CLASS ACTION AND PAGA SETTLEMENT AND RELEASE AGREEMENT

1. PREAMBLE

1.1 This Class Action and PAGA Settlement and Release Agreement (hereinafter "Settlement Agreement") is made and entered into by and between the following parties and their undersigned counsel of record:

1.1.1 Plaintiff Natasha Konishi ("Plaintiff Konishi") and Plaintiff Nicole Wheat ("Plaintiff Wheat") (Plaintiff Konishi and Plaintiff Wheat are collectively referred to as "Plaintiffs"), on behalf of themselves and all other similarly situated individuals.

1.1.2 Defendants Lounge Group, Inc.; The Stag Bar, Inc., dba Stag Bar; Malarky's Irish Pub, Inc., dba Malarky's Irish Pub; Oceanfront Deli, Inc., dba Dory Deli; Orange Circle Lounge, Inc., dba The District Lounge; Peninsula Restaurant Group, Inc., dba Playa Mesa; Fullerton Lounge, Inc., dba Matador Cantina; The Balboa, LLC, dba Helmsman Ale House; Muldoon's Pub, LLC, dba Muldoon's Irish Pub; Blackie's By the Sea, LLC, dba Blackie's by the Sea; Cold Brew, LLC, dba 2J's Lounge; Mariner's Restaurant, LLC, dba Wild Goose Tavern; Boardwalk Mexican, LLC, dba Super Panga Taqueria; PSA Fund, LLC, dba The Country Club, and Mario Marovic ("Marovic") (collectively "Defendants").

1.1.3 Plaintiffs and Defendants are jointly referred to as the "Parties."

2. DEFINITIONS

2.1 "Action" means the lawsuit entitled *Natasha Konishi et al. v. The Lounge Group, Inc., et. al*., Case No. 30-2021-01201250-CU-OE-CXC, initiated on May 18, 2021, and pending in the Superior Court of California for the County of Orange.

2.2 "Administrator" means CPT Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.

2.3 "Administration Expenses Payment" means the expenses incurred by the Administrator in effectuating the Settlement, not to exceed $26,000.

2.4 "Aggrieved Employee" means a current or former non-exempt employee who works or worked for one or more Defendants from April 22, 2020, to January 13, 2023.

2.5 "Class" means all current and former non-exempt employees who work or worked for one or more Defendants from May 18, 2017, to January 13, 2023.

2.6 "Class Counsel" means Heather Davis, Esq., Amir Nayebdadash, Esq., and Carlos Jimenz, Esq., of PROTECTION LAW GROUP, LLP, and Rolando J. Gutierrez, Esq., and Nicholas L. Ramirez, Esq., of BROWN WHITE & OSBORN, LLP.

2.7 "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action, as provided in paragraph 4.3.4.

2.8 "Class Data" means Class Member identifying information in Defendants' possession including the Class Member's name, last-known mailing address, social security number, and number of Workweeks and PAGA Pay Periods.

2.9 "Class Member" and "Settlement Class Member" mean a member of the Class, as either a Participating Class Member or Non-Participating Class Member, including a Non-Participating Class Member who qualifies as an Aggrieved Employee.

2.10 "Class Member Address Search" means the Administrator's investigation and search for current Class-Member mailing addresses using all reasonably available sources, methods, and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

2.11 "Class Notice" means and refers to the document attached hereto as "**EXHIBIT A**".

2.12 "Class Period" means the period from May 18, 2017, to January 13, 2023.

2.13 "Class Representatives" means Plaintiffs, *i.e.*, Plaintiff Konishi and Plaintiff Wheat.

2.14 "Class Representative Service Payments" means the payments to the Class Representatives for initiating the Action and providing services in support of the Action, which is not to exceed $30,000, or $15,000 each.

2.15 "Class Settlement" means the disposition of the putative class portion of the Action effected by this Settlement Agreement and the Judgment.

2.16 "Complaint" means Plaintiff Konishi's Second Amended Class Action Complaint, which shall become the operative complaint as articulated in paragraph 3.12, subject to Court approval.

2.17 "Court" means the Superior Court of California, County of Orange.

2.18 "Date of Preliminary Approval" means the date the Court preliminarily approves the Settlement Agreement and the exhibits thereto and enters an order providing for notice to the Class, an opportunity to opt out of or submit timely objections to the Class Settlement, and setting a hearing for final approval of the Settlement, including approval of attorneys' fees and costs.

2.19 "Defense Counsel" means Defendants' counsel of record, Glenn L. Briggs, Esq., and Stanley G. Stringfellow II, Esq., of KADING BRIGGS LLP.

2.20 "Effective Date" means the date by when both of the following have occurred: (a) the Court enters Judgment and (b) the Judgment is final. The Judgment is final as of the latest of the following events: (a) if no Participating Class Member objects to the Class Settlement, the day the Court enters Judgment; (b) if any Participating Class Member objects to the Class Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues remittitur.

2.21 "Final Approval Hearing" means the hearing on the Motion for Final Approval of the Settlement.

2.22 "Final Approval Order" means the Court's order approving the Settlement after the Final Approval Hearing.

2.23 "Gross Settlement Amount" means $1,750,000.00, which represents the total amount Defendants agree to pay under the Settlement, except as provided in paragraph 4.7, below. The Gross Settlement Amount shall be all-inclusive and shall be used to pay (a) the Individual Class Payments, including all applicable employee tax withholdings as well as all employer-paid payroll taxes including employer FICA, FUTA, and SDI contributions; (b) the Individual PAGA Payments; (c) the LWDA PAGA Payment; (d) the Class Counsel Fees Payment; (e) the Class Counsel Litigation Expenses Payment; (f) the Class Representative Service Payments; and (g) the Administration Expenses Payment, as allocated pursuant the terms and conditions set forth in this Settlement Agreement. Defendants shall not pay more than $1,750,000 or the employer's share of any applicable payroll taxes.

2.24 "Individual Class Payment" means the Participating Class Member's pro-rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

2.25 "Individual PAGA Payment" means the Aggrieved Employee's pro-rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

2.26 "Judgment" means the judgment entered by the Court based upon the Final Approval Order.

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

2.28 "LWDA PAGA Payment" means seventy-five (75) percent of the PAGA Penalties paid to the LWDA under section 2699(i) of the California Labor Code.

2.29 "Net Settlement Amount" is the portion of the Gross Settlement Amount eligible for distribution to Settlement Class Members. The Net Settlement Amount is the Gross Settlement Amount, less the following payments in the amounts approved by the Court: (a) all applicable employee tax withholdings as well as all employer-paid payroll taxes including employer FICA, FUTA, and SDI contributions; (b) the Individual PAGA Payments; (c) the LWDA PAGA Payment; (d) the Class Counsel Fees Payment; (e) the Class Counsel Expenses Payment; (f) Class Representative Service Payment; and (g) the Administration Expenses Payment, as allocated pursuant the terms and conditions set forth in this Settlement Agreement. The remainder is to be paid to Participating Class Members as Individual Class Payments.

2.30 "Non-Participating Class Member" means any Class Member who opted out of the Class Settlement by sending the Administrator a valid, authentic, and timely Request for Exclusion.

2.31 "PAGA" means the California Private Attorneys General Act (Labor Code §§ 2698 *et seq*.).

2.32 "PAGA Group" means each and every Aggrieved Employee, collectively.

2.33 "PAGA Notices" means Plaintiff Konishi's letter to Defendants and the LWDA on April 22, 2021, and Plaintiff Wheat's letter to Defendants and the LWDA on July 15, 2021.

2.34 "PAGA Pay Period" means any pay period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.

2.35 "PAGA Penalties" means the total amount of civil penalties to be paid from the

Gross Settlement amount, which, pursuant to PAGA, consists of the LWDA PAGA Payment and the Individual PAGA Payment.

2.36 "PAGA Period" means the period from April 22, 2020, to January 13, 2023.

2.37 "PAGA Settlement" means the disposition of the PAGA portion of the Action effected by this Settlement Agreement and the Judgment.

2.38 "Participating Class Member" means a Class Member who does not submit a valid, authentic, and timely Request for Exclusion from the Class Settlement or who submits a valid, authentic, and timely Request for Exclusion but thereafter rescinds the Request for Exclusion within the Response Deadline.

2.39 "Preliminary Approval Order" means the order granting preliminary approval of the Settlement.

2.40 "Qualified Settlement Fund" or "QSF" means the qualified settlement fund created under section 468B-1 of the Internal Revenue Code (Title 26 of the United States Code), to be overseen by the Administrator.

2.41 "Request for Exclusion" means a Class Member's (or his/her representative's) submission of a signed written request that reasonably communicates the Class Member's election to be excluded (*i.e.,* to opt out) from the Class Settlement (but not as to the PAGA Settlement).

2.42 "Response Deadline" means sixty (60) days after the Administrator mails Notice to Class Members and Aggrieved Employees and shall be the last date on which the Class Members may: (a) fax, email, or mail Requests for Exclusion from the Class Settlement or (b) fax, email, or mail his or her objection to the Class Settlement. Class Members to whom Notice Packets are re-sent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.

2.43 "Settlement" means the disposition of the Action effected by this Settlement Agreement and the Judgment and comprises the Class Settlement and the PAGA Settlement.

2.44 "Wheat Action" means the lawsuit entitled *Nicole Wheat v. Mario Marovic, et. al.*, Case No. 30-2021-01210986-CU-OE-CXC, initiated on July 15, 2021, in the Superior Court of California for the County of Orange.

2.45 "Workweek" means any week during which a Class Member worked for any of Defendants or a combination thereof for at least one day during the Class Period.

3. RECITALS

3.1 WHEREAS, Plaintiff Konishi initiated the Action on May 18, 2021, alleging causes of action against Defendant Lounge Group, Inc., Defendant The Balboa, LLC (dba the "Helmsman Ale House"), and Defendant Marovic, for (1) Failure To Pay Overtime [CAL. LAB. CODE §§ 510 & 1198]; (2) Failure To Provide Meal Periods and Unpaid Meal Period Premiums [CAL. LAB. CODE §§ 226.7 & 512(a)]; (3) Failure To Provide Rest Periods and Unpaid Meal Period Premiums [CAL. LAB. CODE § 226.7]; (4) Failure to Pay Minimum Wages [CAL. LAB. CODE §§ 1194, 1197, & 1197.1]; (5) Waiting Time Penalties [CAL. LAB. CODE §§ 201, 202, &

203]; (6) Failure To Provide Accurate Itemized Wage Statements [CAL. LAB. CODE § 226(a)]; (7) Failure to Indemnify [CAL. LAB. CODE §§ 2800 & 2802]; and (8) Unfair Competition and Unlawful Business Practices [CAL. BUS. & PROF. CODE § 17200 *et seq*].

