

Seung Yang (SBN 249857)
 Allen Feghali (SBN 301080)
 Brett M. Gunther (SBN 306448)
MOON & YANG, APC
 1055 W. Seventh St., Suite 1880
 Los Angeles, California 90017
 Telephone: (213) 232-3128
 Facsimile: (213) 232-3125
 E-mail: seung.yang@moonyanglaw.com
 E-mail: allen.feghali@moonyanglaw.com
 E-mail: brett.gunther@moonyanglaw.com

Attorneys for Plaintiff Chico Vicente Barreno

HILL, FARRER & BURRILL, LLP
 James A. Bowles, State Bar No. 089383
 jbowles@hillfarrer.com
 Elissa L. Gysi, State Bar No. 281338
 egysi@hillfarrer.com
 Richard S. Zuniga, State Bar No. 102952
 rzuniga@hillfarrer.com
 One California Plaza, 37th Floor
 300 South Grand Avenue
 Los Angeles, CA 90071
 Telephone: (213) 620-0460
 Facsimile: (213) 624-4840

Attorneys for Defendant Republique, LLC

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
 FOR THE COUNTY OF LOS ANGELES**

CHICO VINCENTE BARRENO, individually,
 and on behalf of all others similarly situated,

Plaintiff,

vs.

REPUBLIQUE, LLC., a California limited
 liability company; and DOES 1 through 10,
 inclusive Defendants.

Case No.: 21STCV09903

[Hon. Terry Green, Dept. 14]

**STIPULATION OF SETTLEMENT AND
~~PROPOSED~~ ORDER APPROVING
 SETTLEMENT OF PLAINTIFF'S
 CLAIMS FOR CIVIL PENALTIES
 UNDER PAGA**

Complaint filed: March 12, 2021
 Trial date: None Set

1

2

7

3

1 Seq.) Settlement Agreement is attached hereto as Exhibit "A" (hereinafter "Settlement" or
2 "Settlement Agreement").

3 3. Under the Parties' Settlement, Defendant has agreed to pay a Gross Settlement
4 Amount ("GSA") of \$100,000. However, in the event that the estimated pay periods from
5 March 12, 2020 to July 11, 2021 is more than 10% greater than 2,170 (i.e., if there are more
6 than 2,387 pay periods from March 12, 2020 to July 11, 2021), Republic shall increase the
7 GSA in proportion to the increase in pay periods over 10% (e.g., if the number of pay periods
8 is 12% greater than 2,170, Republic will increase the GSA by 2%). ("Escalator Clause")
9 (Ex. A at § III.2.)

10 4. The Parties' Settlement provides \$44,666.67 to the alleged aggrieved employees, and
11 the LWDA in exchange for a release of claims under PAGA only.¹ The Settlement provides, in
12 pertinent part:

13 "PAGA Released Claims" mean any and all claims for civil penalties that could
14 have been assessed upon and collected from the Released Parties under PAGA,
15 based on the factual allegations in the operative complaint in the Action and
16 Plaintiff's correspondence to the California Labor and Workforce Development
17 Agency dated March 12, 2021, including, but not limited to, purported
18 violations of California Labor Code sections 201, 202, 203, 204, 210, 226(a),
19 226(e), 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1197.1, 1198, 2698,
20 2699(a), 2699(f)(2), 2699(g)(1), and 2802, arising during the PAGA Period,
21 from the alleged (1) failure to pay minimum and regular rate wages; (2) failure
22 to pay overtime compensation; (3) failure to provide meal periods and
23 compensation thereof; (4) failure to authorize and permit rest breaks and pay
24 compensation thereof; (5) failure to indemnify necessary business expenses;
25 (6) failure to timely pay final wages at termination; (7) failure to provide
26 accurate itemized wage statements; and (8) unfair business practices.

27 "Released Parties" mean Republic and its past, present, and future owners,
28 officers, directors, employees, board members, shareholders, attorneys,
insurers, reinsurers, customers, partners, investors, members, representatives,
predecessors, parent companies, subsidiaries, affiliates, divisions, successors,

25 ¹ \$44,666.67 is the net amount available to the aggrieved employees and the LWDA from
26 the \$100,000 gross settlement amount following deduction for attorney's fees of \$33,333.33
27 (one-third of the gross settlement amount), Counsel's actual litigation costs not to exceed
28 (\$12,000.00), third-party administration costs (\$5,000.00), and a payment to Plaintiff of
\$5,000.00 in exchange for a general release. However, it is likely that the net amount available
to the Aggrieved Employees will be slightly higher due to the fact the actual costs will likely be
lower than the aforementioned estimates.

agents and principals, and their heirs, estates, executors, administrators, servants, insurers, attorneys, and assigns.

“PAGA Period” means the time period from March 12, 2020 through October 1, 2021, or the date the Court approves the Parties’ Settlement Agreement, whichever comes first.

“Aggrieved Employees” shall consist of all current and former non-exempt employees who worked at least one pay period for Republic in California at any time during the PAGA Period, i.e., from March 12, 2020 to October 1, 2021 or the date the court approves the Parties’ Settlement Agreement, whichever comes first.

Upon the Effective Date and payment of all funds due under this Settlement, Plaintiff, Aggrieved Employees, and the State of California will be forever barred from pursuing any and all PAGA Released Claims. Upon entry of the Order approving the settlement and judgment entered thereon, Plaintiff, the State of California, and all Aggrieved Employees will be forever barred from pursuing any and all of the PAGA Released Claims that arose during the PAGA Period against the Released Parties. This release of claims only covers those civil penalties which are recoverable under PAGA, and does not otherwise cover individual, underlying claims or causes of action that Aggrieved Employees other than Plaintiff may have under the law against Released Parties for violations of the California Labor Code.

(Ex. A at §§ I.2, I.15, I. 16, I.17, and III.8.)

5. Based on their own independent investigations and evaluations, Plaintiff and his counsel are of the opinion that the settlement for the consideration and on the terms set forth in the Settlement Agreement is fair, reasonable, and adequate and is in the best interests of the Plaintiff and the Aggrieved Employees in light of all known facts and circumstances and the risks inherent in litigation, including the potential appellate issues. Further, Plaintiff’s counsel believes that the settlement amount entered into is in the best interests of the Aggrieved Employees and that the settlement for each of the Aggrieved Employees is fair, reasonable, and adequate, given the inherent risk of litigation.

6. The Parties request that the Court approve the arm’s length settlement reached between the Parties pertaining to penalties under PAGA, and the release of PAGA claims.

NOW THEREFORE, in return for the mutual commitments and consideration detailed in the Settlement Agreement attached hereto as Exhibit “A,” the Parties stipulate as follows:

1 1. The settlement terms reached through mediation provide for a gross payment by
2 Defendant of one-hundred thousand dollars (\$100,000), which shall cover distribution to the
3 LWDA, distribution to Plaintiff and the Aggrieved Employees, Plaintiff's counsel's costs and
4 fees, and costs of administration of the Settlement, as follows:

5

Description	Amount
Attorneys' Fees (1/3 of Gross Settlement Amount)	\$33,333.33
Costs (not to exceed)	\$12,000.00 ²
Payment to Plaintiff	\$5,000.00
Costs of Third-Party Administration (not to exceed)	\$5,000.00 ³

10

11 (Ex. A at § I.9.)

12 2. Should the Court approve a lesser amount for attorneys' fees, costs, payment to
13 Plaintiff, or costs of third-party administration, the difference shall be allocated as follows: 25%
14 to the alleged aggrieved employees and 75% to the LWDA. (Ex. A at § III.4.)

