directors, employees, agents, principals, representatives, fiduciaries, attorneys, accountants, auditors, consultants, partners, investors, shareholders, administrators, insurers and reinsurers, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and/or any party that was or could have been named as defendants in the Action, but only to the extent they own, operate and/or control the McDonalds-branded franchises located at: 12371 Perris Boulevard, Moreno Valley, CA 92553; 24440 Alessandro Boulevard, Moreno Valley, CA 92553; 26200 Iris Avenue, Moreno Valley, CA 92555. Notwithstanding any other provision in this Agreement, Defendants are not released from liability for any claims arising out of work performed by individuals (including Class Members) and/or for any violations of law occurring at or between at any locations other than these three facilities.

11. "Effective Date" shall mean the later of the following:

- a. If there are no objections to this Settlement Agreement, or if any objection is filed and subsequently withdrawn, the date of Entry of the Final Approval Order. Class Counsel shall not be required to file and/or serve a Notice of Entry of Judgment or similar Notice for the Effective Date to occur;
- b. If there are objections to this Settlement Agreement, and if an appeal, review, or writ is not sought from the Order, the 65th day after entry of the Final Approval Order; or
- c. If an appeal, review, or writ is sought from the Final Approval Order, the date after the Final Approval Order is affirmed or the appeal, review, or writ is dismissed or denied, and the Final Approval Order is no longer subject to further review or modification.

12. "Enhancement Award" shall mean the award provided to the Representative Plaintiff, in addition to any Individual Settlement Payment and/or Individual PAGA Settlement Payment, in recognition of the efforts and risks she has taken in assisting with the prosecution of the Action and in exchange for the General Release of her claims as provided herein.

13. "Final Approval" shall mean the Court entering an order granting final approval of the Agreement.

14. "Gross Settlement Fund" refers to the amount of Five Hundred Thousand Dollars (\$500,000.00), which represents the maximum amount payable in this Settlement by Defendants (notwithstanding payment by the employer of its share of payroll taxes, which shall remain the Defendants' obligation and not be subtracted from the Gross Settlement Fund), which includes, without limitation, the sum of cash payments to the members of the Settlement Class, the Attorneys' Fees and Costs, Settlement Administration Expenses, the Enhancement Award to the Representative Plaintiff, and payment of PAGA Penalties to the California Labor & Workforce Development Agency ("LWDA") and PAGA Members.

15. "Individual Settlement Payment" shall mean the amount payable from the Net Settlement Fund allocated to the class claims, to each Settlement Class Member.

16. "Individual PAGA Settlement Payment" shall mean the amount payable from the employee-portion of the PAGA Penalties to each PAGA Member. "Net Settlement Fund" shall be calculated by deducting approved Class Counsel's Attorneys' Fees and Costs, the enhancement award to Representative Plaintiff, the payment to the LWDA for release of claims under PAGA (California Labor Code §§ 2699, et seq.), and Settlement Administration Expenses from the Gross Settlement Fund.

17. "PAGA Member" or "PAGA Members" shall mean all current and former non-exempt or hourly-paid employees who are or were employed by Defendants at any time during the PAGA Period. PAGA Members cannot opt out of the settlement.

18. "PAGA Penalties" shall mean the amount that the Parties have agreed to allocate as civil penalties in order to settle claims arising under the Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, et seq.). The Parties have agreed to allocate Fifteen Thousand Dollars and Zero Cents (\$15,000.00) of the Gross Settlement Fund as PAGA Penalties. Seventy-Five percent (75%) of the PAGA

Penalties in the amount of Eleven Thousand Two Hundred and Fifty Dollars and Zero Cents (\$11,250.00) shall be paid directly to the LWDA in accordance with Labor Code §§ 2698 *et seq.* The remaining Twenty-Five percent (25%) of the PAGA Penalties in the amount of Three Thousand Seven Hundred and Fifty Dollars and Zero Cents (\$3,750.00), shall be distributed to PAGA Members. PAGA Members will receive payment from the employee portion of the PAGA Penalties regardless of their decision to participate in the class action if the PAGA Penalties are approved by the Court.

19. "PAGA Period" shall mean the time period between March 1, 2020 and the date of preliminary approval of this settlement, or as outlined in Paragraph 45(a) below.

20. "PAGA Pay Periods" shall mean the number of pay periods of employment for each PAGA Member as hourly-paid or non-exempt employee during the PAGA Period. The Settlement Administrator will calculate the number of pay periods by calculating the number of days each PAGA Member was employed during the PAGA Period, dividing by seven (7), and rounding up to determine the number of workweeks worked for the individual PAGA Member. The workweeks will then be divided by twenty-four (24) and multiplied by twelve (12) to determine the number of pay periods per each PAGA Member.

21. "PAGA Released Claims" shall mean all claims, demands, rights, liabilities and causes of action for civil penalties under California Labor Code Private Attorneys General Act of 2004 against the Released Parties alleged in both the letter to the LWDA dated March 29, 2021, and the operative Complaint, that arose during the PAGA Period, including but not limited to claims for civil penalties under PAGA arising from alleged violations of Labor Code 201, 202, 203, 204, 210, 218.5, 218.6, 225.5, 226, 226.7, 510, 512, 558, 1182.12, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, 2699 *et seq.*, including 2699.3, and 2699.5, and applicable Wage Orders of the Industrial Welfare Commission, including but not limited to applicable Industrial Welfare Commission Wage Order, and all related Claims for attorneys' fees and costs.