3.2 WHEREAS, prior to the initiation of the Action, on April 22, 2021, Plaintiff Konishi gave timely notice to Defendants Lounge Group, Inc., The Balboa, LLC (dba the "Helmsman Ale House"), and Marovic and to the LWDA by sending the PAGA Notice, pursuant to section 2699.3(a) of the CALIFORNIA LABOR CODE.

3.3 WHEREAS, on June 30, 2021, Plaintiff Konishi filed a First Amended Complaint alleging a cause of action for violations of the CALIFORNIA LABOR CODE under PAGA [CAL. LAB. CODE § 2699 *et seq*.] against Defendant Lounge Group, Inc., Defendant The Balboa, LLC (dba the "Helmsman Ale House"), and Defendant Marovic.

3.4 WHEREAS, on July 15, 2021, Plaintiff Wheat commenced the Wheat Action by filing a complaint alleging causes of action against Defendants for (1) Failure to Pay Minimum Wages [CAL. LAB. CODE §§ 1182, 1182.12, 1194, 1194.2, and 1197]; (2) Failure to Pay Overtime and Double-Time Compensation [CAL. LAB. CODE §§ 510, 1194, 1198, CAL. CODE REGS. § 11050(3)(A)(1), *et seq*.]; (3) Failure to Provide Meal Periods [CAL. LAB CODE §§ 226.7, 512, 8 CAL. CODE REGS. § 11050(11)]; (4) Failure to Provide Rest Periods [CAL. LAB CODE §§ 226.7, 512, 8 CAL. CODE REGS. § 11050(12)]; (5) Failure to Indemnify [CAL. LAB. CODE § 2802; 8 CAL. CODE REGS. § 11050(9)(B)]; (6) Failure to Provide Accurate Itemized Wage Statements [CAL. LAB. CODE § 226]; (7) Waiting Time Penalties [CAL. LAB. CODE § 203]; (8) Unfair Competition and Unlawful Business Practices [CAL. BUS. & PROF. CODE § 17200 *et seq.*]; (9) Failure to Furnish Employee File and Payroll Records [CAL. LAB. CODE §§ 226(b), 226(c), 226(f), 1198.5, 1198.5(a), 1198.5(b), and 1198.5(k)].

3.5 WHEREAS, on July 15, 2021, Plaintiff Wheat gave timely notice to Defendants and the LWDA by sending the PAGA Notice, pursuant to section 2699.3(a) of the CALIFORNIA LABOR CODE.

3.6 WHEREAS, on October 4, 2021, Plaintiff Wheat filed a First Amended Complaint alleging a cause of action for Penalties Pursuant to the Private Attorney General Act [CAL. LAB. CODE § 2699, *et seq*.] and Declaratory Relief.

3.7 WHEREAS, on October 12, 2021, the Court deemed the Wheat Action related to the Action.

3.8 WHEREAS, the Parties agreed to mediate both the Action and the Wheat Action with professional neutral, Jeffery A. Ross, Esq., on November 3, 2022.

3.9 WHEREAS, prior to mediation on November 3, 2022, Class Counsel obtained, through informal discovery, employee data such as wage statements, pay stubs, payroll data in electronic format, timesheets, time data in electronic format, and the like for each Class Member and retained experts to analyze the employee data in advance of mediation.

3.10 WHEREAS, prior to mediation on November 3, 2022, Class Counsel obtained, through informal discovery and investigation, evidence they believe substantiates the claims alleged in the Action and in the Wheat Action, including copies of twenty-five (25) employee handbooks, witness interviews, online articles pertaining to Defendants, and an online podcast interview given by Marovic.

3.11 WHEREAS, on November 3, 2022, the Parties participated in private mediation with Mr. Ross, who issued a mediator's proposal that was accepted by the Parties, the material terms of which are encompassed within this Settlement Agreement.

3.12 WHEREAS, to effectuate the Settlement, withing five (5) days of the date on which this Settlement Agreement is fully executed, the Parties shall execute a Stipulation and [Proposed] Order ("Stip & Order") for leave to file a Second Amended Complaint in the Action, which shall add as parties in the Action Plaintiff Wheat as a named plaintiff and THE STAG BAR, INC., MALARKY'S IRISH PUB, INC., OCEANFRONT DELI, INC., ORANGE CIRCLE LOUNGE, INC., PENINSULA RESTAURANT GROUP, INC., FULLERTON LOUNGE, INC., MULDOON'S PUB, LLC, BLACKIE'S BY THE SEA, LLC, COLD BREW, LLC, MARINER'S RESTAURANT, LLC, BOARDWALK MEXICAN, LLC, and PSA FUND, LLC as named defendants and allege causes of action for (1) Failure to Pay Minimum Wages [CAL. LAB. CODE §§ 1182, 1182.12, 1194, 1194.2, 1197, and 1197.1]; (2) Failure to Pay Overtime and Double-Time Compensation [CAL. LAB. CODE §§ 510, 1194, 1198, 8 CAL. CODE REGS. § 11050(3)(A)(1), *et seq*.]; (3) Failure to Provide Meal Periods [CAL. LAB CODE §§ 226.7, 512, 8 CAL. CODE REGS. § 11050(11)]; (4) Failure to Provide Rest Periods [CAL. LAB CODE § 226.7, 8 CAL. CODE REGS. § 11050(12)]; (5) Failure to Indemnify [CAL. LAB. CODE § 2802; 8 CAL. CODE REGS. § 11050(9)(B)]; (6) Failure to Provide Accurate Itemized Wage Statements [CAL. LAB. CODE § 226]; (7) Waiting Time Penalties for Failure to Pay Timely Wages [CAL. LAB. CODE §§ 201, 202, and 203]; (8) Unfair Competition and Unlawful Business Practices [CAL. BUS. & PROF. CODE § 17200 *et seq.*]; and (9) Penalties Pursuant to the Private Attorney General Act ("PAGA") [CAL. LAB. CODE § 2699 *et seq*.

3.13 WHEREAS, to effectuate the Settlement, within five (5) days after the filing of the Complaint in the Action, Plaintiff Wheat shall request dismissal of the *Wheat* Action, without prejudice, subject to Court approval, and Defendants BOARDWALK MEXICAN, LLC and PSA FUND, LLC shall accept service of summons by signing Notices of Acknowledgment and Receipt forms.

3.14 WHEREAS, to effectuate the Settlement, the defendants named in the Complaint as identified in paragraph 3.12 shall not be required to file an answer or other responsive pleading and Plaintiffs agree that no default shall be taken, nor shall there be any other pleadings filed without mutual consent of the Parties, unless required by the Court.

3.15 WHEREAS, based on the documents and information gathered through informal discovery and investigation and applicable law or extension thereof, Plaintiffs and Class Counsel believe this Action is meritorious. Class Counsel have conducted a thorough investigation into the facts of this case and have diligently pursued an investigation of the claims against Defendants. Based on Class Counsel's own independent investigation and evaluation, Class Counsel are of the opinion that the Settlement is fair, reasonable, and adequate and is in the best interests of the Class Members in light of all known facts and circumstances, including the complexity of the Action, the risk of significant delay, the defenses that could be asserted by Defendants both to certification and on the merits, the existence of arbitration agreements, the risks and expense of trial, and appellate risk.

3.16 WHEREAS, Defendants and Defense Counsel have also investigated the facts surrounding Plaintiffs' claims on behalf of themselves and the Class and have defended themselves from such claims. Defendants deny any liability or wrongdoing of any kind associated with Plaintiffs' claims as alleged in the Complaint.

3.17 WHEREAS, Plaintiffs have not filed their Motion for Class Certification and, as such, the Court has not granted class certification in the Action.

3.18 WHEREAS, the entry of Judgment in this Action shall, as more specifically discussed herein, resolve all claims which were or reasonably could have been alleged in the Complaint filed in this Action or the *Wheat* Action, with the exception of any claims which might be retained by Non-Participating Class Members.

3.19 WHEREAS, the Court has jurisdiction over the Parties and the subject matter of the Action.

3.20 WHEREAS, the Parties, Class Counsel, and Defense Counsel represent that they are not aware of any pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3.21 WHEREAS, the Parties, Class Counsel, and Defense Counsel agree to cooperate and take all steps necessary and appropriate to obtain preliminary and final approval of this Settlement and to effectuate its terms.

3.22 WHEREAS, each foregoing Recitals are incorporated into the Settlement Agreement as if fully set forth in the body of the Settlement Agreement.

4. MONETARY TERMS, SETTLEMENT FUNDING, AND ALLOCATION

4.1 <u>Gross Settlement Amount</u>. Except as otherwise provided in paragraph 4.7 of this Settlement Agreement, and subject to Court approval, in consideration for the releases provided in section 6 of this Settlement Agreement, Defendants agree to pay the Gross Settlement Amount, which shall be One Million Seven Hundred Fifty Thousand Dollars ($1,750,000.00), as defined in paragraph 2.27.

4.2 <u>Funding of the Gross Settlement Amount</u>. No later than 15 days before the Final Approval Hearing, Defendants shall fully fund the Gross Settlement Amount by transmitting the funds by wire or electronic transfer to the Qualified Settlement Fund, which shall be created and maintained by the Administrator and titled, "Lounge Group and Companies Wage-and-Hour Settlement Fund."

4.3 <u>Payments from the Gross Settlement Amount</u>. Within fifteen (15) days of the Effective Date, the Administrator will make the following payments from the Gross Settlement Amount in the amounts specified by the Court in the Final Approval Order:

4.3.1 <u>PAGA Allocation</u>. $100,000 shall be allocated for PAGA Penalties. In connection with the Court's review and approval of the Settlement, the Parties shall notify the

LWDA of the existence of the Settlement Agreement. Should the LWDA object to the amount of this PAGA allocation, the Parties shall work together in good faith to negotiate the amount of PAGA Penalties until the Parties are notified by the LWDA that the updated PAGA Penalties allocation is sufficient. If the Court approves the PAGA Penalties in an amount less than the amount requested, the Administrator shall allocate the remainder to the Net Settlement Amount.

