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8 RAMONA SILVA-HEREDIA, and all others similarly situated
(Additional attorneys for parties on following page)

9
10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **FOR THE COUNTY OF LOS ANGELES**
12 **(UNLIMITED JURISDICTION)**

13 RAMONA SILVA-HEREDIA, on behalf of
14 herself and all others similarly situated, and as an
"aggrieved employee" on behalf of other
15 "aggrieved employees" under the Labor Code
Private Attorneys General Act of 2004,

16 *Plaintiff(s),*

17 vs.
18

19 TACOS LOS DESVELADOS, a California
corporation; TACOS LOS DESVELADOS
20 GLENDALE, INC., a California corporation;
TACOS LOS DESVELADOS WEST COVINA,
21 INC., a California corporation; TACOS LOS
DESVELADOS WHITTIER, INC., a California
22 corporation; ADOLFO VALENZUELA; and
DOES 1–50, inclusive,
23

24 *Defendant(s).*

Case No. 21STCV11103

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT AND
CLASS NOTICE**

Action filed: March 19, 2021
Dept: 17, The Honorable Maren E.
Nelson

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ATTORNEYS FOR DEFENDANT(S)

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TACOS LOS DESVELADOS, TACOS LOS
DESVELADOS GLENDALE, INC., TACOS
LOS DESVELADOS WEST COVINA, INC.,
TACOS LOS DESVELADOS WHITTIER, INC.,
AND ADOLFO VALENZUELA

1 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and
2 between plaintiff Ramona Silva-Heredia (“Plaintiff”) and defendants Tacos Los Desvelados,
3 Tacos Los Desvelados Glendale, Inc., Tacos Los Desvelados West Covina, Inc., Tacos Los
4 Desvelados Whittier, Inc., and Adolfo Valenzuela (collectively “Defendants”). The Agreement
5 refers to Plaintiff and Defendants collectively as “Parties,” or individually as “Party.”

6 **1. DEFINITIONS.**

7 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against
8 Tacos Los Desvelados, Tacos Los Desvelados Glendale, Inc., Tacos Los Desvelados West
9 Covina, Inc., Tacos Los Desvelados Whittier, Inc., and Adolfo Valenzuela captioned “Ramona
10 Silva-Heredia, on behalf of herself, and all others similarly situated, and as an ‘aggrieved
11 employee’ on behalf of other ‘aggrieved employees’ under the Labor Code Private Attorneys
12 General Act of 2004, *Plaintiff(s)*, vs. defendants Tacos Los Desvelados, Tacos Los Desvelados
13 Glendale, Inc., Tacos Los Desvelados West Covina, Inc., Tacos Los Desvelados Whittier, Inc.,
14 and Adolfo Valenzuela; and DOES 1 through 50, inclusive, *Defendant(s)*,” Case No.
15 21STCV11103 initiated on March 19, 2021 and pending in Superior Court of the State of
16 California, County of Los Angeles.

17 1.2. “Administrator” means CPT Group, Inc., the neutral entity the Parties have agreed
18 to appoint to administer the Settlement.

19 1.3. “Administration Expenses Payment” means the amount the Administrator will be
20 paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in
21 accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection
22 with Preliminary Approval of the Settlement.

23 1.4. “Aggrieved Employee” means a person employed by Defendants in California and
24 classified as an hourly, non-exempt employee who worked for Defendants during the PAGA
25 Period.

26 1.5. “Class” means all persons employed by Defendants in California and classified as
27 hourly, non-exempt who worked for Defendants during the Class Period.

28 1.6. “Class Counsel” means David G. Spivak of The Spivak Law Firm.

1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment”
mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and

1 expenses, respectively, incurred to prosecute the Action.

2 1.8. “Class Data” means Class Member identifying information in Defendants’
3 possession including the Class Member’s name, last-known mailing address, Social Security
4 number, and number of Class Period Workweeks and PAGA Pay Periods.

5 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as
6 either a Participating Class Member or Non-Participating Class Member (including a Non-
Participating Class Member who qualifies as an Aggrieved Employee).

7 1.10. “Class Member Address Search” means the Administrator’s investigation and
8 search for current Class Member mailing addresses using all reasonably available sources,
9 methods and means including, but not limited to, the National Change of Address database, skip
10 traces, and direct contact by the Administrator with Class Members.

11 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION
12 SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to
13 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.

14 1.12. “Class Period” means the period from March 19, 2017 to May 31, 2022.

15 1.13. “Class Representative” means the named Plaintiff in the operative complaint in the
16 Action seeking Court approval to serve as a Class Representative.

17 1.14. “Class Representative Service Payment” means the payment to the Class
Representative for initiating the Action and providing services in support of the Action.

18 1.15. “Court” means the Superior Court of California, County of Los Angeles.

19 1.16. “Defendants” means named defendants Tacos Los Desvelados, Tacos Los
20 Desvelados Glendale, Inc., Tacos Los Desvelados West Covina, Inc., Tacos Los Desvelados
21 Whittier, Inc., and Adolfo Valenzuela.

22 1.17. “Defense Counsel” means Roxana E. Verano of Landegger Verano & Davis, ALC.

23 1.18. “Effective Date” means the date by when both of the following have occurred: (a)
24 the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the
25 Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no
26 Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if
27 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

1 day after the appellate court affirms the Judgment and issues a remittitur.

2 1.19. “Final Approval” means the Court’s order granting final approval of the
3 Settlement.

4 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final
5 Approval of the Settlement.

6 1.21. “Final Judgment” means the Judgment Entered by the Court upon Granting Final
7 Approval of the Settlement.

8 1.22. “Gross Settlement Amount” means \$200,000.00 which is the total amount
9 Defendants agree to pay under the Settlement except as provided in Paragraph 9 below. The Gross
10 Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments,
11 the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative
12 Service Payment and the Administrator’s Expenses. Defendants shall pay the Gross Settlement
13 Amount in three instalments as follows: (1) \$66,666.00 due within 60 days of the Court’s order
14 giving final approval of the Settlement or the Effective Date, whichever comes later, (2)
15 \$66,667.00 due within one year of the Court’s order giving final approval of the Settlement or the
16 Effective Date, whichever comes later, and (3) \$66,667 due within 2 years of the Court’s order
17 giving final approval of the Settlement or the Effective Date, whichever comes later. There will
18 be a distribution within 60 days of each installment payment.

19 1.23. “Individual Class Payment” means the Participating Class Member’s pro rata
20 share of the Net Settlement Amount calculated according to the number of Workweeks worked
21 during the Class Period.

22 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of
23 25% of the PAGA Penalties calculated according to the number of Pay Periods worked during the
24 PAGA Period.

25 1.25. “Judgment” means the judgment entered by the Court based upon the Final
26 Approval.

27 1.26. “LWDA” means the California Labor and Workforce Development Agency, the
28 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

1 payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA
2 Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel
3 Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be
4 paid to Participating Class Members as Individual Class Payments.

5 1.29. “Non-Participating Class Member” means any Class Member who opts out of the
6 Settlement by sending the Administrator a valid and timely Request for Exclusion.

7 1.30. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee
8 worked for Defendants for at least one day during the PAGA Period.

9 1.31. “PAGA Period” means the period from March 08, 2020 to May 31, 2022.