22. "Parties" refers to Plaintiff Christy Franco, the Plaintiff Class, and Defendants, collectively.

23. "Plaintiff Class" comprises all current and former non-exempt employees who worked at any time for Defendants as hourly and/or non-exempt employees in California at any time between March 1, 2020 and the date of preliminary approval of this settlement, excluding any such individuals who opt out of this Settlement.

24. "Preliminary Approval" shall mean the Court entering an order granting preliminary approval of the Agreement.

25. "Released Claims" shall collectively mean any all claims, demands, rights, liabilities and causes of action that were pled in Plaintiff's Operative Complaint at the time of preliminary approval of this Agreement, or which could have been pled in the Operative Complaint based on the factual allegations therein, that arose during the Settlement Period, including but not limited to causes of action for (1) failure to pay all wages (Cal. Lab. Code §§ 201-204, 510, 558, 1182.12, 1194, 1197, 1197.1, 1198, and applicable provisions of the relevant IWC Wage Order); (2) failure to provide meal periods (Cal. Lab. Code §§ 226.7, 512, and applicable provisions of the relevant IWC Wage Order); (3) failure to authorize and permit all rest periods (Cal. Lab. Code §§ 226.7, 512, and applicable provisions of the relevant IWC Wage Order); (4) failure to provide accurate itemized wage statements and record-keeping violations (Cal. Lab. Code §§ 226 and 1174.); (5) failure to pay all wages due upon termination (Cal. Lab. Code §§ 201, 202, 203 and 204); (6) all claims for unfair competition (Cal. Bus. & Prof. Code §§ 17200, *et seq.*) arising from the alleged violations described in (1) – (5) above; and all claims for attorneys' fees and costs relating to the Released Claims, that could have been premised on the facts, claims, causes of action or legal theories described above or that could have been premised on the facts, claims, causes of action or legal theories described above.

26. "Representative Plaintiff" refers to Plaintiff Christy Franco.

27. "Response Deadline" shall mean the date sixty (60) days after the Settlement Administrator mails the Class Notice to members of the Plaintiff Class and the last date on which such members may submit Requests for Exclusion (opt out), written objections to the Settlement, or workweek disputes. In the event the 60th day falls on a Sunday or Federal holiday, the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline for Requests for Exclusion or Objections will be extended fifteen (15) calendar days for any Class Member who is re-mailed a Class Notice by the Settlement Administrator, unless the 15th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defendants. Under no circumstances, however, will the Settlement Administrator have the authority to unilaterally extend the Response Deadline.

28. "Settlement Administrator" refers to the third-party company responsible for administering the Settlement. The Settlement Administrator shall be CPT Group.

29. "Settlement Administration Expenses" are those expenses incurred by the Settlement Administrator in effectuating the Settlement.

30. "Settlement Class" and/or "Settlement Class Members" refers collectively or individually to those members of the Plaintiff Class who do not timely submit a valid opt-out(s) consistent with the processes described herein.

31. "Settlement Period" is between March 1, 2020 and the date of preliminary approval of this settlement, or as outlined in Paragraph 45(a) below.

32. "Workweeks" shall mean the number of weeks of employment for each member of the Plaintiff Class as hourly-paid or non-exempt employee during the Settlement Period. The Settlement Administrator will calculate the number of Workweeks by calculating the number of days each member

of the Plaintiff Class was employed during the Class Period, dividing by seven (7), and rounding up to the nearest whole number.

BACKGROUND

33. On March 29, 2021, Plaintiff submitted her letter to the LWDA as a prerequisite to pursue penalties under the PAGA.

34. On March 30, 2021, Plaintiff Christy Franco filed a Class Action Complaint alleging various wage and hour claims against Defendants, with an Amended Complaint being filed thereafter to include a representative PAGA claim. Defendants filed an Answer to the Amended Complaint on August 18, 2021.

35. This Settlement Agreement affects claims of the Plaintiff Class arising during the Settlement Period and PAGA Period. Representative Plaintiff alleges that Defendants violated wage and hour laws and seek, on her own behalf, as well as on behalf of the putative class and PAGA group alleged therein, unpaid wages and interest thereon, meal and rest period premiums, penalties, unreimbursed business expenses, liquidated damages, equitable relief, and reasonable attorneys' fees and costs, under, *inter alia*, Title 8 of the California Code of Regulations, California Business & Professions Code §§ 17200, *et seq.*, various Industrial Welfare Commission Wage Order(s), California Code of Civil Procedure §1021.5, and various provisions of the California Labor Code.

36. Defendants deny all claims as to liability, damages, penalties, interest, fees, restitution, injunctive relief and all other forms of relief asserted in the Action, as that term is defined herein. Nothing contained in this Settlement Agreement, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing by Defendants.

37. The Parties intend to fully, finally, and forever settle, compromise, and discharge all disputes and claims arising during the Settlement Period and PAGA Period in the Second Amended

Complaint for Damages and/or any amendments and/or modifications thereto, as well as known and unknown claims which could have been brought based on the specific factual allegations contained therein, including, but not limited to claims for unpaid wages, unpaid overtime, record-keeping violations, wage statement penalties, meal period and rest period violations, "waiting time" penalties, and PAGA claims which arose between March 1, 2020 and the date of preliminary approval of this settlement, or as outlined in Paragraph 45(a) below.