4.3.1.1 Payment to LWDA. 75% of the PAGA Penalties (*i.e.*, $75,000) shall be paid to the LWDA, which represents the LWDA PAGA Payment.

4.3.1.2 Payment to Aggrieved Employees. 25% of the PAGA Penalties (*i.e.*, $25,000) shall be paid to the PAGA Group, from which each Aggrieved Employee (including Non-Participating Class Members who are Aggrieved Employees) shall receive his or her Individual PAGA Payment. The Individual PAGA Payment shall be calculated by dividing $25,000 by the total number of PAGA Pay Periods and multiplying the result by the number of PAGA Pay Periods each individual Aggrieved Employee worked within the PAGA Period. The Administrator shall report the Individual PAGA Payments on IRS 1099 Forms.

4.3.2 To the Administrator. The Administration Expenses Payment to the Administrator not to exceed $26,000. If the Court approves the Administration Expenses Payment in an amount less than the amount requested, the Administrator shall allocate the remainder to the Net Settlement Amount.

4.3.3 To Plaintiffs. Plaintiffs, or Class Counsel acting on Plaintiffs' behalf, may seek from the Court Class Representative Service Payments not to exceed $15,000 each for Plaintiffs serving as Class Representatives. This amount shall be reported on an IRS 1099 basis and is in addition to any pro-rata recovery to which Plaintiffs may be entitled from the Net Settlement Amount. Defendants shall not oppose this request by Plaintiffs or Class Counsel.

4.3.3.1 The Court's approval, modification, or denial of any request for Plaintiffs' Class Representative Service Payments shall not be a condition of this Settlement Agreement and is to be considered by the Court separately from the fairness, reasonableness, adequacy, and good faith of the Settlement.

4.3.3.2 Any order or proceeding relating to the application by Plaintiffs or Class Counsel for Plaintiffs' Class Representative Service Payments shall not operate to terminate or modify this Settlement Agreement. If the Court approves the Class Representative Service Payments in an amount less than the amounts requested, the Administrator shall allocate the remainder to the Net Settlement Amount.

4.3.4 To Class Counsel. Class Counsel may seek from the Court a Class Counsel Fees Payment in the maximum amount of $612,500.00 (*i.e.*, 35% of the Gross Settlement Amount) for attorneys' fees. In addition, Class Counsel may also seek a Class Counsel Litigation Expenses Payment of up to $54,000 for actual litigation costs. Defendants shall not oppose these requests or applications made by Class Counsel.

4.3.4.1 The Court's approval, modification, or denial of any request for the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment shall not be a condition to this Settlement Agreement and is to be considered by the Court separately from the fairness, reasonableness, adequacy, and good faith of the Settlement. Any order or proceeding relating to the application by Class Counsel for an award of attorneys' fees and costs shall not operate to terminate or modify this Settlement Agreement. If the Court approves the Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment in an amount less than amount requested, the Administrator shall allocate the remainder to the Net Settlement Amount.

4.3.4.2 Released Parties shall have no liability to Class Counsel or to any other attorney for Plaintiffs arising from any claim to any portion of the Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment.

4.3.4.3 The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and shall defend, indemnify, and hold Defendants harmless from any dispute or controversy regarding any division or sharing of any of these Payments.

4.4 To Each Participating Class Member. Within fifteen (15) days of the Effective Date, the Administrator shall issue from the Net Settlement Amount an Individual Class Payment to each Participating Class Member, calculated by dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and multiplying the result by each Participating Class Member's individual Workweeks.

4.4.1 The Individual Class Payment shall be allocated 1/3 as unpaid wages, subject to tax withholdings, and reported on an IRS W-2 basis and 2/3 as penalties and interest to be reported on an IRS 1099 basis.

4.4.2 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive an Individual Class Payment. The Administrator shall retain amounts equal to each Non-Participating Class Member's Individual Class Payment in the Net Settlement Amount for distribution to Participating Class Members on a pro-rata basis. Any additional recovery for Participating Class Members under this paragraph shall be determined by the Administrator before Individual Class Payments are paid and shall be included within each Participating Class Member's Individual Class Payment.

4.5 Non-Reversionary. None of the Gross Settlement Amount shall revert to Defendants.

4.6 Class Size, Workweeks, and Aggrieved Employee Pay Periods. Based on a review of their records to date, Defendants estimate there are 2,938 Class members who collectively worked a total of approximately 108,800 Workweeks, and 1,627 Aggrieved Employees who worked a total of 27,188 PAGA Pay Periods from May 18, 2017, through November 3, 2022.

4.7 Escalator Clause. If a final analysis of the Class Data reveals that the total number of Workweeks worked by the Class from May 18, 2017, through November 3, 2022, is more than 10% greater than 108,800 (*i.e.*, more than 119,680 Workweeks), Defendants agree to increase the Gross Settlement Amount proportionally based on the degree to which the

Workweeks exceed the 10% cap (*e.g.*, if there are 12% more Workweeks during the Class Period through November 3, 2022, than previously estimated, Defendants agree to increase the Gross Settlement Amount by 2%).

4.8 Delivery of Class Data. No later than ten (10) days after the Court grants preliminary approval of the Settlement, Defendants will deliver the Class Data to the Administrator, in the form of a Microsoft Excel Spreadsheet. Class Counsel shall have no right to receive, access, possess, or otherwise view or know the Class Data, except Class Counsel shall be provided the data of any individual Class Member who contests the Settlement or disputes the amount of his or her Individual Class Payment. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Settlement Agreement. Defendants will have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted Class Member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible but no later than five (5) days after the discovery of their omission(s). Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use their best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

5. CERTIFICATION OF THE CLASS FOR SETTLEMENT PURPOSES

5.1 If this Settlement is approved, certification of the Class is a conditional certification for settlement purposes only. If, for any reason, the Court does not grant final approval of the Settlement as negotiated by the Parties or if final approval of the Settlement as negotiated by the Parties is not given following the appeal of any order by the Court or if, for any reason, the Effective Date does not occur, the certification of the Class shall be deemed null and void without further action by the Court or any of the Parties. In such circumstances, the Parties shall retain all of their respective rights and shall be returned to their respective legal positions prior to the execution of this Settlement Agreement. Neither this Settlement Agreement nor any of its accompanying exhibits nor any orders entered by the Court in connection with this Settlement Agreement shall be admissible or used for any purpose in this Action or any other legal proceeding, except for enforcement of the same.

6. RELEASE OF CLAIMS

6.1 Effective on the date when Defendants fully fund the entire Gross Settlement Amount, and subject to final approval of this Settlement, Plaintiffs, Class Members, and Class Counsel will release all claims against all Released Parties, as follows:

6.1.1 Plaintiffs' Releases. Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally release and discharge Released Parties (as defined in Paragraph 6.1.3, below) from all claims, transactions, or occurrences that can, as a matter of law, be released, including, but not limited to, all claims arising from or relating to their respective employment with Defendants; all claims that were or reasonably could have been alleged based on the facts contained in the Complaint, all prior pleadings in the Action and the *Wheat* Action, and the PAGA Notices respectively filed by Plaintiffs; all claims for discrimination, harassment, retaliation, and wrongful termination; and all claims for any violations of federal and state constitutional, statutory, and common law. ("Plaintiffs' Releases.") Plaintiffs' Releases do not extend to any claims or actions to enforce this Settlement Agreement or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time. Plaintiffs acknowledge that they may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' Releases shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

6.1.2 Plaintiffs' Waiver of Rights under Section 1542 of the California Civil Code. For the purposes of Plaintiffs' Releases, Plaintiffs generally release and discharge the Released Parties and expressly waive and relinquish the provisions, rights, and benefits of section 1542 of the California Civil Code, which provides:

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

6.1.3 The Class Releases. Plaintiffs and all other Participating Settlement Class Members, for themselves and for their respective former and present spouses, agents, attorneys, heirs, administrators, successors, and assigns, will release and discharge Defendants and any of their former and/or present parents, subsidiaries, affiliates, officers, directors, managers, owners, executives, partners, employees, shareholders, agents, attorneys, and any other successors, assigns, or legal representatives, including Marovic ("Released Parties"), from the claims alleged in the Complaint, all prior pleadings in the Action and the *Wheat* Action, and the PAGA Notices respectively filed by Plaintiffs or that reasonably could have been alleged based on the facts and theories stated therein, from May 18, 2017, through January 13, 2023, including any potential claims arising from or related to: (1) any alleged failure to pay wages, including minimum, regular, overtime, and double-time wages; (2) any alleged failure to provide, authorize, or permit compliant meal and/or rest periods or compensation in lieu thereof; (3) any alleged failure to timely pay all wages due and owing during and/or upon termination of employment; (4) any alleged failure to provide accurate itemized wage statements; (5) any alleged failure to maintain complete and accurate payroll records; (6) any alleged failure to furnish employee personnel and payroll records upon request; (7) any alleged failure to reimburse necessary business expenses; and (8) any alleged violations of the Unfair Competition Law (the "Released Claims"). The Released Claims expressly include all claims for alleged violations of, or recovery of unpaid wages, premium payments, penalties, restitution, fees, costs, interest, and/or other damages under Labor Code sections 201, 201.3, 202, 203, 204, 210, 226, 226.3, 226.7 *et seq.*, 510, 512, 558 *et seq*., 1174, 1182, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199 *et seq*., 2698 *et seq*., and 2802; California Code of Regulations, title 8, section 11050 and all corresponding and applicable IWC Wage Orders, including sections 3, 9, 11, and 12 therein; California Business and Professions Code section 17200 *et seq.*; and any and all corresponding federal statutes and regulations.

