

## CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiffs Miguel Atencio, Nicole Labeucherie, and Emir Loudhabachi (“Plaintiffs”) and defendants Stachs, LLC and Eaze Technologies, Inc. (“Defendants”). The Agreement refers to Plaintiffs and Defendants collectively as the “Parties,” or individually as “Party.”

### 1. DEFINITIONS

In addition to other terms defined in this Agreement, the terms below have the following meaning in this Agreement:

- 1.1. “Actions” means the Plaintiffs’ lawsuits alleging wage and hour violations against Defendants captioned *Atencio, et al. v. Stachs, LLC, et al.*, Case No. CGC-21-594434, initiated on August 11, 2021 and pending in Superior Court of the State of California, County of San Francisco, and *Atencio, et al. v. Stachs, LLC, et al.*, Case No. CGC-21-594467, initiated on August 11, 2021 and pending in Superior Court of the State of California, County of San Francisco.
- 1.2. “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval.
- 1.4. “Aggrieved Employees” all current and former hourly-paid or non-exempt employees of either of the Defendants and any of Defendants’ parents, subsidiaries, or affiliates in California at any time during the PAGA Period.
- 1.5. “Class” means all current and former hourly-paid or non-exempt employees of either of the Defendants and any of Defendants’ parents, subsidiaries, or affiliates in California employed at any time during the Class Period.
- 1.6. “Class Counsel” means Norman B. Blumenthal, Kyle R. Nordrehaug, and Aparajit Bhowmik of Blumenthal Nordrehaug Bhowmik De Blouw LLP.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts to be paid to Class Counsel for fees and expenses, respectively, as approved by the Court, to compensate Class Counsel for their legal work in connection with the Actions, including their pre-filing investigation, their filing of

the Actions, all related litigation activities, all Settlement work, all post-Settlement compliance procedures, and related litigation expenses billed in connection with the Action.

- 1.8. “Class Data” means Class Member identifying information in Defendants’ possession including the Class Member’s name, last-known mailing address, Social Security number, email address (if known and available to Defendant), and number of Workweeks and PAGA Pay Periods.
- 1.9. “Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non- Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members by use of available email addresses, phone numbers, social security numbers, credit reports, LinkedIn and Facebook.
- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. “Class Notice Packet” means the Class Notice to be provided to the Class Members by the Administrator in the form set forth as Exhibit A to this Agreement (other than formatting changes to facilitate printing by the Administrator).
- 1.13. “Class Period” means the period of time from April 15, 2021 through December 11, 2023.
- 1.14. “Class Representatives” means the named Plaintiffs in the Operative Complaint in the Actions seeking Court approval to serve as a Class Representatives.
- 1.15. “Class Representative Service Payment” means the service payment made to the Plaintiffs as Class Representatives in order to compensate them for initiating the Actions, performing work in support of the Actions, undertaking the risk of liability for Defendants’ expenses, and for the general release of all claims by the Plaintiffs.
- 1.16. “Court” means the Superior Court of California, County of San Francisco.
- 1.17. “Defendants” means Stachs, LLC and Eaze Technologies, Inc.

- 1.18. “Defense Counsel means Hannah Sweiss and Ariella Kupetz of Fisher & Phillips LLP.
- 1.19. “Effective Date” means the date by when both of the following have occurred the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.20. “Final Approval” means the Court’s order granting final approval of the Settlement substantially in the form attached hereto as Exhibit C to this Agreement and incorporated by reference into this Agreement.
- 1.21. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement to determine whether to approve finally and implement the terms of this Agreement and enter the Judgment.
- 1.22. “Gross Settlement Amount” means One Million and Five Hundred Thousand Dollars (\$ 1,500,000) which is the total amount to be paid by Defendants as provided by this Agreement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments and the Administration Expenses Payment. This Gross Settlement Amount is an all-in amount without any reversion to Defendant, and excludes any employer payroll taxes, if any, due on the portion of the Individual Class Payments allocated to wages which shall not be paid from the Gross Settlement and shall be the separate additional obligation of Defendant.
- 1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.
- 1.25. “Judgment” means the judgment entered by the Court based upon Final Approval substantially in the form attached hereto as Exhibit C to this Agreement and incorporated by reference into this Agreement.

- 1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The Net Settlement Amount is to be paid to Participating Class Members as Individual Class Payments.
- 1.29. “Non-Participating Class Member” means a Class Member who opts out of the Class Settlement by submitting a valid and timely Request for Exclusion to the Administrator.
- 1.30. “PAGA Pay Period” means any bi-weekly Pay Period during which an Aggrieved Employee worked for Defendants for at least on day during the PAGA Period.
- 1.31. “PAGA Period” means the period of time from April 15, 2021 through December 11, 2023.
- 1.32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.33. “PAGA Notice” means the plaintiff Miguel Atencio’s March 18, 2021 letter to Defendants and the LWDA and plaintiff Miguel Atencio’s June 1, 2023 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.34. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$7,500) and the 75% to LWDA (\$22,500) in settlement of PAGA claims.
- 1.35. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion.
- 1.36. “Plaintiffs” means Miguel Atencio, Nicole Labeucherie and Emir Loudhabachi, the named plaintiffs in the Actions.
- 1.37. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement, substantially in the form attached hereto as Exhibit B to this Agreement and incorporated by this reference herein.

- 1.38. “Released Class Claims” means all claims under state, federal, or local law, arising out of the claims that occurred during the Class Period expressly pleaded in the Actions and all other claims, such as those under the California Labor Code, Wage Orders, regulations, and/or other provisions of law, that could have been asserted based on the facts pleaded in the Actions for: 1) Unfair Competition in Violation of Cal. Bus. & Prof. Code §§ 17200, et seq.; (2) Failure to Pay Minimum Wages in Violation of Cal. Lab. Code §§ 1194, 1197 & 1197.1; (3) Failure to Pay Overtime Wages in Violation of Cal. Lab. Code §§ 510; 1198; (4) Failure to Provide Required Meal Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the Applicable IWC Wage Order; (5) Failure to Provide Required Rest Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the Applicable IWS Wage Order; (6) Failure to Provide Accurate Itemized Statements in Violation of Cal. Lab. Code § 226; (7) Failure to Reimburse Employees for Required Expenses in Violation of Cal. Lab. Code § 2802; and (8) Failure to Provide Wages When Due in Violation of Cal. Lab. Code §§ 201, 202, 203, 204, 210 which occurred during the Class Period. Except as expressly set forth in this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.
- 1.39. “Released PAGA Claims” means all claims for civil penalties under the Labor Code Private Attorneys General Act (“PAGA”) that occurred during the PAGA Period which were alleged or could have been alleged based on the facts pleaded in the PAGA Notice, and the Labor Code claims as described in the Released Class Claims. The Released PAGA Claims do not include other PAGA claims, underlying wage and hour claims, claims for wrongful termination, discrimination, unemployment insurance, disability and worker’s compensation, and claims outside of the PAGA Period.
- 1.40. “Released Parties” means: Defendants and any of their former and/or current parents, subsidiaries, affiliates, and any other entities that could be considered to have jointly employed the Class or PAGA Members as well as each of their officers, directors, managers, owners, executives, partners, executive-level employees, shareholders, agents, insurers, attorneys, and any other predecessors, successors, assigns or legal representatives.
- 1.41. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.42. “Response Deadline” means sixty (60) calendar days after the Administrator mails Class Notice Packet to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) submit Requests for Exclusion from the Settlement, or (b) submit his or her Objection to the Settlement. Class Members to

whom Class Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

1.43. “Settlement” means the disposition of the Action and all related claims effectuated by this Agreement and the Judgment.

1.44. “Workweek” means any week during the Class Period in which a Class Member worked for Defendants as a Class Member for at least one day.

## **2. RECITALS**

2.1. On August 11, 2021, plaintiff Miguel Atencio filed a Complaint against defendant Stachs LLC in the Superior Court of the State of California, County of San Francisco (“Class Action”). Plaintiff Atencio’s complaint in the Class Action asserted claims that defendant Stachs LLC:

- (a) Violated California Business and Professions Code § 17200 et seq.;
- (b) Failed to pay minimum wages in violation of Cal. Lab. Code §§ 1194, 1197 & 1197.1;
- (c) Failed to pay overtime wages in violation of California Labor Code § 510, et seq.;
- (d) Failed to provide required meal periods in violation of California Labor Code §§ 226.7 & 512 and the applicable IWC Wage Order;
- (e) Failed to provide required rest periods in violation of California Labor Code §§ 226.7 & 512 and the applicable IWC Wage Order;
- (f) Failed to provide accurate itemized wage statements in violation of California Labor Code § 226;
- (g) Failed to reimburse employees for required expenses in violation of California Labor Code § 2802; and,
- (h) Failed to provide wages when due in violation of California Labor Code §§ 201, 202 and 203.