10 1.32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

11 1.33. “PAGA Notice” means Plaintiff’s March 08, 2021 letter to Defendants and the
12 LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

13 1.34. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from
14 the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$1,000) and the 75%
15 to LWDA (\$3,000) in settlement of PAGA claims.

16 1.35. “Participating Class Member” means a Class Member who does not submit a valid
17 and timely Request for Exclusion from the Settlement.

18 1.36. “Plaintiff” means Ramona Silva-Heredia, the named plaintiff in the Action.

19 1.37. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval
20 of the Settlement.

21 1.38. “Preliminary Approval Order” means the proposed Order Granting Preliminary
22 Approval and Approval of PAGA Settlement.

23 1.39. “Released Class Claims” means the claims being released as described in
24 Paragraph 6.2 below.

25 1.40. “Released PAGA Claims” means the claims being released as described in
26 Paragraph 6.2 below.

27 1.41. “Released Parties” means: Defendants and each of their former and present
28 directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors,
assigns subsidiaries, and affiliates.

1.42. “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 1.43. “Response Deadline” means 60 days after the Administrator mails Notice to Class
2 Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a)
3 fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or
4 her Objection to the Settlement. Class Members to whom Notice Packets are resent after having
5 been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond
6 the Response Deadline has expired.

7 1.44. “Settlement” means the disposition of the Action effected by this Agreement and
8 the Judgment.

9 1.45. “Workweek” means any week during which a Class Member worked for
10 Defendants for at least one day, during the Class Period.

11 **2. RECITALS.**

12 2.1. On March 19, 2021, Plaintiff commenced this Action by filing a Complaint
13 alleging causes of action against Defendants Tacos Los Desvelados, Tacos Los Desvelados
14 Glendale, Inc., Tacos Los Desvelados West Covina, Inc., and Tacos Los Desvelados Whittier,
15 Inc. for failure to pay wages, failure to provide meal periods, failure to authorize and permit rest
16 periods, failure to indemnify for business expenses, failure to issue proper wage statements,
17 failure to timely pay wages, failure to maintain required payroll records, and related claims. On
18 June 18, 2021, Plaintiff filed a First Amended Complaint alleging causes of action against
19 Defendants Tacos Los Desvelados, Tacos Los Desvelados Glendale, Inc., Tacos Los Desvelados
20 West Covina, Inc., and Tacos Los Desvelados Whittier, Inc. for failure to pay wages, failure to
21 provide meal periods, failure to authorize and permit rest periods, failure to indemnify for
22 business expenses, failure to issue proper wage statements, failure to timely pay wages, failure to
23 maintain required payroll records, and related allegations, and for recovery of civil penalties
24 pursuant to Labor Code section 2698, *et seq.* On October 26, 2022, Plaintiff filed a Second
25 Amended Complaint naming Adolfo Valenzuela as an individual defendant. The Second
26 Amended Complaint is the operative complaint in the Action (the “Operative Complaint.”)
27 Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the
28 laws identified in in the Operative Complaint and deny any and all liability for the causes of action
alleged.

2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written

1 notice to Defendants and the LWDA by sending the PAGA Notice.

2 2.3. On January 20, 2022, the Parties participated in an all-day mediation presided
3 over by Steve Cerveris which led to this Agreement to settle the Action.

4 2.4. Prior to mediation, Plaintiff obtained, through informal discovery, the number of
5 comparable employees, the number of workweeks, the number of pay periods, average rates of
6 pay, sample time records, sample payroll records, written policies, financial records, and related
7 information. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set
8 forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot*
Locker Retail, Inc. (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

9 2.5. The Court has not granted class certification.

10 2.6. The Parties, Class Counsel and Defense Counsel represent that they are not aware
11 of any other pending matter or action asserting claims that will be extinguished or affected by the
12 Settlement.

13 **3. MONETARY TERMS.**

14 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below,
15 Defendants promise to pay \$200,000.00 and no more as the Gross Settlement Amount and to
16 separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual
17 Class Payments. Defendants shall pay the Gross Settlement Amount in three instalments as
18 follows: (1) \$66,666.00 due within 60 days of the Court's order giving final approval of the
19 Settlement or the Effective Date, whichever comes later, (2) \$66,667.00 due within one year of
20 the Court's order giving final approval of the Settlement or the Effective Date, whichever comes
21 later, and (3) \$66,667 due within 2 years of the Court's order giving final approval of the
22 Settlement or the Effective Date, whichever comes later. There will be a distribution within 60
23 days of each installment payment. Defendants have no obligation to pay the Gross Settlement
24 Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement.
25 The Administrator will disburse the entire Gross Settlement Amount without asking or requiring
26 Participating Class Members or Aggrieved Employees to submit any claim as a condition of
27 payment. None of the Gross Settlement Amount will revert to Defendant.

28 3.2. Payments from the Gross Settlement Amount. The Administrator will make and
deduct the following payments from the Gross Settlement Amount, in the amounts specified by

1 the Court in the Final Approval:

2 3.2.1. To Plaintiff: Class Representative Service Payment to the Class
3 Representative of not more than \$5,000.00 (in addition to any Individual Class Payment and any
4 Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class
5 Member or Aggrieved Employee). Defendants will not oppose Plaintiff's request for a Class
6 Representative Service Payment that does not exceed this amount. As part of the motion for Class
7 Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval
8 for any Class Representative Service Payments no later than 16 court days prior to the Final
9 Approval Hearing. If the Court approves a Class Representative Service Payment less than the
10 amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The
11 Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff
assumes full responsibility and liability for employee taxes owed on the Class Representative
Service Payment.

12 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than
13 33.33%, which is currently estimated to be \$66,666.00 and a Class Counsel Litigation Expenses
14 Payment of not more than \$15,000.00. Defendants will not oppose requests for these payments
15 provided that they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion
16 for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court
17 days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment
18 and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the
19 Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall
20 have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any
21 portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The
22 Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment
23 using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for
24 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.

25 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed
26 \$12,500.00 except for a showing of good cause and as approved by the Court. To the extent the
27 Administration Expenses are less or the Court approves payment less than \$12,500.00, the

1 Administrator will retain the remainder in the Net Settlement Amount.

2 3.2.4. To Each Participating Class Member: An Individual Class Payment
3 calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked
4 by all Participating Class Members during the Class Period and (b) multiplying the result by each
5 Participating Class Member's Workweeks.

6 3.2.4.1. Tax Allocation of Individual Class Payments. 10% of each
7 Participating Class Member's Individual Class Payment will be allocated to settlement of wage
8 claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be
9 reported on an IRS W-2 Form. 90% of each Participating Class Member's Individual Class
10 Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage
11 Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on
12 IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any
13 employee taxes owed on their Individual Class Payment.

14 3.2.4.2. Effect of Non-Participating Class Members on Calculation
15 of Individual Class Payments. Non-Participating Class Members will not receive any Individual
16 Class Payments. The Administrator will retain amounts equal to their Individual Class Payments
17 in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

18 3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the
19 amount of \$4,000.00 to be paid from the Gross Settlement Amount, with 75% (\$3,000) allocated
20 to the LWDA PAGA Payment and 25% (\$1,000) allocated to the Individual PAGA Payments.

21 3.2.5.1. The Administrator will calculate each Individual PAGA Payment
22 by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties \$1,000
23 by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA
24 Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods.
25 Aggrieved Employees assume full responsibility and liability for any taxes owed on their
26 Individual PAGA Payment.