6.1.4 Release of PAGA Claims by Aggrieved Employees. All Aggrieved Employees, including Plaintiffs and Non-Participating Class Members, for themselves and for their respective former and present spouses, agents, attorneys, heirs, administrators, successors, and assigns, will release and discharge the Released Parties from all claims for any and all PAGA remedies that were alleged or that reasonably could have been alleged or that were based on, arise from, or relate to the facts stated in the Complaint, all prior pleadings in the Action and in the *Wheat* Action, and Plaintiffs' respective PAGA Notices, from April 22, 2020, through January 13, 2023, including any right, claim, or demand for civil penalties pursuant to Labor Code sections 210, 226.3, 558, 1174.5, 1197.1, and 2699 in connection with alleged violations of Labor Code sections 201, 202, 203, 204, 226, 226.7 *et seq.*, 510, 512 *et seq.*, 1174, 1182, 1182.12, 1194, 1194.2, 1197, 1198, 1198.5, 2802, and 2810.5. Plaintiff and Aggrieved Employees will be bound by this release of PAGA claims even if they, or any of them, request to be excluded from the Class Settlement.

7. EXCLUSIONS, OBJECTIONS, CHALLENGES, BINDING EFFECT, AND UNCASHED CHECKS

7.1 Requests for Exclusions (Opt-Outs).

7.1.1 Any Class member who wishes to exclude himself or herself from, or opt out of, the Class Settlement must send the Administrator, by facsimile, electronic mail, or mail, a signed written Request for Exclusion by the Response Deadline, which is no later than sixty (60) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notices are re-mailed).

7.1.2 To be valid, the Request for Exclusion shall include: (a) the Class Member's name, address, and electronic mail address or telephone number; (b) a statement that the Class Member desires to exclude himself or herself from the Class Settlement; (c) the last four digits of the Class Member's social security number; and (d) must be timely faxed, electronically mailed, or postmarked, by the Response Deadline. However, the Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. 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.

7.1.3 Every Class member who does not submit a timely and valid Request for Exclusion shall be deemed to be a Participating Class Member under this Settlement Agreement, entitled to all benefits and shall be bound by all terms and conditions of the Settlement Agreement, including Participating Class Members' releases articulated in paragraphs 6.1.3 and 6.1.4 of this Settlement Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Class Settlement.

7.1.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the Class Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in paragraph 6.1.4 of this Agreement and are eligible for an Individual PAGA Payment.

7.2 Objections to the Class Settlement.

7.2.1 Only Participating Class Members may object to the Class Settlement and its components, namely, the Gross Settlement Amount and the amounts requested for the Class Representative Service Payments, Class Counsel Fees Payment, and/or Class Counsel Litigation Expenses Payment. Non-Participating Class Members have no right to object to any of aspect of the Settlement.

7.2.2 A Class Member who wishes to object to the Class Settlement must submit to the Administrator a written brief or statement of objection. Written objections must (1) state the full name of the Class Member; (2) be signed by that Class Member; (3) state the grounds for the objection; and (4) be postmarked by the Response Deadline and returned to the Administrator at the address specified on the Notice. The deadline for Class Members' written objection(s) shall be extended by an additional fourteen (14) days beyond the Response Deadline for any Class Member whose Class Notice is re-mailed. The Administrator will inform the Class Member of the extended deadline within the re-mailed Class Notice.

7.2.3 Class Members shall be permitted to withdraw their objections in writing by submitting a withdrawal statement to the Administrator no later than one (1) business day before the Final Approval Hearing or as otherwise ordered by the Court.

7.2.4 Class Members who fail to timely submit written objections pursuant to this section shall be deemed to have waived any objections and shall be foreclosed from filing any appeal from any Final Approval Order issued by this Court.

7.3 Challenging the Calculation of Workweeks and PAGA Pay Periods. Each Class Member will have the opportunity, should he or she disagree with Defendants' records regarding the number of Workweeks and/or PAGA Pay Periods, as stated in the Class Notice, to provide documentation and/or an explanation postmarked or to be received by the Administrator within sixty (60) days of the mailing of the Class Notice plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed) in support of his or her claim of a different number of Workweeks and/or PAGA Pay Periods. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks and/or PAGA Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class Data. If there is a dispute related to the number of Workweeks and/or PAGA Pay Periods, the Administrator shall promptly provide copies of all challenges to the calculation of Workweeks and/or PAGA Pay Periods to Class Counsel and Defense Counsel to determine whether an adjustment is warranted. After the Administrator confers with both Class Counsel and Defense Counsel, it will resolve the dispute, which shall be final and binding upon both the Participating Class Member/Aggrieved Employee and the Parties and will not be appealable or otherwise susceptible to legal challenge.

7.4 Uncashed Checks/Escheat. Checks issued to Participating Class Members and/or Aggrieved Employees pursuant to this Settlement Agreement shall remain negotiable for a period of one hundred eighty (180) calendar days from the date of mailing. Checks not negotiated within one hundred eighty (180) calendar days from the date they are mailed are void but this Settlement Agreement and the Releases provided herein will nonetheless be binding on the Participating Class Members and/or Aggrieved Employees as if they had negotiated the checks. Any unclaimed funds from any uncashed checks, plus any interest thereon, shall be distributed to the California State Controller's Unclaimed Property Fund in the names of the Participating Class Members and/or Aggrieved Employees who did not negotiate their respective Individual Class Payment and/or Individual PAGA Payment checks.

8. SETTLEMENT ADMINISTRATION

8.1 As a condition of employment, Administrator agrees to be bound by this Settlement Agreement and to perform, as a fiduciary, all duties specified in this Settlement Agreement, the Preliminary Approval Order, and Final Approval Order in exchange for the Administration Expenses Payment. The Parties and their respective counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

8.2 Administrative Duties. The Administrator shall have a duty to perform or observe all administrative duties to be performed or observed by the Administrator contained in this Agreement as follows:

8.2.1 Notice to Class Members.

8.2.1.1. No later than three (3) business days after the Administrator's receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

8.2.1.2. No later than fifteen (15) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via First-Class United States Postal Service ("USPS") mail, the Class Notice substantially in the form attached to this agreement as Exhibit A. The first page of the Class Notice shall estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

8.2.1.3. No later than three (3) business days after the Administrator's receipt of any Class Notice returned by the USPS as undeliverable, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

8.2.2 Website, Email Address, and Toll-Free Number. The Administrator will establish, maintain, and use an internet website to post information of interest to Class Members including the date, time, and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval Order, the Class Notice, the Motion for Final Approval, the Motion for (i) Class Counsel Fees Payment, (ii) Class Counsel Litigation Expenses Payment, and (iii) Class Representative Service Payments, the Final Approval Order, and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes, and emails.

8.2.3 Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. No later than five (5) days after the expiration of the Response Deadline, the Administrator shall electronically mail to Class Counsel and Defense Counsel a list containing the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (the "Exclusion List"), and a list containing the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion. The Administrator shall retain the originals of all opt-out letters (including postmarked envelopes) received and shall make copies of such opt-out letters to the Parties upon request.

8.2.4 Weekly Reports. The Administrator shall, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed and/or re-mailed, Class Notices returned undelivered, valid and authentic Requests for Exclusion received, deficient Requests for Exclusion 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 (the "Weekly Report"). The Weekly Report shall include the Administrator's assessment of the validity of all Requests for Exclusion and shall attach copies of all Requests for Exclusion and objections received, whether valid or invalid.

8.2.5 Administrator's Declaration and Final Reports.

8.2.5.1. No later than fourteen (14) days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel a signed declaration suitable for filing in Court in which the Administrator attests to its due diligence and compliance with all obligations under this Settlement Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undeliverable, attempts to conduct a Class Member Address Search, the re-mailing of Class Notices, the total number of valid and authentic Requests for Exclusion from Settlement it received, the total number of deficient Requests for Exclusion, and the total number of written objections and which attaches the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel shall be responsible for filing the Administrator's declaration(s) with the Court.

8.2.5.2. Within ten (10) days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements, by employee identification number only, made under this Settlement Agreement

8.2.5.3. At least fifteen (15) days before any deadline set by the Court, the Administrator will prepare and submit to Class Counsel and Defense Counsel a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Settlement Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund under United States Treasury Regulation section 468B-1.

8.3.1 The Administrator shall serve as Trustee of the Qualified Settlement Fund, which shall be named, "Lounge Group and Companies Wage-and-Hour Settlement Fund," and shall act as a fiduciary with respect to the handling, management, and distribution of the Qualified Settlement Fund, including payment of valid claims and reporting as required for the account.

8.3.2 The Administrator shall be responsible for filing tax returns for the Gross Settlement Amount and paying from the Gross Settlement Amount any taxes owed with respect to the Gross Settlement Amount. The Administrator shall calculate, deduct, withhold, and remit to applicable governmental agencies sufficient amounts as may be owed for Participating Class Members' taxes. The Administrator shall also calculate, withhold, and remit to the applicable government agencies sufficient amounts as may be owed by Defendants as employer's share of payroll taxes including employer FICA, FUTA, and SDI contributions. All taxes and withholdings shall be paid out of the Gross Settlement Amount and the Administrator shall have and use its own Employer Identification Number for the purpose of providing reports to state and federal tax authorities.

8.3.3 Within thirty (30) days after the expiration date of the last-issued settlement check that any Participating Class Member(s) and/or Aggrieved Employee(s) fails to negotiate within one hundred eighty (180) days, the Administrator shall provide to Class Counsel and Defense Counsel a declaration that it mailed the settlement checks to Participating Class Members and/or Aggrieved Employees and, if uncashed, that such amounts have been sent to the California State Controller's Unclaimed Property Fund in the names of the Participating Class Members and/or Aggrieved Employees who did not negotiate their Individual Class Payment and/or Individual PAGA Payment checks.

8.3.4 After all payments have been disbursed from the Qualified Settlement Fund, the Administrator shall dissolve the Qualified Settlement Fund and file a return (SF-1120) with the IRS.

8.4 Disbursement of the Gross Settlement Amount.

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

8.4.2 The Administrator must conduct a Class Member Address Search for all Class Members/Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

9. PRELIMINARY APPROVAL

9.1 Motion for Preliminary Approval. Within twenty-five (25) days of full execution of this Settlement Agreement, Plaintiffs will seek (a) preliminary approval of the Settlement; (b) preliminary class certification of the Action for settlement purposes; (c) appointment of Plaintiffs and Class Counsel as adequate representatives for the Class; (d) approval of the form and content for the proposed Class Notice; (e) an order directing mailing of the Class Notice; (f) appointment of the Administrator and preliminary approval of the proposed administration of the Settlement and Administration Expenses Payment; (g) preliminary approval of the proposed Class Representative Service Payments for Plaintiffs; (h) preliminary approval of the application for the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment; and (i) a date for the Final Approval Hearing along with a related briefing schedule ("Motion for Preliminary Approval").