2.2. On August 11, 2021, plaintiff Miguel Atencio filed a Complaint against defendant Stachs LLC for violation of the Private Attorney General Act (“PAGA”) seeking civil penalties pursuant to Labor Code § 2699, et seq. for violations of Labor Code §§ 201, 202 203, 204 et seq., 210, 221, 226(a), 226.7, 233, 246, 351, 510, 512, 558(a)(1), 1194, 1197, 1197.1, 1198, 2802, California Code of Regulations, Title 8, Section 11040, Subdivision 5(A)-(B) (“PAGA Action”).

2.3. On November 16, 2022, the Parties participated in an all-day mediation presided over by Mike Young, a respected mediator of wage and hour representative and class actions. The Parties were unable to agree to settlement the Actions.

2.4. On October 9, 2023, plaintiff Miguel Atencio filed a First Amended Representative

Action Complaint in the PAGA Action adding Eaze Technologies, Inc. as a defendant.

- 2.5. On October 12, 2023, the Parties participated in an all-day mediation presided over by Lynn Frank, a respected mediator of wage and hour representative and class actions. During the mediation, each side, represented by its respective counsel, were able to agree to settle the Action which was memorialized in the form of a Memorandum of Understanding. This Agreement replaces and supersedes the Memorandum of Understanding and any other agreements, understandings, or representations between the Parties.
- 2.6. On March 11, 2024, the Parties filed a stipulation to add the PAGA cause of action in the PAGA Action to the complaint in the Class Action. The First Amended Complaint in the Class Action also added plaintiffs Nicole Labeucherie and Emir Loudhabachi as well as defendant Eaze Technologies, Inc. to the Class Action. The First Amended Complaint in the Class Action is referred to as the “Operative Complaint”.
- 2.7. Defendants deny the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.
- 2.8. Prior to mediation, Plaintiffs obtained sufficient documents and information to sufficiently investigate the claims such that Plaintiffs’ investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4<sup>th</sup> 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4<sup>th</sup> 116, 129-130 (“*Dunk/Kullar*”).
- 2.9. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendants that the claims in the Actions of Plaintiffs or the Class have merit or that Defendants bear any liability to Plaintiffs or the Class on those claims or any other claims, or as an admission by Plaintiffs that Defendants’ defenses in the Actions have merit. The Parties agree to certification of the Class for purposes of this Settlement only. If for any reason the settlement does not become effective, Defendants reserve the right to contest certification of any class for any reason and reserves all available defenses to the claims in the Actions.
- 2.10. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

### 3. MONETARY TERMS

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendants promise to pay \$1,500,000 and no more as the Gross Settlement Amount. This amount is all-inclusive of all payments contemplated in this resolution, excluding any employer-side payroll taxes on the portion of the Individual Class Payments allocated to wages which shall be separately paid by Defendants to the Administrator. Defendants has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. Subject to the terms and conditions of this Agreement, the Administrator will make the following payments out of the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval.
- (a) To Plaintiffs: Class Representative Service Payments to the Class Representatives of not more than \$12,000 each (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are each entitled to receive as Participating Class Members). Defendants will not oppose Plaintiffs' request for Class Representative Service Payments that do not exceed these amounts. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payments less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payments.
- (b) To Class Counsel: A Class Counsel Fees Payment of not more than 33.3% of the Gross Settlement Amount, which is currently estimated to be \$499,500, and a Class Counsel Litigation Expenses Payment of not more than \$30,000. Defendants will not oppose requests for these payments provided that do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms.

Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these payments.

- (c) To the Administrator: An Administration Expenses Payment not to exceed \$22,0000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses Payment is less or the Court approves payment less than \$22,0000, the Administrator will retain the remainder in the Net Settlement Amount for distribution to Participating Class Members.
- (d) To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$30,000 to be paid from the Gross Settlement Amount, with 75% (\$22,500) allocated to the LWDA PAGA Payment and 25% (\$7,500) allocated to the Individual PAGA Payments.
  - i. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$7,500) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
  - ii. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.
- (e) To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.
  - i. Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for non-wages, expense reimbursement, interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

- ii. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

#### **4. SETTLEMENT FUNDING**

- 4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on its records, Defendants have represented that the Class consists of 2,172 Class Members who collectively worked a total of 135,311 Workweeks, and 2,172 Aggrieved Employees who worked a total of 68,745 PAGA Pay Periods.
- 4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendants will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted Class Member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.3. Funding of the Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Administrator no later than 14 days after the Effective Date.

#### **5. PAYMENTS FROM THE GROSS SETTLEMENT AMOUNT**

- 5.1. Within 14 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payments.
- 5.2. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the "void date", which is 180 days after the date of mailing, when the check will be voided. Before checks are mailed, the

Administrator shall update address information through the National Change of Address database. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database. If a Participating Class Member's or Aggrieved Employee's check is not cashed within 120 days after its last mailing to the affected individual, the Administrator will also send the individual a notice informing him or her that unless the check is cashed by the void date, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced but not cashed.

- 5.3. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.
- 5.4. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).
- 5.5. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.
6. **RELEASE OF CLAIMS.** Effective on the date when Defendants fully fund the entire Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Participating Class Members, Aggrieved Employees and the LWDA will release claims against all Released Parties as follows:
  - 6.1. Plaintiffs' Release. Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that

occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint and the PAGA Notice (“Plaintiffs’ Release”). Plaintiffs’ Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers’ compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs’ Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs’ discovery of them.

(a) Plaintiffs’ Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiffs’ Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

6.2. Release by Participating Class Members. All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from the Released Class Claims.

6.3. Release of PAGA Claims. All Aggrieved Employees and the LWDA are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from the Released PAGA Claims.

7. **MOTION FOR PRELIMINARY APPROVAL**. The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s procedures and instructions.

7.1. Defendants’ Responsibilities. Within 14 days of the full execution of this Agreement, Defendants will prepare and deliver to Class Counsel a signed Declaration disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In the Declaration, Defendants shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement. In this Declaration, Defendants shall also aver as to the number of Class Members and the number of Workweeks for the Class during the Class Period.

- 7.2. Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiffs, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vi) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator. In their Declarations, Plaintiffs and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
- 7.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.
- 7.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

## 8. SETTLEMENT ADMINISTRATION

- 8.1. Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Administrator's duties will include preparing, printing, and mailing the Class Notice Packet to all Class Members; conducting a National Change of Address search to update Class Member addresses before mailing the Class Notice Packets; re-mailing Class Notice Packets that are returned to the Class Member's new address; setting up a toll-free telephone number and email and a fax number to receive communications from Class Members; receiving and reviewing for validity completed Requests for Exclusion; providing the Parties with weekly status reports about the delivery of Class Notice Packets and receipt of Requests for Exclusion, objections and disputes; calculating Individual Class Payments and Individual PAGA Payments; issuing the checks to effectuate the payments due under the Settlement; issuing the tax reports required under this Settlement; and otherwise administering the Settlement pursuant to this Agreement. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 8.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 8.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 8.4. Notice to Class Members.
- (a) No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.
  - (b) Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice with Spanish translation substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class

Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

- (c) Not later than 7 days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- (d) The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the Response Deadline provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- (e) If the Administrator, the Parties, Defense Counsel or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

#### 8.5. Requests for Exclusion (Opt-Outs).

- (a) Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than the Response Deadline (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- (b) The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable

or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

- (c) Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraph 6.2 of the Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- (d) Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 6.3 of this Agreement and are eligible for an Individual PAGA Payment. If a Class Member submits both a Request for Exclusion and an objection, only the Request for Exclusion will be accepted and the objection will be void.

8.6. Challenges to Calculation of Workweeks. Each Class Member shall have until the Response Deadline (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination as to the challenges.

8.7. Objections to Settlement.

- (a) Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

- (b) Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, or in addition to a written objection, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than the Response Deadline (plus an additional 14 days for Class Members whose Class Notice was re-mailed).
- (c) Non-Participating Class Members have no right to object to any of the class action components of the Settlement. If a Class Member submits both a Request for Exclusion and an objection, only the Request for Exclusion will be accepted and the objection will be void.

8.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

- (a) Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.
- (b) Request for Exclusion (Opt-Outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 7 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).
- (c) Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.
- (d) Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of:

Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include provide the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

- (e) Administrator’s Declaration. Not later than 7 days before the date by which Plaintiffs is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.
- (f) Final Report by Administrator. Within 10 days after the Administrator disburses all funds of the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 7 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court. If a second declaration attesting to the distribution of uncashed checks is required, the Administrator shall provide this second declaration at least 7 days before any deadline for a second declaration and Class Counsel shall be responsible for filing the second declaration with the Court.

**9. CLASS SIZE MODIFICATION AND ESCALATOR CLAUSE.** Based on its records, Defendants provided figures as to the Class size as set forth in paragraph 4.1 above. In regard hereto, Defendants are providing a declaration as set forth in paragraph 7.1 above. Should the Workweeks increase beyond 10% of the estimate stated herein in paragraph 4.1, Defendants shall increase the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the number of Workweeks worked by the Class Members. Alternatively, Defendants, at their sole discretion, may end the Class Period and PAGA Period at the date on which the Workweeks equals 10% more than 135,311 thereby resulting in no increase to the Workweeks and therefore no increase to the Gross Settlement Amount is necessary.