15 3. Republic shall pay \$100,000.00 as the Gross Settlement Amount ("GSA").
16 Republic will not pay more than the Gross Settlement Amount. However, in the event that the
17 estimated pay periods from March 12, 2020 to July 11, 2021 is more than 10% greater than 2,170
18 (i.e., if there are more than 2387 pay periods from March 12, 2020 to July 11, 2021),
19 Republic shall increase the GSA in proportion to the increase in pay periods over 10% (e.g., if
20 the number of pay periods is 12% greater than 2170, Republic will increase the GSA by 2%).
21 ("Escalator Clause"). In the event that the escalator clause is triggered, the Parties shall
22 cooperate to obtain an amended judgment which reflects the increased Gross Settlement Amount.

23 4. No later than fifteen (15) business days after the Effective Date of the Parties'
24 Settlement Agreement, Defendant shall provide the Settlement Administrator with a list of the

25
26 ² The Settlement authorizes reimbursement of actual costs not to exceed \$12,000, at this
27 time, actual out of pocket costs, including the cost of submitting this stipulation total \$10,160.26.
A true and correct copy of a ledger of counsel's costs are attached hereto as Exhibit "B."

28 ³ A true and correct copy of the third-party administrator's quote is attached hereto as
Exhibit "C."

1 Aggrieved Employees (the "Aggrieved Employees List"). The Aggrieved Employees List shall
2 include each Aggrieved Employee's full name, last known mailing address, total pay periods
3 worked for Republique in California during the PAGA Period, and Social Security number, to the
4 extent available from Republique's records. Because Social Security numbers are included in the
5 list, the Settlement Administrator will maintain the list in confidence, and shall only access and
6 use the list to administer the settlement in conformity with the Court's orders. Republique will in
7 good faith compile from its records the Aggrieved Employees List and provide it to the
8 Settlement Administrator in a computer-readable format, such as a Microsoft Excel spreadsheet.

9 5. Republique shall deposit the GSA with the Settlement Administrator within 30 days
10 of the Effective Date. No later than twenty-one (21) calendar days after receipt of the Gross
11 Settlement Amount from Defendant, the Settlement Administrator will mail the Employee
12 Payments under cover letter, substantially in the form attached hereto as "Exhibit D" ("Cover
13 Letter"), to each of the Aggrieved Employees identified on the Aggrieved Employees List. Prior
14 to mailing the Cover Letter, the Settlement Administrator shall check the addresses provided in
15 the Aggrieved Employees List using the United States Postal Service's National Change of
16 Address database, and update the addresses for known address changes.

17 Should any of the mailings to the Aggrieved Employees of their Cover Letter and
18 Employee Payments be returned as undeliverable within thirty (30) calendar days of mailing, the
19 Settlement Administrator will have five (5) calendar days after it receives the returned
20 undeliverable mail to search for a more current address for the Aggrieved Employee (via a skip
21 trace or other reasonable method) and re-mail the Cover Letter and Employee Payments to any
22 alternative or updated address obtained by the Settlement Administrator.

23 The Settlement Administrator shall distribute payments for the General Release Fee,
24 the Attorneys' Fees, the Litigation Costs, the Settlement Administration Costs, the Employee
25 Payments, and the LWDA Payment within twenty-one (21) calendar days after the GSA is
26 deposited with the Settlement Administrator. All payments provided for by this Settlement
27 Agreement shall be made by the Settlement Administrator in accordance with this Settlement
28 Agreement and the Court's order approving this settlement.

1 Each Aggrieved Employee will be issued one check for his or her Employee Payment
2 which will expire one hundred and eighty (180) calendar days from the date the checks are issued
3 by the Settlement Administrator. After the 180 day-period, the Settlement Administrator shall
4 cancel all checks that have not been cashed or deposited and remit funds associated with such
5 canceled checks to the State Controller's Office, Unclaimed Property Division, in the name
6 associated with each Aggrieved Employee whose Employee Payment checks are canceled. (Ex.
7 A at § IV.1.a & b)

8 6. The settlement covers allegedly aggrieved employees, defined to mean all current and
9 former non-exempt employees who worked at least one pay period for Republique in
10 California at any time during the PAGA Period, i.e., from March 12, 2020 to October 1, 2021
11 or the date the court approves the Parties' Settlement Agreement, whichever comes first,
12 which is estimated to consist of approximately 82 individuals. (Ex. A at § I.2.)

13 7. Upon the date of entry of an order by the Court in this action approving this
14 Settlement, the State of California (including the LWDA) and the Aggrieved Employees,
15 including Plaintiff, fully release and forever discharge the Released Parties from any and all
16 PAGA Released Claims. As a result of this release, the Aggrieved Employees, including
17 Plaintiff, will be unable to bring a claim under, or recover in any other claim brought under, the
18 California Private Attorneys General Act, California Labor Code § 2698 *et seq.*, civil penalties
19 for any Labor Code violation occurring during the PAGA Period. (Ex. A at § I.16, I.17, III.5,
20 III.7, III.8.)

21 8. Upon the date of entry of an order by the Court in this action approving this
22 Settlement, Plaintiff fully releases and forever discharges the Released Parties from Plaintiff's
23 Released Claims.

24 9. The LWDA was given the opportunity to investigate this matter after being provided
25 notice by Plaintiff in his notice letter dated March 12, 2021, but declined to do so. In addition,
26 Plaintiff notified the LWDA of the settlement.

27 ///

28 ///

1 10. Under California law, no notice to the aggrieved employees is required for the
2 resolution of an action under PAGA. *See Arias v. Superior Court*, (2009) 46 Cal.4th 969, 977.
3 The Parties have nevertheless agreed to provide an explanatory letter to aggrieved employees to
4 accompany the PAGA penalty checks. Attached hereto as Exhibit D is the proposed letter to
5 aggrieved employees that would accompany the checks.

6 11. If there is a conflict between the language of this Stipulation and the language of the
7 Settlement Agreement and Release of PAGA Claims attached as Exhibit A, with the exception of
8 the timing of the settlement payment, the language of the Settlement Agreement and Release of
9 PAGA Claims shall control.

10 12. The Parties further expressly agree that the Court will retain jurisdiction under Code
11 of Civil Procedure section 664.6 to resolve any disputes arising from the Settlement Agreement.

12 **IT IS SO STIPULATED.**

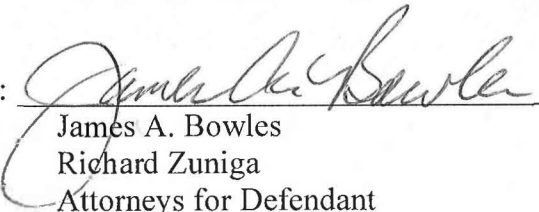
13
14
15 Dated: October __, 2021

Respectfully submitted,
MOON & YANG, APC

16 By: _____
17 Brett Gunther
18 Attorneys for Plaintiff,
Chico Vincente Barreno

19 Dated: October 4, 2021

HILL, FARRER & BURRILL, LLP

20
21 By:  _____
22 James A. Bowles
23 Richard Zuniga
24 Attorneys for Defendant
25
26
27
28
Republique, LLC.

1 10. Under California law, no notice to the aggrieved employees is required for the
2 resolution of an action under PAGA. *See Arias v. Superior Court*, (2009) 46 Cal.4th 969, 977.
3 The Parties have nevertheless agreed to provide an explanatory letter to aggrieved employees to
4 accompany the PAGA penalty checks. Attached hereto as Exhibit D is the proposed letter to
5 aggrieved employees that would accompany the checks.

6 11. If there is a conflict between the language of this Stipulation and the language of the
7 Settlement Agreement and Release of PAGA Claims attached as Exhibit A, with the exception of
8 the timing of the settlement payment, the language of the Settlement Agreement and Release of
9 PAGA Claims shall control.