27 3.2.5.2. If the Court approves PAGA Penalties of less than the amount
28 requested, the Administrator will allocate the remainder to the Net Settlement Amount. The
Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

1 **4. SETTLEMENT FUNDING AND PAYMENTS.**

2 4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of
3 its records to date, Defendants estimate there are 140 Class Members who collectively worked a
4 total of 6,451 Workweeks, and 90 Aggrieved Employees who worked a total 2,694 of PAGA Pay
5 Periods.

6 4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval
7 of the Settlement, Defendants will simultaneously deliver the Class Data to the Administrator, in
8 the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the
9 Administrator must maintain the Class Data in confidence, use the Class Data only for purposes
10 of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator
11 employees who need access to the Class Data to effect and perform under this Agreement.
12 Defendants have a continuing duty to immediately notify Class Counsel if they discover that the
13 Class Data omitted class member identifying information and to provide corrected or updated
14 Class Data as soon as reasonably feasible. Without any extension of the deadline by which
15 Defendants must send the Class Data to the Administrator, the Parties and their counsel will
16 expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related
17 to missing or omitted Class Data.

18 4.3. Funding of Gross Settlement Amount. Defendants shall fund the Gross
19 Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll
20 taxes, in three installments by transmitting the funds to the Administrator as follows: (1)
21 \$66,666.00 due within 60 days of the Court's order giving final approval of the Settlement or the
22 Effective Date, whichever comes later, (2) \$66,667.00 due within one year of the Court's order
23 giving final approval of the Settlement or the Effective Date, whichever comes later, and (3)
24 \$66,667 due within 2 years of the Court's order giving final approval of the Settlement or the
25 Effective Date, whichever comes later. If Defendants fail to timely make an installment payment
26 as set forth in this Agreement, Defendants shall have fourteen (14) calendar days from the last
27 day the payment is due to cure the untimely installment payment. Defendants shall make any
28 payment under this provision pursuant to the Settlement Administrator's electronic transfer
instructions. Defendants' payment obligations with respect to the Gross Settlement Amount,
Defendants' share of payroll taxes, and to any cure shall be met upon initiating the electronic
transfer of funds to the Administrator, pursuant to the Administrator's instructions. In the event

1 of an unsuccessful electronic transfer of funds, the Parties agree to cooperate in good faith to
2 resolve the issues.

3 4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendants
4 fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Class
5 Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration
6 Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses
7 Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees
8 Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service
9 Payment shall not precede disbursement of Individual Class Payments and Individual PAGA
10 Payments.

11 4.4.1. The Administrator will issue checks for the Individual Class Payments
12 and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail,
13 postage prepaid. The face of each check shall prominently state the date (not less than 180 days
14 after the date of mailing) when the check will be voided. The Administrator will cancel all checks
15 not cashed by the void date. The Administrator will send checks for Individual Settlement
16 Payments to all Participating Class Members (including those for whom Class Notice was
17 returned undelivered). The Administrator will send checks for Individual PAGA Payments to all
18 Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved
19 Employees (including those for whom Class Notice was returned undelivered). The
20 Administrator may send Participating Class Members a single check combining the Individual
21 Class Payment and the Individual PAGA Payment. Before mailing any checks, the Administrator
22 must update the recipients' mailing addresses using the National Change of Address Database.

23 4.4.2. The Administrator must conduct a Class Member Address Search for all
24 other Class Members whose checks are returned undelivered without USPS forwarding address.
25 Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS
26 forwarding address provided or to an address ascertained through the Class Member Address
27 Search. The Administrator need not take further steps to deliver checks to Class Members whose
28 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.

4.4.3. For any Class Member whose Individual Class Payment check or

1 Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator
2 shall transmit the funds represented by such checks to the California Controller's Unclaimed
3 Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to
4 the requirements of California Code of Civil Procedure Section 384, subd. (b).

5 4.4.4. The payment of Individual Class Payments and Individual PAGA
6 Payments shall not obligate Defendants to confer any additional benefits or make any additional
7 payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in
8 this Agreement.

9 **5. [OMITTED]**

10 **6. RELEASES OF CLAIMS.** Effective on the date when Defendants fully fund the entire
11 Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the
12 Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims
13 against all Released Parties as follows:

14 6.1 Plaintiff's Release. In addition to the Released Class Claims and Released PAGA
15 Claims described below, Plaintiff and her respective former and present spouses, representatives,
16 agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge
17 Released Parties from all claims, demands, rights, liabilities and causes of action of every nature
18 and description whatsoever, whether known or unknown, asserted or that might have been
19 asserted, whether in tort, contract, or for violation of any state or federal statute, rule, law or
20 regulation arising out of, relating to, or in connection with any act or omission of the Released
21 Parties through the date of full execution of this Settlement Agreement in connection with his or
22 her employment or the termination thereof. ("Plaintiff's Release.") Plaintiff's Release does not
23 extend to any claims or actions to enforce this Agreement, or to those rights that as a matter of
24 law cannot be waived, including, but not limited to any claims for vested benefits, unemployment
25 benefits, disability benefits, social security benefits, or workers' compensation benefits that arose
26 at any time. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in
27 addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless,
28 that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different
or additional facts or Plaintiff's discovery of them.

6.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For
purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights,

1 and benefits, if any, of section 1542 of the California Civil Code, which reads:

2
3 **A general release does not extend to claims that the creditor or releasing party does**
4 **not know or suspect to exist in his or her favor at the time of executing the release,**
5 **and that if known by him or her would have materially affected his or her settlement**
6 **with the debtor or Released Party.**

7 6.2 Release Class Claims by Participating Class Members: All Participating Class
8 Members, on behalf of themselves and their respective former and present representatives, agents,
9 attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims
10 that were alleged, or reasonably could have been alleged, in the Operative Complaint, and
11 ascertained in the course of the Action, that arose during the Class Period including with respect
12 to the following claims: (a) failure to pay all overtime wages owed; (b) failure to pay minimum
13 wages owed; (c) failure to provide meal periods, or premium pay for non-compliant meal periods;
14 (d) failure to authorize and permit rest periods, or premium pay for non-compliant rest periods;
15 (e) failure to issue accurate, itemized wage statements and maintain payroll records; (f) failure to
16 pay all wages due upon separation of employment; (g) failure to reimburse for necessary business
17 expenses; (h) all claims under California Business & Professions Code § 17200 for unfair
18 business practices that could have been premised on the facts, claims, causes of action or legal
19 theories described above; (i) violation of or claims under the following sections of the California
20 Labor Code sections 201, 202, 203, 204, 206, 218.6, 226, 226.3, 226.7, 510, 512, 1174, 1182.12,
21 1194, 1194.2, 1197, 1197.1, 1198, 2802; and (j) violation of the California Industrial Wage
22 Orders that could have been premised on the facts, claims, causes of action or legal theories
23 described above, as well as any potential penalties, interest or attorneys' fees associated with all
24 of such causes of action under California law. ("Released Class Claims"). Except as set forth in
25 Section 6.3 of this Agreement, Participating Class Members do not release any other claims,
26 including claims for vested benefits, wrongful termination, violation of the Fair Employment and
27 Housing Act, unemployment insurance, disability, social security, workers' compensation, or
28 claims based on facts occurring outside the Class Period.