**10. DEFENDANTS' RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all Class Members, Defendants may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendants withdraw, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendants will remain responsible for paying all Administration Expenses incurred as of the date Defendants make this election to withdraw. Defendants must notify Class Counsel and the Court of its election to withdraw not later than 7 days after the Administrator sends the final Exclusion List to Defense Counsel. Invalid Requests for Exclusion will have no effect on this threshold for an election.

**11. MOTION FOR FINAL APPROVAL.** Unless otherwise ordered by the Court, not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699(l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than 7 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

11.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

11.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for a Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

11.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement under C.C.P. section 664.6 solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

11.4. Waiver of the Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object

to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

11.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on an equal basis, any additional Administration Expenses reasonably incurred at the time of remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

**12. AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

### **13. ADDITIONAL PROVISIONS**

13.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendants' defenses in the Actions have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or Judgment pursuant to this Agreement, Defendants reserve the right to contest certification of any class for any reasons, and Defendants reserve all available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 13.2. Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendants and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendants and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 13.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees have not and will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 13.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 13.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 13.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

- 13.7. Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 13.8. Tax Advice. Neither Plaintiffs, Class Counsel, Defendants nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 13.9. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 13.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 13.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 13.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 13.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 13.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy, all paper and electronic versions of Class Data received from Defendants.
- 13.15. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 13.16. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement

falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

- 13.17. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

*To Plaintiffs and the Class:*

Norman B. Blumenthal  
Kyle R. Nordrehaug  
Blumenthal Nordrehaug Bhowmik De Blouw LLP  
2255 Calle Clara  
La Jolla, CA 92037  
Tel.: (858) 551-1223  
Fax: (858) 551-1232  
E-Mail: [norm@bamlawca.com](mailto:norm@bamlawca.com)  
[kyle@bamlawca.com](mailto:kyle@bamlawca.com)

*To Defendants:*

Hannah Sweiss  
Ariella Kupetz  
Fisher & Phillips LLP  
One Montgomery Street, Suite 3400  
San Francisco, CA 94104  
Tel.: (415) 490-9000  
Fax: ((415) 490-9001  
E-Mail: [hsweiss@fisherphillips.com](mailto:hsweiss@fisherphillips.com)  
[akupetz@fisherphillips.com](mailto:akupetz@fisherphillips.com)

- 13.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 13.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire

period of this settlement process from the mediation on October 12, 2023 until the earlier of the Effective Date or the date this Agreement shall no longer be of any force or effect.

13.20. Fair Settlement. The Parties, Class Counsel and Defense Counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, both current and potential.

#### 14. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: Mar 15, 2024

  
Miguel Atencio (Mar 15, 2024 15:29 MDT)  
Plaintiff Miguel Atencio

Dated: Mar 13, 2024

  
Nicole LaBrucherie (Mar 13, 2024 07:30 PDT)  
Plaintiff Nicole Labeucherie

Dated: Mar 12, 2024

  
Emir Loudhabachi (Mar 12, 2024 16:12 PDT)  
Plaintiff Emir Loudhabachi

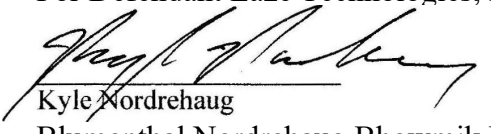
Dated: \_\_\_\_\_

\_\_\_\_\_  
[name]  
For Defendant Stachs, LLC

Dated: \_\_\_\_\_

\_\_\_\_\_  
[name]  
For Defendant Eaze Technologies, Inc.

Dated: 3/18/24

  
Kyle Nordrehaug  
Blumenthal Nordrehaug Bhowmik De Blouw LLP  
Attorney for Plaintiffs

Dated: \_\_\_\_\_

\_\_\_\_\_  
Hannah Sweiss  
Fisher & Phillips LLP  
Attorney for Defendants

period of this settlement process from the mediation on October 12, 2023 until the earlier of the Effective Date or the date this Agreement shall no longer be of any force or effect.

13.20. Fair Settlement. The Parties, Class Counsel and Defense Counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, both current and potential.

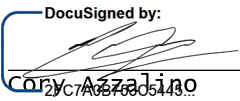
#### 14. EXECUTION BY PARTIES AND COUNSEL

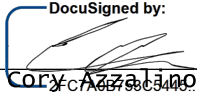
The Parties and their counsel hereby execute this Agreement.

Dated: \_\_\_\_\_  
Plaintiff Miguel Atencio

Dated: \_\_\_\_\_  
Plaintiff Nicole Labeucherie

Dated: \_\_\_\_\_  
Plaintiff Emir Loudhabachi

Dated: 4/1/2024  
  
 Cory Azzalino [name]  
 For Defendant Stachs, LLC

Dated: 4/2/2024  
  
 Cory Azzalino [name]  
 For Defendant Eaze Technologies, Inc.

Dated: \_\_\_\_\_  
 Kyle Nordrehaug  
 Blumenthal Nordrehaug Bhowmik De Blouw LLP  
 Attorney for Plaintiffs

Dated: 4/3/2024  
  
 Hannah Sweiss  
 Fisher & Phillips LLP  
 Attorney for Defendants

**EXHIBIT A**

[NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION AND HEARING DATE FOR  
FINAL COURT APPROVAL]

**EXHIBIT “A”**

**NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION  
AND HEARING DATE FOR FINAL COURT APPROVAL**

***Atencio v. Stachs, LLC, Superior Court of the State of California,  
County of San Francisco, Case No. CGC-21-594434***

***The Superior Court for the State of California authorized this Notice. Read it carefully!  
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT  
ACT. PLEASE READ THIS NOTICE CAREFULLY.**

**You may be eligible to receive money** from an employee class action lawsuit (“Action”) against Defendants Stachs, LLC and Eaze Technologies, Inc. (“Defendants”) for alleged wage and hour violations. The Action was filed by Plaintiffs Miguel Atencio, Nicole Labeucherie, and Emir Loudhabachi (“Plaintiffs”) and seeks payment of (1) wages and other relief for the Class of all current and former hourly-paid or non-exempt employees of either of the Defendants and any of Defendants’ parents, subsidiaries, or affiliates in California employed at any time during the Class Period which is April 15, 2021 through December 11, 2023 (“Class Members”), and (2) civil penalties under the California Private Attorney General Act (“PAGA”) for all current and former hourly-paid or non-exempt employees of either of the Defendants and any of Defendants’ parents, subsidiaries, or affiliates in California at any time during the PAGA Period which is April 15, 2021 through December 11, 2023 (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendants to fund Individual Class Payment payments to Class Members, and (2) a PAGA Settlement requiring Defendants to fund the PAGA Penalties to pay penalties to the California Labor and Workforce Development Agency (“LWDA”) and to Aggrieved Employees.

Based on Defendants’ records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be <<\$\_\_\_\_\_>> (less withholding) and your share of the PAGA Penalties is estimated to be <<\$\_\_\_\_\_>>.** The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your share of the PAGA Penalties, then according to Defendants’ records you are not eligible for share of the PAGA Penalties under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on Defendants’ records showing that **you worked <<\_\_\_\_\_>> workweeks** during the Class Period and **you worked <<\_\_\_\_\_>> pay periods** during the PAGA Period. If you believe that you worked more workweeks and/or pay periods during either period, you can submit a challenge by the deadline date. See Section 5 of this Class Notice below.

The Court has already preliminarily approved the proposed Settlement and approved this Class Notice. The Court has not yet decided whether to grant final approval. Your legal rights are

affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs and Plaintiffs' attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendants to make payments under the Settlement and in exchange requires Class Members to give up their rights to assert certain claims against Defendants.

If you worked for Defendants during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and a share of the PAGA Penalties if eligible. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims against Defendants as described below in Section 4 below.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment, however you will preserve your right to personally pursue Class Period wage claims against Defendants. If you are an Aggrieved Employee, you remain eligible for a share of the PAGA Penalties. You cannot opt-out of the PAGA portion of the proposed Settlement.