38. The Parties intend that this Settlement Agreement shall include a full and complete settlement and release, as described herein, and which includes in its effect all of the Released Parties.

39. Class Counsel represent that they have conducted a sufficiently thorough investigation into the claims of the Plaintiff Class against Defendants. Based on their own independent investigation and evaluation and all known facts and circumstances, including the risk of significant defenses asserted by Defendants, Class Counsel are of the opinion that the Settlement is fair, reasonable, and adequate and is in the best interest of the Plaintiff Class and PAGA Members.

40. The Parties agree to cooperate and take all steps necessary and appropriate to obtain preliminary and final approval of this Settlement and to effectuate all aspects of this Settlement Agreement.

SETTLEMENT CERTIFICATION OF THE PLAINTIFF CLASS

41. For settlement purposes only, the Parties agree that the Plaintiff Class (as defined in the Second Amended Complaint) shall be certified. This Settlement Agreement is contingent upon the approval and certification by the Court of the Plaintiff Class for settlement purposes only. Defendants do not waive, and instead expressly reserve, their rights to challenge the propriety of class certification for any purpose should the Court not approve the Settlement Agreement. Defendants deny all claims as to liability, damages, penalties, interest, fees, restitution, injunctive relief and all other forms of relief asserted.

in the Action. Defendants have agreed to resolve the Action via this Settlement but, to the extent this Settlement is deemed void or the Effective Date does not occur, Defendants do not waive, but rather expressly reserve, all rights to challenge all such claims and allegations in the Action upon all procedural, merit, and factual grounds, including, without limitation, the ability to challenge Representative Plaintiff's statutory wage and hour and PAGA claims on any grounds, as well as asserting any and all other privileges and potential defenses. The Representative Plaintiff agrees that Defendants retain and reserve these rights, and the Representative Plaintiff agrees not to argue or present any argument, and hereby waives any argument that, based on this Settlement, Defendants cannot contest Representative Plaintiff's statutory wage and hour claims and/or PAGA claims on any grounds whatsoever, or assert any and all other privileges or potential defenses if this Action were to proceed. In connection with the proposed certification of the Plaintiff Class, the Parties shall cooperate and present to the Court for its consideration competent evidence, as may be requested by the Court, under the applicable due process requirements and standards for class certification.

SETTLEMENT APPROVAL PROCEDURE

42. This Settlement Agreement will become final and effective upon occurrence of all of these (subsections (a) through (e), inclusive) events:

- a. Execution of this Settlement Agreement by the Parties and their respective counsel of record;
- b. Entry of an Order by the Court (i) granting preliminary approval of the Settlement Agreement, including conditional certification of the Plaintiff Class for settlement purposes only, (ii) approving the proposed Class Notice (the Parties' proposed form is attached hereto as Exhibit "A," respectively), and (iii) scheduling a hearing date for final approval of the Settlement Agreement;
- c. Filing by Class Counsel, at least five (5) calendar days prior to the final approval hearing, the Settlement Administrator's written verification that the Class Notice has been disseminated in accordance with the Court's preliminary approval Order;
- d. Entry of an Order by the Court granting final approval of the Settlement Agreement;

e. Occurrence of the Effective Date, as defined above.

SETTLEMENT PAYMENT AND CALCULATION OF CLAIMS

43. In consideration of the mutual covenants and promises set forth herein, the Parties agree, subject to the Court's approval, as follows:

44. Settlement Amount. Defendants agree to pay a maximum settlement amount of Five Hundred Thousand Dollars (\$500,000.00), also known as the Gross Settlement Fund. This Gross Settlement Fund includes: (i) the sum of payments made to Settlement Class Members as described in this Settlement Agreement, (ii) an Enhancement Award (i.e., service payment) to the Representative Plaintiff of up to \$6,500, (iii) PAGA Penalties in the amount of \$15,000 (\$11,250 allocated to the LWDA and \$3,750 allocated to the PAGA Members); (iv) Settlement Administrator Expenses of up to \$20,000; (v) Class Counsel's approved attorneys' fees of up to \$166,666.67, and (vi) Class Counsel's approved litigation costs of up to \$20,000. Any employer-side payroll taxes due on the wage portion of the payments to the Settlement Class, shall be paid by Defendants separately from and in addition to the Gross Settlement Fund. Aside from the employer-side payroll taxes noted, or at the option of Defendants as specified in Paragraph 45(a) below, Defendants shall not be required under any circumstances to pay more than the Gross Settlement Fund. The Gross Settlement Fund is non-reversionary; no portion of the Gross Settlement Fund will revert to Defendants.

45. Defendants' Option to Increase the Gross Settlement Fund. As of October 29, 2021, Defendants' best estimate of the number of Workweeks during the Settlement Period Seventeen Thousand Four Hundred and Twenty-Six (17,426). If the actual number of Workweeks during the Settlement Period is more than Fifteen Percent (15%) greater than this estimate (i.e., if the actual Workweeks during the Settlement Period is greater than Twenty Thousand and Forty (20,040)), then Defendants shall, in their sole discretion, have the option to either:

- (a) De-escalate the Settlement so that the Settlement Period and PAGA Period end on the date the Workweeks totals to Twenty Thousand and Forty (29,040); or
- (b) Permit the Gross Settlement Fund as defined in Paragraph 14 above to be increased on a proportional basis for Workweeks in excess of Twenty Thousand and Forty (29,040).