10 12. The Parties further expressly agree that the Court will retain jurisdiction under Code
11 of Civil Procedure section 664.6 to resolve any disputes arising from the Settlement Agreement.

12 **IT IS SO STIPULATED.**

13
14 Dated: October 5th, 2021

Respectfully submitted,
MOON & YANG, APC

16 By: 

Brett Gunther
Attorneys for Plaintiff,
Chico Vincente Barreno

19 Dated: October __, 2021

HILL, FARRER & BURRILL, LLP

21 By: _____

James A. Bowles
Richard Zuniga
Attorneys for Defendant
Republique, LLC.

[PROPOSED] ORDER AND JUDGMENT

Having considered the foregoing Stipulation, and good cause appearing therefor,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. The Court, for purposes of this Final Order and Judgment, refers to all defined terms as set forth in the Private Attorneys General Act (Cal. Lab. Code § 2698, Et Seq.) Settlement Agreement attached as Exhibit "A" to the foregoing Stipulation (hereinafter "Settlement" or "Settlement Agreement").

2. The Settlement Agreement is hereby accepted and approved;

3. Plaintiff and all Aggrieved Employees shall have, by operation of this Final Order and Judgment, fully, finally, and forever released, relinquished, and discharged the Released Parties from all PAGA Released Claims as follows:

"PAGA Released Claims" mean any and all claims for civil penalties that could have been assessed upon and collected from the Released Parties under PAGA, based on the factual allegations in the operative complaint in the Action and Plaintiff's correspondence to the California Labor and Workforce Development Agency dated March 12, 2021, including, but not limited to, purported violations of California Labor Code sections 201, 202, 203, 204, 210, 226(a), 226(e), 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1197.1, 1198, 2698, 2699(a), 2699(f)(2), 2699(g)(1), and 2802, arising during the PAGA Period, from the alleged (1) failure to pay minimum and regular rate wages; (2) failure to pay overtime compensation; (3) failure to provide meal periods and compensation thereof; (4) failure to authorize and permit rest breaks and pay compensation thereof; (5) failure to indemnify necessary business expenses; (6) failure to timely pay final wages at termination; (7) failure to provide accurate itemized wage statements; and (8) unfair business practices.

"Released Parties" mean Republique and its past, present, and future owners, officers, directors, employees, board members, shareholders, attorneys, insurers, reinsurers, customers, partners, investors, members, representatives, predecessors, parent companies, subsidiaries, affiliates, divisions, successors, agents and principals, and their heirs, estates, executors, administrators, servants, insurers, attorneys, and assigns.

"PAGA Period" means the time period from March 12, 2020 through October 1, 2021, or the date the Court approves the Parties' Settlement Agreement, whichever comes first.

1 "Aggrieved Employees" shall consist of all current and former non-exempt
2 employees who worked at least one pay period for Republic in California at
3 any time during the PAGA Period, i.e., from March 12, 2020 to October 1, 2021
or the date the court approves the Parties' Settlement Agreement, whichever
comes first.

4 Upon the Effective Date and payment of all funds due under this Settlement,
5 Plaintiff, Aggrieved Employees, and the State of California will be forever barred
6 from pursuing any and all PAGA Released Claims defined in Section I.16 of the
7 Settlement Agreement. Upon entry of the Order approving the settlement and
8 judgment entered thereon, Plaintiff, the State of California, and all Aggrieved
9 Employees will be forever barred from pursuing any and all of the PAGA
10 Released Claims that arose during the PAGA Period against the Released Parties.
11 This release of claims only covers those civil penalties which are recoverable
12 under PAGA, and does not otherwise cover individual, underlying claims or
13 causes of action that Aggrieved Employees other than Plaintiff may have under
14 the law against Released Parties for violations of the California Labor Code.

15 4. The Parties shall bear their own respective attorneys' fees and costs, except as
16 otherwise provided for in the Settlement and approved by the Court.

17 5. The Settlement is not an admission by Defendant, nor is this Order a finding of the
18 validity of any allegations or of any wrongdoing by Defendant. Neither this Order, the
19 Settlement, nor any document referred to herein, nor any action taken to carry out the Settlement,
20 may be used as an admission of any fault, wrongdoing, omission, concession, or liability
21 whatsoever by or against Defendant.

22 6. Defendant shall pay the Aggrieved Employees, Plaintiff's Counsel, the Labor and
23 Workforce Development Agency ("LWDA"), and the Settlement Administrator pursuant to the
24 terms of the Settlement Agreement:

- 25 a. Actual administration costs of up to \$5,000.00, payable to the Settlement
26 Administrator for administration of the Settlement;
- 27 b. Attorneys' fees to Plaintiff's Counsel in the amount of \$33,333.33;
- 28 c. Reimbursement for actual costs incurred by Plaintiff's Counsel, not to exceed
\$12,000.00;
- d. \$5,000 to Plaintiff Vincente Chico Barreno in exchange for his released of the
Released Parties from Plaintiff's Released Claims; and

e. The remaining amount to the PAGA Fund, which shall be allocated as set forth in Labor Code § 2699(d), with 75% allocated to the LWDA, and the remaining 25% to the Aggrieved Employees on a pro-rata basis. The Settlement Administrator will cancel all checks that remain uncashed 180 days from the mailing date and forward such amounts to the California State Controller's Office in the name of the Aggrieved Employees who did not cash their check.

7. No later than fifteen (15) business days after the Effective Date of the Parties' Settlement Agreement, Defendant shall provide the Settlement Administrator with a list of the Aggrieved Employees (the "Aggrieved Employees List"). The Aggrieved Employees List shall include each Aggrieved Employee's full name, last known mailing address, last known telephone number, total pay periods worked for Republic in California during the PAGA Period, and Social Security number, to the extent available from Republic's records. Because Social Security numbers are included in the list, the Settlement Administrator will maintain the list in confidence, and shall only access and use the list to administer the settlement in conformity with the Court's orders. Republic will in good faith compile from its records the Aggrieved Employees List and provide it to the Settlement Administrator in a computer-readable format, such as a Microsoft Excel spreadsheet.

8. Republic shall deposit the Gross Settlement Amount ("GSA") with the Settlement Administrator within 30 days of the Effective Date.

9. The Settlement Administrator shall distribute payments to Plaintiff, the Attorneys' Fees, the Litigation Costs, the Settlement Administration Costs, the Employee Payments, and the LWDA Payment within twenty-one (21) calendar days after the GSA is deposited with the Settlement Administrator. All payments provided for by this Settlement Agreement shall be made by the Settlement Administrator in accordance with this Settlement Agreement and the Court's order approving this settlement.

10. No later than twenty-one (21) calendar days after receipt of the Gross Settlement Amount from Defendant, the Settlement Administrator will mail the Employee Payments under cover letter, substantially in the form attached hereto as "Exhibit D" ("Cover Letter"), to each of the

1 Aggrieved Employees identified on the Aggrieved Employees List. Prior to mailing the Cover
2 Letter, the Settlement Administrator shall check the addresses provided in the Aggrieved
3 Employees List using the United States Postal Service's National Change of Address database,
4 and update the addresses for known address changes.

5 Should any of the mailings to the Aggrieved Employees of their Cover Letter and
6 Employee Payments be returned as undeliverable within thirty (30) calendar days of mailing, the
7 Settlement Administrator will have five (5) calendar days after it receives the returned
8 undeliverable mail to search for a more current address for the Aggrieved Employee (via a skip
9 trace or other reasonable method) and re-mail the Cover Letter and Employee Payments to any
10 alternative or updated address obtained by the Settlement Administrator.