**Defendants will not retaliate against you for any actions you take with respect to the proposed Settlement.**

| <b>SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:</b>                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>You Don't Have to Do Anything to Participate in the Settlement</b>                                                          | <p>If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and a share of the PAGA Penalties (if any). In exchange, you will give up your right to assert the wage claims against Defendants that are covered by this Settlement (Released Class Claims).</p> <p>Additional information is set forth below.</p>                                                                                                                                                                                                                                                                                   |
| <p><b>You Can Opt-out of the Class Settlement but not the PAGA Settlement</b></p> <p><b>The Response Deadline is ____.</b></p> | <p>If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. <b>If you request exclusion, you will receive no money from the Class Settlement and you will not be bound by the Class Settlement.</b> Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 7 of this Class Notice.</p> <p>However, you cannot opt-out of the PAGA portion of the proposed</p> |

|                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                      | Settlement. If you are an Aggrieved Employee and exclude yourself, you will still be paid your share of the PAGA Penalties and will remain subject to the release of the Released PAGA Claims regardless of whether you submit a request for exclusion.                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</b><br><br><b>Written Objections Must be Submitted by the Response Deadline</b><br>( ) | All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs who pursued the Action on behalf of the Class. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable.<br><br>See Section 8 of this Class Notice.                                                                                                                                                                            |
| <b>You Can Participate in the Final Approval Hearing</b>                                                                                                                             | The Court’s Final Approval Hearing is scheduled to take place on _____ at _____ [a.m./p.m.], at the San Francisco County Superior Court, located at 400 McAllister St., San Francisco, CA 94102, in Department 302 before Judge Richard Ulmer. This hearing may change as explained below in Section 9.<br><br>You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 9 of this Class Notice. |
| <b>You Can Challenge the Calculation of Your Workweeks / Pay Periods</b><br><br><b>Written Challenges Must be Submitted by the Response Deadline</b><br>( )                          | The amount of your Individual Class Payment and your share of the PAGA Penalties (if any) depend on how many workweeks you worked at least one day during the Class Period and how many pay periods you worked at least one day during the PAGA Period, respectively. The number of Class Period workweeks and number of PAGA Period pay periods you worked according to Defendants’ records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by _____. See Section 5 of this Class Notice.                                                                                                     |

## 1. Why did I get this Notice?

A proposed class action settlement (the “Settlement”) of the above-captioned action pending in the Superior Court of the State of California, in and for the County of San Francisco (the “Court”), has been reached between Plaintiffs and Defendants and has been granted preliminary approval by the Court. You may be entitled to receive money from this Settlement.

You have received this Class Notice because you have been identified as a member of the Class, which is defined as:

All current and former hourly-paid or non-exempt employees of either of the Defendants and any of Defendants' parents, subsidiaries, or affiliates in California employed at any time during the Class Period.

The "Class Period" is April 15, 2021 through December 11, 2023.

## **2. What is this class action lawsuit about?**

On August 11, 2021, Plaintiff Miguel Atencio filed a class action complaint against Defendant Stachs LLC in the Superior Court of the State of California, County of San Francisco ("Class Action"). Plaintiff Atencio asserted the following class claims against Defendants: unfair competition, failure to pay minimum wages, failure to pay overtime wages, failure to provide required meal periods, failure to provide required rest periods, failure to provide accurate itemized wage statements, failure to reimburse employees for required expenses, and failure to provide wages when due.

On August 11, 2021, plaintiff Miguel Atencio filed a Complaint against defendant Stachs LLC for violation of the Private Attorney General Act ("PAGA") seeking civil penalties pursuant to Labor Code § 2699, et seq. for violations of Labor Code §§ 201, 202, 203, 204 et seq., 210, 221, 226(a), 226.7, 233, 246, 351, 510, 512, 558(a)(1), 1194, 1197, 1197.1, 1198, 2802, California Code of Regulations, Title 8, Section 11040, Subdivision 5(A)-(B) ("PAGA Action"). On October 9, 2023, plaintiff Miguel Atencio filed a First Amended Representative Action Complaint in the PAGA Action adding Eaze Technologies, Inc. as a defendant.

These two lawsuits are referred to in this Class Notice as the "Action." As part of the Settlement, the Parties agree to stipulate to the filing of a First Amended Complaint in the Class Action that adds the claims and parties from the PAGA Action into the first-filed Class Action, as well as adds plaintiffs Nicole Labeucherie and Emir Loudhabachi as well as defendant Eaze Technologies, Inc. to the Class Action. The First Amended Complaint, which was filed on \_\_\_\_\_, 2024 is the operative complaint in Case No. CGC-21-594434 and is referred to as the "Operative Complaint".

Defendants deny that they have done anything wrong and dispute all the claims in the Action. Specifically, Defendants contend that Plaintiffs and the Class Members were, at all times, properly compensated for wages under California law; that Plaintiffs and the Class Members were provided with meal and rest periods in compliance with California law; that Defendants did not fail to pay to Plaintiffs or any Class Members any wages allegedly due at the time of their termination; the Defendants did not fail to reimburse Class Members for required expenses; that Defendants complied with California wage statement requirements; that Defendants did not violate California Business and Professions Code section 17200 *et seq.*; that Defendants are not liable for any of the penalties sought or that could be sought in the Action; and that this Action cannot be maintained as a class or representative action.

The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiffs to serve as the Class Representatives, and the law firm Blumenthal Nordrehaug Bhowmik De Blouw LLP to serve as Class Counsel.

The Court has not ruled on the merits of Plaintiffs' claims. However, to avoid additional expense, inconvenience, and interference with the business operations of Defendants, the Parties concluded that it is in their best interests and the interests of the Class to settle the Action now on the terms summarized in this Class Notice. The Settlement was reached after mediation and arm's-length negotiations between the Parties. The Plaintiffs and Class Counsel think the settlement is in the best interest of all Class Members.

Accordingly, the Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of Defendants, who expressly deny all liability.

### **3. What are the terms of the Settlement?**

**Gross Settlement Amount.** Defendants have agreed to pay an "all in" amount of One Million Five Hundred Thousand Dollars (\$ 1,500,000) (the "Gross Settlement Amount") to fund the settlement of the Action. The Gross Settlement Amount includes all payments of Individual Class Payments to Class Members, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments, the Administration Expenses Payment, and the PAGA Penalties for civil penalties under PAGA. Any employer-side payroll taxes on the portion of the Individual Class Payments allocated to wages shall be separately paid by Defendants. Defendants shall fully fund the Gross Settlement Amount within 14 days of the Effective Date. The "Effective Date" is the date the Judgment is entered, or if there are objections or any appeal, the date the Judgment is no longer subject to appeal. Within 14 days after Defendants fully fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payments.

**Court Approved Deductions from Gross Settlement Amount.** The proposed payments, subject to Court approval, will be deducted from the Gross Settlement Amount before payments of Individual Class Payments are made to Class Members who do not request exclusion ("Participating Class Members"). At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:

- **Administration Expenses Payment.** Payment to the Settlement Administrator, estimated not to exceed \$22,000, for expenses, including expenses of notifying the Class Members of the Settlement, processing opt outs, and distributing settlement checks and tax forms.
- **Attorneys' Fees and Costs.** Payment to Class Counsel of reasonable attorneys' fees not to exceed one-third (1/3) of the Gross Settlement Amount, which presently equals \$499,500, and an additional amount to reimburse actual litigation costs incurred by the Plaintiffs not to exceed \$30,000. Class Counsel has been prosecuting the Action on

behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses. The amounts stated are what Class Counsel will be requesting and the final amounts to be paid will be decided at the Final Approval Hearing.

- Class Representative Service Payments. Class Representative Service Payments in an amount not more than \$12,000 each to the three (3) Plaintiffs, or such lesser amount as may be approved by the Court, to compensate for services on behalf of the Class in initiating and prosecuting the Action, and for the risks Plaintiffs undertook. The amount stated is what Plaintiffs will be requesting and the final amount to be paid will be decided at the Final Approval Hearing.
- PAGA Penalties. A payment of \$30,000 relating to Plaintiffs' claim under PAGA, \$22,500 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA"). The remaining \$7,500 will be distributed to the Aggrieved Employees as Individual PAGA Payments. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$7,500) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period (April 15, 2021 through December 11, 2023).

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

Calculation of Payments to Class Members. After all of the payments of the court-approved Attorneys' Fees and Costs, the Class Representative Service Payment, the PAGA Penalties, and the Administration Expenses Payment are deducted from the Gross Settlement Amount, the remaining portion, the "Net Settlement Amount", shall be distributed as Individual Class Payments to the Participating Class Members. The Net Settlement Amount is estimated to be at least \$ \_\_\_\_\_. The Administrator will pay an Individual Class Payment from the Net Settlement Amount to each Participating Class Member. The Individual Class Payment for each Participating Class Member will be calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks. "Workweek" means any week during the Class Period in which a Class Member worked for Defendants as a Class Member for at least one day. The number of Workweeks will be based on Defendants' records, however, Class Members may challenge the number of Workweeks as explained below.

**If the Settlement is approved by the Court and you do not exclude yourself, you will automatically be mailed a check for your Individual Class Payment to the same address as this Class Notice. You do not have to do anything to receive a payment.** If your address has changed, you must contact the Administrator to inform them of your correct address to ensure you receive your payment.

Tax Matters. Twenty Percent (20%) of each Participating Class Member's Individual Class Payment is in settlement of wage claims (the "Wage Portion"). Accordingly, the Wage Portion is subject to wage withholdings, and shall be reported on IRS Form W-2. Eighty Percent (80%) of each Participating Class Member's Individual Class Payment is in settlement of claims for non-wages, expense reimbursement, interest and penalties allegedly due to employees (collectively the "Non-Wage Portion"). The Non-Wage Portion shall not be subject to wage withholdings and shall be reported on IRS Form 1099. The employee portion of all applicable income and payroll taxes will be the responsibility of the Participating Class Members. Neither Class Counsel nor Defendants' Counsel intend anything contained in this Class Notice to constitute advice regarding taxes or taxability. The tax issues for each Participating Class Member are unique to him/her, and each Participating Class Member may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement and your receipt of the Individual Class Payment is conditioned upon the Court entering an order granting final approval of the Settlement and entering Judgment.