9.2 Duty to Cooperate. The Parties will work with one another in good faith and agree on the form of any proposed orders or notices to the Class and shall work in good faith to reasonably and promptly present the Settlement to the Court for preliminary approval. Defendants and Defense Counsel shall not oppose the Motion for Preliminary Approval (provided the Motion for Preliminary Approval is consistent with the terms of this Settlement Agreement). If the Court does not grant preliminary approval or conditions preliminary approval on any material change to this Settlement Agreement, Class Counsel and Defense Counsel will work together on behalf of the Parties, in good faith, to modify the Settlement Agreement and otherwise satisfy the Court's concerns.

9.3 Plaintiff's Responsibilities. Class Counsel will prepare and deliver to Defense Counsel no later than seven (7) calendar days before filing all documents necessary for obtaining the Preliminary Approval Order, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes a *Dunk/Kullar* analysis of the Settlement and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to (a) its willingness to serve, (b) its competency, (c) operative procedures for protecting the security of Class Data, (d) amounts of insurance coverage for any data breach, defalcation of funds, or other misfeasance, (e) all facts relevant to any actual or potential conflicts of interest with Class Members; and (f) the nature and extent of any financial relationship with Plaintiffs, Class Counsel, or Defense Counsel; (v) a signed declaration from Plaintiffs confirming their willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members and/or the Administrator; (vi) a signed declaration from each Class Counsel firm attesting to (a) its competency to represent the Class Members, (b) its timely transmission to the LWDA of all necessary PAGA documents (including the PAGA Notices, the Complaint, and this Settlement Agreement; and (vii) all facts relevant to any actual or potential conflict of interest with Class Members and/or the Administrator. In their Declarations, Plaintiffs and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

10. FINAL APPROVAL AND JUDGMENT

10.1 Motion For Final Approval and Judgment. The Final Approval Hearing shall be held for the purpose of obtaining the Final Approval Order and entry of Judgment approving this Settlement Agreement and releasing the claims of the Participating Class Members and Aggrieved Employees, which shall be approximately twenty-five days (25) calendar days, subject to the Court's calendar, after the Response Deadline. During the Final Approval Hearing, the Court will consider and determine whether (a) the Court should give final approval to this Settlement; (b) Plaintiffs' application for the Class Representative Service Payments should be granted; (c) Class Counsel's application for the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment should be granted; (d) the Administrator's costs are appropriate; and (e) any timely objections made to the Class Settlement have any merit and to consider all responses by Class Counsel and Defense Counsel thereto. The Motion for Final Approval will also request approval of the PAGA Penalties and allocation under section 2699(*1*) of the CALIFORNIA LABOR CODE.

10.2 Plaintiff's Responsibilities. Class Counsel will prepare and deliver to Defense Counsel no later than seven (7) calendar days before filing all documents necessary for obtaining the Final Approval Order and Judgment, including, but not limited to: (i) a draft of the notice, and memorandum in support, of the Motion for Final Approval; (ii) a draft proposed Order Granting Final Approval and Approval of PAGA Settlement; and (iii) a draft proposed Judgment. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

10.3 Declaration of Receipt of Gross Settlement Amount. At least five (5) days prior to the Final Approval Hearing, the Administrator shall submit a declaration to the Court confirming that Defendants have fully funded the Gross Settlement Amount as provided in paragraphs 4.1 and 4.2.

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

10.5 Dismissal of Mario Marovic. If the Gross Settlement Amount is fully funded by no later than fifteen (15) days before the Final Approval Hearing, Plaintiffs will request dismissal of Marovic from the Action, with prejudice and subject to Court approval, prior to the Court's entry of final approval and no judgment will be entered against Marovic.

10.6 Notice. Notice of Judgment shall be posted on the Administrator's website. Class Counsel shall give timely notice of the Judgment to the LWDA pursuant to Labor Code section 2699(l)(3).

10.7 Duty to Cooperate. If the Court does not grant final approval or conditions final approval on any material change to the Settlement Agreement, the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Settlement Agreement as necessary to obtain final approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administration Expense Payment shall not constitute material changes to the Settlement Agreement.

10.8 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (a) enforcing this Settlement Agreement and/or Judgment, (b) addressing Settlement administration matters, and (c) addressing post-Judgment matters as permitted by law.

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

10.10 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material change to this Settlement Agreement (including, but not limited to, the scope of the Releases provided in section 6), this Settlement Agreement shall be null and void. The Parties shall nevertheless work together in good faith to address the appellate court's concerns and to obtain final approval and entry of Judgment, sharing—on a 50/50 basis—any additional Settlement administration expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payments or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

11. AMENDED JUDGMENT

11.1 If any amendment to the Judgment is required under section 384 of the Code of Civil Procedure, the Parties will work together in good faith to jointly submit a proposed

Amended Judgment.

12. BREACH OF THIS AGREEMENT

12.1 If, prior to entry of Judgment, a Party materially breaches this Settlement Agreement, the non-breaching party may either (1) terminate the Settlement and continue to prosecute or defend the Action; or (2) request that the Court enter judgment pursuant to section 664.6 of the California Code of Civil Procedure. A reasonable variation from the deadlines contained herein shall not constitute a material breach, absent a finding from the Court to the contrary.

12.2 In the event of any breach of this Settlement Agreement or any action to enforce this Settlement Agreement, the prevailing party is entitled to attorneys' fees and costs in connection with such action.

13. VOIDING THE AGREEMENT

13.1 If 15% or more of the Settlement Class Members elect to opt out of the Class Settlement, Defendants may, at their election, rescind the Settlement Agreement, at which time the Settlement shall be void *ab initio*, shall have no force or effect whatsoever, and neither Party will have any further obligation to perform under this Settlement Agreement. Defendants must exercise this right of rescission, in writing, to Class Counsel within thirty (30) calendar days after the Administrator sends the final Exclusion List to Defense Counsel. If Defendants exercise this option to rescind, they shall be solely responsible for all Settlement administration expenses incurred to that point.

14. MISCELLANEOUS PROVISIONS

14.1 <u>No Admission of Liability; No Class Certification or Representative Manageability for Other Purposes</u>. This Settlement Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Settlement Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendants' defenses in the Action have merit. The Parties agree that the class certification and representative treatment is for purposes of this Settlement only. If, for any reason, the Court does not grant preliminary approval, final approval, or enter judgment, Defendants reserve the right to contest certification of any class and all available defenses to the claims in the Action and Plaintiffs reserve the right to move for class certification and to contest Defendants' defenses. The Settlement, this Settlement Agreement, and the 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 Settlement Agreement).

14.2 <u>Confidentiality Prior to Preliminary Approval</u>. Plaintiffs, Class Counsel, Defendants, and Defense Counsel separately agree that, until the Motion for Preliminary

Approval is filed, they and each of them will not disclose, disseminate, and/or publicize, or cause or permit another person to disclose, disseminate, or publicize, any of the terms of this Settlement Agreement, directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Settlement Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify the other Parties of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendants, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Settlement Agreement or the matters giving rise to this Settlement Agreement except to respond only that "the matter was resolved" (or words to that effect). This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

14.3 Parties' Authority. The respective signatories to this Settlement Agreement each represent that they are fully authorized to enter into this Settlement and bind the respective Parties to its terms and conditions.

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

14.5 Confidentiality. To the extent permitted by law, all agreements made and orders issued during the Action and in this Settlement Agreement relating to the confidentiality of information shall survive the execution of this Settlement Agreement.

14.6 Use and Return of Class Data. Information provided to Class Counsel pursuant to section 1152 of the Evidence Code and all copies and summaries of the Class Data provided to Class Counsel by Defendants and Defense Counsel in connection with mediation, other settlement negotiations, or in connection with the Settlement may be only used with respect to this Settlement and for no other purpose and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. No later than ninety (90) days after the date when the Court discharges the Administrator's obligation to provide a declaration confirming the final pay out of all Settlement funds, Plaintiffs and/or Class Counsel shall destroy all papers and electronic versions of Class Data received from Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants make a written request to Class Counsel for the return, rather than the destruction, of Class Data.

14.7 Cooperation. The Parties and their counsel shall cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence, and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement or on any modification of the Settlement Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

14.8 Headings. The descriptive heading of any section or paragraph of this Settlement Agreement is inserted for convenience of reference only and does not constitute part of this Settlement Agreement.

14.9 Calendar Days. Unless otherwise noted, all reference to "days" in this Settlement Agreement shall be calendar days. In the event any date or deadline set forth in this Settlement Agreement falls on a weekend or federal legal holiday, such date or deadline shall be deemed to be on the first business day thereafter.

14.10 Drafting. The Parties agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arms-length negotiations between the Parties. Neither Party shall be considered the "drafter" of this Settlement Agreement for purposes of having terms construed against that Party and this Settlement Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or his, her, or its counsel participated in the drafting of this Settlement Agreement.

14.11 Extensions of Time. If a Party cannot reasonably comply with an obligation under this Settlement Agreement by the deadline(s) applicable to such obligation as set forth herein, that Party may apply to the Court for a reasonable extension of time to fulfill that obligation. Consent to such a request shall not be unreasonably withheld by the other Party.

14.12 Modifications of the Settlement Agreement. This Settlement Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all the Parties or their representatives, and approved by the Court.

14.13 Governing Law. The rights and obligations of the Parties herein shall be construed and enforced in accordance with, and shall be governed by, the law of the State of California, without regard to the principles of conflict of laws.

14.14 No Impact on Benefit Plans. Neither the Settlement nor any amounts paid under this Settlement Agreement will modify any previously credited hours or service under any employee benefit plan, policy, or bonus program sponsored by Released Parties. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlements under Released Parties' sponsored benefit plans, policies, or bonus programs. The payments made under the terms of this Settlement Agreement shall not be applied retroactively, currently, or on a going-forward basis as salary, earnings, wages, or any other form of compensation for purposes of any Released Parties' benefit plan, policy, or bonus program. Released Parties retain the right to modify the language of Released Parties' benefit plans, policies, and bonus programs to effect this intent and to make clear that any amounts paid pursuant to this Settlement Agreement are not for "hours worked," "hours paid," "hours of service," or any similar measuring term as defined by applicable plans, policies, and bonus programs for purposes of eligibility, vesting, benefit accrual, or any other purpose and that additional contributions or benefits will not be required by this Settlement Agreement or as a result of the Settlement.