46. Funding of the Gross Settlement Fund. Within thirty (30) calendar days of the Effective Date of the Settlement, Defendants will deposit the Gross Settlement Fund into a Qualified Settlement Fund ("QSF") to be established by the Settlement Administrator. Defendants shall provide all information necessary for the Settlement Administrator to calculate necessary payroll taxes including their official name, 8 digit state unemployment insurance tax ID number, and other information requested by the Settlement Administrator.

47. Distribution of the Gross Settlement Fund. Within fourteen (14) calendar days of the funding of the Settlement, the Settlement Administrator will issue the following payments: (1) settlement checks to all Settlement Class Members from the Net Settlement Fund; (2) settlement checks to all PAGA Members from the employee-portion of the PAGA Penalties; (2) payment to the LWDA from the LWDA portion of the PAGA Penalties; (3) payment of the Enhancement Award (i.e., service payment) to the Representative Plaintiff; (4) payment of Class Counsel's approved Attorneys' Fees and Costs, and (5) payment of Settlement Administrator Expenses.

48. PAGA Penalties. The Parties shall apply to the Court for approval of a payment under PAGA. The Parties have agreed to allocate Fifteen Thousand Dollars (\$15,000) as PAGA Penalties from the Gross Settlement Fund towards a release of the PAGA Released Claims, as described more fully herein. The Parties agree that this amount is reasonable in light of the facts and circumstances presented in the Action. If approved, the LWDA shall be paid seventy-five percent (75%) of the total amount allocated towards PAGA claims. If approved, twenty-five percent (25%) of the total amount allocated

towards PAGA claims shall be included employee-portion of the PAGA Penalties in the amount of \$3,750. In the event the LWDA or Court rejects this allocation, the parties will meet and confer with the Court and the LWDA to reach a penalty allocation that is acceptable to all parties and that does not materially alter the terms of the Settlement Agreement. Notably, the LWDA has been notified of the pendency of the Action and has elected not to pursue penalties or any other remedy for the alleged violations described in the Action.

49. Representative Plaintiff Enhancement Award. Subject to Court approval, in addition to any payment Plaintiff receives in her capacity as a Class Member, Plaintiff will individually receive an Enhancement Award from the Gross Settlement Fund for her services as the Representative Plaintiff and for consideration for the General Release of her claims in an amount up to Six Thousand Five-Hundred Dollars (\$6,500). If the Court does not approve the full amount sought for the Enhancement Award, the difference between this amount and the actual amount approved shall be returned to the Net Settlement Fund to be distributed to the Settlement Class Members according to the formula set forth below. The Representative Plaintiff's Enhancement Award will be distributed by the Settlement Administrator, will not be treated by the Parties as subject to taxation, and will include the issuance of an IRS Form 1099 in connection with this payment. No other Form 1099s will issue to the Representative Plaintiff.

50. Class Counsel's Attorneys' Fees and Costs. In conjunction with final approval of this Settlement Agreement, Class Counsel will apply to the Court for an award of attorneys' fees in an amount totaling up to 33 1/3% of the Gross Settlement Fund (i.e., \$166,666.67), plus actual costs up to Twenty Thousand Dollars (\$20,000.00). Defendants will not oppose such application. If the Court does not approve an award of 33 1/3% of the Gross Settlement Fund, the difference between this amount and the actual amount approved shall be returned to the Net Settlement Fund to be distributed to the Settlement Class Members, according to the formula set forth below. These fees and costs are included in, and come from, the Gross Settlement Fund and will be paid directly to Class Counsel by the Settlement

Administrator. Only Class Counsel will be issued an IRS Form 1099 for their award of attorneys' fees. No portion of these fees shall be part of any Form 1099 issued to the Representative Plaintiff.

51. Settlement Administration Expenses. The Settlement Administrator will be paid for the reasonable costs of administration of the settlement and distribution of payments from the Gross Settlement Fund as further set forth in this Agreement. Settlement Administration Expenses shall not exceed Twenty Thousand Dollars and Zero Cents (\$20,000.00). To the extent that Settlement Administration Expenses are less than \$20,000.00, the difference between \$20,000.00 and the actual costs of settlement administration shall become part of the Net Settlement Fund and distributed to Settlement Class Members as provided in this Agreement. If Defendants opt to terminate the Settlement Agreement pursuant to the terms of this Agreement, then Defendants shall bear the cost of such expenses. If the Settlement Agreement is not given final approval by the Court for any other reason, the Parties shall bear the cost of such fees and expenses equally.

52. Settlement Payment Calculations. Individual Settlement Payments to Settlement Class Members for class claims will be paid from the Net Settlement Fund and shall be paid pursuant to the formula set forth herein. Individual PAGA Settlement Payments to PAGA Members will be paid from the employee-portion of the PAGA Penalties and shall be paid pursuant to the formula set forth herein:

(a) Calculation of Class Portion of Individual Settlement Payments. The Settlement Administrator will determine the total number of Workweeks for each Settlement Class Member and the total aggregated number of Workweeks worked by all Settlement Class Members during the Class Period. The Settlement Administrator will be provided with such information, by Defendants, as is necessary to calculate each Settlement Class Member's Workweeks and the aggregated number of Workweeks. The amount that each Settlement Class Members will be eligible to receive will be calculated by dividing each Settlement Class Member's individual Workweeks by the total

Workweeks of all Settlement Class Members and multiplying the resulting fraction by the Net Settlement Fund.