The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendants have agreed that, in either case, the Settlement will be void: Defendants will not pay any money and Class Members will not release any claims against Defendants.

Need to Promptly Cash Payment Checks. The front of every check issued will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the funds represented by such checks will be sent to the California Controller's Unclaimed Property Fund in the name of the individual who failed to cash their check.

#### **4. What Do I Release Under the Settlement?**

Released Class Claims. As of the Effective Date and upon full finding of the Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments by Defendants, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from the Released Class Claims. The "Released Class Claims" are all claims under state, federal, or local law, arising out of the claims that occurred during the Class Period expressly pleaded in the Actions and all other claims, such as those under the California Labor Code, Wage Orders, regulations, and/or other provisions of law, that could have been asserted based on the facts pleaded in the Actions for: 1) Unfair Competition in Violation of Cal. Bus. & Prof. Code §§ 17200, et seq.; (2) Failure to Pay Minimum Wages in Violation of Cal. Lab. Code §§ 1194, 1197 & 1197.1; (3) Failure to Pay Overtime Wages in Violation of Cal. Lab. Code §§ 510; 1198; (4) Failure to Provide Required Meal Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the Applicable IWC Wage Order; (5) Failure to Provide Required Rest Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the Applicable IWS Wage Order; (6) Failure to Provide Accurate Itemized Statements in Violation of Cal. Lab. Code § 226; (7) Failure to Reimburse Employees for Required Expenses in

Violation of Cal. Lab. Code § 2802; and (8) Failure to Provide Wages When Due in Violation of Cal. Lab. Code §§ 201, 202, 203, 204, 210 which occurred during the Class Period. Except as expressly set forth in this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

This means that, if you do not timely and formally exclude yourself from the Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendants or any other Released Party about the Released Class Claims resolved by this Settlement. It also means that all of the Court's orders in the Actions will apply to you and legally bind you.

**Released PAGA Claims.** As of the Effective Date and upon full funding of the Gross Settlement Amount all employer payroll taxes owed on the Wage Portion of the Individual Class Payments by Defendants, all Aggrieved Employees and the LWDA are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from the Released PAGA Claims. The "Released PAGA Claims" are all claims for civil penalties under the Labor Code Private Attorneys General Act ("PAGA") that occurred during the PAGA Period which were alleged or could have been alleged based on the facts pleaded in the PAGA Notice, and the Labor Code claims as described in the Released Class Claims. The Released PAGA Claims do not include other PAGA claims, underlying wage and hour claims, claims for wrongful termination, discrimination, unemployment insurance, disability and worker's compensation, and claims outside of the PAGA Period.

**Released Parties.** The Released Parties are: Defendants and any of their former and/or current parents, subsidiaries, affiliates, and any other entities that could be considered to have jointly employed the Class or PAGA Members as well as each of their officers, directors, managers, owners, executives, partners, executive-level employees, shareholders, agents, insurers, attorneys, and any other predecessors, successors, assigns or legal representatives.

#### **5. How much will my payment be?**

**Defendants' records reflect that you worked << \_\_\_\_\_ >> Workweeks during the Class Period (April 15, 2021 through December 11, 2023).**

**Based on this information, your estimated Individual Class Payment from the Net Settlement Amount is << \_\_\_\_\_ >>.**

**[Defendants' records reflect that you worked << \_\_\_\_\_ >> PAGA Pay Periods during the during the PAGA Period (April 15, 2021 through December 11, 2023). Based on this information your estimated Individual PAGA Payment is << \_\_\_\_\_ >>.]**

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Class Notice no later than the Response Deadline, which is \_\_\_\_\_ [sixty (60) days after the mailing of the Class Notice or an

additional 14 days in the case of re-mailing]. You may also fax the dispute to \_\_\_\_\_ or email the dispute to \_\_\_\_\_ by no later than the Response Deadline. Any dispute should include credible written evidence and will be resolved by the Administrator.

#### **6. How can I get a payment?**

To get money from the Settlement, you do not have to do anything. A check for your Individual Class Payment will be mailed automatically to the same address as this Class Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: ILYM Group \_\_\_\_\_ (800) \_\_\_\_\_.

The Court will hold a Final Approval Hearing on \_\_\_\_\_ at \_\_\_\_\_ to decide whether to approve the Settlement and fix the amounts to be paid as attorneys' fees and costs to Class Counsel and as service payment to Plaintiffs. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed approximately two months after this hearing. If there are objections or appeals, resolving them can take time, often more than a year. Please be patient.

#### **7. What if I don't want to be a part of the Settlement?**

If you do not wish to participate in the Settlement, you may exclude yourself from the Class portion of the Settlement or "opt out." **If you opt out, you will not receive an Individual Class Payment from the Settlement, and you will not be bound by its terms, which means you will retain the right to sue Defendants for the Released Class Claims.** However, Aggrieved Employees who opt out will still be paid their allocation of the PAGA Penalties and will remain subject to the release of the Released PAGA Claims regardless of whether they submit a request for exclusion.

To opt out, you must submit to the Administrator a written, signed and dated request to opt-out postmarked no later than the Response Deadline which is \_\_\_\_\_. You may also fax your request to opt out to \_\_\_\_\_ or email the dispute to \_\_\_\_\_ by no later than the Response Deadline. The request to opt-out should state in substance that you wish to be excluded from the class settlement in the *Atencio v. Stachs, LLC* lawsuit. The request to opt-out should state the Class Member's full name, address and email address or telephone number. Please include the name and number of the case, which is *Atencio v. Stachs, LLC*, Case No. CGC-21-594434. The request to opt-out must be completed and signed by you. No other person may opt-out for a living member of the Class.

The address for the Administrator is \_\_\_\_\_. Written requests for exclusion that are postmarked after \_\_\_\_\_, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

#### **8. How do I Object to the Settlement?**

Only Participating Class Members have the right to object to the Settlement. Before deciding

whether to object, you may wish to see what Plaintiffs and Defendants are asking the Court to approve. At least sixteen (16) court days before the Final Approval Hearing, scheduled for \_\_\_\_\_, Class Counsel and Plaintiffs will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and the amount Class Counsel is requesting for attorneys' fees and litigation expenses and the amount Plaintiffs are requesting as Class Representative Service Payments. Upon reasonable request, Class Counsel (whose contact information is below) will send you copies of these documents at no cost to you. You can also view them on Class Counsel's website at [www.bamlawca.com](http://www.bamlawca.com) under "Class Notices" for *Atencio v. Stachs, LLC* or on the Case Query page for the California Superior Court for the County of San Francisco (<https://www.sfsuperiorcourt.org/>) and entering the Case No. CGC-21-594434.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and for Attorneys' Fees, Litigation Expenses and Service Awards may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. **The Response Deadline for sending written objections to the Administrator is \_\_\_\_\_** [sixty (60) days after the date of the Notice or an additional 14 days after the Notice in the case of re-mailing]. You may also fax the dispute to \_\_\_\_\_ or email the dispute to \_\_\_\_\_ by no later than this Response Deadline. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action, *Atencio v. Stachs, LLC*, Case No. CGC-21-594434, and include your name, current address, email or telephone number, and approximate dates of employment with Defendants and sign the objection. The Administrator's contact information is as follows:

Administrator:

Name of Company: ILYM Group

Email Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. You also have the option to appear at the hearing remotely through the Court's procedure at <https://www.sfsuperiorcourt.org/divisions/civil/law-motion>. Check the Court's website for the most current information. See Section 9 of this Notice (immediately below) for specifics regarding the Final Approval Hearing

The addresses for Parties' counsel are as follows:

**CLASS COUNSEL:**

Kyle Nordrehaug

Blumenthal Nordrehaug Bhowmik DeBlouw LLP

2255 Calle Clara

La Jolla, CA 92037

Tel.: (858) 551-1223  
Fax: (858) 551-1232  
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**COUNSEL FOR DEFENDANTS:**

Hannah Sweiss  
Ariella Kupetz  
Fisher & Phillips LLP  
One Montgomery Street, Suite 3400  
San Francisco, CA 94104

**9. Can I Attend the Final Approval Hearing?**

The Court will hold a Final Approval Hearing at \_\_\_\_\_ (Pacific Standard Time) on \_\_\_\_\_, in Department 302 of the Superior Court of California, County of San Francisco County Superior Court, located at 400 McAllister St., San Francisco, CA 94102, before Judge Richard Ulmer. At this hearing the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement and to fix the amounts to be paid as attorneys' fees and costs to Class Counsel and as service payments to Plaintiffs. If there are objections, the Court will consider them. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing using the procedure at <https://www.sfsuperiorcourt.org/divisions/civil/law-motion>.