11 11. The Court hereby confirms Seung Yang and Brett Gunther of Moon & Yang, APC as
12 PAGA Counsel.

13 12. The Court finds that the fees requested by Plaintiff's Counsel of one-third (33 1/3%)
14 of the total settlement amount (\$100,000.00) are reasonable, and the costs requested of up to
15 \$12,000.00 were reasonable and necessary for the prosecution of this action. The Court hereby
16 awards attorney's fees in the amount of \$33,333.33 and costs in the amount of \$10,160.26 to
17 Plaintiff's Counsel for their attorney's fees and costs. The payment of fees and costs to
18 Plaintiff's Counsel shall be made in accordance with the terms of the Settlement.

19 13. The Court approves of the proposed letter attached to the Stipulation as Exhibit D to
20 be sent to Aggrieved Employees along with their respective Employee Payment.

21 14. Plaintiff fully releases and forever discharges the Released Parties from Plaintiff's
22 Released Claims.

23 15. The State of California (including the LWDA) and the Aggrieved Employees,
24 including Plaintiff, fully release and forever discharge the Released Parties from any and all
25 PAGA Released Claims.

26 16. This action is dismissed with prejudice.

27 17. Plaintiff shall submit a copy of this Order and Judgment to the LWDA within ten
28 calendar days after entry of the Order and Judgment.

1 18. This Court shall retain jurisdiction, pursuant to C.C.P. section 664.6, over this action,
2 the Parties, and the Aggrieved Employees to the fullest extent necessary to interpret, enforce, and
3 effectuate the terms and intent of the Settlement and this Order and Judgment.



Terry Green

4
5 DATED: 10/20/2021

Terry Green / Judge

~~HON. TERRY CLARK~~

TERRY A. GREEN
JUDGE OF THE LOS ANGELES
COUNTY SUPERIOR COURT

EXHIBIT A

Private Attorneys General Act (Cal. Lab. Code § 2698, *Et Seq.*) Settlement Agreement

IT IS HEREBY STIPULATED AND AGREED by and among the undersigned Parties, subject to the approval of the Court, that the Action and PAGA Released Claims shall be settled and resolved subject to the following terms and conditions set forth in this Private Attorneys General Act (Cal. Lab. Code § 2698, *et seq.*) Settlement Agreement ("Settlement Agreement"), entered by and between Plaintiff Chico Vincente Barreno ("Plaintiff"), for himself and on behalf of the State of California and other Aggrieved Employees pursuant to the California Private Attorneys General Act, and Defendant Republique, LLC. ("Defendant" or "Republique") (collectively, the "Parties").

This Settlement Agreement shall be effective on the latter of: (a) the Court's final approval of the settlement if no objections by or on behalf of Aggrieved Employees have been filed; (b) the time for appeal has expired if an objection has been filed and no appeal has been filed or withdrawn; (c) the final resolution of any appeal that has been filed ("Effective Date").

I. DEFINITIONS

Unless otherwise defined herein, the following terms, when used in this Settlement Agreement, shall have the following meanings:

1. "Action" means the matter entitled CHICO VINCENTE BARRENO, individually, and on behalf of all others similarly situated, Plaintiff, v. REPUBLIQUE, LLC., a California limited liability company; and DOES 1 through 10 inclusive, Defendants, Los Angeles County Superior Court Case No. 21STCV09903.
2. "Aggrieved Employees" consist of all current and former non-exempt employees who worked at least one pay period for Republique in California at any time during the PAGA Period, i.e., from March 12, 2020 to October 1, 2021 or the date the court approves the Parties' Settlement Agreement, whichever comes first.
3. "Republique" means Defendant Republique, LLC.
4. "Complaint" means the claims and allegations set forth in Plaintiff's correspondence to the California Labor and Workforce Development Agency dated March 12, 2021 ("LWDA Letter") and the operative complaint, including without limitation the First Amended Complaint, filed in the Action.
5. "Court" or "Los Angeles County Superior Court" means the Superior Court of California for the County of Los Angeles.
6. "Defense Counsel" or "Counsel for Defendant" are: James A. Bowles, Esq. and Richard S. Zuniga, Esq. of Hill, Farrer & Burrell, LLP, One California Plaza, 300 S. Grand Ave, 37th Floor, Los Angeles, California 90071.

7. "Employee PAGA Portion" is the amount to be distributed to the Aggrieved Employees, which shall consist of 25% of the PAGA Penalties Amount, as provided in Section III.3 herein.

8. "Employee Payments" refers to the PAGA Penalty Payments that will be distributed to Aggrieved Employees, as provided in Section III.3 herein.

9. "Gross Settlement Amount" is the sum of One Hundred Thousand Dollars and Zero Cents (\$100,000.00), which represents the total amount payable under this Settlement Agreement by Republicue, and includes the Employee PAGA Portion payable to Aggrieved Employees, LWDA Payment payable to the LWDA, Court-awarded Attorneys' Fees (not to exceed \$33,333.33) to Plaintiff's Counsel, Court-awarded Litigation Costs (not to exceed \$12,000.00) to Plaintiff's Counsel, Court-awarded General Release Fee (not to exceed \$5,000.00) to Plaintiff, and a Court-awarded payment to the Settlement Administrator for Settlement Administration Costs (not to exceed \$5,000.00).

10. "LWDA" means the California Labor and Workforce Development Agency.

11. "Plaintiff's Counsel" means Seung Yang, Esq., Allen Feghali, Esq., and Brett M. Gunther, Esq. of Moon & Yang, APC, 1055 W. Seventh St., Suite 1880, Los Angeles, California 90017.

12. "Net Settlement Amount" is the amount remaining to distribute to the LWDA and Aggrieved Employees after the following amounts are subtracted from the Gross Settlement Amount: (a) Attorneys' Fees to Plaintiff's Counsel; (b) Litigation Costs to Plaintiff's Counsel; (c) General Release Fee to Plaintiff; and (d) Settlement Administration Costs to Settlement Administrator.

13. "PAGA" means the California Labor Code Private Attorneys General Act, California Labor Code § 2698, *et seq.*

14. "LWDA Payment" means the amount to be paid to the LWDA, which is seventy-five percent (75%) of the Net Settlement Amount as set forth in Section III.3 herein.

15. "PAGA Period" means the time period from March 12, 2020 through October 1, 2021, or the date the court approves the Parties' Settlement Agreement, whichever comes first.

16. "PAGA Released Claims" mean any and all claims for civil penalties that could have been assessed upon and collected from the Released Parties under PAGA, based on the factual allegations in the operative complaint in the Action and Plaintiff's correspondence to the California Labor and Workforce Development Agency dated March 12, 2021, including, but not limited to, purported violations of California Labor Code sections 201, 202, 203, 204, 210, 226(a), 226(e), 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1197.1, 1198, 2698, 2699(a), 2699(f)(2), 2699(g)(1), and 2802, arising during the PAGA Period, from the alleged (1) failure to

pay minimum and regular rate wages; (2) failure to pay overtime compensation; (3) failure to provide meal periods and compensation thereof; (4) failure to authorize and permit rest breaks and pay compensation thereof; (5) failure to indemnify necessary business expenses; (6) failure to timely pay final wages at termination; (7) failure to provide accurate itemized wage statements; and (8) unfair business practices.

17. “Released Parties” mean Republique and its past, present, and future owners, officers, directors, managers, employees, board members, shareholders, attorneys, insurers, reinsurers, customers, partners, investors, members, representatives, predecessors, parent companies, subsidiaries, affiliates, divisions, successors, agents and principals, and their heirs, estates, executors, administrators, servants, insurers, attorneys, and assigns.