26 6.3 Release PAGA Claims by Aggrieved Employees: All Class Members who are
27 Aggrieved Employees, regardless of whether they are Participating Class Members or Non-

1 Participating Class Members, are deemed to release, on behalf of themselves and their respective
2 former and present representatives, agents, attorneys, heirs, administrators, successors, and
3 assigns, the Released Parties from all claims demands, rights, liabilities and causes of action under
4 the California Labor Code Private Attorneys General Act that were alleged, or reasonably could
5 have been alleged, based on the claims asserted in the Operative Complaint, the PAGA Notice
6 and ascertained in the course of the Action arising during or with respect to the PAGA Period.
7 (“Released PAGA Claims”). The foregoing release shall be binding on Plaintiff, the Aggrieved
8 Employees, and the State of California, and shall bar by res judicata any claim under the PAGA
9 brought by any person, including the Aggrieved Employees, on behalf of the State of California,
10 as to any claims predicated on the Released PAGA Claims.

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

14 7.1 Defendants’ Declaration in Support of Preliminary Approval. Within 20_ days
15 of the full execution of this Agreement, Defendants will prepare and deliver to Class Counsel a
16 signed Declaration from Defendants and Defense Counsel disclosing all facts relevant to any
17 actual or potential conflicts of interest with the Administrator and Cy Pres Recipient. In their
18 Declarations, Defense Counsel and Defendants shall aver that they are not aware of any other
19 pending matter or action asserting claims that will be extinguished or adversely affected by the
20 Settlement.

21 7.2 Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense Counsel
22 all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice,
23 and memorandum in support, of the Motion for Preliminary Approval that includes an analysis
24 of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under
25 Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval
26 and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration
27 from the Administrator attaching its “not to exceed” bid for administering the Settlement and
28 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;

1 and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense
2 Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve
3 and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members,
4 and/or the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its
5 competency to represent the Class Members; its timely transmission to the LWDA of all necessary
6 PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative
7 Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699,
8 subd. (l)(2)); (vi) a redlined version of the parties' Agreement showing all modifications made to
9 the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any actual or
10 potential conflict of interest with Class Members, the Administrator and/or the Cy Pres Recipient.
11 In their Declarations, Plaintiff and Class Counsel Declaration shall aver that they are not aware
12 of any other pending matter or action asserting claims that will be extinguished or adversely
13 affected by the Settlement.

14 7.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly
15 responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later
16 than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the
17 Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion
18 for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary
19 Approval to the Administrator.

20 7.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion
21 for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and
22 Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person
23 or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant
24 Preliminary Approval or conditions Preliminary Approval on any material change to this
25 Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of
26 the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and
27 otherwise satisfy the Court's concerns.

28 **8. SETTLEMENT ADMINISTRATION.**

29 8.1 Selection of Administrator. The Parties have jointly selected CPT Group, Inc. to
30 serve as the Administrator and verified that, as a condition of appointment, CPT Group, Inc.

1 agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this
2 Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel
3 represent that they have no interest or relationship, financial or otherwise, with the Administrator
4 other than a professional relationship arising out of prior experiences administering settlements.

5 8.2 Employer Identification Number. The Administrator shall have and use its own
6 Employer Identification Number for purposes of calculating payroll tax withholdings and
7 providing reports state and federal tax authorities.

8 8.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund
9 that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury
10 Regulation section 468B-1.

11 8.4 Notice to Class Members.

12 8.4.1 No later than three (3) business days after receipt of the Class Data, the
13 Administrator shall notify Class Counsel that the list has been received and state the number of
14 Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.

15 8.4.2 Using best efforts to perform as soon as possible, and in no event later than
16 14 days after receiving the Class Data, the Administrator will send to all Class Members identified
17 in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice
18 with Spanish translation, substantially in the form attached to this Agreement as **Exhibit A**. The
19 first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class
20 Payment and/or Individual PAGA Payment payable to the Class Member, and the number of
21 Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing
22 Class Notices, the Administrator shall update Class Member addresses using the National Change
23 of Address database.

24 8.4.3 Not later than 3 business days after the Administrator’s receipt of any Class
25 Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
26 using any forwarding address provided by the USPS. If the USPS does not provide a forwarding
27 address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class
28 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.

8.4.4 The deadlines for Class Members’ written objections, challenges to

1 Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14
2 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose
3 notice is re-mailed. The Administrator will inform the Class Member of the extended deadline
4 with the re-mailed Class Notice.

5 8.4.5 If the Administrator, any of the Defendants, Defense Counsel or Class
6 Counsel is contacted by or otherwise discovers any persons who believe they should have been
7 included in the Class Data and should have received Class Notice, the Parties will expeditiously
8 meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to
9 include them as Class Members. If the Parties agree, such persons will be Class Members entitled
10 to the same rights as other Class Members, and the Administrator will send, via email or overnight
11 delivery, a Class Notice requiring them to exercise options under this Agreement not later than
12 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are
13 later.

14 8.5 Requests for Exclusion (Opt-Outs).

15 8.5.1 Class Members who wish to exclude themselves (opt-out of) the Class
16 Settlement must send the Administrator, by fax, email, or mail, a signed written Request for
17 Exclusion no later than 60 days after the Administrator mails the Class Notice (plus an additional
18 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter
19 from a Class Member or his/her representative that reasonably communicates the Class Member's
20 election to be excluded from the Settlement and includes the Class Member's name, address and
21 email address or telephone number. To be valid, a Request for Exclusion must be timely faxed,
22 emailed, or postmarked by the Response Deadline.

23 8.5.2 The Administrator may not reject a Request for Exclusion as invalid
24 because it fails to contain all the information specified in the Class Notice. The Administrator
25 shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the
26 identity of the person as a Class Member and the Class Member's desire to be excluded. The
27 Administrator's determination shall be final and not appealable or otherwise susceptible to
28 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.

1 8.5.3 Every Class Member who does not submit a timely and valid Request for
2 Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all
3 benefits and bound by all terms and conditions of the Settlement, including the Participating Class
4 Members' Releases under Paragraphs 6.2 and 6.3 of this Agreement, regardless whether the
5 Participating Class Member actually receives the Class Notice or objects to the Settlement.

6 8.5.4 Every Class Member who submits a valid and timely Request for
7 Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment
8 or have the right to object to the class action components of the Settlement. Because future PAGA
9 claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class
10 Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph
11 6.4 of this Agreement and are eligible for an Individual PAGA Payment.

12 8.6 Challenges to Calculation of Workweeks. Each Class Member shall have 60 days
13 after the Administrator mails the Class Notice (plus an additional 14 days for Class Members
14 whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay
15 Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may
16 challenge the allocation by communicating with the Administrator via fax, email or mail. The
17 Administrator must encourage the challenging Class Member to submit supporting
18 documentation. In the absence of any contrary documentation, the Administrator is entitled to
19 presume that the Workweeks contained in the Class Notice are correct so long as they are
20 consistent with the Class Data. The Administrator's determination of each Class Member's
21 allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise
22 susceptible to challenge. The Administrator shall promptly provide copies of all challenges to
23 calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the
24 Administrator's determination of the challenges.

25 8.7 Objections to Settlement.

26 8.7.1 Only Participating Class Members may object to the class action
27 components of the Settlement and/or this Agreement, including contesting the fairness of the
28 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel
Litigation Expenses Payment and/or Class Representative Service Payment.