It is possible the Court will reschedule the Final Approval Hearing. If the hearing is continued, notice will be posted on Class Counsel's website at [www.bamlawca.com](http://www.bamlawca.com) under "Class Notices" for *Atencio v. Stachs, LLC*. In addition, hearing dates are posted on the Internet via the Case Query page for the California Superior Court for the County of San Francisco (<https://www.sfsuperiorcourt.org/>) and entering the Case No. CGC-21-594434.

**10. How Can I Get More Information?**

You may call the Administrator at \_\_\_\_\_ or write to *Atencio v. Stachs, LLC* Administrator, c/o \_\_\_\_\_.

This Class Notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Agreement, the Judgment, the motion for final approval and for attorneys' fees, costs and service awards, or other Settlement documents by going to Class Counsel's website at [www.bamlawca.com](http://www.bamlawca.com) under "Class Notices" for *Atencio v. Stachs, LLC*. You may get more details by examining the Court's file on the Internet via the Case Query page for the California Superior Court for the County of San Francisco (<https://www.sfsuperiorcourt.org/>) and entering the Case No. CGC-21-594434. If you wish to view the Court files in person, you should go to the Clerk's Office at the Civic Center Courthouse, 400 McAllister St., Room 103, San Francisco, CA 94102.

**PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.**

IMPORTANT:

- **What if Your Address Changes** - To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.
- **What if You Fail to Cash a Check** - Settlement checks will be null and void 180 days after issuance if not deposited or cashed, and this expiration date is printed on the check. In such events, the Administrator shall direct all unclaimed funds to be paid to the California Controller's Unclaimed Property Fund in the name of and for the benefit of the individual who did not cash their check. The funds may be claimed at [https://www.sco.ca.gov/upd\\_msg.html](https://www.sco.ca.gov/upd_msg.html).
- **What if You Lose Your Check** - If your check is lost or misplaced, you should contact the Administrator immediately to request a replacement.

**EXHIBIT B**

[ORDER GRANTING PRELIMINARY APPROVAL]

**EXHIBIT "B"**

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF SAN FRANCISCO

MIGUEL ATENCIO, FRANCISCO  
NOGUERA, NICOLE LABEUCHERIE, and  
EMIR LOUDHABACHI on behalf of  
themselves and on behalf of all persons  
similarly situated,

Plaintiffs,

v.

STACHS LLC, a Limited Liability Company;  
EAZE TECHNOLOGIES, INC., a Corporation;  
and DOES 1 through 50, inclusive,

Defendants.

CASE NO.: **CGC-21-594434**

**[PROPOSED] PRELIMINARY  
APPROVAL ORDER**

Hearing Date:  
Hearing Time:

Judge:  
Dept.:

Action Filed: August 11, 2021  
Trial Date: Not set

PRELIMINARY APPROVAL ORDER

1 This matter came before the Honorable \_\_\_\_\_ of the Superior Court of the  
2 State of California, in and for the County San Francisco, on \_\_\_\_\_[DATE], for the motion  
3 by Plaintiffs Miguel Atencio, Nicole Labeucherie, and Emir Loudhabachi (“Plaintiffs”) for  
4 preliminary approval of the class settlement with Defendants Stachs, LLC and Eaze Technologies,  
5 Inc. (“Defendants”). The Court, having considered the briefs, argument of counsel and all matters  
6 presented to the Court and good cause appearing, hereby GRANTS Plaintiffs’ Motion for  
7 Preliminary Approval of Class Action Settlement.

8 **IT IS HEREBY ORDERED:**

9 1. The Court preliminarily approves the Class Action and PAGA Settlement  
10 Agreement (“Agreement”) submitted as Exhibit #1 to the Declaration of Kyle Nordrehaug in  
11 Support of Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement. This  
12 preliminary approval is based on the Court’s determination that the Settlement set forth in the  
13 Agreement is within the range of possible final approval, pursuant to the provisions of section 382  
14 of the California Code of Civil Procedure and California Rules of Court, rule 3.769.

15 2. This Order incorporates by reference the definitions in the Agreement, and all  
16 terms defined therein shall have the same meaning in this Order as set forth in the Agreement.

17 3. The Gross Settlement Amount is One Million Five Hundred Thousand Dollars  
18 (\$1,500,000). It appears to the Court on a preliminary basis that the settlement amount and terms  
19 are fair, adequate and reasonable as to all potential Class Members when balanced against the  
20 probable outcome of further litigation and the significant risks relating to certification, liability and  
21 damages issues. It further appears that investigation and research have been conducted such that  
22 counsel for the Parties are able to reasonably evaluate their respective positions. It further appears  
23 to the Court that settlement at this time will avoid substantial additional costs by all Parties, as  
24 well as avoid the delay and risks that would be presented by the further prosecution of the Action.  
25 It further appears that the Agreement has been reached as the result of serious and non-collusive,  
26 arms-length negotiations. The Court therefore preliminarily finds that the Settlement is fair,  
27  
28

adequate, and reasonable when balanced against the probable outcome of further litigation and the significant risks relating to certification, liability, and damages issues.

4. The Agreement specifies an attorneys' fees award not to exceed one-third of the Gross Settlement Amount, an award of litigation expenses incurred, not to exceed Thirty Thousand Dollars (\$30,000), and a proposed Class Representative Service Payments to the three Plaintiffs in an amount not to exceed Twelve Thousand Dollars (\$12,000). The Court will not approve the amount of attorneys' fees and costs, nor the amount of any service award, until the Final Approval Hearing. Plaintiffs will be required to present evidence supporting these requests prior to final approval.

5. The Court recognizes that Plaintiffs and Defendants stipulate and agree to certification of a class for settlement purposes only. This stipulation will not be deemed admissible in this or any other proceeding should this Settlement not become final. For settlement purposes only, the Court conditionally certifies the following Class: "all current and former hourly-paid or non-exempt employees of either of the Defendants and any of Defendants' parents, subsidiaries, or affiliates in California employed at any time during the Class Period." The Class Period is April 15, 2021 through December 11, 2023.

6. The Court concludes that, for settlement purposes only, the Class meets the requirements for certification under section 382 of the California Code of Civil Procedure in that: (a) the Class is ascertainable and so numerous that joinder of all members of the Class is impracticable; (b) common questions of law and fact predominate, and there is a well-defined community of interest amongst the members of the Class with respect to the subject matter of the litigation; (c) the claims of the Plaintiffs are typical of the claims of the members of the Class; (d) the Plaintiffs can fairly and adequately protect the interests of the members of the Class; (e) a class action is superior to other available methods for the efficient resolution of this controversy; and (f) counsel for the Class is qualified to act as counsel for the Class and the Plaintiffs are adequate representatives of the Class.

7. The Court provisionally appoints Plaintiffs as the representatives of the Class. The

1 Court provisionally appoints Norman B. Blumenthal, Kyle R. Nordrehaug, and Aparajit Bhowmik  
2 of Blumenthal Nordrehaug Bhowmik De Blouw LLP as Class Counsel for the Class.

3       8. The Court hereby approves, as to form and content, the Court Approved Notice of  
4 Class Action Settlement and Hearing Date for Final Court Approval (“Class Notice”), submitted  
5 as Exhibit A to the Agreement. The Court finds that the Class Notice appears to fully and  
6 accurately inform the Class of all material elements of the proposed Settlement, of the Class  
7 Members’ right to be excluded from the Class by submitting a written opt-out request, and of each  
8 Class Member’s right and opportunity to object to the Settlement. The Court further finds that the  
9 distribution of the Class Notice substantially in the manner and form set forth in the Agreement  
10 and this Order meets the requirements of due process, is the best notice practicable under the  
11 circumstances, and shall constitute due and sufficient notice to all persons entitled thereto. The  
12 Court orders the mailing of the Class Notice Packet with a Spanish translation by first class mail,  
13 pursuant to the terms set forth in the Agreement. If a Class Notice Packet is returned because of  
14 an incorrect address, the Settlement Administrator will promptly search for a more current address  
15 for the Class Member and re-mail the Class Notice Packet to the Class Member no later than seven  
16 (7) days after the receipt of the undelivered Class Notice.

17       9. The Court hereby appoints ILYM Group as Administrator for the Settlement. No  
18 later than fifteen (15) calendar days after issuance of this Order, Defendants shall provide an  
19 electronic spreadsheet with the Class Data to the Administrator. This information will otherwise  
20 remain confidential and will not be disclosed to anyone, except as required to applicable taxing  
21 authorities, to carry out the procedures in the Agreement, or pursuant to Defendant’s express  
22 written authorization or by order of the Court. The Administrator will perform address updates  
23 and verifications as necessary prior to the mailing of the Class Notice. Using best efforts to mail it  
24 as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class  
25 Data spreadsheet, the Administrator will mail the Class Notice Packet to all Class Members via  
26 first-class U.S. Mail.