- (b) Calculation of Individual PAGA Settlement Payments. The Settlement Administrator will determine the total number of PAGA Pay Periods for each PAGA Member and the total aggregated number of PAGA Pay Periods worked by all PAGA Members during the PAGA Period. The Settlement Administrator will be provided with such information, by Defendants, as is necessary to calculate each PAGA Member's PAGA Pay Periods and the aggregated number of PAGA Pay Periods. The amount that each PAGA Member will receive will be calculated by dividing each PAGA Member's individual PAGA Pay Periods by the total PAGA Pay Periods of all PAGA Members and multiplying the resulting fraction by the 25% share of the PAGA Penalties designated for distribution to PAGA Members. PAGA Members shall receive this portion of their Individual Settlement Payment regardless of whether they opt out of the participation regarding the class claims.
- (c) Allocation of Individual Settlement Payments. All Individual Settlement Payments will be allocated as follows: twenty percent (20%) of each Individual Settlement Payment will be allocated as wages, eighty percent (80%) shall be allocated as interest, and penalties. The portion of the Individual Settlement Payment allocated to wages will be reported by the Settlement Administrator on an IRS Form W-2. The remaining non-wage payments will be reported on an IRS Form-1099 by the Settlement Administrator.
- (d) Allocation of Individual PAGA Settlement Payments. All Individual PAGA Settlement Payments will be allocated as 100% penalties and reported by the Settlement Administrator on an IRS Form-1099.

TAX TREATMENT

53. Any tax obligation arising from the settlement payments, the Representative Plaintiff's Enhancement Award, and/or Class Counsel's Attorneys' Fees and Costs made under the terms of this Agreement will be the sole responsibility of each person receiving such payment(s). Each Settlement Class

Member and/or PAGA Member is responsible to pay his or her portion of the taxes due on any payment he or she receives under this Settlement Agreement.

54. Tax Liability. Defendants make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiffs and Settlement Class Members and PAGA Members are not relying on any statement, representation, or calculation by Defendants or by the Settlement Administrator in this regard.

55. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES 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 WILL 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 ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX

STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

56. The employer's taxes include all statutory FICA, FUTA and California payroll and withholding taxes arising from any payments to Settlement Class Members and shall be paid separately by the Defendants and shall not be subtracted from the Gross Settlement Fund. Such amounts will be computed by the Settlement Administrator based on the amounts paid to the Settlement Class Members. The Settlement Administrator shall be responsible for making all necessary filings in connection with such payments.

57. No Credit Toward Benefit Plans. The Individual Settlement Payments and Individual PAGA Settlement Payments made to Settlement Class Members and PAGA Members, respectively, under this Settlement, as well as any other payments made pursuant to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any Settlement Class Members and PAGA Members 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. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Settlement Class Member or PAGA Member may be entitled under any benefit plans.

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

APPOINTMENT OF SETTLEMENT ADMINISTRATOR

59. The Settlement Administrator will perform the duties of distributing notice, independently reviewing requests for exclusion and objections, and verifying and distributing any amounts due to Settlement Class Members and PAGA Members as described in this Settlement Agreement. The Settlement Administrator will report the reaction of the class to the settlement (e.g. number of opt outs, disputes, etc.). All disputes relating to the Settlement Administrator's ability and need to perform its duties shall be referred to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions of this Settlement Agreement, until all payments and obligations contemplated by the Settlement Agreement have been fully carried out.

60. Certification Reports Regarding Individual Settlement Payment Calculations. The Settlement Administrator will provide Defendants' counsel and Class Counsel a weekly report that certifies the number of Class Members who have submitted valid Requests for Exclusion, objections to the Settlement, and whether any Class Member has submitted a challenge to any information contained in his/her Notice Packet. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested, with the exception of personal identifying information of the Plaintiff Class.

61. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

NOTICE TO THE PLAINTIFF CLASS

62. Delivery of the Class List. Within twenty-one (21) calendar days of the entry of an Order granting Preliminary Approval, Defendants will provide the Class List to the Settlement Administrator.

63. Class Notice by First-Class U.S. Mail. Within seven (7) calendar days after receiving the Class List from Defendants, the Settlement Administrator will mail the Class Notice to the Plaintiff Class via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.

64. Confirmation of Contact Information in the Class List. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any Class Notice returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Class Notice. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other comparable search database, using the name, address and/or Social Security number of the member from the Plaintiff Class involved, and will then perform a single re-mailing. If any Class Notice sent to a member from the Plaintiff Class by the Settlement Administrator is returned as undeliverable to a current employee, then Defendants shall make all reasonable efforts to obtain the current address for the employee and provide the same within seven (7) calendar days of notice from the Settlement Administrator. Those members from the Plaintiff Class who receive a re-mailed Class Notice, whether by skip-trace or by request, will have between the later of (a) an additional fifteen (15) calendar days, or (b) the Response Deadline to postmark a Request for Exclusion, or an Objection to the Settlement.

65. Class Counsel shall provide the Court, at least five (5) calendar days prior to the final approval hearing, a declaration by the Settlement Administrator of due diligence and proof of mailing with regard to the mailing of the Class Notice.

CLAIM, OPT-OUT AND OBJECTION PROCESSES

66. Members of the Plaintiff Class shall not be required to submit claims and/or a claim form and will, but for a valid objection thereto or the election to opt out of the settlement, receive payment for their claims as set forth further in this Agreement.