 8.7.2 Participating Class Members may send written objections to the
Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear

1 in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval
2 Hearing. A Participating Class Member who elects to send a written objection to the
3 Administrator must do so not later than 60 days after the Administrator's mailing of the Class
4 Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

5 8.7.3 Non-Participating Class Members have no right to object to any of the class
6 action components of the Settlement.

7 8.8 Administrator Duties. The Administrator has a duty to perform or observe all
8 tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

9 8.8.1 Website, Email Address and Toll-Free Number. The Administrator will
10 establish and maintain and use an internet website to post information of interest to Class
11 Members including the date, time and location for the Final Approval Hearing and copies of the
12 Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class
13 Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class
14 Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final
15 Approval and the Judgment. The Administrator will also maintain and monitor an email address
16 and a toll-free telephone number to receive Class Member calls, faxes and emails.

17 8.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator
18 will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not
19 later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion,
20 the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the
21 names and other identifying information of Class Members who have timely submitted valid
22 Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of
23 Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for
24 Exclusion from Settlement submitted (whether valid or invalid).

25 8.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide
26 written reports to Class Counsel and Defense Counsel that, among other things, tally the number
27 of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for
28 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

1 Requests for Exclusion and objections received.

2 8.8.4 Workweek and/or Pay Period Challenges. The Administrator has the
3 authority to address and make final decisions consistent with the terms of this Agreement on all
4 Class Member challenges over the calculation of Workweeks and/or Pay Periods. The
5 Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

6 8.8.5 Administrator's Declaration. Not later than 14 days before the date by
7 which Plaintiff is required to file the Motion for Final Approval of the Settlement, the
8 Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable
9 for filing in Court attesting to its due diligence and compliance with all of its obligations under
10 this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices
11 returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the
12 total number of Requests for Exclusion from Settlement it received (both valid or invalid), the
13 number of written objections and attach the Exclusion List. The Administrator will supplement
14 its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible
15 for filing the Administrator's declaration(s) in Court.

16 8.8.6 Final Report by Administrator. Within 10 days after the Administrator
17 disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel
18 and Defense Counsel with a final report detailing its disbursements by employee identification
19 number only of all payments made under this Agreement. At least 15 days before any deadline
20 set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense
21 Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all
22 payments required under this Agreement. Class Counsel is responsible for filing the
23 Administrator's declaration in Court.

24 **9. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.** Based on its records,
25 Defendants estimate that, as of the date of this Settlement Agreement, (1) there are 140 Class
26 Members and 6,451 Total Workweeks during the Class period and (2) there were 90 Aggrieved
27 Employees who worked 2,637 Pay Periods during the PAGA Period. If the number of Workweeks
28 as of the date the Court approves the settlement exceeds the referenced 6,451 Workweeks by more
than 15%, the Gross Settlement Amount, including the Class Counsel Fees Payment, the Class
Representative Payment, and the LWDA payment, will increase proportionally according to the

1 number of additional Workweeks above the 15% increase. .

2
3 **10. DEFENDANTS' RIGHT TO WITHDRAW.** If the number of valid Requests for
4 Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members,
5 Defendants may, but are not obligated to, elect to withdraw from the Settlement. The Parties
6 agree that, if Defendants withdraw, the Settlement shall be void ab initio, have no force or effect
7 whatsoever, and that neither Party will have any further obligation to perform under this
8 Agreement; provided, however, Defendants will remain responsible for paying all Settlement
9 Administration Expenses incurred to that point. Defendants must notify Class Counsel and the
10 Court of its election to withdraw not later than seven (7) days after the Administrator sends the
11 final Exclusion List to Defense Counsel; late elections will have no effect.

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

20 **11.1 Response to Objections.** Each Party retains the right to respond to any objection
21 raised by a Participating Class Member, including the right to file responsive documents in Court
22 no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or
23 accepted by the Court.

24 **11.2 Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final
25 Approval on any material change to the Settlement (including, but not limited to, the scope of
26 release to be granted by Class Members), the Parties will expeditiously work together in good
27 faith to address the Court's concerns by revising the Agreement as necessary to obtain Final
28 Approval. The Court's decision to award less than the amounts requested for the Class
Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation
Expenses Payment and/or Administrator Expenses Payment shall not constitute a material

1 modification to the Agreement within the meaning of this paragraph.

2 11.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of
3 Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for
4 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.

5 11.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms
6 and conditions of this Agreement, specifically including the Class Counsel Fees Payment and
7 Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their
8 respective counsel, and all Participating Class Members who did not object to the Settlement as
9 provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to
10 post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions
11 for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver
12 of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the
13 Parties' obligations to perform under this Agreement will be suspended until such time as the
14 appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect
the amount of the Net Settlement Amount.

15 11.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If
16 the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a
17 material modification of this Agreement (including, but not limited to, the scope of release to be
18 granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
19 expeditiously work together in good faith to address the appellate court's concerns and to obtain
20 Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration
21 Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify
22 the Court's award of the Class Representative Service Payment or any payments to Class Counsel
23 shall not constitute a material modification of the Judgment within the meaning of this paragraph,
as long as the Gross Settlement Amount remains unchanged.

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

1 **13. ADDITIONAL PROVISIONS.**

2 13.1 No Admission of Liability, Class Certification or Representative Manageability
3 for Other Purposes. This Agreement represents a compromise and settlement of highly disputed
4 claims. Nothing in this Agreement is intended or should be construed as an admission by
5 Defendants that any of the allegations in the Operative Complaint have merit or that Defendants
6 have any liability for any claims asserted; nor should it be intended or construed as an admission
7 by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that class
8 certification and representative treatment is for purposes of this Settlement only. If, for any reason
9 the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendants
10 reserve the right to contest certification of any class for any reasons, and Defendants reserve all
11 available defenses to the claims in the Action, and Plaintiff reserves the right to move for class
12 certification on any grounds available and to contest Defendants' defenses. The Settlement, this
13 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).

14 13.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel,
15 Defendants and Defense Counsel separately agree that, until the Motion for Preliminary Approval
16 of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or
17 cause or permit another person to disclose, disseminate or publicize, any of the terms of the
18 Agreement directly or indirectly, specifically or generally, to any person, corporation, association,
19 government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses,
20 all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter;
21 (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a
22 court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal
government agency.

23 Each Party agrees to immediately notify each other Party of any judicial or agency
24 order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendants and
25 Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other
26 communication, before the filing of the Motion for Preliminary Approval, any with third party
27 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

1 communications with Class Members in accordance with Class Counsel's ethical obligations
2 owed to Class Members.

3 13.3 No Solicitation. The Parties separately agree that they and their respective
4 counsel and employees will not solicit any Class Member to opt out of or object to the Settlement,
5 or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class
6 Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical
obligations owed to Class Members.

7 13.4 Integrated Agreement. Upon execution by all Parties and their counsel, this
8 Agreement together with its attached exhibits shall constitute the entire agreement between the
9 Parties relating to the Settlement, superseding any and all oral representations, warranties,
covenants, or inducements made to or by any Party.

10 13.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant
11 and represent that they are authorized by Plaintiff and Defendants, respectively, to take all
12 appropriate action required or permitted to be taken by such Parties pursuant to this Agreement
13 to effectuate its terms, and to execute any other documents reasonably required to effectuate the
14 terms of this Agreement including any amendments to this Agreement.