1           10.     The Court hereby preliminarily approves the proposed procedure for exclusion  
2 from the Settlement. Any Class Member may individually choose to opt-out of and be excluded  
3 from the Class as provided in the Class Notice by following the instructions set forth in the Class  
4 Notice. All requests for exclusion must be postmarked by no later than the Response Deadline,  
5 which is sixty (60) calendar days after the Administrator mails the Class Notice Packet to Class  
6 Members. If the Class Notice Packet is re-mailed, this Response Deadline will be extended an  
7 additional fourteen (14) calendar days. Any person who chooses to opt-out of and be excluded  
8 from the Class will not be entitled to any recovery under the Settlement and will not be bound by  
9 the Settlement or have any right to object, appeal or comment thereon. Aggrieved Employees shall  
10 be sent their share of the PAGA Penalties and will be subject to the release of the Released PAGA  
11 Claims regardless of whether they opt-out of the Class. Class Members who have not requested  
12 exclusion shall be bound by all determinations of the Court, the Agreement, and the Judgment. A  
13 request for exclusion applies only to the individual submitting the request for exclusion, and any  
14 attempt to effect an opt-out on behalf of any other individual or individuals (including a group,  
15 class, or subclass of individuals) is not permitted and will be deemed invalid.

16           11.     Any Class Member who has not opted-out may appear at the Final Approval  
17 Hearing and may object or express the Member's views regarding the Settlement and may present  
18 evidence and file briefs or other papers that may be proper and relevant to the issues to be heard  
19 and determined by the Court as provided in the Class Notice. Class Members will have until the  
20 Response Deadline set forth in the Class Notice to submit their written objections to the  
21 Settlement Administrator in accordance with the instructions in the Class Notice. If the Class  
22 Notice is re-mailed, the Response Deadline will be extended an additional fourteen (14) calendar  
23 days. Alternatively, Class Members may appear at the Final Approval Hearing to make an oral  
24 objection.

25           12.     A Final Approval Hearing shall be held before this Court on \_\_\_\_\_  
26 \_\_\_\_\_ at \_\_\_\_\_ in Department \_\_\_\_\_ at the Civic Center Courthouse of the San  
27 Francisco County Superior Court to determine all necessary matters concerning the Settlement,  
28

PRELIMINARY APPROVAL ORDER

1 including: whether the proposed settlement of the Action on the terms and conditions provided for  
2 in the Agreement is fair, adequate and reasonable and should be finally approved by the Court;  
3 whether the Final Approval Order and Judgment should be entered herein; whether the plan of  
4 allocation contained in the Agreement should be approved as fair, adequate and reasonable to the  
5 Class Members; and to finally approve attorneys' fees and costs, the service awards, and the  
6 expenses of the Administrator. The motion for final approval and for attorneys' fees, costs and  
7 service awards shall be filed with the Court and served on all counsel no later than sixteen (16)  
8 court days before the hearing and shall be heard at the Final Approval Hearing.

9       13. Neither the Settlement nor any exhibit, document, or instrument delivered  
10 thereunder shall be construed as a concession or admission by Defendants in any way that the  
11 claims asserted have any merit or that this Action was properly brought as a class or representative  
12 action, and shall not be used as evidence of, or used against Defendants as, an admission or  
13 indication in any way, including with respect to any claim of any liability, wrongdoing, fault or  
14 omission by Defendants or with respect to the truth of any allegation asserted by any person.  
15 Whether or not the Settlement is finally approved, neither the Agreement, nor any exhibit,  
16 document, statement, proceeding or conduct related to the Settlement or Agreement, nor any  
17 reports or accounts thereof, shall in any event be construed as, offered or admitted in evidence as,  
18 received as or deemed to be evidence for any purpose adverse to the Defendants, including, but  
19 not limited to, evidence of a presumption, concession, indication or admission by Defendants of  
20 any liability, fault, wrongdoing, omission, concession or damage.

21       14. In the event the Settlement does not become effective in accordance with the terms  
22 of the Agreement, or the Settlement is not finally approved, or is terminated, canceled or fails to  
23 become effective for any reason, this Order shall be rendered null and void and shall be vacated,  
24 and the Parties shall revert to their respective positions as of before entering into the Agreement,  
25 and expressly reserve their respective rights regarding the prosecution and defense of this Action,  
26 including all available defenses and affirmative defenses, and arguments that no claim in the  
27 Action could be certified as a class action and/or managed as a representative action. In such an  
28

1 event, the Court's orders regarding the Settlement, including this Order, shall not be used or  
2 referred to in litigation or otherwise for any purpose.

3 15. The Court reserves the right to adjourn or continue the date of the Final Approval  
4 Hearing and all dates provided for in the Agreement without further notice to Class Members and  
5 retains jurisdiction to consider all further applications arising out of or connected with the  
6 proposed Settlement.

7 16. The Action is stayed and all trial and related pre-trial dates are vacated, subject to  
8 further orders of the Court at the Final Approval Hearing.

9 **IT IS SO ORDERED.**

10  
11 Dated: \_\_\_\_\_

\_\_\_\_\_  
HON.  
JUDGE, SUPERIOR COURT OF CALIFORNIA

**EXHIBIT C**

[FINAL APPROVAL ORDER AND JUDGMENT]

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF SAN FRANCISCO

MIGUEL ATENCIO, FRANCISCO  
NOGUERA, NICOLE LABEUCHERIE, and  
EMIR LOUDHABACHI on behalf of  
themselves and on behalf of all persons  
similarly situated,

Plaintiff,

vs.

STACHS LLC, a Limited Liability Company;  
EAZE TECHNOLOGIES, INC., a  
Corporation; and DOES 1 through 50,  
inclusive,

Defendants.

Case No. CGC-21-594434

**[PROPOSED] ORDER GRANTING  
MOTION FOR FINAL APPROVAL OF  
CLASS ACTION SETTLEMENT**

Hearing Date:

Hearing Time:

Judge:

Dept.:

Action Filed: August 11, 2021

Trial Date: Not set

## Exhibit C-1

On [REDACTED], a hearing was held on the motion of Plaintiffs Miguel Atencio, Nicole Labeucherie, and Emir Loudhabachi (“Plaintiffs”) for final approval of the Class Action and PAGA Settlement Agreement (the “Agreement”) with Defendants Stachs, LLC and Eaze Technologies, Inc. (“Defendants”) and payments to the Plaintiffs, Class Counsel, Aggrieved Employees, the Labor and Workforce Development Agency (“LWDA”) and the Administrator.

The parties have submitted their Agreement, which this Court preliminarily approved by its [REDACTED], 2024, order (“Preliminary Approval Order”). In accordance with the Preliminary Approval Order, Class Members have been given notice of the terms of the Agreement and the opportunity to comment on or object to it or to exclude themselves from its provisions.

Having received and considered the Settlement, the supporting papers filed by the parties, and the evidence and argument received by the Court at the hearing before it entered the Preliminary Approval Order and the final approval hearing on [REDACTED], 2024, the Court grants final approval of the Settlement, and HEREBY ORDERS as follows:

1. The certification of the Class is confirmed for the sole and exclusive purpose of entering a settlement in this matter:

All current and former hourly-paid or non-exempt employees of either of the Defendants and any of Defendants’ parents, subsidiaries, or affiliates in California employed at any time during the Class Period. The Class Period is April 15, 2021 through December 11, 2023.

2. The Administrator received [REDACTED] valid requests for exclusion from the Class. [The individuals who timely submitted valid requests for exclusion are \_\_\_\_\_.]

3. The Court confirms the appointment of Plaintiffs as the Class Representatives, and Norman B. Blumenthal, Kyle R. Nordrehaug, and Aparajit Bhowmik of Blumenthal Nordrehaug Bhowmik De Blouw LLP as Class Counsel for the Class.

4. Pursuant to the Preliminary Approval Order, the Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval (“Class Notice”) was sent to each Class Member by first-class mail. These papers informed Class Members of the terms of the Settlement, their right to receive an Individual Class Payment, their right to comment on or object

## Exhibit C-1

1 to the Settlement or to opt-out of the Settlement and pursue their own remedies, and their right to  
2 appear in person or remotely or by counsel at the Final Approval Hearing and be heard regarding  
3 final approval of the Settlement. Adequate periods of time were provided by each of these  
4 procedures to provide notice of their rights and time for Class Members to act with respect to these  
5 rights. \_\_\_\_\_ objected to the Settlement as part of this notice process or stated an intent to  
6 appear at the final approval hearing. [The Court overrules the objections raised by objecting  
7 Participating Class Members.]

8 5. The Court finds and determines that this notice procedure afforded adequate  
9 protections to Class Members and provides the basis for the Court to make an informed decision  
10 regarding approval of the Settlement based on the responses of Class Members. The Court finds  
11 and determines that the Class Notice provided in this case was the best notice practicable and it  
12 satisfied the requirements of law and due process.

13 6. For the reasons stated in the Preliminary Approval Order, the Court finds and  
14 determines that the proposed Class, as defined in the definitions section of the Agreement and  
15 Paragraph 1 herein, meets all the legal requirements for class certification, and it is hereby ordered  
16 that the Class is finally approved and certified as a class for purposes of the Settlement.