67. Opt Out Procedures. Members of the Plaintiff Class may opt out of the Settlement by following the directions in the Class Notice. Any such request must be postmarked on or before the Response Deadline. Requests to opt out that do not include all required information, or that are not submitted on a timely basis, will be deemed null, void, and ineffective. Persons who are eligible to and do submit valid and timely requests to opt out of the Settlement will not participate in the Settlement, nor will they be bound by the terms of the proposed Settlement, if it is approved, or the Final Judgment in this Action. Members of the Plaintiff Class who are also PAGA Members, who submit a request to opt out of the settlement, will still be bound by the release of the Released PAGA Claims, and will still receive Individual PAGA Settlement Payment.

68. By signing this agreement, the Representative Plaintiff waives her rights to opt out from the Settlement Class and any such request for an exclusion will be void and of no force and effect.

69. Objections to the Settlement must be submitted to the Settlement Administrator and postmarked on or before the Response Deadline. The Settlement Administrator shall promptly forward any objections received to counsel for the Parties.

70. Objections must describe why the objector believes the Settlement is unfair and whether the objector intends to appear at the final approval hearing. Deficient or untimely objections shall not be considered. Members of the Plaintiff Class who fail to file and serve timely written objections in the manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement, unless otherwise ordered by the Court. Class Counsel and Defendants' Counsel may, at least five (5) court days (or some other number of

days as the Court shall specify) before the Final Approval Hearing, file responses to any written objections submitted to the Court.

71. Upon completion of its calculation of payments, the Settlement Administrator will provide Class Counsel and Defendants' Counsel with a report listing the amount of all payments to be made to each Settlement Class Member and PAGA Member. The Settlement Administrator's report shall **not** include any personal identifying information such as name, addresses, telephone numbers, email addresses, or Social Security numbers. After receiving the Settlement Administrator's report, Class Counsel and Defendants' Counsel shall jointly review the Settlement Administrator's report to determine if the calculation of payments to Settlement Class Members and PAGA Members is consistent with this Settlement.

72. Defendants will not retaliate against members of the Plaintiff Class for any actions taken or not taken with respect to this Settlement or retaliate against the Representative Plaintiff for filing and/or pursuing the litigation. In response to any inquiry concerning the Representative Plaintiff, Defendants will only provide a neutral statement regarding the Representative Plaintiff as to her dates of service and job title.

CLAIM AMOUNT DISPUTE PROCESS

73. The Class Notice will apprise each member of the Plaintiff Class of the approximate dates he or she held an eligible position during the Settlement Period as well as his or her total number of Workweeks and PAGA Pay Periods. These calculations shall be based on Defendants' records. Defendants' records are presumed to be accurate.

74. If a member of the Plaintiff Class does not wish to challenge the information set forth in the Class Notice, then the member need do nothing, and payment (so long as member of the Plaintiff Class does not opt-out of the settlement altogether) will be made based on Defendants' records.

75. If a member of the Plaintiff Class wishes to challenge the information set forth in the Class Notice, then the member must submit a written, signed challenge along with supporting documents, if any exist, to the Settlement Administrator at the address provided on the Class Notice within twenty (20) calendar days of the date the Class Notice was mailed to the member of the Plaintiff Class (or within ten (10) calendar days of the date the Class Notice was re-mailed).

76. No dispute will be considered timely if it is postmarked more than the number of days set forth in the preceding paragraph of this Agreement. Absent an agreement between Class Counsel and Defendants' Counsel regarding how to address the dispute, the Settlement Administrator shall have authority to resolve the challenge and make a final and binding determination without hearing or right of appeal. Defendants agree to provide the Settlement Administrator with additional non-privileged and/or non-confidential documents necessary to assess the challenge, if such documents exist. All disputes shall be resolved, either by agreement of Class Counsel and Defendants' Counsel, or by decision of the Settlement Administrator as provided herein, prior to submitting the Settlement Administrator's declaration to the Court for final approval.

77. Uncashed Settlement Checks. Settlement checks issued to the Representative Plaintiff and Settlement Class Members shall remain valid for one hundred and eighty (180) calendar days from the date of issuance. This expiration or cancellation date shall be clearly printed on the front of the check ("Void Date"). If the Representative Plaintiff or any Settlement Class Member does not cash his or her settlement payment check(s) before the Void Date, the funds will be distributed to Legal Aid at Work in San Francisco, CA. Settlement checks can be reissued to Settlement Class Members upon request within this 180-day period, but any reissued checks shall have the same Void Date as the original settlement check. Those Settlement Class Members who fail to cash their settlement checks by the Void Date will be deemed to have waived irrevocably any right in or claim to any proceeds from the Settlement and to any payments by Defendants, but the terms of this Agreement shall remain binding upon them.

RELEASES

78. Release by Settlement Class Members, PAGA Members, the LWDA and the State of California. It is the desire of Representing Plaintiff, Settlement Class Members, and Defendants to fully, finally, and forever settle, compromise, and discharge the claims asserted in the Operative Complaint. Upon the funding of the Gross Settlement Fund, in exchange for the consideration set forth in this Settlement Agreement, Settlement Class Members shall fully release and discharge the Released Parties from any and all Released Claims for the Settlement Period. This release shall be binding on all Settlement Class Members and shall inure to the benefit of the Released Parties, who shall have no further or other liability or obligation to any member of the Plaintiff Class with respect to the Released Claims, except as expressly provided herein. Upon the funding of the Gross Settlement Fund, in exchange for the consideration set forth in this Agreement, all PAGA Members, regardless of whether they submit timely and valid Requests for Exclusion from the Settlement, will release all PAGA Released Claims, during the PAGA Period. Upon the funding of the Gross Settlement Fund, in exchange for the consideration set forth in this Agreement, the State of California and the LWDA will also release all PAGA Released Claims.