15 13.6 Cooperation. The Parties and their counsel will cooperate with each other and
16 use their best efforts, in good faith, to implement the Settlement by, among other things,
17 modifying the Settlement Agreement, submitting supplemental evidence and supplementing
18 points and authorities as requested by the Court. In the event the Parties are unable to agree upon
19 the form or content of any document necessary to implement the Settlement, or on any
20 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.

21 13.7 No Prior Assignments. The Parties separately represent and warrant that they
22 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer,
23 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.

24 13.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendants nor Defense
25 Counsel are providing any advice regarding taxes or taxability, nor shall anything in this
26 Settlement be relied upon as such within the meaning of United States Treasury Department
27 Circular 230 (31 CFR Part 10, as amended) or otherwise.

1 13.9 Modification of Agreement. This Agreement, and all parts of it, may be
2 amended, modified, changed, or waived only by an express written instrument signed by all
3 Parties or their representatives, and approved by the Court.

4 13.10 Agreement Binding on Successors. This Agreement will be binding upon, and
5 inure to the benefit of, the successors of each of the Parties.

6 13.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will
7 be governed by and interpreted according to the internal laws of the state of California, without
8 regard to conflict of law principles.

9 13.12 Cooperation in Drafting. The Parties have cooperated in the drafting and
10 preparation of this Agreement. This Agreement will not be construed against any Party on the
11 basis that the Party was the drafter or participated in the drafting.

12 13.13 Confidentiality. To the extent permitted by law, all agreements made, and orders
13 entered during Action and in this Agreement relating to the confidentiality of information shall
14 survive the execution of this Agreement.

15 13.14 Use and Return of Class Data. Information provided to Class Counsel pursuant
16 to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class
17 Counsel by Defendants in connection with the mediation, other settlement negotiations, or in
18 connection with the Settlement, may be used only with respect to this Settlement, and no other
19 purpose, and may not be used in any way that violates any existing contractual agreement, statute,
20 or rule of court. Not later than 90 days after the date when the Court discharges the
21 Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement
22 funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from
23 Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants
24 make a written request to Class Counsel for the return, rather than the destructions, of Class Data.

25 13.15 Headings. The descriptive heading of any section or paragraph of this Agreement
26 is inserted for convenience of reference only and does not constitute a part of this Agreement.

27 13.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement
28 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

1 connection with this Agreement will be in writing and deemed to have been duly given as of the
2 third business day after mailing by United States mail, or the day sent by email or messenger,
3 addressed as follows:

4 To Plaintiff:
5 David G. Spivak, Esq.
6 The Spivak Law Firm
7 8605 Santa Monica Bl
8 PMB 42554
9 West Hollywood, CA 90069
10 david@spivaklaw.com

11 To Defendants:
12 Roxana E. Verano, Esq.
13 Landegger Verano & Davis, ALC
14 15760 Ventura Blvd.
15 Ste 1200
16 Encino, CA 91436
17 roxana@landeggeresq.com

18 13.18 Execution in Counterparts. This Agreement may be executed in one or more
19 counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this
20 Agreement shall be accepted as an original. All executed counterparts and each of them will be
21 deemed to be one and the same instrument if counsel for the Parties will exchange between
22 themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove
23 the existence and contents of this Agreement.

24 13.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement
25 the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further
26 agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the
27 date to bring a case to trial under CCP section 583.310 for the entire period of this settlement
28 process.

29 Dated: 10 / 29 / 2022

By:



RAMONA SILVA-HEREDIA

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Dated:

By: _____
Adolfo Valenzuela
for himself and for
Tacos Los Desvelados, Tacos Los
Desvelados Glendale, Inc., Tacos Los
Desvelados West Covina, Inc., and
Tacos Los Desvelados Whittier, Inc.

THE SPIVAK LAW FIRM

Dated: 10 / 28 / 2022

By:  _____
DAVID G. SPIVAK, Attorneys for
Plaintiff, RAMONA SILVA-
HEREDIA, and all others similarly
situated

LANDEGGER VERANO & DAVIS, ALC

Dated:

By: _____
ROXANA E. VERANO, Attorneys for
Defendants, Tacos Los Desvelados,
Tacos Los Desvelados Glendale, Inc.,
Tacos Los Desvelados West Covina,
Inc., Tacos Los Desvelados Whittier,
Inc., and Adolfo Valenzuela

1 **Dated:** November 4, 2022

By: Adolfo Valenzuela
Adolfo Valenzuela
for himself and for
Tacos Los Desvelados, Tacos Los
Desvelados Glendale, Inc., Tacos Los
Desvelados West Covina, Inc., and
Tacos Los Desvelados Whittier, Inc.

6 THE SPIVAK LAW FIRM

8 **Dated:**

By: DAVID G. SPIVAK, Attorneys for
Plaintiff, RAMONA SILVA-
HEREDIA, and all others similarly
situated

14 LANDEGGER VERANO & DAVIS, ALC

16 **Dated:** November 7, 2022

By: Roxana E. Verano
ROXANA E. VERANO, Attorneys for
Defendants, Tacos Los Desvelados,
Tacos Los Desvelados Glendale, Inc.,
Tacos Los Desvelados West Covina,
Inc., Tacos Los Desvelados Whittier,
Inc., and Adolfo Valenzuela

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EXHIBIT A

1 **COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING**
2 **DATE FOR FINAL COURT APPROVAL**

3 Ramona Silva-Heredia v. Tacos Los Desvelados, et al., Case No. 21STCV11103)

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

6 **You may be eligible to receive money** from an employee class action lawsuit ("Action")
7 against Tacos Los Desvelados, Tacos Los Desvelados Glendale, Inc., Tacos Los Desvelados West
8 Covina, Inc., Tacos Los Desvelados Whittier, Inc., and Adolfo Valenzuela (collectively
9 "Defendants") for alleged wage and hour violations. The Action was filed by former Defendants'
10 employee Ramona Silva-Heredia ("Plaintiff") and seeks payment of (1) wages and other relief for
11 a class of hourly, non-exempt employees ("Class Members") who worked for Defendants in
California during the Class Period (March 19, 2017 to May 31, 2022); and (2) penalties under the
California Private Attorney General Act ("PAGA") for all hourly, non-exempt employees who
worked for Defendants in California during the PAGA Period (March 08, 2020 to May 31, 2022)
("Aggrieved Employees").

12 The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendants
13 to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendants to fund
14 Individual PAGA Payments and pay penalties to the California Labor and Workforce
Development Agency ("LWDA").

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

19 The above estimates are based on Defendants' records showing that **you worked ___**
20 **Workweeks** during the Class Period and **you worked ___ Pay Periods** during the PAGA Period.
21 If you believe that you worked more Workweeks or Pay Periods during either period, you can
submit a challenge by the deadline date. See Section 4 of this Notice.

22 The Court has already preliminarily approved the proposed Settlement and approved this
23 Notice. The Court has not yet decided whether to grant final approval. Your legal rights are
24 affected whether you act or not act. Read this Notice carefully. You will be deemed to have
25 carefully read and understood it. At the Final Approval Hearing, the Court will decide whether
26 to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and
27 Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment
28 that requires Defendants to make payments under the Settlement and requires Class Members and
Aggrieved Employees 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/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendants.