18. “Settlement Administrator” means Phoenix Settlement Administrators, Inc., a third-party administrator who shall administer the settlement, subject to approval by the Court, in accordance with this Settlement Agreement, and whose costs and expenses to administer the settlement are currently estimated not to exceed \$5,000.00 (“Settlement Administration Costs”).

II. RECITALS

1. On March 12, 2021, Plaintiff provided written notice to the LWDA and Republique asserting claims for civil penalties pursuant to PAGA stemming from alleged violations of California Labor Code sections 201, 202, 203, 204, 210, 226(a), 226(e), 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1197.1, 1198, 2698, 2699(a), 2699(f)(2), 2699(g)(1), and 2802.

2. On March 12, 2021 Plaintiff filed a class action complaint in the Superior Court of California, County of Los Angeles, Case No. 21STCV09903, entitled *CHICO VINCENTE BARRENO, individually, and on behalf of all others similarly situated, Plaintiff, v. REPUBLIQUE, LLC., a limited liability corporation; and DOES 1 through 10 inclusive, Defendants*, alleging violations of the Labor Code and Unfair Competition Law for: (1) failure to pay minimum and regular rate wages; (2) failure to pay overtime compensation; (3) failure to provide meal periods; (4) failure to authorize and permit rest breaks; (5) failure to indemnify necessary business expenses; (6) failure to timely pay final wages at termination; (7) failure to provide accurate itemized wage statements; and (8) unfair business practices. On July 6, 2021, the Parties filed a joint stipulation requesting that Plaintiff be allowed to dismiss the class action claims and file a First Amended Complaint alleging only a cause of action for civil penalties under PAGA.

3. On July 1, 2021, the Parties participated in a day-long mediation with mediator Michael Young, Esq. In preparation for the mediation, Plaintiff’s counsel requested and Defendant’s counsel provided sample time and payroll data for the purported class, personnel and employment documents, and company financial information. With Mr. Young’s assistance, the Parties agreed to fully and finally resolve the Action and the PAGA Released Claims as to Plaintiff, the State of California, and the Aggrieved Employees.

III. OPERATIVE TERMS OF SETTLEMENT AGREEMENT

The Parties agree as follows:

1. **Non-Admission.** Nothing in this Settlement Agreement nor action taken in implementation thereof shall be construed to be an admission or concession by Plaintiff that his claims do not have merit or by Republic of any liability or wrongdoing as to Plaintiff, Aggrieved Employees, or any other person, and Republic specifically disclaims any such liability or wrongdoing. Nor will any of the foregoing be used in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement Agreement may be used in any court proceeding that has as its purpose the interpretation, implementation, or enforcement of the settlement or any orders or judgments of the Court entered into in connection therewith. The Parties have entered into this Settlement Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and risks. This Settlement Agreement and any related Court documents or orders are not and may not be cited or admitted as evidence of liability.

2. **Gross Settlement Amount.** Republic shall pay \$100,000.00 as the Gross Settlement Amount ("GSA"). Republic will not pay more than the Gross Settlement Amount. However, in the event that the actual pay periods from March 12, 2020 to July 11, 2021 is more than 10% greater than the estimated 2,170 (i.e., if there are more than 2,387 pay periods from March 12, 2020 to July 11, 2021), Republic shall increase the GSA in proportion to the increase in pay periods over 10% (e.g., if the number of pay periods is 12% greater than 2,170, Republic will increase the GSA by 2%). ("Escalator Clause"). In the event that the Escalator Clause is triggered, the Parties shall cooperate to obtain an amended judgment which reflects the increased Gross Settlement Amount.

3. **Net Settlement Amount.** The Parties agree that the Net Settlement Amount shall be distributed to the LWDA and Aggrieved Employees as follows: Seventy-five percent (75%) of the Net Settlement Amount shall be distributed to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%) of the Net Settlement Amount shall be distributed to the Aggrieved Employees on a *pro rata* basis, based on their respective number of pay periods worked for Republic during the PAGA Period. Payments to Aggrieved Employees of their share of the Other PAGA Penalties Amount shall be referred to as "PAGA Penalty Payment(s)." Each Aggrieved Employee will be paid a non-wage check for the PAGA Penalty Payment, and will receive an IRS Form 1099 for said payment.

4. **Attorneys' Fees Payment and Litigation Costs Payment.** Republic will not oppose Plaintiff's request for an award of attorneys' fees in the amount up to \$33,333.33 ("Attorneys' Fees") and litigation costs and expenses in the amount up to \$12,000.00 incurred in prosecuting this Action ("Litigation Costs"), to Plaintiff's Counsel. In the event the Court

approves a payment of less than \$33,333.33 for Attorneys' Fees and/or less than \$12,000.00 for Litigation Costs to Plaintiff's Counsel, the difference will be a part of the Net Settlement Amount. The Attorneys' Fees and Litigation Costs payments will be reported on an IRS Form 1099 issued to Plaintiff's Counsel. Except as set forth in this Paragraph, the Parties shall each bear their own attorneys' fees and costs.

5. **Plaintiff's Individual Release of All Claims.** Republique will not oppose Plaintiff's request for payment in the amount up to \$5,000.00 as a general release fee in connection with the release and waivers provided by Plaintiff, in his individual capacity ("General Release Fee"). In the event the Court approves a payment of less than \$5,000.00 as a General Release Fee award to Plaintiff, the difference will be a part of the Net Settlement Amount. The General Release Fee will be reported on an IRS Form 1099 issued to Plaintiff.

6. **Settlement Administration Costs.** Republique will not oppose Plaintiff's request for payment in the amount up to \$5,000.00 to the Settlement Administrator for administering the settlement. In the event the Court approves a payment of less than \$5,000.00 for Settlement Administration Costs, the difference will be a part of the Net Settlement Amount. Settlement Administration Costs will be reported on an IRS Form 1099 issued to the Settlement Administrator.

7. **Plaintiff's Release of Claims and Waiver of California Civil Code section 1542.** In consideration of payment under the settlement, and upon the Effective Date and payment of all funds due under this Settlement, Plaintiff shall be deemed to release the Released Parties from any and all PAGA Released Claims and any other claims that he may have against the Released Parties, including and not limited to, all complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including attorneys' fees and costs actually incurred, other than as otherwise provided herein) of any nature whatsoever, known or unknown, suspected or unsuspected, including, but not limited to, any claim for damages related to Plaintiff's employment with Defendant, the separation of his employment, rights arising out of alleged violations of any contracts, express or implied, any covenant of good faith and fair dealing, express or implied, or any tort including defamation, any claim of wrongful termination, retaliation, or wage and hour violations, or any legal restrictions of Defendant's right to terminate employees, or any federal, state or other governmental statute, regulation or ordinance, including, without limitation: (1) the Civil Rights Act of 1964, as amended; (2) 42 U.S.C. § 1981; (3) the California Government Code; (4) section 503 of the Rehabilitation Act of 1973; (5) the Americans with Disabilities Act; (6) the Fair Labor Standards Act (including the Equal Pay Act); (7) the California Constitution; and (8) the California Labor Code, which Plaintiff now has, owns or holds, or claims to have, own or hold, or which Plaintiff at any time heretofore had, owned or held, or claimed to have owned or held against any of the Released Parties relating to any conduct occurring prior to and including the date of execution of this Settlement Agreement (collectively, "Plaintiff's Released Claims"). Plaintiff represents that he is not aware of any claims he may have against the Released Parties other than the PAGA Released Claims. As a material inducement for Republique to enter into this settlement, Plaintiff waives any and all rights and benefits conferred by the provisions of section 1542 of the California Civil Code and

any similar law of any state or territory of the United States or other jurisdiction. Section 1542 of the California Civil Code provides as follows:

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.