14.15 Integration. This Settlement Agreement, along with the attached exhibits, contains the entire agreement between the Parties relating to the Settlement. All prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or by such Party's counsel, are merged herein. No rights herein may be waived except for in writing.

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

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

14.18 Binding on Successors. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, and successors.

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

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

Class Counsel	*Defense Counsel*
Amir Nayebdadash, Esq. ***amir@protectionlawgroup.com*** **Carlos Jimenez, Esq.** ***carlos@protectionlawgroup.com*** **PROTECTION LAW GROUP LLP** **237 California Street** **El Segundo, California 90245** **Tel: (424) 294 | Fax: (866) 264-7880** ******* **Rolando J. Gutierrez, Esq.** ***rgutierrez@brownwhitelaw.com*** **Nicholas L. Ramirez, Esq.** ***nramirez@brownwhitelaw.com*** **BROWN WHITE & OSBORN LLP** **333 South Hope Street, 40th Floor** **Los Angeles, California 90071-1406** **Tel: (213) 613-0500 | Fax: (213) 613-0550**	Glenn L. Briggs, Esq. *gbriggs@kadingbriggs.com* Stanley Stringfellow, Esq. *sgs@kadingbriggs.com* **KADING BRIGGS LLP** 100 Spectrum Center Drive, Suite 800 Irvine, California 92618 Telephone: (949) 450-8040 Facsimile: (949) 450-8033

14.21 Stay of Action. The Parties agree that upon the execution of this Settlement Agreement, the Action shall be stayed, except to effectuate the terms of this Settlement Agreement. The Parties further agree that, upon the signing of this Settlement Agreement, pursuant to section 583.330 of the Code of Civil Procedure, the date to bring a case to trial under section 583.310 of the Code of Civil Procedure is tolled for the entire period of the settlement process.

14.22 Class Member Signatories. It is agreed that, because the members of the Class are so numerous, it is impossible or impractical to have each member of the Class execute this Settlement Agreement. The Class Notice attached hereto will advise all Class Members of the binding nature of the Releases set forth herein and such shall have the same force and effect as if this Settlement Agreement were executed by each member of the Class.

/ / /

/ / /

/ / /

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

DocuSigned by:

DATED: __________ By: __________
549C280AFBF44D3...
NATASHA KONISHI
Class Representative

DATED: __________ By: __________
NICOLE WHEAT
Class Representative

DATED: __________ By: __________
MARIO MAROVIC
For Himself and for Defendants

APPROVED AS TO FORM:

DATED: __________ **PROTECTION LAW GROUP, LLP**

By: __________
AMIR NAYEBDADASH
CARLOS JIMENEZ
Attorneys for Natasha Konishi

DATED: __________ **BROWN WHITE & OSBORN, LLP**

By: __________
ROLANDO J. GUTIERREZ
NICHOLAS L. RAMIREZ
Attorneys for Nicole Wheat

DATED: __________ **KADING BRIGGS LLP**

By: __________
GLENN L. BRIGGS
STANELY STRINGFELLOW II
Attorneys for Defendants

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

DATED: __________ By: ______________________________
NATASHA KONISHI
Class Representative

DATED: 10/25/2023 By: ______________________________
NICOLE WHEAT
Class Representative

DATED: __________ By: ______________________________
MARIO MAROVIC
For Himself and for Defendants

APPROVED AS TO FORM:

DATED: __________ **PROTECTION LAW GROUP, LLP**

By: ______________________________
AMIR NAYEBDADASH
CARLOS JIMENEZ
Attorneys for Natasha Konishi

DATED: October 25, 2023 **BROWN WHITE & OSBORN, LLP**

By: ______________________________
ROLANDO J. GUTIERREZ
NICHOLAS L. RAMIREZ
Attorneys for Nicole Wheat

DATED: __________ **KADING BRIGGS LLP**

By: ______________________________
GLENN L. BRIGGS
STANELY STRINGFELLOW II
Attorneys for Defendants

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

DATED: __________

By: ______________________________
NATASHA KONISHI
Class Representative

DATED: __________

By: ______________________________
NICOLE WHEAT
Class Representative

DATED: 11-1-2023

By: ______________________________
MARIO MAROVIC
For Himself and for Defendants

APPROVED AS TO FORM:

DATED: __________

PROTECTION LAW GROUP, LLP

By: ______________________________
AMIR NAYEBDADASH
CARLOS JIMENEZ
Attorneys for Natasha Konishi

DATED: __________

BROWN WHITE & OSBORN, LLP

By: ______________________________
ROLANDO J. GUTIERREZ
NICHOLAS L. RAMIREZ
Attorneys for Nicole Wheat

DATED: 11/2/2023

KADING BRIGGS LLP

By: ______________________________
GLENN L. BRIGGS
STANELY STRINGFELLOW II
Attorneys for Defendants

EXHIBIT A

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

Natasha Konishi et al. v. The Lounge Group, Inc., et al.
Orange County Superior Court Case No. 30-2021-01201250-CU-OE-CXC

The Superior Court for the State of California Authorized this Notice. Read It Carefully! You Are Not Being Sued. This Notice Is Not Junk Mail, Spam, an Advertisement, or Solicitation by a Lawyer.

You may be eligible to receive money from an employee class action lawsuit (the "Action") against Lounge Group, Inc.; The Stag Bar, Inc., dba Stag Bar; Malarky's Irish Pub, Inc., dba Malarky's Irish Pub; Oceanfront Deli, Inc., dba Dory Deli; Orange Circle Lounge, Inc., dba The District Lounge; Peninsula Restaurant Group, Inc., dba Playa Mesa; Fullerton Lounge, Inc., dba Matador Cantina; The Balboa, LLC, dba Helmsman Ale House; Muldoon's Pub, LLC, dba Muldoon's Irish Pub; Blackie's By the Sea, LLC, dba Blackie's by the Sea; Cold Brew, LLC, dba 2J's Lounge; Mariner's Restaurant, LLC, dba Wild Goose Tavern; Boardwalk Mexican, LLC, dba Super Panga Taqueria; and/or PSA Fund, LLC, dba The Country Club (collectedly, "Defendants") for alleged wage-and-hour violations. The Action was filed by former employees of Defendants, Natasha Konishi ("Plaintiff Konishi") and Nicole Wheat ("Plaintiff Wheat") (Plaintiffs Konishi and Plaintiff Wheat are jointly referred to as "Plaintiffs"), and seeks payment of (1) allegedly unpaid back wages and related penalties for a class of non-exempt hourly employees ("Class Members") who worked for Defendants during the Class Period of May 18, 2017, to January 13, 2023; and (2) additional penalties under the California Private Attorney General Act ("PAGA") for all non-exempt hourly employees who worked for Defendants during the PAGA Period from April 22, 2020 to January 13, 2023 ("Aggrieved Employees").

The proposed settlement has two main parts: (1) a Class Settlement requiring Defendants to fund "Individual Class Payments," and (2) a PAGA Settlement requiring Defendants to fund "Individual PAGA Payments" and pay penalties to the California Labor and Workforce Development Agency ("LWDA"). The Class Settlement and the PAGA Settlement are collectively referred to herein as the "Settlement."

Your Individual Class Payment is estimated to be $____ (less withholdings) and your Individual PAGA Payment is estimated to be $____. The actual amount you may receive will likely be different and will depend on a number of factors, which is explained in more detail in Section 4E of this Notice. The above estimates are based on Defendants' records that show you worked **___ workweeks** during the Class Period and **___ pay periods** during the PAGA Period.

While the Court has already preliminarily approved the Settlement, it has not yet decided whether to grant final approval of the Settlement. **A final approval hearing ("Final Approval Hearing") regarding the Settlement will be held on __, 2024 at __ a.m./p.m. at the Orange County Superior Court of the State of California, Department CX 105, located at 751 West Santa Ana Boulevard, Santa Ana, California 92701.** The Court will determine at the hearing whether the Settlement is fair, reasonable, and adequate, whether to enter a judgment 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. The Court will also decide how much of the Settlement will be paid to Plaintiffs and Plaintiffs' attorneys ("Class Counsel").

Read this Notice carefully. You will be deemed to have carefully read and understood it. Your legal rights are affected whether you act or not.

If you worked for any of the 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 Settlement to 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 (opt out of) the Class Settlement by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt out of the Class 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 Settlement.

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	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 ACTION SETTLEMENT BUT NOT THE PAGA SETTLEMENT **THE OPT-OUT DEADLINE IS ____________**	If you do not want to fully participate in the Settlement and wish to fully retain your rights to pursue the non-PAGA Labor Code claims at issue in the Action, you can opt out of the Class Settlement by sending the Administrator (defined in Section 4B, below) a written Request for Exclusion (defined in Section 5D, below). **Once excluded, you will be a "Non-Participating Class Member" who is no longer eligible for an Individual Class Payment**. Non-Participating Class Members cannot object to any portion of the Settlement. If you opt out of the Class Settlement, your share of the non-PAGA Settlement proceeds may be divided up amongst the Participating Class Members. See Section 5D of this Notice. If you are an Aggrieved Employee, legally you cannot opt out of the PAGA Settlement. Defendants must pay the Individual PAGA Payments to all Aggrieved Employees and all Aggrieved Employees give up their rights as a matter of law to pursue PAGA claims during the PAGA Period.