(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. You will, however, preserve your right to personally pursue Class Period wage claims against Defendants, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. 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.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendants that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is —	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. 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 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendants must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released PAGA Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by —	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 Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.

You Can Participate in the ____ Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on _____. 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 8 of this Notice.
You Can Challenge the Calculation of Your Work Week / Pay Periods Written Challenges Must be Submitted by ____	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many Work Weeks 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 Class Period Work Weeks and number of PAGA 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 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendants. The Action accuses Defendants of violating California labor laws by failure to pay wages, failure to provide meal periods, failure to authorize and permit rest periods, failure to indemnify for business expenses, failure to issue proper wage statements, failure to timely pay wages, failure to maintain required payroll records, and related violations of the Labor Code. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiff is represented by attorneys in the Action: David G. Spivak of The Spivak Law Firm (“Class Counsel.”)

Defendants strongly deny violating any laws or failing to pay any wages and contend they complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendants or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendants hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendants have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendants do not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendants have agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and

(2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendants Will Pay \$200,000.00 as the Gross Settlement Amount (Gross Settlement). Defendants have agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. Defendants shall pay the Gross Settlement Amount in three instalments as follows: (1) \$66,666.00 due within 60 days of the Court's order giving final approval of the Settlement or the Effective Date, whichever comes later, (2) \$66,667.00 due within one year of the Court's order giving final approval of the Settlement or the Effective Date, whichever comes later, and (3) \$66,667 due within 2 years of the Court's order giving final approval of the Settlement or the Effective Date, which ever is later. There will be a distribution within 60 days of each installment payment. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendants will fund the first installment of the Gross Settlement within 60 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

A. Up to \$66,666.00 (33.33%) of the Gross Settlement to Class Counsel for attorneys' fees and up to \$15,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

B. Up to \$5,000.00 as a Class Representative Award for filing the Action, working with Class Counsel, and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.

C. Up to \$12,500.00 to the Administrator for services administering the Settlement.

D. Up to \$4,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Pay Periods.

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

1
2 If the number of Workweeks as of the date the Court approves the settlement exceeds the
3 referenced 6,451 Workweeks by more than 15%, the Gross Settlement Amount, including the
4 Class Counsel Fees Payment, the Class Representative Payment, and the LWDA payment, will
increase proportionally according to the number of additional Workweeks above the 15%
increase.

5 3. Net Settlement Distributed to Class Members. After making the above deductions
6 in amounts approved by the Court, the Administrator will distribute the rest of the Gross
7 Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class
Members based on their Class Period Workweeks.

8 4. Taxes Owed on Payments to Class Members. Plaintiff and Defendants are asking
9 the Court to approve an allocation of 10% of each Individual Class Payment to taxable wages
10 (“Wage Portion”) and 90% to interest and penalties (“Non-Wage Portion.”). The Wage Portion is
11 subject to withholdings and will be reported on IRS W-2 Forms. Defendants will separately pay
12 employer payroll taxes they owe on the Wage Portion. The Individual PAGA Payments are
counted as penalties rather than wages for tax purposes. The Administrator will report the
Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS
1099 Forms.

13 Although Plaintiff and Defendants have agreed to these allocations, neither side is giving
14 you any advice on whether your Payments are taxable or how much you might owe in taxes. You
15 are responsible for paying all taxes (including penalties and interest on back taxes) on any
16 Payments received from the proposed Settlement. You should consult a tax advisor if you have
any questions about the tax consequences of the proposed Settlement.

17 5. Need to Promptly Cash Payment Checks. The front of every check issued for
18 Individual Class Payments and Individual PAGA Payments will show the date when the check
19 expires (the void date). If you don’t cash it by the void date, your check will be automatically
cancelled, and the monies
will be deposited with the California Controller’s Unclaimed Property Fund in your name.

20 If the monies represented by your check is sent to the Controller’s Unclaimed Property,
21 you should consult the rules of the Fund for instructions on how to retrieve your money.

22 6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated
23 as a Participating Class Member, participating fully in the Class Settlement, unless you notify the
24 Administrator in writing, not later than ___, that you wish to opt-out. The easiest way to notify
25 the Administrator is to send a written and signed Request for Exclusion by the ___ Response
26 Deadline. The Request for Exclusion should be a letter from a Class Member or his/her
representative setting forth a Class Member’s name, present address, telephone number, and a
simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e.,
Non-Participating Class Members) will not receive Individual Class Payments, but will preserve
their rights to personally pursue wage and hour claims against Defendants.

1 You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude
2 themselves from the Class Settlement (Non-Participating Class Members) remain eligible for
3 Individual PAGA Payments and are required to give up their right to assert PAGA claims against
4 Defendants based on the PAGA Period facts alleged in the Action.

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

10 8. Administrator. The Court has appointed a neutral company, CPT Group, Inc. (the
11 “Administrator”) to send this Notice, calculate and make payments, and process Class Members’
12 Requests for Exclusion. The Administrator will also decide Class Member Challenges over
13 Workweeks, mail and re- mail settlement checks and tax forms, and perform other tasks necessary
14 to administer the Settlement. The Administrator’s contact information is contained in Section 9
15 of this Notice.

16 9. Participating Class Members’ Release. After the Judgment is final and Defendants
17 have fully funded the Gross Settlement (and separately paid all employer payroll taxes),
18 Participating Class Members will be legally barred from asserting any of the Released Class
19 Claims released under the Settlement. This means that unless you opted out by validly excluding
20 yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit
21 against Defendants or related entities for wages based on the Class Period facts and PAGA
22 penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

23 The Participating Class Members will be bound by the release of the following Released
24 Class Claims:

25 All Participating Class Members, on behalf of themselves and their respective former and
26 present representatives, agents, attorneys, heirs, administrators, successors, and assigns,
27 release Released Parties from all claims that were alleged, or reasonably could have been
28 alleged, in the Operative Complaint that arose during the Class Period including with
29 respect to the following claims: (a) failure to pay all overtime wages owed; (b) failure to
30 pay minimum wages owed; (c) failure to provide meal periods, or premium pay for non-
31 compliant meal periods; (d) failure to authorize and permit rest periods, or premium pay
32 for non-compliant rest periods; (e) failure to issue accurate, itemized wage statements and
33 maintain payroll records; (f) failure to pay all wages due upon separation of employment;
34 (g) failure to reimburse for necessary business expenses; (h) all claims under California
35 Business & Professions Code § 17200 for unfair business practices that could have been
36 premised on the facts, claims, causes of action or legal theories described above; (i)
37 violation of or claims under the following sections of the California Labor Code sections
38 201, 202, 203, 204, 206, 218.6, 226, 226.3, 226.7, 510, 512, 1174, 1182.12, 1194, 1194.2,
39 1197, 1197.1, 1198, 2802; and (j) violation of the California Industrial Wage Orders that
40 could have been premised on the facts, claims, causes of action or legal theories described
41 above, as well as any potential penalties, interest or attorneys’ fees associated with all of

1 such causes of action under California law. Except for the release of the Released PAGA
2 Claims by Aggrieved Employees (see below), Participating Class Members do not release
3 any other claims, including claims for vested benefits, wrongful termination, violation of
4 the Fair Employment and Housing Act, unemployment insurance, disability, social
security, workers' compensation, or claims based on facts occurring outside the Class
Period.