Plaintiff understands and acknowledges that this Settlement Agreement is meant to include, to the fullest extent, all PAGA Released Claims, Plaintiff's Released Claims and any other claims which Plaintiff does not know or suspect to exist in his favor against the Released Parties.

9. **PAGA Released Claims.** Upon the Effective Date and payment of all funds due under this Settlement, Plaintiff, Aggrieved Employees, and the State of California will be forever barred from pursuing any and all PAGA Released Claims defined in Section I.16 herein. This release of claims only covers those civil penalties which are recoverable under PAGA, and does not otherwise cover individual, underlying claims or causes of action that Aggrieved Employees may have under the law against Released Parties for violations of the California Labor Code.

10. **Covenants and Representations by Plaintiff and Plaintiff's Counsel.** Plaintiff represents and warrants that he has not assigned or transferred or purported to assign or transfer to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this Settlement Agreement. Plaintiff acknowledges that he has read this Settlement Agreement, that he fully understands his rights, privileges, and duties under the Settlement Agreement, and enters into this Settlement Agreement freely and voluntarily. Plaintiff further acknowledges that he has had the opportunity to consult with his attorneys to explain the terms of this Settlement Agreement and the consequences of signing this Settlement Agreement.

11. **Limited Disclosure and No Publicity.** Except as provided below, to the extent necessary to effectuate the settlement or as required by the PAGA statute, a court of law, or legal process, neither Plaintiff nor Plaintiff's Counsel will publicize the terms of this Settlement Agreement or issue a press release, hold a press conference, publish information about the settlement on any website or through any social media, or otherwise publicize the settlement or communicate its terms in public or in private, unless ordered by the Court.

12. **Obligation of Plaintiff's Counsel to Submit Settlement Agreement to the LWDA.** To permit judicial review and approval of the PAGA Payment, as required by Labor Code section 2698, et seq., Plaintiff's Counsel will file the Settlement Agreement with the Court and submit the Settlement to the LWDA as part of the parties' seeking Court approval of the Settlement, per Lab. Code § 2699(1)(2).

13. **Filing of Joint Stipulation of Settlement by Plaintiff's Counsel.** Plaintiff's Counsel shall be responsible for preparing the Joint Stipulation for Approval of the Settlement ("Stipulation") and providing Defendant's Counsel with sufficient opportunity to propose revision to the Stipulation prior to filing. Plaintiff's Counsel will file the Stipulation, which is mutually agreed to by the Parties, as soon as practicable. Plaintiff's Counsel will serve the Stipulation on Defendant's Counsel and submit it to the LWDA. Pursuant to California Labor Code section 2698, *et seq.*, Plaintiff's Counsel shall undertake all required submissions and disclosures to the LWDA and the Court to obtain approval of the settlement. In the event that the Parties learn that the Settlement will not be approved by stipulation, Plaintiff's Counsel shall file a motion for approval of this Settlement. The stipulation and order approving the settlement shall include a provision that the Action is dismissed with prejudice, which shall constitute a final and binding resolution of Plaintiff's claims herein.

14. **Termination of Settlement Agreement.** If the Court does not approve the settlement, if the Court does not dismiss the Action with prejudice, as provided for in this Settlement Agreement, or if appellate review is sought and, on such review, the Court's decision is materially modified or reversed, or if one or more of the terms of the Settlement Agreement is not approved or is materially modified or reversed or found to be invalid, or the settlement does not become final for any other reason, then either of the Parties shall have the right within ten (10) calendar days of written notice thereof to elect to terminate the Settlement Agreement, in which case it shall have no force or effect, and the Parties shall be deemed to have reverted to their original, respective status as of the date and time immediately prior to the execution of this Settlement Agreement.

IV. ADMINISTRATION OF SETTLEMENT

1. **Settlement Administrator.** The Parties have mutually selected Phoenix Settlement Administrators, Inc. to handle the administration of this settlement, subject to approval by the Court.

Notice to Aggrieved Employees.

a. No later than fifteen (15) business days after the Effective Date, Defendant shall provide the Settlement Administrator with a list of the Aggrieved Employees (the "Aggrieved Employees List"). The Aggrieved Employees List shall include each Aggrieved Employee's full name, last known mailing address, total pay periods worked for Republique in California during the PAGA Period, and Social Security number, to the extent available from Republique's records. Because Social Security numbers are included in the list, the Settlement Administrator will maintain the list in confidence, and shall only access and use the list to administer the settlement in conformity with the Court's orders. Republique will in good faith compile from its records the Aggrieved Employees List and provide it to the Settlement Administrator in a computer-readable format, such as a Microsoft Excel spreadsheet.

b. Republique shall deposit the GSA with the Settlement Administrator within 30 days of the Effective Date. No later than twenty-one (21) calendar days after receipt of the Gross Settlement Amount from Defendant, the Settlement Administrator will mail the Employee Payments under cover letter, substantially in the form attached hereto as "**Exhibit A**" ("Cover Letter"), to each of the Aggrieved Employees identified on the Aggrieved Employees List. Prior to mailing the Cover Letter, the Settlement Administrator shall check the addresses provided in the Aggrieved Employees List using the United States Postal Service's National Change of Address database, and update the addresses for known address changes.

Should any of the mailings to the Aggrieved Employees of their Cover Letter and Employee Payments be returned as undeliverable within thirty (30) calendar days of mailing, the Settlement Administrator will have five (5) calendar days after it receives the returned undeliverable mail to search for a more current address for the Aggrieved Employee (via a skip trace or other reasonable method) and re-mail the Cover Letter and Employee Payments to any alternative or updated address obtained by the Settlement Administrator.

The Settlement Administrator shall distribute payments for the General Release Fee, the Attorneys' Fees, the Litigation Costs, the Settlement Administration Costs, the Employee Payments, and the LWDA Payment within twenty-one (21) calendar days after the GSA is deposited with the Settlement Administrator. All payments provided for by this Settlement Agreement shall be made by the Settlement Administrator in accordance with this Settlement Agreement and the Court's order approving this settlement.

Each Aggrieved Employee will be issued one check for his or her Employee Payment which will expire one hundred and eighty (180) calendar days from the date the checks are issued by the Settlement Administrator. After the 180 day-period, the Settlement Administrator shall cancel all checks that have not been cashed or deposited and remit funds associated with such canceled checks to the State Controller's Office, Unclaimed Property Division, in the name associated with each Aggrieved Employee whose Employee Payment checks are canceled.

V. MISCELLANEOUS PROVISIONS

1. **No Impact on Employee Benefit Plans.** Neither the Settlement Agreement nor any amounts paid to Plaintiff, any Aggrieved Employee, or the LWDA under the settlement will modify any previously credited hours or service under any employee benefit plan, policy, or bonus program sponsored by Republique. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under Republique's sponsored benefit plans, policies, or bonus programs. The payments made under the terms of this Settlement Agreement shall not be applied retroactively, currently, or on a going-forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of any Republique benefit plan, policy, or bonus program. Republique retains the right, if necessary, to modify the language of its benefit plans, policies, and bonus programs to effect this intent, and to make clear that any amounts paid pursuant to this Settlement Agreement are not for "hours worked," "hours paid," "hours of service," or any similar measuring term as defined by applicable plans, policies, and bonus programs for purposes of eligibility, vesting, benefit

accrual, or any other purpose, and that additional contributions or benefits are not required by this Settlement Agreement.

2. **Tax Consequences.** Plaintiff and Aggrieved Employees will be solely responsible for correctly characterizing any compensation received under the settlement on his/her personal income tax returns for tax purposes, and paying all appropriate taxes due for any and all amounts paid to them under the settlement. Plaintiff, Defendant, Plaintiff's Counsel, and Defendant's Counsel make no representations or warranties with respect to tax consequences of any payment under this Settlement Agreement, do not intend anything contained in this Settlement Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied upon as such.