PARTICIPATING CLASS MEMBERS CAN OBJECT TO THE CLASS SETTLEMENT BUT NOT THE PAGA SETTLEMENT **WRITTEN OBJECTIONS MUST BE SUBMITTED BY ________________**	Any Participating Class Members may object to the any aspect of the Class Settlement but not the PAGA Settlement. The Court's decision whether to grant final approval of the Settlement will include a determination of how much will be paid to Plaintiffs and to Class Counsel who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, however, every dollar paid to them reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Plaintiffs and/or Class Counsel if you think they are unreasonable. See Section 5C of this Notice.
YOU CAN PARTICIPATE IN THE FINAL APPROVAL HEARING, SCHEDULED FOR ________________	The Court's Final Approval Hearing is scheduled to take place on ________. You do not 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. See Section 7A of this Notice.
YOU CAN CHALLENGE THE CALCULATION OF YOUR WORKWEEKS/PAY PERIODS **WRITTEN CHALLENGES MUST BE SUBMITTED BY ________________**	The amount of your Individual Class Payment and Individual PAGA Payment (if any) depend on how many workweeks you worked during the Class Period and how many pay periods you worked during the PAGA Period, respectively. The number of workweeks in the Class Period and the number of pay periods in the PAGA Period you worked according to Defendants' records are stated on the first page and on Section 4E of this Notice. If you disagree with either of these numbers, you may challenge it by ________. See Section 5B of this Notice. Any dispute as to the number of workweeks and/or pay periods must be in writing. The Administrator will investigate and determine if the dispute appears to be valid. Defendants' records will be presumed accurate so you must include proof substantiating your dispute.

1. WHAT IS THE PURPOSE OF THIS NOTICE?

Plaintiff Konishi initiated a putative class action on May 18, 2021, known as *Natasha Konishi v. Lounge Group, Inc., et al.*, in Orange County Superior Court, Case Number 30-2021-01201250-CU-OE-CXC, against Lounge Group, Inc., The Balboa, LLC, and Mario Marovic. On July 15, 2021, Plaintiff Wheat initiated a separate putative class action known as *Nicole Wheat v. Mario Marovic, et. al.*, in Orange County Superior Court, Case No. 30-2021-01210986-CU-OE-CXC, against Defendants. Plaintiffs and Defendants in both the *Konishi* action and the *Wheat* action have reached a global settlement on behalf of non-exempt employees who worked for Defendants at any time between May 18, 2017, to January 13, 2023. As a condition of settlement, the parties agreed to combine the *Konishi* action and the *Wheat* action into a single, consolidated lawsuit (the "Action") by (1) amending the complaint in the *Konishi* Action, which is now the "Operative Complaint," to add Plaintiff Wheat as a named plaintiff and

The Stag Bar, Inc., Malarky's Irish Pub, Inc., Oceanfront Deli, Inc., Orange Circle Lounge, Inc., Peninsula Restaurant Group, Inc., Fullerton Lounge, Inc., Muldoon's Pub, LLC, Blackie's by the Sea, LLC, Cold Brew, LLC, Mariner's Restaurant, LLC, Boardwalk Mexican, LLC, PSA Fund, LLC as named defendants; and (2) dismissing the *Wheat* Action. Judge Randall J. Sherman in Department CX105 of the Orange County Superior Court is overseeing the Action and this Settlement. Defendants' records indicate that you are a Class Member covered by this Settlement.

2. WHAT IS THE ACTION ABOUT?

The Action alleges that Defendants violated California labor laws (and the related Industrial Wage Order) by failing to pay minimum wages, overtime and double time wages, wages due upon termination, and reimbursable expenses and by failing to provide rest breaks, meal periods, and accurate itemized wage statements. Based on these same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (California Labor Code §§ 2698, *et seq*.) Plaintiffs are represented by Class Counsel, namely, Amir Nayebdadash, Esq., Heather Davis, Esq., and Carlos Jiminez, Esq., of PROTECTION LAW GROUP, LLP, and by Rolando J. Gutierrez, Esq. of BROWN WHITE & OSBORN LLP.

You can read Plaintiffs' allegations as stated in the Operative Complaint, which is available at __ [Administrator's website].

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

The Court has not decided whether Defendants or Plaintiffs are correct. Defendants and Plaintiffs reached a settlement by mediating this Action with an experienced neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. By signing a lengthy written settlement agreement (the "Settlement Agreement") and agreeing to jointly ask the Court to enter judgment ending the Action and enforcing the terms of the Settlement Agreement, Plaintiffs and Defendants have negotiated a 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 merits of any of Plaintiffs' claims. Plaintiffs and Class Counsel strongly believe that the Settlement is a good deal for you because they believe that: (a) Defendants have agreed to pay a fair, reasonable, and adequate amount considering the strengths of the claims and the risks and uncertainties of continued litigation; and (b) settlement is in the best interests of the Class Members and the Aggrieved Employees. The Court preliminarily approved the Settlement as fair, reasonable, and adequate, authorized this Notice, and has scheduled a hearing to determine final approval.

4. TERMS OF THE SETTLEMENT

A. HOW MUCH IS THE SETTLEMENT AND WHO IS PAYING IT?

Defendants have agreed to pay $1,750,000.00 (the "Gross Settlement Amount") to settle all the claims of Plaintiffs, Class Members, and Aggrieved Employees. The Gross Settlement Amount will be deposited into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement Amount to pay the Individual Class Payments, Individual PAGA Payments, payment to Plaintiffs for initiating the Action and providing services in support of the Action (the "Class Representative Service Payment"), Class Counsel's fees and litigation expenses, the expenses incurred by the Administrator to effectuate the Settlement, and penalties required to be paid to the California Labor and Workforce Development Agency ("LWDA").

B. THE ADMINISTRATOR

The Court has appointed the neutral company, CPT Group, Inc. (the "Administrator"), to administer the Settlement, including sending this Notice, calculating and making payments, and processing any Class Member's Request for Exclusion. The Administrator will also decide Class Member challenges over workweeks and/or pay periods, mail and re-mail settlement checks and tax forms, and perform any other tasks necessary to administer the Settlement.

C. WHAT WILL THE GROSS SETTLEMENT AMOUNT PAY?

At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement Amount, the final amounts for which will be decided by the Court at the Final Approval Hearing:

i. Up to $612,500.00 (which represents thirty-five percent (35%) of the Gross Settlement Amount) to Class Counsel for attorneys' fees and up to $54,000 for Class Counsel's litigation expenses. To date, Class Counsel have worked and incurred expenses in and for the Action without payment.

ii. Up to $30,000.00 to Plaintiffs as a Class Representative Service Payment for filing the Action, working with Class Counsel, and representing the Class. $15,000 will be paid to Plaintiff Konishi and $15,000 will be paid to Plaintiff Wheat, in addition to their respective Individual Class Payments and Individual PAGA Payments.

iii. Up to $26,000 to the Administrator for services to administer the Settlement.

iv. Up to $100,000.00 for PAGA penalties, of which seventy-five percent (75%) (*i.e.*, $75,000) shall be remitted to the LWDA as the LWDA PAGA payment and the remaining twenty-five percent (25%) (*i.e.*, $25,000) shall be distributed to Aggrieved Employees based on their PAGA Period pay periods.

After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement Amount to Class Members (the "Net Settlement Amount"). Any Participating Class Member has the right to object to any portion of these deductions. The Court will consider all objections.

D. HOW WILL THE NET SETTLEMENT AMOUNT BE DISTRIBUTED AMONG CLASS MEMBERS?

The Net Settlement Amount of at least $927,500 will be distributed as follows:

i. Individual Class Payments.

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

ii. The Individual PAGA Payments.

The Administrator will also calculate the Individual PAGA Payments by (a) dividing $25,000.00 by the total number of PAGA pay periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period pay periods worked by each individual Aggrieved Employee.

iii. Taxes Treatment of Payments to the Class Members.

Plaintiffs and Defendants are requesting the Court to approve an allocation of one-third (1/3) of each Individual Class Payment toward taxable wages (the "Wage Portion") and the remaining two-thirds (2/3) of towards penalties and interest (the "Non-Wage Portion"). The Wage Portion is subject to withholdings, as reported on IRS W-2 Forms, which will pay all applicable employee tax withholding and all employer-paid payroll taxes, including employer FICA, FITA, and SDI contributions, which shall be withheld from your Individual Class Payment. 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.

Although Plaintiffs and Defendants have agreed to this allocation, neither side is giving you any advice on whether your Individual Class Payment and/or Individual PAGA Payment are taxable and how much you might owe in taxes. You should consult with a tax advisor concerning the tax consequences of the payments you receive under the Settlement.

E. WHAT WILL MY APPROXIMATE RECOVERY BE?

Based on Defendants' records, and the Parties' current assumptions, **your Individual Class Payment is estimated to be $____ (less withholding) and your Individual PAGA Payment is estimated to be $____.**[1] The actual amount you may receive will likely be different and will depend on a number of factors, including (i) the number of Class Members who ultimately participate in the Settlement; (ii) the ultimate costs of providing notice and administrating the Settlement; and (iii) the amount that the Court ultimately awards with respect to the Class Representative Service Payment, Class Counsel's fees and litigation expenses, and Administrator expenses.

The above estimates are based on Defendants' records that show **you worked ____ workweeks** during the Class Period and **you worked ____ pay periods** during the PAGA Period. If you believe that you worked more workweeks during the Class Period or you worked more pay periods during the PAGA Period, you can submit a challenge by the deadline date indicated in Section 5B of this Notice.

F. WHAT CLAIMS WOULD I BE RELEASING IF I DO NOT OPT OUT OF THE SETTLEMENT?

Upon final approval of the Settlement and when Defendants have fully funded the Gross Settlement Amount, each Class Member who has not opted out of the Class Settlement (*i.e.*, each Participating Class Member) will be legally-barred from asserting any of the claims released under the Settlement. This means that, unless you have opted out by submitting a valid and timely Request for Exclusion, you cannot sue, continue to sue, or be part of any other lawsuit against Defendants or related entities for wages based on the Class Period facts or for PAGA penalties based PAGA Period facts, as alleged in the Operative Complaint.