5 10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and
6 Defendants have paid the Gross Settlement (and separately paid the employer-side payroll taxes),
7 all Aggrieved Employees will be barred from asserting any of the Released PAGA Claims
8 against Defendants, whether or not they exclude themselves from the Settlement. This means that
9 all Aggrieved Employees, including those who are Participating Class Members and those who
opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA
claim against Defendants or their related entities based on the PAGA Period facts alleged in the
Action and resolved by this Settlement.

10 The Aggrieved Employees' will be bound by the release of the following "Released
11 PAGA Claims":

12 All Class Members who are Aggrieved Employees, regardless of whether they are
13 Participating Class Members or Non-Participating Class Members, are deemed to release, on
14 behalf of themselves and their respective former and present representatives, agents, attorneys,
15 heirs, administrators, successors, and assigns, the Released Parties from all claims, demands,
16 rights, liabilities and causes of action under the California Labor Code Private Attorneys General
17 Act that were alleged, or reasonably could have been alleged, based on the claims asserted in the
18 Operative Complaint, the PAGA Notice and ascertained in the course of the Action, arising during
or with respect to the PAGA Period. The foregoing release shall be binding on Plaintiff, the
Aggrieved Employees, and the State of California, and shall bar by res judicata any claim under
the PAGA brought by any person, including the Aggrieved Employees, on behalf of the State of
California, as to any claims predicated on the Released PAGA Claims.

19 **4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?**

20 1. Individual Class Payments. The Administrator will calculate Individual Class
21 Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked
22 by all Participating Class Members, and (b) multiplying the result by the number of Workweeks
worked by each individual Participating Class Member.

23 2. Individual PAGA Payments. The Administrator will calculate Individual PAGA
24 Payments by (a) dividing \$1,000 by the total number of PAGA Pay Periods worked by all
25 Aggrieved Employees and (b) multiplying the result by the number of PAGA Pay Periods worked
by each individual Aggrieved Employee.

26 3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked
27 during the Class Period and the number of PAGA Pay Periods you worked during the PAGA
Period, as recorded in Defendants' records, are stated in the first page of this Notice. You have

1 until ____ to challenge the number of Workweeks and/or Pay Periods credited to you. You can
2 submit your challenge by signing and sending a letter to the Administrator via mail, email or fax.
Section 9 of this Notice has the Administrator's contact information.

3 You need to support your challenge by sending copies of pay stubs or other records. The
4 Administrator will accept Defendants' calculation of Workweeks and/or Pay Periods based on
5 Defendants' records as accurate unless you send copies of records containing contrary
6 information. You should send copies rather than originals because the documents will not be
7 returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based
on your submission and on input from Class Counsel (who will advocate on behalf of
Participating Class Members) and Defendants' Counsel. The Administrator's decision is final.
You can't appeal or otherwise challenge its final decision.

8 **5. HOW WILL I GET PAID?**

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10 1. Participating Class Members. The Administrator will send, by U.S. mail, a single
check to every Participating Class Member (i.e., every Class Member who doesn't opt-out)
11 including those who also qualify as Aggrieved Employees. The single check will combine the
Individual Class Payment and the Individual PAGA Payment.

12 2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a
13 single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class
Settlement (i.e., every Non-Participating Class Member).

14
15 **Your check will be sent to the same address as this Notice. If you change your**
16 **address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has**
the Administrator's contact information.

17 **6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?**

18 Submit a written and signed letter with your name, present address, telephone number,
19 and a simple statement that you do not want to participate in the Settlement. The Administrator
will exclude you based on any writing communicating your request be excluded. Be sure to
20 personally sign your request, identify the Action as *Ramona Silva-Heredia vs. Tacos Los*
Desvelados, et al., Case No. 21STCV11103, and include your identifying information (full name,
21 address, telephone number, approximate dates of employment, and social security number for
verification purposes). You must make the request yourself. If someone else makes the request
22 for you, it will not be valid. **The Administrator must be sent your request to be excluded by**
23 **____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

24 **7. HOW DO I OBJECT TO THE SETTLEMENT?**

25 Only Participating Class Members have the right to object to the Settlement. Before deciding
26 whether to object, you may wish to see what Plaintiff and Defendants are asking the Court to
approve. At least ____ days before the ____ Final Approval Hearing, Class Counsel and/or Plaintiff
27 will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons

1 why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service
2 Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation
3 expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award.
4 Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice)
will send you copies of these documents at no cost to you. You can also view them on the
Administrator's Website ([url](#)) or the Court's website ([url](#)).

5 A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for
6 Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to
7 object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class
8 Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the
Administrator is ____.** Be sure to tell the Administrator what you object to, why you object, and
9 any facts that support your objection. Make sure you identify the Action, *Ramona Silva-Heredia*
10 *vs. Tacos Los Desvelados*, case no. 21STCV11103, and include your name, current address,
11 telephone number, and approximate dates of employment for Defendants and sign the objection.
12 Section 9 of this Notice has the Administrator's contact information.

13 Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at
14 your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready
15 to tell the Court what you object to, why you object, and any facts that support your objection.
16 See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval
17 Hearing.

18 **8. CAN I ATTEND THE FINAL APPROVAL HEARING?**

19 You can, but don't have to, attend the Final Approval Hearing on ____ at (**time**) in Department 17
20 of the Los Angeles Superior Court, located at Spring Street Courthouse, 312 North Spring Street,
21 Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval
22 of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff,
23 and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense
24 Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally
25 or virtually via ____ (https://www. ____). Check the Court's website for the most current
26 information.

27 It's possible the Court will reschedule the Final Approval Hearing. You should check the
28 Administrator's website ____ beforehand or contact Class Counsel to verify the date and time of
the Final Approval Hearing.

29 **9. HOW CAN I GET MORE INFORMATION?**

30 The Agreement sets forth everything Defendants and Plaintiff have promised to do under the
31 proposed Settlement. The easiest way to read the Agreement, the Judgment or any other
32 Settlement documents is to go to (**specify entity**)'s website at (**url**). You can also telephone or send
33 an email to Class Counsel or the Administrator using the contact information listed below, or
34 consult the Superior Court website by going to (http://www. ____ .aspx) and entering the Case
35 Number for the Action, Case No. 21STCV11103. You can also make an appointment to

1 personally review court documents in the Clerk's Office at the Spring Street Courthouse by calling
2 ____.

3 **DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION**
4 **ABOUT THE SETTLEMENT.**

5 Class Counsel:

6 Name of Attorney: David G. Spivak
7 Email Address: david@spivaklaw.com
8 Name of Firm: The Spivak Law Firm
9 Mailing Address: 8605 Santa Monica Bl
PMB 42554
West Hollywood, CA 90069
Telephone: (213) 725-9094

10 Administrator:

11 Name of Company: CPT Group, Inc.
12 Email Address: ____
13 Mailing Address: ____
14 Telephone: ____
Fax Number: ____

15 **10. WHAT IF I LOSE MY SETTLEMENT CHECK?**

16 If you lose or misplace your settlement check before cashing it, the Administrator will replace it
17 as long as you request a replacement before the void date on the face of the original check. If
18 your check is already void
you should consult the Unclaimed Property Fund ____ for instructions on how to retrieve the funds

19 **11. WHAT IF I CHANGE MY ADDRESS?**

20 To receive your check, you should immediately notify the Administrator if you move or otherwise
21 change your mailing address.
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