3. **Governing Law.** This Settlement Agreement shall be construed under and governed by the laws of the State of California. This Settlement Agreement shall be deemed to have been entered into in California, and all questions of validity, interpretation, or performance of any of its terms or of any rights or obligations of the Parties to this Settlement Agreement shall be governed by California law. If any legal or equitable action or arbitration is necessary to enforce the terms of this Settlement Agreement, it shall be brought in the State of California, County of Los Angeles.

4. **Entire Agreement.** This Settlement Agreement constitutes the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties each acknowledge and represent that no promise or representation not contained in this Settlement Agreement has been made to them, and acknowledge and represent that this Settlement Agreement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the Action and PAGA Released Claims.

5. **Judgment and Continued Jurisdiction.** The Parties agree that this Settlement Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6, and the Court, to the fullest extent of the law, shall retain exclusive and continuing jurisdiction over this Action, over all Parties, and the Aggrieved Employees to interpret and enforce the terms, conditions, and obligations of the Settlement Agreement.

6. **Amendment or Modification.** This Settlement Agreement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest or counsel for all Parties, subject to approval by the Court.

7. **Authorization to Enter into Binding Settlement Agreement.** Defendant represents and warrants that the undersigned has the authority to act on behalf of Republic and to bind Republic to the terms of this Settlement Agreement. Plaintiff represents and warrants that he has the capacity to act on his own behalf and on behalf of all who might claim through him to bind him to the terms and conditions of this Settlement Agreement. Counsel for all Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or

permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have full authority to enter into this settlement, and further intend that this Settlement Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any settlement and/or mediation privileges and/or confidentiality provisions that otherwise might apply under federal or state law.

8. **Binding on Successors and Assigns.** This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

9. **Execution and Counterparts.** This Settlement Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

10. **Acknowledgement of Mutual Drafting and that the Settlement is Fair, Adequate, and Reasonable.** The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action, and have arrived at this settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this settlement. The Parties agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive, arm's-length negotiations and that neither Party shall be considered the "drafter" of this Settlement Agreement for purposes of having terms construed against that Party. The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one Party merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

11. **Invalidity of Any Provision.** Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Settlement Agreement valid and enforceable.

12. **Severability.** If any term or provision of this Settlement Agreement is held to be invalid or unenforceable, provided that the essential terms and conditions of this Settlement Agreement for each Party remain valid, binding and enforceable, the remaining portions of this Settlement Agreement will continue to be valid, and will be performed, construed, and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Settlement Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

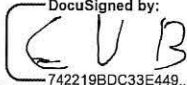
13. **No Waiver.** No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such Party of the same or any other condition, covenant, right, or remedy.

14. **Cooperation and Execution of Necessary Documents.** All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to implement the settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

IN WITNESS THEREOF, the Parties each acknowledge that he/it has read the foregoing Settlement Agreement, accepts and agrees to the provisions contained in this Settlement Agreement, and hereby executes it voluntarily and with full understanding of its consequences.

PLAINTIFF:

Dated: 9/23/2021

By: 
742219BDC33E449...
Chico Vincente Barreno

DEFENDANT:

REPUBLIQUE, LLC

Dated: _____

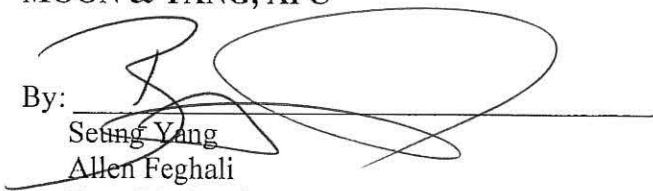
By: _____
Walter Manzke, Owner/Managing Partner

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

APPROVED AS TO FORM:

Dated: 9/23, 2021

MOON & YANG, APC

By: 

Seung Yang

Allen Feghali

Brett M. Gunther

Attorneys for Plaintiff Chico Vicente Barreno

HILL, FARRER & BURRILL LLP

By: _____

James A. Bowles

Richard S. Zuniga

Attorneys for Republique, LLC

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

14. **Cooperation and Execution of Necessary Documents.** All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to implement the settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

IN WITNESS THEREOF, the Parties each acknowledge that he/it has read the foregoing Settlement Agreement, accepts and agrees to the provisions contained in this Settlement Agreement, and hereby executes it voluntarily and with full understanding of its consequences.

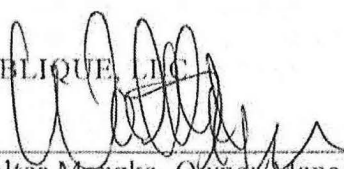
PLAINTIFF:

Dated: _____

By: _____
Chico Vincente Barreno

DEFENDANT:

Dated: SEP. 30, 21

REPUBLIC, LLC
By:  _____
Walter Manzke, Owner/Managing Partner

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

APPROVED AS TO FORM:

Dated: SEPT 30, 2021

MOON & YANG, APC

By: _____
Seung Yang
Allen Feghali
Brett M. Gunther
Attorneys for Plaintiff Chico Vicente Barreno

HILL, FARRER & BURRILL LLP

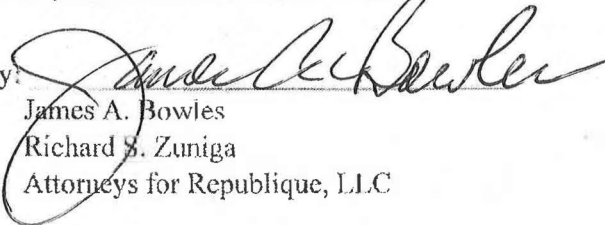
By: 
James A. Bowles
Richard S. Zuniga
Attorneys for Republique, LLC

Exhibit A

[PHOENIX SETTLEMENT ADMINISTRATORS, INC LETTERHEAD]

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>

<<ADDRESS 1>>

<<ADDRESS 2>>

Re: Payment From *Barreno v. Republique, LLC*

Dear <<FIRST_NAME>> <<LAST_NAME>>:

Enclosed you will find a check made payable to you. This is your payment from the court-approved settlement of the lawsuit entitled *Barreno v. Republique, LLC*, Los Angeles County Superior Court Case No. 21STCV09903 (the "Action"). The court approved the settlement on _____, 2021.

Phoenix Settlement Administrators, Inc. is the third-party administrator who has been appointed by the court to administer the settlement

The Action was filed against Republique, LLC ("Republique") pursuant to the California Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* (called "PAGA"). The claim was brought on behalf of the State of California and all similarly situated "aggrieved employees" who worked as non-exempt employees for Republique at any time during the period from March 12, 2020 to _____ [October 1, 2021 or the date the court approved the settlement, whichever came first] (the "PAGA Period"). You have been identified as one of the employees on whose behalf the case was brought because you were employed as a non-exempt employee by Republique during the PAGA Period.

The plaintiff in the case claimed that Republique owed penalties under PAGA for certain California Labor Code violations. Republique denies that it did anything wrong or that it owes any penalties. The parties agreed to resolve the case, and as part of that settlement, Republique agreed to pay a certain amount of money categorized as PAGA penalties. Under the PAGA statute, the penalties get divided between the State and the employees. The amount allocated to employees is being distributed on a *pro rata* basis, based on the respective number of pay periods the employee worked for Republique during the PAGA Period. The enclosed check represents your portion of the penalties allocated to the employees.