The Participating Class Members will be bound by the following release:

> Plaintiffs and all other Participating Settlement Class Members (*i.e.*, Settlement Class members who do not exclude themselves from the Settlement), for themselves and for their respective former and present spouses, agents, attorneys, heirs, administrators, successors, and assigns, will release and discharge Defendants and any of their former and/or present parents, subsidiaries, affiliates, officers, directors, managers, owners, executives, partners, employees, shareholders, agents, attorneys, and any other successors, assigns, or legal representatives, including Marovic ("Released Parties"), from the claims alleged in Complaint, all prior pleadings in the Action and/or the *Wheat* Action, and the PAGA Notices respectively filed by Plaintiffs or that reasonably could have been alleged based on the facts and theories stated therein, from May 18, 2017, through January 13, 2023, including any potential claims arising from or related to: (1) any alleged failure to pay wages, including minimum, regular, overtime, and double-time wages; (2) any

[1] 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 did not work during the PAGA Period.

alleged failure to provide, authorize, or permit compliant meal and/or rest periods or compensation in lieu thereof; (3) any alleged failure to timely pay all wages due and owing during and/or upon termination of employment; (4) any alleged failure to provide accurate itemized wage statements; (5) any alleged failure to maintain complete and accurate payroll records; (6) any alleged failure to furnish employee personnel and payroll records upon request; (7) any alleged failure to reimburse necessary business expenses; and (8) any alleged violations of the Unfair Competition Law (the "Released Claims"). The Released Claims expressly include all claims for alleged violations of, or recovery of unpaid wages, premium payments, penalties, restitution, fees, costs, interest, and/or other damages under, Labor Code sections 201, 201.3, 202, 203, 204, 210, 226, 226.3, 226.7 *et seq.*, 510, 512, 558 *et seq.*, 1174, 1182, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199 *et seq.*, 2698 *et seq.*, and 2802; California Code of Regulations, title 8, section 11050 and all corresponding and applicable IWC Wage Orders, including sections 3, 9, 11, and 12 therein; California Business and Professions Code section 17200 *et seq.*; and any and all corresponding federal statutes and regulations.

Aggrieved Employees shall also be bound by the release of any claims for civil penalties under section 2699 *et seq*. of the California Labor Code that were or could have been alleged in the Operative Complaint, even if they formally opted out of the Class Settlement and are no longer bound by the other provisions of the above release that are not claims for civil penalties under section 2699 *et seq*. This means that all Aggrieved Employees (including Non-Participating Class Members) 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 Operative Complaint. The Aggrieved Employees releases provides as follows:

All Aggrieved Employees, including Plaintiffs and Non-Participating Class Members, for themselves and for their respective former and present spouses, agents, attorneys, heirs, administrators, successors, and assigns, will release and discharge the Released Parties from all claims for any and all PAGA remedies that were alleged, or reasonably could have been alleged, or that were based on, arise from, or relate to the facts stated in the Second Amended Complaint, all prior pleadings in the Action and/or in the *Wheat* Action, and/or Plaintiffs' respective PAGA Notices, from April 22, 2021, and July 15, 2021, until January 13, 2023, including any right, claim, or demand for civil penalties pursuant to Labor Code sections 210, 226.3, 558, 1174.5, 1197.1, and 2699 in connection with alleged violations of Labor Code sections 201, 202, 203, 204, 226, 226.7 *et seq.*, 510, 512 *et seq.*, 1174, 1182, 1182.12, 1194, 1194.2, 1197, 1198, 1198.5, 2802, and 2810.5. Plaintiff and PAGA Settlement Group Members will be bound by this release of PAGA claims even if they, or any of them, request to be excluded from the Class Settlement.

G. THE SETTLEMENT IS SUBJECT TO COURT APPROVAL AND WILL BE VOID IF THE COURT DENIES FINAL APPROVAL.

It is possible that the Court will decline to grant final approval of the Settlement or decline to enter judgment on its order granting final approval. It is also possible that the Court will enter a judgment on its order granting final approval that is subsequently reversed on appeal. Plaintiffs and Defendants have agreed that, in either case, the Settlement will be void, meaning that Defendants will not pay any money and Class Members will not release any claims against Defendants.

5. YOUR RIGHTS AND OPTIONS

A. HOW WILL I GET PAID?

For every Participating Class Member (*i.e.*, every Class Member who does not opt-out), the

Administrator will send, by U.S. Mail, an Individual Class Payment Check, and a separate Individual PAGA Payment check to those who qualify as Aggrieved Employees. For every Non-Participating Class Member (*i.e.*, every Class Member who opted out of the Class Settlement) who qualify as Aggrieved Employees, the Administrator will send, by U.S. Mail, a single Individual PAGA Payment check.

The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check(s) expires (the void date). If you do not negotiate the check(s) by the void date, your check(s) will be automatically cancelled. Any unclaimed funds from any uncashed checks, plus any interest thereon, shall be distributed to the California State Controller's Unclaimed Property Fund in the names of the Participating Class Members and/or Aggrieved Employees.

Your check(s) will be sent to the same address as indicated on this Notice. If you change your address (or want your check sent to a different address), please be sure to notify the Administrator as soon as possible. Sections 5B and 8 of this Notice have the Administrator's contact information.

B. CAN I DISPUTE THE NUMBER OF WEEKS OR PAY PERIODS DEFENDANTS CLAIM I WORKED?

Yes. If you disagree with the number of workweeks and/or PAGA Period pay periods reported for you in Defendants' records, you may file a written dispute with the Administrator by ___, 2024. You can submit your challenge by signing and sending a letter to the Administrator via mail, email, or fax to the Administrator at the following address:

__ CLASS ACTION ADMINISTRATOR

[Administrator]

[Address, telephone, and fax]

The Administrator's contact information is also provided below, section 8.

Any dispute submitted to the Administrator as to the number of workweeks and/or pay periods, must be in writing and include proof supporting your dispute. In the absence of any contrary documentation, the Administrator is entitled to presume that the workweeks and pay periods contained in this Notice are correct so long as they are consistent with the Class Data. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve the workweek and/or pay period challenges based on your submission and input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defense Counsel. The Administrator's determination is final and binding. You cannot appeal or otherwise challenge the Administrator's final decision.

Do not contact the court to dispute the calculation of your Class Period workweeks and/or PAGA Period pay periods.

C. CAN I OBJECT TO THE SETTLEMENT?

Yes, but **only** as to the Class Settlement **and only if** you do not opt out of the Class Settlement. If you do not wish to opt out of the Class Settlement but disagree with any portion of the Class Settlement, you have the right to file an objection. If you opt out of the Class Settlement, you will be ineligible to object to any portion of the Class Settlement.

If you do not opt out of the Class Settlement, you can object to the Class Settlement and you can give reasons for why you think the Court should not approve it. The Court will consider your position. Your objection must state, in writing, the specific reason for your objection, including any legal support, as well as your full legal name, date of birth, and the dates you worked as a non-exempt employee of

Defendants and must be mailed, faxed, or emailed to the Administrator no later than _________.

Whether or not you object to or opt out of the Class Settlement, you may not object to the PAGA Settlement for any reason. This means that, if you qualify as an Aggrieved Employee, you will automatically be bound by the PAGA Settlement and related release.

D. CAN I OPT OUT OF THE SETTLEMENT?

Yes, but **only** to the Class Settlement. You cannot opt out of the PAGA Settlement.

You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing that you wish to opt out of the Class Settlement. The easiest way to notify the Administrator is to submit a written and signed request to be excluded from the Class Settlement ("Request for Exclusion) by __. The Request for Exclusion should be a letter from a Class Member or his/her representative and must: (a) include your name, the last four digits of your social security number, and your signature; and (b) indicate that you desire to exclude yourself from the Class 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. If you submit a timely and valid Request for Exclusion, as determined by the Administrator, you will be ineligible to object to any aspect of the Settlement.

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

If you opt out of the Class Settlement, your share of the non-PAGA Settlement proceeds may be divided up amongst the Participating Class Members.

E. WHAT IF I DO NOTHING?

If you do nothing, you will receive your Individual Class Payment and/or Individual PAGA Payment, if any, from the Net Settlement Amount but only *if* and *after* the Court grants final approval. If you do not cash your settlement check(s), you will still be bound by all the terms of the Settlement, including the waivers and releases discussed in Section 4F, and you will be prevented from suing Defendants or participating in any other litigation or class action relating to the matters being settled in this Action.

6. PROHIBITION AGAINST RETALIATION

Defendants have agreed to this Settlement and they shall not discriminate and/or retaliate against any Class Member who accepts benefits under this Settlement. Your participation in this Settlement will in no way affect your employment relationship with Defendants.

7. FINAL APPROVAL OF SETTLEMENT

A. HOW AND WHEN WILL THE COURT PROVIDE FINAL APPROVAL OF THE SETTLEMENT?

The Orange County Superior Court of the State of California will hold a Final Approval Hearing on __, 2024, at __ a.m./p.m., in Department CX105, located at 751 West Santa Ana Boulevard, Santa Ana, California 92701, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve the Class Representative Service Payment, Class Counsel's fees and litigation expenses, and the expenses incurred by the Administrator to effectuate the Settlement. The Court will invite comments from Class Members who have submitted written objections, Class Counsel, and Defense Counsel before making a decision. Though your attendance is not required, you may attend (or hire a lawyer to attend) either personally or virtually via [remote link]. It is possible the Court may reschedule the Final Approval Hearing. You should check the Administrator's website [____] beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

B. WHEN WILL I GET MY SETTLEMENT CHECK(S)?

If there are no appeals to the Court's order granting final approval of the Settlement, the check(s) representing the Individual Class Payment and/or Individual PAGA Payment will be mailed out approximately __ days after the Court enters judgment on its order granting final approval of the Settlement.

8. GETTING MORE INFORMATION

This Notice does not contain all the terms of the Settlement or all of the details of these proceedings. For more detailed information, you may refer to the underlying documents and papers on file with the Court.

You may also visit the __ website at [Administrator's website] to find specific documents related to this case and be able to access the Notice and other forms. There is no charge to view the documents on this website.

You may also contact Class Counsel or the Administrator for information about this Action:

Class Counsel for Plaintiffs ***Natasha Konishi, Nicole Wheat, and the Settlement Class***	
Heather Davis, Esq. *heather@protectionlawgroup.com* Amir Nayebdadash, Esq. *amir@protectionlawgroup.com* Carlos Jimenez, Esq. *carlos@protectionlawgroup.com* **PROTECTION LAW GROUP LLP** 237 California Street El Segundo, California 90245 Tel: (424) 294 | Fax: (866) 264-7880	Rolando J. Gutierrez, Esq. *rgutierrez@brownwhitelaw.com* **BROWN WHITE & OSBORN LLP** 333 South Hope Street, 40th Floor Los Angeles, California 90071-1406 Tel: (213) 613-0500 | Fax: (213) 613-0550
The Administrator	
[Name] [Address]	

<u>DO NOT TELEPHONE, WRITE, OR OTHERWISE CONTACT THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.</u>