79. Release of Additional Claims & Rights by Representative Plaintiff. Upon the funding of the Gross Settlement Fund, in exchange for the consideration set forth in this Agreement, and as a condition of receiving any portion of the enhancement award, Plaintiff will agree to the additional following General Release: In consideration of Defendants' promises and agreements as set forth herein, Representative Plaintiff hereby releases all claims related his employment or alleged employment with the Released Parties including all claims alleged in the Action, and all claims known and unknown, without exception, except as may be prohibited by law. Specifically, Plaintiff waives all rights and benefits afforded by California Civil Code Section 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR
RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR

AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

This release specifically excludes claims for unemployment insurance, disability, social security, and workers' compensation (with the exception of claims arising pursuant to California Labor Code Sections 132(a) and 4553).

DUTIES OF THE PARTIES PRIOR TO FINAL COURT APPROVAL

80. Class Counsel will be responsible for drafting all documents necessary to obtain preliminary approval. Class Counsel shall promptly submit this Settlement Agreement to the Court in support of Representative Plaintiff's Motion for Preliminary Approval for determination by the Court as to its fairness, adequacy, and reasonableness and apply for the entry of a preliminary Order substantially in the following form:

- a. Scheduling a fairness hearing on the question of whether the proposed Settlement should be finally approved as fair, reasonable, and adequate as to the Plaintiff Class;
- b. Approving the proposed Class Notice;
- c. Preliminarily approving the Settlement; and
- d. Preliminarily certifying the Plaintiff Class for purposes of settlement only.

DUTIES OF THE PARTIES FOLLOWING FINAL COURT APPROVAL

81. Class Counsel will be responsible for drafting all documents necessary to obtain final approval. Class Counsel will also be responsible for drafting the Attorneys' Fees and Costs application to be heard at the final approval hearing. Following final approval by the Court of this Settlement Agreement, Class Counsel will submit a proposed final Order and judgment:

- a. Approving the Settlement Agreement, adjudging the terms thereof to be fair, reasonable, and adequate, and directing consummation of its terms and provisions;

- b. Approving and awarding Class Counsel's fees and costs, the settlement administration costs, and the enhancement awards as set forth in the Settlement Agreement; and
- c. Entering judgment in accordance with the terms and conditions of the Settlement Agreement and retaining jurisdiction over the Parties to enforce the terms of the judgment.

RIGHT TO WITHDRAW

82. Notwithstanding any other provision contained in this Settlement, if more than five percent (5%) of all members of the Plaintiff Class submit timely and valid requests for exclusion from the Settlement during the Opt-Out Period outlined herein, Defendants shall have the option, in their sole discretion, to withdraw from this Settlement ("Right to Withdraw"), whereupon the Settlement shall be null and void for any and all purposes and may not be used or introduced in the Action or any other proceeding. In that instance, the parties will be restored to their respective positions in the litigation as if this Settlement was never negotiated, drafted, or agreed upon. However, if Defendants exercise their Right to Withdraw, Defendants will be responsible for all Settlement Administration Costs incurred up to the date when the Defendants exercise their Right to Withdraw. The Settlement Administrator shall notify Class Counsel and Counsel for Defendants of the number of timely opt-outs within five (5) business days after the expiration of the right of the Plaintiff Class Members to Opt-Out of the Settlement. If Defendants elect to exercise their Right to Withdraw under this provision, Defendants will so notify Class Counsel and the Court no later than thirty (30) business days after receiving notice of the number of opt-outs.

83. If the Court does not approve any material condition of this Settlement Agreement or effects a fundamental change of the Parties' Settlement, with the exception of any changes to the Class Notice, the award of Class Counsel's fees/costs, and/or the award of an enhancement award, then the entire Settlement Agreement will be voidable and unenforceable at the option of either Party hereto. In such case, the Settlement shall not be used or be admissible in any subsequent proceeding, either in the

Action, or in any other Court or forum. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning. Any funds paid into the Settlement Fund shall be returned to the Defendants, less any deductions for reasonable costs incurred by the Settlement Administrator.

84. Either Party may void this Settlement Agreement as provided in the preceding paragraph in this Agreement, by giving notice in writing to all other Parties and the Court at any time prior to final approval of the Settlement Agreement by the Court.

PARTIES' AUTHORITY

85. 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. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

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

MUTUAL FULL COOPERATION

87. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to, execution of such documents as may reasonably be

necessary to implement the terms of this Settlement Agreement. The Parties to this Settlement Agreement shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement Agreement. As soon as practicable after execution of this Settlement Agreement, Class Counsel shall, with the assistance and cooperation of Defendants' Counsel, take all necessary steps to secure the Court's final approval of this Settlement Agreement.

88. Defendants understand that, in the course of applying for settlement approval, Representative Plaintiff may be required to submit sufficient evidence to support the fairness of the proposed settlement terms. Defendants affirmatively agree to assist and support Representative Plaintiff in providing such evidence and, if requested by Representative Plaintiff, will provide declaration(s) or other admissible evidence reflecting class size, compensation information, and Compensable Pay Periods worked during the Settlement Period.