If you have questions, please contact Phoenix Settlement Administrators, Inc. at

_____.

EXHIBIT B

Activities Export

10/05/2021
10:06 AM

Date	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
09/08/2021	\$	LASC ● Unbilled	01201-Barreno Barreno v. Republique LLC (CJ)	Seung Yang	1.00	67.00	-	67.00
08/09/2021	\$	LASC ● Unbilled	01201-Barreno Barreno v. Republique LLC (CJ)	Seung Yang	1.00	7.26	-	7.26
08/03/2021	\$	Berger Consulting ● Unbilled	01201-Barreno Barreno v. Republique LLC (CJ)	Seung Yang	1.00	1,312.50	-	1,312.50
07/31/2021	\$	Ace ● Unbilled	01201-Barreno Barreno v. Republique LLC (CJ)	Seung Yang	1.00	61.50	-	61.50
07/16/2021	\$	Ace ● Unbilled	01201-Barreno Barreno v. Republique LLC (CJ)	Seung Yang	1.00	44.50	-	44.50
06/04/2021	\$	Mediation fee (p) ● Unbilled	01201-Barreno Barreno v. Republique LLC (CJ)	Seung Yang	1.00	6,250.00	-	6,250.00
04/27/2021	\$	Ace ● Unbilled	01201-Barreno Barreno v. Republique LLC (CJ)	Seung Yang	1.00	146.75	-	146.75
03/15/2021	\$	Ace ● Unbilled	01201-Barreno Barreno v. Republique LLC (CJ)	Seung Yang	1.00	10.75	-	10.75
03/15/2021	\$	LWDA ● Unbilled	01201-Barreno Barreno v. Republique LLC (CJ)	Seung Yang	1.00	75.00	-	75.00

\$0.00	\$10,160.26
0.0h	0.0h

Activities Export

10/05/2021
10:06 AM

Date	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
03/12/2021	\$	Admin fee ● Unbilled	01201-Barreno Barreno v. Republique LLC (CJ)	Seung Yang	1.00	750.00	-	750.00
03/12/2021	\$	Complaint fee ● Unbilled	01201-Barreno Barreno v. Republique LLC (CJ)	Seung Yang	1.00	1,435.00	-	1,435.00
							\$0.00 0.0h	\$10,160.26 0.0h

EXHIBIT C



PHOENIX
SETTLEMENT ADMINISTRATORS

CLASS ACTION SETTLEMENT SOLUTIONS

CASE ASSUMPTIONS

Class Member	85
Total Claims Processed	85
Subtotal Admin Only	\$1,975.00
WILL NOT EXCEED	\$1,975.00

September 8, 2021

Case: Barreno v. Republique PAGA Settlement

Phoenix Contact: Jodey Lawrence

Contact Number: 949.566.1455

Email: Jodey@phoenixclassaction.com

Requesting Attorney: Brett Gunther

Firm: MOON & YANG, APC

Contact Number: (213) 232-3128

Email: brett.gunther@moonyanglaw.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PSA will need to adjust this Estimate accordingly. Estimate is based on 85 Class Members. PSA assumes class data will be sent in Microsoft Excel or other usable format with no or reasonable additional formatting needed. A rate of \$150 per hour will be charged for any additional analysis or programming.

Case & Database Setup/ NCOA (USPS)				
Administrative Tasks:	Rate	Hours/Units	Line Item Estimate	
Programming Manager	\$150.00	1		\$150.00
Programming Database & Setup	\$150.00	1		\$150.00
Toll Free Setup*	\$41.75	1		\$41.75
Call Center & Long Distance	\$1.75	9		\$14.88
NCOA (USPS)	\$35.00	1		\$35.00
		Total		\$391.63

Data Merger & Scrub				
Project Action	Rate	Hours/Units	Line Item Estimate	
Notice Packet/Check Formatting	\$175.00	1		\$175.00
Data Merge & Duplication Scrub	\$0.25	85		\$21.25
		Total		\$196.25

* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.

Mailing and Case Management				
Project Action:	Rate	Hours/Units	Line Item Estimate	
Case Associate	\$125.00	2		\$250.00
QSF Bank Account Fees	\$25.00	3		\$75.00
Programming Calculations	\$100.00	1		\$100.00
Disbursement Review	\$100.00	1		\$100.00
Notice Checks and 1099's	\$2.00	85		\$170.00
Estimated Postage (up to 2 oz.)*	\$0.56	85		\$47.60
Skip Tracing Undeliverables	\$1.00	17		\$17.00
Remail Notice and Checks	\$2.00	17		\$34.00
Estimated Postage	\$0.56	17		\$9.52
Programming Undeliverables	\$3.00	3		\$9.00
Reconcile Uncashed Checks	\$50.00	1		\$50.00
QSF Annual Tax Reporting *	\$75.00	3		\$225.00
PAGA Class 1099 Tax Filing	\$300.00	1		\$300.00
		Total		\$1,387.12

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total:

\$1,975.00



TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality. Additional class members are at \$10.00 per claim.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the settlement account is funded by Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.

EXHIBIT D

[PHOENIX SETTLEMENT ADMINISTRATORS, INC LETTERHEAD]

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>

<<ADDRESS 1>>

<<ADDRESS 2>>

Re: Payment From *Barreno v. Republique, LLC*

Dear <<FIRST_NAME>> <<LAST_NAME>>:

Enclosed you will find a check made payable to you. This is your payment from the court-approved settlement of the lawsuit entitled *Barreno v. Republique, LLC*, Los Angeles County Superior Court Case No. 21STCV09903 (the "Action"). The court approved the settlement on _____, 2021.

Phoenix Settlement Administrators, Inc. is the third-party administrator who has been appointed by the court to administer the settlement

The Action was filed against Republique, LLC ("Republique") pursuant to the California Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* (called "PAGA"). The claim was brought on behalf of the State of California and all similarly situated "aggrieved employees" who worked as non-exempt employees for Republique at any time during the period from March 12, 2020 to _____ [October 1, 2021 or the date the court approved the settlement, whichever came first] (the "PAGA Period"). You have been identified as one of the employees on whose behalf the case was brought because you were employed as a non-exempt employee by Republique during the PAGA Period.

The plaintiff in the case claimed that Republique owed penalties under PAGA for certain California Labor Code violations. Republique denies that it did anything wrong or that it owes any penalties. The parties agreed to resolve the case, and as part of that settlement, Republique agreed to pay a certain amount of money categorized as PAGA penalties. Under the PAGA statute, the penalties get divided between the State and the employees. The amount allocated to employees is being distributed on a *pro rata* basis, based on the respective number of pay periods the employee worked for Republique during the PAGA Period. The enclosed check represents your portion of the penalties allocated to the employees.

If you have questions, please contact Phoenix Settlement Administrators, Inc. at

_____.

EXHIBIT E

Brett Gunther

From: FormAssembly <no-reply@formassembly.com> on behalf of DIR PAGA Unit
<lwdadonotreply@dir.ca.gov>
Sent: Friday, October 1, 2021 12:42 PM
To: Brett Gunther
Subject: Thank you for your Proposed Settlement Submission

10/01/2021 12:42:22 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8

I am employed in the State of California, County of Los Angeles. I am over the age of 18 and not a party to the within suit; my business address is 1055 W. 7th Street, Suite 1880, Los Angeles, CA 90017.

James A. Bowles
Richard S. Zuniga
HILL, FARRER & BURRILL, LLP
One California Plaza
300 S. Grand Ave, 37th Floor
Los Angeles, CA 90071
Telephone: (213) 620-0460
Facsimile: (213) 624-4840
jbowles@hillfarrer.com
rzuniga@hillfarrer.com

[✓] **BY U.S. MAIL:** I deposited such envelope in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid. I am “readily familiar” with the firm’s practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

Ivette Hernandez
Type or Print Name

Signature