17 7. The Court further finds and determines that the Gross Settlement Amount of One  
18 Million Five Hundred Thousand Dollars (\$1,500,000) and the terms of the Agreement are fair,  
19 reasonable, and adequate to the Class and to each Class Member. The Class Members who have  
20 not opted-out will be bound by the Settlement. Aggrieved Employees (as defined in the Agreement  
21 as all current and former hourly-paid or non-exempt employees of either of the Defendants and  
22 any of Defendants' parents, subsidiaries, or affiliates in California at any time during the PAGA  
23 Period which is April 15, 2021 through December 11, 2023) will be subject to the release of the  
24 Released PAGA Claims as set forth in the Agreement, and will be sent an Individual PAGA  
25 Payment, regardless of whether they opt-out of the Class portion of the Settlement. The Settlement  
26 is ordered finally approved, and all terms and provisions of the Settlement should be and hereby  
27 are ordered to be consummated.  
28

**Exhibit C-1**

1           8.       The Court finds and determines that the Individual Class Payments to be paid to  
2 the Participating Class Members, as provided for by the Agreement, are fair and reasonable. The  
3 Court hereby grants final approval to and orders the payment of those amounts to be made to the  
4 Participating Class Members out of the Net Settlement Amount in accordance with the Agreement.

5           9.       Pursuant to the Labor Code Private Attorneys General Act ("PAGA"), Cal. Lab.  
6 Code §§ 2699(1)(2), (1)(4), the LWDA has been given notice of the Settlement. Pursuant to PAGA,  
7 on the date the Plaintiff filed the motion seeking approval of the Settlement with the Court,  
8 Plaintiff served the LWDA with the motion which included a copy of the Agreement. The Court  
9 finds and determines that the notice of the Settlement complied with the statutory requirements of  
10 PAGA.

11          10.      The Court finds and determines that the resolution of the Released PAGA Claims  
12 and the PAGA Penalties of Thirty Thousand Dollars (\$30,000), which includes payment to the  
13 LWDA of \$22,500 as its share of the settlement of civil penalties and the allocation of \$7,500 as  
14 Individual PAGA Payments to the Aggrieved Employees, is fair, reasonable, and appropriate. The  
15 Court hereby grants approval of the resolution of the PAGA claims and orders that the PAGA  
16 Penalties be paid out of the Gross Settlement Amount and distributed in accordance with the  
17 Agreement.

18          11.      The Court finds and determines that the fees and expenses of ILYM Group in  
19 administering the settlement, in the amount of \$ [REDACTED], are fair and reasonable. The  
20 Court hereby grants final approval to such amount and orders that the payment of approximately  
21 that amount be paid out of the Gross Settlement Amount in accordance with the Agreement.

22          12.      In addition to any recovery that Plaintiffs may receive from the Net Settlement  
23 Amount and PAGA Penalties, and in recognition of the Plaintiffs' efforts on behalf of the Class,  
24 and the risks they undertook, the Court hereby approves the payment of the Class Representative  
25 Service Payments to each Plaintiff in the amount of \$12,000. The Class Representative Service  
26 Payments shall be paid from the Gross Settlement Amount.

27          13.      Pursuant to the authorities and argument presented to the Court, the Court approves  
28 the payment of attorneys' fees to Class Counsel in the sum of \$ [REDACTED], plus costs and

**Exhibit C-1**

1 expenses in the amount of \$ [REDACTED]. Said amount shall be paid from the Gross Settlement  
2 Amount.

3 14. The parties are hereby ordered to comply with the terms of the Settlement.  
4 Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to  
5 fully pay Defendants' share of payroll taxes, by transmitting the funds to the Administrator no  
6 later than 14 days after the Effective Date.

7 15. Without affecting the finality of this order in any way, pursuant to California Code  
8 of Civil Procedure section 664.6 the Court retains jurisdiction of all matters relating to the  
9 interpretation, administration, implementation, effectuation, and enforcement of this order and the  
10 Settlement.

11 **IT IS SO ORDERED.**

12 Dated: \_\_\_\_\_

13 \_\_\_\_\_  
14 The Honorable [REDACTED]  
15 Judge of the Superior Court  
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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF SAN FRANCISCO

MIGUEL ATENCIO, FRANCISCO  
NOGUERA, NICOLE LABEUCHERIE, and  
EMIR LOUDHABACHI on behalf of  
themselves and on behalf of all persons  
similarly situated,

Plaintiff,

vs.

STACHS LLC, a Limited Liability Company;  
EAZE TECHNOLOGIES, INC., a  
Corporation; and DOES 1 through 50,  
inclusive,

Defendants.

Case No. CGC-21-594434

**[PROPOSED] FINAL JUDGMENT**

Hearing Date:

Hearing Time:

Judge:

Dept.:

Action Filed: August 11, 2021

Trial Date: Not set

**Exhibit C-2**

The parties having settled this action and the Court having entered an Order Granting Final Approval of Settlement and good cause appearing therefor,

IT IS HEREBY ORDERED, ADJUDICATED AND DECREED THAT:

1. Except as set forth in the Class Action and PAGA Settlement Agreement (the “Agreement”) and the Order Granting Motion for Final Approval of Class Action Settlement Plaintiffs Miguel Atencio, Nicole Labeucherie, and Emir Loudhabachi (“Plaintiffs”), and all members of the Class, shall take nothing by their complaint(s) in this Action.

2. Without affecting the finality of this judgment in any way, pursuant to California Code of Civil Procedure section 664.6 the Court retains jurisdiction of all matters relating to the interpretation, administration, implementation, effectuation, and enforcement of this order and the Settlement.

3. The Court finds that in consideration of Plaintiffs’ awarded Class Representative Service Payments, and the other terms and conditions of the Settlement, as of the date the Defendants Stachs, LLC and Eaze Technologies, Inc. (“Defendants”) fully fund the Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs generally release and discharge the Released Parties (as defined in the Agreement) from all claims, transactions, or occurrences that occurred during the Class Period as fully set forth in the Agreement.

4. The Court finds that in consideration for their Individual Class Payments, effective on the date when Defendants fully fund the entire Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from the Released Class Claims. The “Released Class Claims” are all claims under state, federal, or local law, arising out of the claims that occurred during the Class Period expressly pleaded in the Actions and all other claims, such as those under the California Labor Code, Wage Orders, regulations, and/or other provisions of law, that could have been asserted based on the facts pleaded in the Actions for: 1) Unfair Competition in Violation of Cal. Bus. & Prof. Code §§ 17200,

## Exhibit C-2

1 et seq.; (2) Failure to Pay Minimum Wages in Violation of Cal. Lab. Code §§ 1194, 1197 &  
2 1197.1; (3) Failure to Pay Overtime Wages in Violation of Cal. Lab. Code §§ 510; 1198; (4)  
3 Failure to Provide Required Meal Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the  
4 Applicable IWC Wage Order; (5) Failure to Provide Required Rest Periods in Violation of Cal.  
5 Lab. Code §§ 226.7 & 512 and the Applicable IWS Wage Order; (6) Failure to Provide Accurate  
6 Itemized Statements in Violation of Cal. Lab. Code § 226; (7) Failure to Reimburse Employees  
7 for Required Expenses in Violation of Cal. Lab. Code § 2802; and (8) Failure to Provide Wages  
8 When Due in Violation of Cal. Lab. Code §§ 201, 202, 203, 204, 210 which occurred during the  
9 Class Period. Except as expressly set forth in this Agreement, Participating Class Members do not  
10 release any other claims, including claims for vested benefits, wrongful termination, violation of  
11 the Fair Employment and Housing Act, unemployment insurance, disability, social security,  
12 workers' compensation, or claims based on facts occurring outside the Class Period.

13 5. The Court finds that in consideration for the approved PAGA Penalties payment,  
14 effective on the date when Defendants fully fund the entire Gross Settlement Amount and fund all  
15 employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all Aggrieved  
16 Employees and the LWDA are deemed to release, on behalf of themselves and their respective  
17 former and present representatives, agents, attorneys, heirs, administrators, successors, and  
18 assigns, the Released Parties from the Released PAGA Claims. The "Released PAGA Claims"  
19 are all claims for civil penalties under the Labor Code Private Attorneys General Act ("PAGA")  
20 that occurred during the PAGA Period which were alleged or could have been alleged based on  
21 the facts pleaded in the PAGA Notice, and the Labor Code claims as described in the Released  
22 Class Claims. The Released PAGA Claims do not include other PAGA claims, underlying wage  
23 and hour claims, claims for wrongful termination, discrimination, unemployment insurance,  
24 disability and worker's compensation, and claims outside of the PAGA Period.

25 6. The Parties shall bear his, her, its or their own respective attorneys' fees and costs  
26 except as otherwise provided in the Agreement, the Order Granting Motion for Final Approval of  
27 Class Action Settlement, and this Judgment.  
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8. Upon completion of administration of the settlement, the Settlement Administrator will provide written certification of such completion to the Court and counsel for the parties. The Court sets a compliance hearing date of \_\_\_\_\_, at \_\_\_\_\_ a.m. / p.m., and the written certification of the Administrator shall be filed no later than fourteen (14) days before this hearing.

Dated: \_\_\_\_\_

- 4 -