89. The Parties agree that neither they nor their counsel will solicit or otherwise encourage, directly or indirectly, Class Members to request exclusion from the Settlement Class, object to the settlement, or appeal the final judgment.

90. No Public Comment. The Parties and their counsel agree that they will not issue any press releases or initiate any contact with the press about the fact, amount or terms of the Settlement prior to the Court's entry of an Order preliminarily approving this agreement and accompanying papers/notices.

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

NO ADMISSION OF LIABILITY

92. Each of the Parties has entered into this Settlement Agreement with the intention to avoid further disputes and litigation with the attendant risk, inconvenience, and expense. Nothing contained herein, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendants. This Settlement Agreement is a settlement document and shall, pursuant to California Evidence Code Section 1152, et seq., be inadmissible as evidence in any proceeding. The preceding sentence shall not apply to an action or proceeding to approve, interpret, or enforce this Settlement Agreement.

ENFORCEMENT OF THE SETTLEMENT AGREEMENT

93. In the event that one or more of the Parties to this Settlement Agreement institutes any legal action, arbitration, or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement, the prevailing Party or Parties shall be entitled to recover from the non-prevailing Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions. The Parties agree that no new action need be commenced for the purpose of enforcing the provisions of this Settlement Agreement and that either party may seek the recovery of fees and/or costs upon noticed motion therefor. The Parties agree that time is of the essence with regard to the performance of all terms in this Settlement Agreement and that all dates and deadlines set forth herein are deemed material terms and exchanged and considerations for all other terms.

NOTICES

94. Unless otherwise specifically provided, all notices, demands or other communications in connection with this Settlement Agreement shall be (a) in writing, (b) deemed given on the third business

day after mailing, and (c) sent via United States registered or certified mail, return receipt requested, addressed as follows:

To Representative Plaintiff:

Scott Edward Cole, Esq.
COLE & VAN NOTE
555 12th St., Suite 1725
Oakland, California 94607
Email: sec@colevannote.com
Telephone: (510) 891-9800

To Defendants:

Katherine C. Den Bleyker
Lewis, Brisbois, Bisgaard & Smith, LLP
633 W. 5th Street, Suite 4000
Los Angeles, CA 90071
Email: Katherine.DenBleyker@lewisbrisbois.com
Telephone: (213) 250-1800

CONSTRUCTION AND INTERPRETATION

95. The Parties agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arm's-length negotiations between the Parties and that this Settlement Agreement shall not be construed in favor of or against any of the Parties by reason of their participation in the drafting of this Settlement Agreement.

96. Paragraph titles are inserted as a matter of convenience and for reference, and in no way define, limit, extend and/or describe the scope of this Settlement Agreement or any of its provisions. Each term of this Settlement Agreement is contractual and not merely a recital.

97. This Agreement shall be subject to and governed by the laws of the State of California. The parties acknowledge that they are subject to the continuing jurisdiction of the Court to enforce the terms of the Settlement contained herein.

MODIFICATION

98. This Settlement Agreement may not be changed, altered, or modified, except in writing and signed by counsel for the Parties, and approved by the Court (if already approved by the Court first). This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by counsel for the Parties.

INTEGRATION CLAUSE

99. This Settlement Agreement contains the entire agreement between the Parties relating to any and all matters addressed in the Settlement Agreement, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, with respect to such matters are extinguished. No rights hereunder may be waived or modified except in a writing signed by all Parties.

BINDING ON ASSIGNS

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

CLASS COUNSEL SIGNATORIES

101. It is agreed that it is impossible or impractical to have each member of the Plaintiff Class execute this Settlement Agreement. The Notice will advise all Class Members of the binding nature of the release and such shall have the same force and effect as if each member of the Plaintiff Class executed this Settlement Agreement.

COUNTERPARTS

102. This Settlement Agreement may be executed in counterparts, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and,

when taken together with other signed counterparts, shall constitute one Settlement Agreement, which shall be binding upon and effective as to all Parties. Copies of the executed agreement shall be effective for all purposes as though the signatures contained therein were original signatures.

IT IS SO AGREED:

REPRESENTATIVE PLAINTIFF:

DATED: 12/17/2021, 2021

By:

DocuSigned by:

 AC0D984E12CB4D3

Christy Franco
 Representative Plaintiff

DEFENDANTS:

DATED: _____, 2021

SIL AFFAMATO, INC.

By:

[Authorized Signatory]

DATED: _____, 2021

By:

Michael Mangione
 Defendant

DATED: _____, 2021

By:

Anthony Mangione
 Defendant

APPROVED AS TO FORM:

CLASS COUNSEL:

DATED: 12/21, 2021

COLE & VAN NOTE

By:

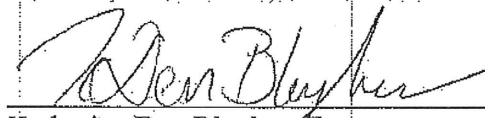

Scott Edward Cole, Esq.
Attorneys for the Representative
Plaintiff and the Plaintiff Class

DEFENDANTS' COUNSEL:

DATED: December 13, 2021

LEWIS, BRISBOIS, BISGAARD & SMITH

By:


Katherine Den Bleyker, Esq.
Attorneys for Defendants